

SCHEME INFORMATION DOCUMENT**AXIS GOLD FUND****An open ended fund of fund scheme**

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

New Fund Offer Opens on: September 30, 2011

New Fund Offer Closes on: October 14, 2011

Scheme re-opens on or before: October 28, 2011

Name of the Sponsor	:	Axis Bank Limited
Name of Mutual Fund	:	Axis Mutual Fund
Name of Asset Management Company	:	Axis Asset Management Company Limited
Name of Trustee Company	:	Axis Mutual Fund Trustee Limited
Addresses, Website of the AMC, Trustee & Mutual Fund	:	"Axis House", 1st Floor, Bombay Dyeing Mill Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025 www.axismf.com

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations or the Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the Asset Management Company (AMC). The Units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Axis Mutual Fund, Tax and Legal issues and general information on www.axismf.com.

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

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated September 19, 2011

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HIGHLIGHTS/SUMMARY OF THE SCHEME

Investment objective

To generate returns that closely correspond to returns generated by Axis Gold ETF.

Liquidity

The Scheme offers Units for Subscription and Redemption at NAV based prices on all Business Days on an ongoing basis, commencing not later than 5 business days from the date of allotment. Under normal circumstances the AMC shall dispatch the redemption proceeds within 10 business days from date of receipt of request from the Unit holder.

Benchmark

Domestic price of gold

Transparency/NAV Disclosure

The AMC will calculate and disclose the NAVs for all Business Days. The NAV of the Scheme shall be published in at least in two daily newspapers. The AMC shall update the NAVs on its website (www.axismf.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) for a business day by 10 a.m. on the next Business Day. If the NAVs are not available before the commencement of business hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.

The AMC will disclose the portfolio of the Scheme within one month from the close of each half year (i.e. 31st March and 30th September) either by sending a complete statement to all the Unit holders or by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The portfolio statement will also be displayed on the website of the AMC and AMFI.

The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year.

Minimum Application Amount

Rs. 5,000 in multiples of Re. 1/- thereafter

Minimum Additional Purchase Amount

Rs.100 and in multiples of Re. 1/- thereafter

Minimum application amount is applicable only at the time of creation of new folio.

Loads

Entry Load: Not Applicable

Exit Load: an Exit Load of 1% is payable if Units are redeemed / switched-out within 1 year from the date of allotment.

SEBI vide its circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided

that there shall be no entry Load for all Mutual Fund Schemes. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder (AMFI registered Distributor) directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

For more details on Load Structure, please refer paragraph "Load Structure".

Benefits of investing in Gold FoF:

- 1) No requirement of demat account: Investors do not require a demat account for investing in a Gold FoF.
- 2) Facility of Systematic Investment Plan: Investors can invest regularly using this facility.
- 3) Cost efficient: Investing in a Gold FoF may be cost efficient in comparison to investing in a Gold ETF through a demat account. Investors in a Gold ETF have to incur charges like annual maintenance charges of demat account, delivery brokerage charges & annual scheme recurring expenses. Investments in a Gold FoF are subject to only annual scheme recurring expenses.

Example if an investor subscribing Rs 50,000/- each in a Gold ETF through the dematerialized mode and Gold FoF through physical application would incur following charges

Charges	Gold ETF through Demat Mode	Gold FoF through Physical Application Mode
Account Opening charges	Nil	Nil
Annual Maintenance charges of Demat Account	Rs 0 – Rs 1200	Nil
Delivery brokerage charges	Rs 25 - Rs175	Nil
Transaction charges	Rs 25	Nil
Annual Scheme Recurring Expenses *	Rs 500	Rs. 750**
Total	Rs 550- Rs 1900	Rs. 750

Delivery brokerage in the above example is in the range of 0.05% to 0.35% .The above charges may vary as per different brokers. Charges like trading account opening charges, service tax, education cess, exchange levy and stamp duty is applicable on the transactions in dematerialized mode.

* Annual Scheme Recurring Expenses as shown above is as per the expense levied to Axis Gold ETF which is 1% p.a. as on August 29, 2011, thereby the expense charged to Axis Gold Fund would be 0.50% as the total expense under both the schemes would not exceed 1.5% p.a.

** Investment in Axis Gold Fund, $50000 \times 0.5\% +$ Axis Gold Fund Investing in Axis Gold ETF $50000 \times 1\% = 250 + 500 = 750$

I. INTRODUCTION

A. RISK FACTORS

(i) Standard Risk Factors:

- Investment in mutual fund units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- Axis Gold Fund is the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects and returns.
- The sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1 lakh made by it towards setting up the Fund.
- Axis Gold Fund is not a guaranteed or assured return *scheme*.

(ii) Scheme Specific Risk Factors

1. The NAV of gold ETFs is closely related to the value of gold held by the scheme. The value (price) of gold may fluctuate for several reasons and all such fluctuations will result in changes in the NAV of gold ETFs. The factors that may effect the price of gold, among other things, include demand and supply for gold in India and in the global market, Indian and foreign exchange rates, interest rates, inflation trends, trading in gold as commodity, legal restrictions on the movement/trade of gold that may be imposed by RBI, Government of India or countries that supply or purchase gold to/from India, trends and restrictions on import/export of gold jewellery in and out of India, etc.
2. Listing of the units of the gold ETFs does not necessarily guarantee their liquidity and there can be no assurance that an active secondary market for the units will develop or be maintained. Consequently, the ETF may quote below its face value / NAV. The market price of the Units of the Scheme, like any other listed security, is largely dependent on two factors, viz., (1) the intrinsic value of the Unit (or NAV), and (2) demand and supply of Units in the market. Sizeable demand or supply of the Units in the Exchange may lead to market price of the Units to quote at premium or discount to NAV. To that extent the return from Axis Gold Fund shall differ from the return on gold.
3. Gold ETFs would repurchase/redeem Units in Creation Unit size only. Thus unit holdings less than the Creation Unit size can only be sold through the secondary market on the Stock Exchange where these units are listed, subject to the rules and regulations of the Exchange.
4. The fund will subscribe according to the value equivalent to unit creation size as applicable for each of the underlying scheme. When subscriptions received are not adequate enough to invest in creation unit size, the subscriptions may be deployed in debt and money market instruments

which will have a different return profile compared to gold returns profile. The scheme may also invest in such instruments to meet liquidity requirements. As a result the returns of the scheme may differ from the underlying ETF(s).

Risks associated with investments in Fixed Income Securities

The following are the risks associated with investment in fixed income securities:

Interest-Rate Risk: Fixed income securities such as government bonds, Money Market Instruments run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices depends upon the coupon and maturity of the security. It also depends upon the yield level at which the security is being traded.

Re-investment Risk: Investments in fixed income securities carry re-investment risk as interest rates prevailing on the coupon payment or maturity dates may differ from the original coupon of the bond.

Liquidity Risk: The liquidity of money market instruments may change, depending on market conditions leading to changes in the liquidity premium attached to the price of the instrument. At the time of selling the security, the security can become illiquid, leading to loss in value of the portfolio.

Liquidity Risk on account of unlisted securities: The liquidity and valuation of the Schemes' investments due to their holdings of unlisted securities may be affected if they have to be sold prior to their target date of divestment. The unlisted security can go down in value before the divestment date and selling of these securities before the divestment date can lead to losses in the portfolio.

Credit Risk: This is the risk associated with the issuer of a Money Market Instrument defaulting on coupon payments or in paying back the principal amount on maturity. Even when there is no default, the price of a security may change with expected changes in the credit rating of the issuer. It is to be noted here that a Government Security is a sovereign security and is the safest.

Settlement Risk: Fixed income securities run the risk of settlement which can adversely affect the ability of the fund house to swiftly execute trading strategies which can lead to adverse movements in NAV

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

In respect of transaction in Units of the Scheme through BSE and / or NSE, allotment and redemption of Units on any Business Day will depend upon the order processing / settlement by BSE and / or NSE and their respective clearing corporations on which the Fund has no control.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme/Plan shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme/Plan(s). However, if such limit is breached during the NFO of the Scheme, the Fund will endeavor to ensure that within a

period of three months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. In case the Scheme / Plan(s) does not have a minimum of 20 investors in the stipulated period, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme / Plan(s) shall be wound up and the units would be redeemed at applicable NAV. The two conditions mentioned above shall also be complied within each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable Net Asset Value on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. SPECIAL CONSIDERATIONS, if any

- Prospective investors should study this Scheme Information Document and Statement of Additional Information carefully in its entirety and should not construe the contents hereof as advice relating to legal, taxation, financial, investment or any other matters and are advised to consult their legal, tax, financial and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, before making a decision to invest/redeem/hold Units.
- Neither this Scheme Information Document, Statement of Additional Information nor the Units have been registered in any jurisdiction. The distribution of this Scheme Information Document or Statement of Additional Information in certain jurisdictions may be restricted or totally prohibited to registration requirements and accordingly, persons who come into possession of this Scheme Information Document or Statement of Additional Information are required to inform themselves about and to observe any such restrictions and/ or legal compliance requirements.
- The AMC, Trustee or the Mutual Fund have not authorized any person to issue any advertisement or to give any information or to make any representations, either oral or written, other than that contained in this Scheme Information Document or the Statement of Additional Information or as is provided by the AMC in connection with this offering. Prospective investors are advised not to rely upon any information or representation not incorporated in the Scheme Information Document or Statement of Additional Information or provided by the AMC as having been authorized by the Mutual Fund, the AMC or the Trustee.
- Redemption due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any such tax consequences that may arise due to such redemptions.
- The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise, in the event that the

Scheme is wound up for the reasons and in the manner provided in 'Statement of Additional Information ('SAI')'.

- The tax benefits described in this Scheme Information Document and Statement of Additional Information are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India as on the date of this Scheme Information Document and the Unit holders should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Unit holder is advised to consult his / her own professional tax advisor.
- The Mutual Fund may disclose details of the investor's account and transactions thereunder to those intermediaries whose stamp appears on the application form or who have been designated as such by the investor. In addition, the Mutual Fund may disclose such details to the bankers, as may be necessary for the purpose of effecting payments to the investor. The Fund may also disclose such details to regulatory and statutory authorities/bodies as may be required or necessary.
- In case the AMC or its Sponsor or its Shareholders or their affiliates/associates or group companies make substantial investment, either directly or indirectly in the Scheme redemption of Units by these entities may have an adverse impact on the performance of the Scheme. This may also affect the ability of the other Unit holders to redeem their Units.
- As the liquidity of the Scheme investments may sometimes be restricted by trading volumes and settlement periods, the time taken by the Fund for Redemption of Units may be significant in the event of an inordinately large number of Redemption Requests or of a restructuring of the Scheme portfolio. In view of this, the Trustee has the right, in its sole discretion, to limit redemptions under certain circumstances - please refer to the paragraph "Right to Limit Redemptions".
- Pursuant to the provisions of Prevention of Money Laundering Act, 2002, if after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, on failure to provide required documentation, information, etc. by the Unit holder the AMC shall have absolute discretion to report such suspicious transactions to FIU-IND and / or to freeze the folios of the investor(s), reject any application(s) / allotment of Units.
- The investors will bear the recurring expenses of the scheme in addition to the expenses of other schemes in which Axis Gold Fund will make investment.
- Investor Protection: The Scheme is designed to support longer- term investment and active trading is discouraged. Short term or excessive trading into and out of the Scheme may affect its performance by disrupting portfolio management strategies and by increasing expenses. The Fund and the distributors may refuse to accept applications for Purchase, especially where transactions are deemed disruptive, particularly from market timers or investors who, in their opinion, have a pattern of

short term or excessive trading or whose trading has been or may be disruptive for the Scheme.

If in the opinion of the AMC, a Unit holder is indulging in short term or excessive trading as above, it shall, under powers delegated by the Trustee, have absolute discretion to reject any application, prevent further transaction by the Unit holder or redeem the Units held by the Unit holder at any time prior to the expiry of 30 Business Days from the date of the application.

D. DEFINITIONS

"AMC" or "Asset Management Company" or "Investment Manager"	Axis Asset Management Company Limited, incorporated under the provisions of the Companies Act, 1956 and approved by Securities and Exchange Board of India to act as the Asset Management Company for the scheme(s) of Axis Mutual Fund.
"Applicable NAV"	The NAV applicable for purchase or redemption or Switching of Units based on the time of the Business Day on which the application is time stamped.
"Book Closure"	The time during which the Asset Management Company would temporarily suspend Sale, redemption and Switching of Units.
"Business Day"	<p>A day other than:</p> <ul style="list-style-type: none"> (i) Saturday and Sunday; (ii) A day on which the banks in Mumbai and /or RBI are closed for business /clearing; (iii) A day on which the National Stock Exchange of India Limited and/or the Stock Exchange, Mumbai are closed; (iv) A day which is a public and /or bank Holiday at an Investor Service Centre/Official Point of Acceptance where the application is received; (v) A day on which Sale / Redemption / Switching of Units is suspended by the AMC; (vi) A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time. (vii) A day on which valuation on London Bullion Market Association (LBMA) is not available. <p>The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres/Official Points of Acceptance.</p>
"Business Hours"	Presently 9.30 a.m. to 5.30 p.m. on any Business Day or such other time as may be applicable from time to time.

"Custodian"	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996, which for the time being is Deutsche Bank AG.
"Depository"	Depository as defined in the Depositories Act, 1996 (22 of 1996).
"Derivative"	Derivative includes (i) a security derived from a debt instrument, share, loan whether secured or unsecured, risk instrument or contract for differences or any other form of security; (ii) a contract which derives its value from the prices, or index of prices, or underlying securities.
"Dividend"	Income distributed by the Mutual Fund on the Units.
"FII"	Foreign Institutional Investor, registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
"Gilts" or "Government Securities"	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.
"GOI"	Government of India
"Holiday"	Holiday means the day(s) on which the banks (including the Reserve Bank of India) are closed for business or clearing in Mumbai or their functioning is affected due to a strike / bandh call made at any part of the country or due to any other reason.
"Investment Management Agreement"	The agreement dated June 27, 2009 entered into between Axis Mutual Fund Trustee Limited and Axis Asset Management Company Limited, as amended from time to time.
"Investor Service Centres" or "ISCs"	Offices of Axis Asset Management Company Limited or such other centres / offices as may be designated by the AMC from time to time.
"Load"	<p>In the case of Redemption / Switch out of a Unit, the sum of money deducted from the Applicable NAV on the Redemption / Switch out (Exit Load) and in the case of Sale / Switch in of a Unit, a sum of money to be paid by the prospective investor on the Sale / Switch in of a Unit (Entry Load) in addition to the Applicable NAV.</p> <p>Presently, entry load cannot be charged by mutual fund schemes.</p>
Micro SIP	Systematic Investment Plans (SIPs) where aggregate of installments in a financial year i.e. April to March does not exceed Rs. 50,000/- (per financial year per investor).
"Money Market Instruments"	Includes commercial papers, commercial bills, treasury bills, Government securities having an

	unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time.
"Mutual Fund" or "the Fund"	Axis Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882.
"Net Asset Value" or "NAV"	Net Asset Value per Unit of the Scheme, calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
"NRI"	A Non-Resident Indian or a Person of Indian Origin residing outside India.
"Official Points of Acceptance"	Places, as specified by AMC from time to time where application for Subscription / Redemption / Switch will be accepted on ongoing basis.
"Person of Indian Origin"	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in sub-clause (a) or (b).
"Rating"	Rating means an opinion regarding securities, expressed in the form of standard symbols or in any other standardized manner, assigned by a credit rating agency and used by the issuer of such securities, to comply with any requirement of the SEBI (Credit Rating Agencies) Regulations, 1999.
"RBI"	Reserve Bank of India, established under the Reserve Bank of India Act, 1934, (2 of 1934)
"Registrar and Transfer Agent" or "Registrar"	Karvy Computershare Pvt. Ltd., Hyderabad, currently acting as registrar to the Scheme, or any other Registrar appointed by the AMC from time to time.
"Redemption / Repurchase"	Redemption of Units of the Scheme as permitted.
"Regulatory Agency"	GOI, SEBI, RBI or any other authority or agency entitled to issue or give any directions, instructions or guidelines to the Mutual Fund
"Repo"	Sale/Purchase of Securities with simultaneous agreement to repurchase / resell them at a later date.
"Statement of Additional Information" or "SAI"	The document issued by Axis Mutual Fund containing details of Axis Mutual Fund, its constitution, and certain tax, legal and general information. SAI is legally a part of the Scheme Information Document.
"Sale / Subscription"	Sale or allotment of Units to the Unit holder upon subscription by the Investor / applicant under the Scheme.
"Scheme"	Axis Gold Fund
"Scheme Information Document"	This document issued by Axis Mutual Fund, offering for Subscription of Units of Axis Gold Fund (including Options thereunder)

"SEBI"	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992.
"SEBI (MF) Regulations" or "Regulations"	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
"Short Selling"	Short selling means selling a stock which the seller does not own at the time of trade.
"Sponsor"	Axis Bank Limited
"Switch"	Redemption of a Unit in any Scheme (including the Plans / options therein) of the Mutual Fund against purchase of a Unit in another Scheme (including the Plans /options therein) of the Mutual Fund, subject to completion of Lock-in Period, if any.
"Stock Lending"	Lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio.
"Systematic Investment Plan" / "SIP"	A plan enabling investors to save and invest in the Scheme on a periodic basis submitting post dated cheques / payment instructions.
"Systematic Transfer Plan" / "STP"	Facility given to the Unit holders to transfer sums on periodic basis from one scheme to another schemes launched by the Mutual Fund from time to time by giving a single instruction.
"Systematic Withdrawal Plan" / "SWP"	Facility given to the Unit holders to withdraw a specified sum of money each month/quarter from his investments in the Scheme.
"Trust Deed"	The Trust Deed dated June 27, 2009 made by and between Axis Bank Limited and Axis Mutual Fund Trustee Limited thereby establishing an irrevocable trust, called Axis Mutual Fund.
"Trustee" or "Trustee Company"	Axis Mutual Fund Trustee Limited incorporated under the provisions of the Companies Act, 1956 and approved by SEBI to act as the trustee to the Scheme of the Mutual Fund.
"Unit"	The interest of the Unit holder which consists of each Unit representing one undivided share in the assets of the Scheme.
"Unit holder" or "Investor"	A person holding Units in Axis Gold Fund.

INTERPRETATION

For all purposes of this Scheme Information Document, 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 Dollars 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 a non Business Day.

E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

- (i) The draft Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- (ii) All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- (iii) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed Scheme.
- (iv) The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

Place: Mumbai
Date: April 05, 2011

Signed: Sd/-
Name : Miten Chawda
Designation: Head – Compliance & Company Secretary

Note: The aforesaid Due Diligence Certificate dated April 05, 2011 was submitted to the Securities and Exchange Board of India on April 05, 2011.

II. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

An open ended fund of fund scheme

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

To generate returns that closely correspond to returns generated by Axis Gold ETF.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Under normal circumstances, the asset allocation pattern will be:

Instruments	Indicative Allocation (% of net assets)	Risk Profile
Units of Axis Gold ETF	95 – 100	Medium
Money Market Instruments	0 – 5	Low to Medium

Pending deployment of the funds in securities in terms of investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of the Scheduled Commercial Banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, as may be amended from time to time. Pending deployment, such funds may also be invested in units of debt and liquid mutual fund schemes.

Subject to the Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute. These proportions can vary substantially depending upon the perception of the fund manager; the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the investment pattern will be for short term and for defensive considerations only. In the event of deviations, the fund manager will endeavor to carry out rebalancing within 5 business days. Where the portfolio is not rebalanced within 5 business days, justification for the same shall be placed before the Investment Review Committee and reasons for the same shall be recorded in writing. The Investment Review committee shall then decide on the course of action. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.

Axis Gold Fund, an open ended fund of fund scheme is a new scheme offered by Axis Mutual Fund and is not a minor modification of any other existing scheme/product of Axis Mutual Fund. Further, the existing products of Axis Mutual Fund are either debt, liquid, hybrid, equity or exchange traded funds and hence the 'fund of fund scheme' under consideration cannot be compared with any other existing schemes' under the section 'Asset allocation'

The fund manager will endeavor to make minimal investment in money market instruments (subject to the asset allocation of the fund).

D. Where will the Scheme invest?

Axis Gold ETF

The Scheme will invest in units of Axis Gold ETF.

Fixed Income Instruments

Collateralized Borrowing and Lending Obligations (CBLO)

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

Certificate of Deposit (CD) of scheduled commercial banks and development financial institutions

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

Commercial Paper (CP)

Commercial Paper (CP) is an unsecured negotiable money market instrument issued in the form of a promissory note, generally issued by the corporates, primary dealers and all India Financial Institutions as an alternative source of short term borrowings. CP is traded in secondary market and can be freely bought and sold before maturity.

Treasury Bill (T-Bill)

Treasury Bills (T-Bills) are issued by the Government of India to meet their short term borrowing requirements. T-Bills are issued for maturities of 14 days, 91 days, 182 days and 364 days.

Bill (bills of exchange/promissory notes of public sector and private sector corporate entities) Rediscounting

Repos

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

Securities created and issued by the Central and State Governments as may be permitted by RBI, securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills). State Government securities (popularly known as State Development Loans or SDLs) are issued by the respective State Government in co-ordination with the RBI.

Investments in units of mutual fund schemes and short term deposits

Pending deployment of funds as per the investment objective of the Scheme, the funds may be parked in short term deposits of the Scheduled Commercial Banks, subject to guidelines and limits specified by SEBI. The funds may also be parked in units of debt and liquid mutual fund schemes (offered by Axis Mutual Fund or any other mutual fund).

The funds of the Scheme shall be deployed only on closure of the New Fund Offer Period.

The securities / instruments mentioned above and such other securities the Scheme is permitted to invest in could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity (within the investment objective of the scheme).

The securities may be acquired through initial public offering (IPOs), secondary market, private placement, rights offers, negotiated deals. Further investments in fixed income securities will be in instruments which have been assigned investment grade rating by the Credit Rating Agency.

For applicable regulatory investment limits please refer paragraph "Investment Restrictions".

The Fund Manager reserves the right to invest in such instruments and securities as maybe permitted from time to time and which are in line with the investment objectives of the scheme.

E. WHAT ARE THE INVESTMENT STRATEGIES

The Scheme follows a passive investment strategy and will invest in Axis Gold ETF. The AMC does not make any judgments about the investment merit of gold or particular security nor will it attempt to apply any economic, financial or market analysis. The Scheme shall invest all of its funds in units of Axis Gold ETF, except to meet its liquidity requirements.

TRACKING ERROR

The AMC shall endeavor that the returns of Axis Gold Fund will replicate the returns generated by the underlying ETF. It shall be the endeavor of the AMC to maintain a tracking error of less than 2% on an annualized basis with respect to the underlying ETF, net of recurring expenses in the Scheme.

Sources of tracking error

The deviation from the underlying ETF can be on account of the receipt of cash flows which may take up to 5 days under the current operational procedure. The price movements in the underlying ETF during this period may result in a tracking error.

Banking and Utilization of Funds**A) Banking of Funds**

Following are the various modes of payments for Purchase/Additional purchases and SIP transactions for Axis Gold Fund.

(1) Electronic mode:

Real Time Gross Settlement (RTGS)

Any investor can transfer funds through RTGS for amounts exceeding Rs.2 Lacs (limit specified by RBI as of now) within the stipulated cut off time prescribed by the Bank and investor should ensure that the remitting bank ,branch are RTGS enabled. In this mode as per instructions of investors, the funds get transferred to the scheme account (beneficiary's account) on the same day.

National Electronic Funds Transfer (NEFT)

Any investor can transmit funds through NEFT Mode. NEFT has 11 settlement cycles and the funds get transferred in batch mode. If the funds are transferred after 5 p.m. on any working day then the funds are moved to the beneficiary's account invariably on the next day.

Electronic Clearing System (ECS)

ECS is applicable at 84 locations across India. The ECS mode is generally used for SIP (Systematic Investment plan) for small ticket size Investor. Funds are debited from the investor account and transferred to scheme account i.e. beneficiary account. Funds are settled within 2 days or beyond 2 days for few locations depending on the clearing cycle of the respective locations. This is also one of the safest modes of transfer of funds through electronic clearing introduced by RBI.

Direct Debit/Standing Instructions

Funds are transferred through Direct Debit/Standing instructions from the investor account into scheme account with respect to banks with which AMC has an arrangement. The Funds are credited to Scheme account on the same day. This facility is carried out on the basis of the mandate given by the Investor. This is generally used for SIP type of transactions, where there is a small ticket size and Investor wants to continue his Investment at specific intervals.

(2) All categories of Investors – for Physical mode

Magnetic Ink Character Recognition (MICR) instrument:

Cheques/DDs deposited in MICR clearing are cleared within T+2 days if deposited in local clearing and it varies for few locations beyond T+2 days depending on the clearing cycle at that location with funds credited to beneficiary account. The clearing of instruments could take three to seven days; depending on SBI or SBI associates or any other Public sector Banks.

Post Dated Cheque (PDC)

Applications accompanied with Post dated Cheques(PDC) are obtained from the investors for SIP transactions at remote locations, which may not be covered through ECS or Direct Debit/Standing instructions. These cheques are banked on the respective cycle dates and the clearing is based on the normal MICR clearing cycle as specified by RBI/SBI or any other public sector banks

Transfer instrument

An Investor maintaining an account with the bank, where the scheme is also maintaining account, the transfer of funds takes place simultaneously and the Fund movement takes places in a seamless manner.

Various modes of payments for Purchase/Additional purchase and SIP transactions

S. No.	Payment Mode	Clearing
1	RTGS	Same day
2	NEFT	If before 5 p.m. then same day otherwise next day
3	ECS	One/two days or five/seven days (depending on the clearing cycle of that particular location)
4	Direct Debit/Standing Instructions	Same day
5	PDC	As per MICR clearing cycle of RBI/SBI
6	MICR	T+2 but in some cases T+3 - T+7 days
7	Transfer Instrument	Same day

Funds realisation process from Tier I, Tier II cities etc for MICR, ECS mandates and other modes

- The table below highlights the Clearing Mechanism of the funds based on various modes of payments based on different types of location for lumpsum/SIP investments:

Location/ Mode of clearing	RTGS	NEFT	ECS (RBI locations)	ECS (Non RBI locations)	MICR (RBI locations)	MICR (Non – RBI locations)
Tier I	T Day	T Day up to 5 p.m., Otherwise T + 1	T + 3 days	NA	T + 2 days	NA
Tier II	T Day	T Day up to 5 p.m., Otherwise T + 1	T + 3 days	T + 3 days	T + 2 days	T + 3 days
Tier III	T Day	T Day up to 5 p.m., Otherwise T + 1	NA	T + 4 to T+6 days	NA	T + 4 days
Tier IV	T Day	T Day up to 5 p.m., Otherwise T + 1	NA	T + 5 to T+7 days	NA	T + 5 days

b. Clearance of funds

Availability of clear funds in Equity Schemes		
Source	% Inflow	Average no. of days (funds cleared)
MICR/ECS	92.98	T to T+3 - 71%, beyond T+3 - 29% depending on the location
ONLINE	0.84	T - 96.36%, T+1 to T+2 - 3.64%
Transfers/Debit Mandate	6.18	T - 3.20%, T+1 to T+2 - 96.80%
Grand Total	100.00	

Availability of clear funds - non liquid debt schemes		
Source	% Inflow	Average no. of days (funds cleared)
MICR/ECS	7.40	T to T+3 - 61%, beyond T+3 - 39% depending on the location
ONLINE	1.67	T - 99.87%, T+1 to T+2 - 0.13%
RTGS/NEFT	49.83	T - 100%
Transfers/Debit Mandate	41.10	T - 95.18%, T+1 to T+2 - 4.82%
Grand Total	100.00	

Weighted average of inflows into debt schemes is maximum of 2 days.

The above data for inflow of clear funds for equity and non liquid debt schemes is for the month of April, 2011. The average number of days of inflow of clear funds into Axis Gold Fund may differ depending on the mode/source of transaction.

The AMC will on immediate basis deploy the clear funds available in the Scheme account either through Stock Exchange platform or directly with the AMC.

C) Utilization of Funds & Risk Mitigation

Transactions are accepted before the cut off time as specified by SEBI from time to time. All the transactions are reported in our Registrars and Transfer Agents system by the respective branches across India and funds get deposited into the banks accounts. On the basis of clear Funds being available for deployment, cash flows are reported to the fund manager on timely basis.

The inputs regarding cash flows by various modes of acceptance will be planned on a daily basis. The subscription/redemption request will also be reported and used as a basis for investing in Axis Gold ETF on realization of funds. This will also form the basis for subsequent deployment of funds in Axis Gold ETF. The deployment will be carefully planned on the basis of the mode of acceptance of instrument to moderate tracking error. Fund Manager will either execute trade the units of Axis Gold ETF on exchange or subscribe directly to Axis Gold ETF (direct via AMC) depending on market dynamics in the best interest of investors.

For investments in basket size, the scheme will preferably invest /buy directly from Axis Gold ETF.

The other sources of tracking error could be:

1. Axis Gold Fund may buy/sell baskets at different times not corresponding to closing prices.
2. Large disinvestment to meet redemptions.

Disclosure of tracking error of Axis Gold ETF for the period ended June 2011, July 2011, and August 2011 (since listing of the scheme)

June 2011	July 2011	August 2011
0.31%	0.32%	0.41%

Date of listing – November 16, 2010

PORTFOLIO TURNOVER

The Scheme being an open ended scheme, it is expected that there would be a number of subscriptions and redemptions on a daily basis. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio.

RISK CONTROL

Risk management is going to be an integral part of the investment process. Effective risk management is critical to fund management for achieving financial soundness. Investments by the Scheme shall be made as per the investment objectives of the Scheme and provisions of the Regulations.

F: FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the Scheme, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

(i) Type of a Scheme

(ii) Investment Objective

(iii) Terms of Issue

- Liquidity provisions such as listing, Repurchase, Redemption.
- Aggregate fees and expenses charged to the Scheme.
- Any safety or guarantee net provided:

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustee shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unit holders is carried out unless:

- 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
- The Unit holders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE ?

The Scheme performance would be benchmarked against the domestic price of gold. As the Scheme invests in units of Axis Gold ETF & the investment objective is to generate returns that are in line with the performance of Axis Gold ETF, the Scheme will be benchmarked against the price of gold. However, the Scheme's performance may not be strictly comparable with the performance of the benchmark due to the inherent differences in the construction of the portfolio.

The Trustee/AMC may change the benchmark in future if a benchmark better suited to the investment objective of the Scheme is available.

H. WHO MANAGES THE SCHEME?

Name of Fund Manager	Ages and Qualification	Experience of the Fund Manager	Names of other schemes under his management
Mr. Anurag Mittal	28 B.Com (Hons), ACA, MSc in Accounting and Finance (London School of Economics)	<ul style="list-style-type: none"> • Asst. Fund Manager & Credit Analyst, Axis Asset Management Company Limited (July 08, 2009 - till date) • Credit Research Analyst and Dealing, ICICI Prudential Life Insurance Company Limited (June 23, 2008 - June 19, 2009) • Corporate Banking, Bank of America (November 13, 2006 - June 22, 2008) 	Axis Gold ETF

I. WHAT ARE THE INVESTMENT RESTRICTIONS?

The following are the restrictions as are laid out in Schedule Seven to the SEBI (Mutual Funds) Regulations, 1996.

1. The corpus of the Scheme will be invested in units of Axis Gold ETF in accordance with its investment objective, except to the extent necessary to meet the liquidity requirements for honoring repurchases or redemptions, as disclosed in the Scheme Information Document.
2. The Scheme shall not invest more than 15% of its NAV in debt instruments issued by a single issuer, which are rated not below investment grade by a credit rating

agency authorized to carry out such activities under the SEBI Act, 1992. Such investment limit may be extended to 20% of the NAV of the Scheme with the prior approval of the Trustee and the Board of AMC.

Such limit shall not be applicable for investment in Government Securities.

In case of investment in money market instruments, the Scheme shall not invest more than 30% of its net assets in Money Market Instruments issued by a single issuer. The limit shall not be applicable to investment in CBLOs, GSecs and T-Bills.

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

3. The Scheme shall not invest more than 10% of its NAV in un-rated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the Scheme.

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

4. As the scheme is a fund of fund scheme, it shall be subject to the following investment restrictions:
 - (a) The Scheme shall not invest in any other fund of funds scheme;
 - (b) The scheme shall not invest its assets other than in schemes of mutual funds, except to the extent of funds required for meeting the liquidity requirements for the purpose of repurchases or redemptions, as disclosed in the given Scheme Information Document.
5. The Scheme shall not make any investment in :
 - a. any unlisted security of an associate or group company of the sponsor; or
 - b. any security issued by way of private placement by an associate or group company of the sponsor; or
 - c. the listed securities of group companies of the sponsor which is in excess of 25% of the net assets.
6. The Mutual Fund shall get the securities purchased transferred in the name of the Fund on account of the concerned Scheme, wherever investments are intended to be of a long-term nature.
7. Transfer of investments from one scheme to another scheme in the same Mutual Fund is permitted provided:
 - a. such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and
 - b. the securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfer has been made.
8. The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities:

The Mutual Fund may engage in Short Selling of securities in accordance with the framework relating to Short Selling and securities lending and borrowing specified by SEBI.

The Mutual Fund may enter into Derivatives transactions in a recognized stock exchange, subject to the framework specified by SEBI.

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

9. Pending deployment of the funds of the Scheme in securities in terms of the investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007 as may be amended from time to time:

The Scheme will comply with the following guidelines/restrictions for parking of funds in short term deposits:

- "Short Term" for such parking of funds by the Scheme shall be treated as a period not exceeding 91 days. Such short-term deposits shall be held in the name of the Scheme.
- The Scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustee.
- Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
- The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
- The Scheme shall not park funds in short term deposit of a bank which has invested in that Scheme.

However, the above provisions will not apply to term deposits placed as margins for trading in cash and Derivatives market.

10. The Scheme shall not advance any loans.

11. The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of Repurchase/Redemption of Unit or payment of interest and/or Dividend to the Unit holder.

The Fund shall not borrow more than 20% of the net assets of the individual Scheme and the duration of the borrowing shall not exceed a period of 6 months.

The Scheme will comply with the other Regulations applicable to the investments of Mutual Funds from time to time.

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

The AMC/Trustee may alter these above stated restrictions from time to time to the extent the Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its respective investment objective.

Further, as per proviso to Regulation 44(1) of the SEBI (Mutual Funds) Regulations, 1996, nothing in the Seventh Schedule(as provided above) shall apply to a gold exchange traded fund scheme.

J. HOW HAS THE SCHEME PERFORMED?

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

K. Investments by the AMC

Subject to the Regulations, the AMC may invest either directly or indirectly, in the Scheme during the NFO and / or Ongoing Offer Period. However, the AMC shall not charge any investment management fee on such investment in the Scheme.

III. UNITS AND OFFER

This section provides details you need to know for investing in the Scheme.

A. NEW FUND OFFER (NFO)

New Fund Offer Period This is the period during which a new scheme sells its Units to the investors.	NFO opens on: September 30, 2011 NFO closes on: October 14, 2011 The AMC/Trustee reserves the right to close the NFO of the Scheme before the above mentioned date. The AMC/Trustee reserves the right to extend the closing date of the New Fund Offer Period, subject to the condition that the New Fund Offer shall not be kept open for more than 15 days.
New Fund Offer Price: This is the price per Unit that the investors have to pay to invest during the NFO.	Rs. 10/- per Unit
Minimum Amount for Application /Switch in in the NFO	Rs. 5,000 in multiples of Re 1/- thereafter
Minimum Target amount This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return. However, if AMC fails to refund the amount within 5 business days from date of closure of	Rs. 1,00,00,000/-

NFO, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of 5 business days from the date of closure of NFO.	
Maximum amount to be raised (if any)	None
Plans / Options offered	<p>The Scheme offers the following options:</p> <p>a) Growth Option</p> <p>b) Dividend Option.</p> <ol style="list-style-type: none"> 1. Dividend Payout Facility 2. Dividend Reinvestment Facility <p>a) Growth Option Dividends will not be declared under this Option. The income attributable to Units under this Option will continue to remain invested in the Scheme and will be reflected in the Net Asset Value of Units under this Option.</p> <p>b) Dividend Option Under this Option, dividends will be declared at the discretion of the Trustee, subject to availability of distributable surplus calculated in accordance with SEBI (MF) Regulations. On payment of dividend, the NAV of the units under Dividend option will fall to the extent of the dividend payout and applicable statutory levies, if any.</p> <p>It must be distinctly understood that the actual declaration of dividend and frequency thereof is at the sole discretion of Board of Directors of the Trustee Company. There is no assurance or guarantee to the Unit holders as to the rate of dividend distribution nor that the dividend will be paid regularly.</p> <p><u>Dividend Payout Facility</u> Under this facility, dividend declared, if any, will be paid (subject to deduction of dividend distribution tax and statutory levy, if any) to those Unit holders, whose names appear in the register of Unit holders on the notified record date.</p> <p><u>Dividend Reinvestment Facility</u> Under this facility, the dividend due and payable to the Unit holders will be compulsorily and without any further act by the Unit holder, reinvested in the Dividend option at a price based on the prevailing ex-dividend Net Asset Value per Unit. The amount of dividend re-invested will be net of tax deducted at source, wherever applicable.</p>

	<p>The dividends so reinvested shall constitute a constructive payment of dividends to the Unit holders and a constructive receipt of the same amount from each Unit holder for reinvestment in Units.</p> <p>On reinvestment of dividends, the number of Units to the credit of Unit holder will increase to the extent of the dividend reinvested divided by the Applicable NAV. There shall, however, be no Load on the dividend so reinvested.</p> <p>Default Option The investor must clearly specify his choice of option/facility. In the absence of such clear instruction, it will be assumed that the investor has opted for 'default' option / facility and the application will be processed accordingly. The default option / facility are:</p> <p>Default Option: Growth (between Growth and Dividend)</p> <p>Default Facility: Dividend Reinvestment facility (between Dividend Reinvestment and Dividend Payout facility)</p>
Dividend Policy	<p>Under the Dividend option, the Trustee will have the discretion to declare the dividend, subject to availability of distributable surplus calculated in accordance with the Regulations. The actual declaration of dividend and frequency will inter-alia, depend on availability of distributable surplus calculated in accordance with SEBI (MF) Regulations and the decisions of the Trustee shall be final in this regard. There is no assurance or guarantee to the Unit holders as to the rate of dividend nor that the dividend will be paid regularly.</p> <p>The AMC/Trustee reserves the right to change the frequency of declaration of dividend or may provide for additional frequency for declaration of dividend.</p> <p>Dividend Distribution Procedure</p> <p>In accordance with SEBI Circular no. SEBI/ IMD/ Cir No. 1/ 64057/06 dated April 4, 2006, the procedure for Dividend distribution would be as under:</p> <ol style="list-style-type: none"> 1. Quantum of dividend and the record date will be fixed by the Trustee. Dividend so decided shall be paid, subject to availability of distributable surplus. 2. Within one calendar day of decision by the Trustee, the AMC shall issue notice to the public communicating the decision about the dividend

	<p>including the record date, 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.</p> <ol style="list-style-type: none"> 3. Record date shall be the date, which will be considered for the purpose of determining the eligibility of investors whose names appear on the register of Unit holders for receiving dividends. The Record Date will be 5 calendar days from the date of issue of notice. 4. The notice will, in font size 10, bold, categorically state that pursuant to payment of dividend, the NAV of the Scheme would fall to the extent of payout and statutory levy (if applicable). 5. The NAV will be adjusted to the extent of dividend distribution and statutory levy, if any, at the close of business hours on record date. 6. Before the issue of such notice, no communication indicating the probable date of dividend declaration in any manner whatsoever will be issued by Mutual Fund.
Allotment	<p>Full allotment will be made to all valid applications received during the New Fund Offer Period. Allotment of Units, shall be completed not later than 5 business days after the close of the New Fund Offer Period.</p> <p>An account statement stating the number of Units purchased and allotted will be sent through ordinary post or courier and/or electronic mail to each Unit holder not later than 5 business days of closure of NFO. The Account Statement is non-transferable. Despatch 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.</p> <p>Issue of Units in dematerialized form</p> <p>Investors desirous of having the Units of the Scheme in dematerialized form should contact the ISCs of the</p>

	<p>AMC/Registrar.</p> <p>Where units are held by investor in dematerialised form, the demat statement issued by the DP would be deemed adequate compliance with the requirements in respect of dispatch of statements of account.</p> <p>In case investors desire to convert their existing physical units (represented by statement of account) into dematerialised form, the AMC will facilitate the same with Registrar and Transfer Agents, Depositories and DPs. In case the units are desired to be held by investor in dematerialised form, the KYC performed by DP shall be considered compliance of the applicable SEBI norms.</p> <p>Units held by way of an Account Statement (Physical form) cannot be transferred. 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 DP 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.</p>
Refund	<p>Fund will refund the application money to applicants whose applications are found to be incomplete, invalid or have been rejected for any other reason whatsoever. Refund instruments will be dispatched within 5 business days of the closure of NFO period. In the event of delay beyond 5 business days, the AMC shall be liable to pay interest at 15% per annum or such other rate of interest as maybe prescribed from time to time. Refund orders will be marked "A/c Payee only" and drawn in the name of the applicant (in the case of a sole applicant) and in the name of the first applicant in all other cases. All refund orders will be sent by registered post or as permitted by Regulations.</p>
<p>Who can invest</p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.</p>	<p>The following persons (subject to, wherever relevant, purchase of Units of mutual funds, being permitted under respective constitutions, and relevant statutory regulations) are eligible and may apply for Subscription to the Units of the Scheme:</p> <ol style="list-style-type: none"> 1. Resident adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis; 2. Hindu Undivided Family (HUF) through Karta;

	<p>3. Minor through parent / legal guardian;</p> <p>4. Partnership Firms;</p> <p>5. Proprietorship in the name of the sole proprietor;</p> <p>6. Companies, Bodies Corporate, Public Sector Undertakings (PSUs.), Association of Persons (AOP) or Bodies of Individuals (BOI) and societies registered under the Societies Registration Act, 1860(so long as the purchase of Units is permitted under the respective constitutions);</p> <p>7. Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions;</p> <p>8. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as "Public Securities" as required) and Private trusts authorised to invest in mutual fund schemes under their trust deeds;</p> <p>9. Non-Resident Indians (NRIs) / Persons of Indian origin (PIOs) residing abroad on repatriation basis or on non-repatriation basis;</p> <p>10. Foreign Institutional Investors (FIIs) and their sub-accounts registered with SEBI on repatriation basis;</p> <p>11. Army, Air Force, Navy and other para-military units and bodies created by such institutions;</p> <p>12. Scientific and Industrial Research Organisations;</p> <p>13. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / RBI;</p> <p>14. Provident/ Pension/ Gratuity Fund to the extent they are permitted;</p> <p>15. Other schemes of Axis Mutual Fund or any other mutual fund subject to the conditions and limits prescribed by the Regulations;</p> <p>16. The Trustee, AMC or Sponsor or their associates may subscribe to Units under the Scheme;</p> <p>17. Such other investor as the AMC may prescribe from time to time.</p>
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Who cannot invest	<p>1. Any individual who is a foreign national or any other entity that is not an Indian resident under the Foreign Exchange Management Act, 1999 (FEMA Act) except where registered with SEBI as a FII or sub account of FII or otherwise explicitly permitted under FEMA Act/ by RBI/ by any other applicable authority.</p> <p>2. Pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) can not invest in Mutual Funds.</p> <p>3. Such other persons as may be specified by AMC from time to time.</p>
Where can you submit the filled up applications.	Please refer the back cover page of the Scheme Information Document
How to Apply	Please refer to the SAI and Application form for the instructions.
Listing	The Scheme is an open ended fund of fund scheme under which Sale and Repurchase will be made on a continuous basis and therefore listing on stock exchanges is not envisaged. However, the Trustee reserves the right to list the Units as and when open-end Schemes are permitted to be listed under the Regulations, and the Trustee considers it necessary in the interest of Unit holders of the Fund.
Special Products / facilities available during the NFO	<p>Systematic Investment Purchase (SIP), Switch In facility, Easy call and online transaction facility would be available. However, the Online transaction facility during NFO shall be available for existing investors only.</p> <p>For details investors are requested to refer to paragraph 'Special Products available' under given in the document under Ongoing Offer Details.</p>
The policy regarding reissue of repurchased Units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.	Units once redeemed will be extinguished and will not be reissued.
Restrictions, if any, on the right to freely retain or dispose of Units being offered.	<p>Pledge of Units</p> <p>The Units under the Scheme (subject to completion of Lockin Period, if any) may be offered as security by way of a pledge / charge in favour of scheduled banks, financial institutions, non-banking finance companies (NBFCs), or any other body. The AMC and / or the ISC will note and record such Pledged Units. The AMC shall mark a lien only upon receiving the duly completed form and documents as it may require. Disbursement of such loans will be at the entire discretion of the bank / financial institution / NBFC or any other body concerned and the</p>

	<p>Mutual Fund assumes no responsibility thereof.</p> <p>The Pledger will not be able to redeem Units that are pledged until the entity to which the Units are pledged provides written authorisation to the Mutual Fund that the pledge / lien charge may be removed. As long as Units are pledged, the Pledgee will have complete authority to redeem such Units. Dividends declared on Units under lien will be paid / re-invested to the credit of the Unit Holder and not the lien holder unless specified otherwise in the lien letter.</p> <p>Lien on Units</p> <p>On an ongoing basis, when existing and new Investors make Subscriptions, a lien on Units allotted will be created and such unit shall not be available for redemption until the payment proceeds are realised by the Scheme. In case a unit holder redeems units soon after making purchases, the redemption cheque will not be dispatched until sufficient time has elapsed to provide reasonable assurance that cheques or drafts for Units purchased have been cleared.</p> <p>In case the cheque / draft is dishonoured by the bank, the transaction shall be reversed and the Units allotted earlier shall be cancelled, and a fresh Account Statement / Confirmation slip shall be dispatched to the Unit holder. For NRIs, the Scheme may mark a lien on Units in case documents which need to be submitted are not given in addition to the application form and before the submission of the redemption request. However, the AMC reserves the right to change operational guidelines for lien on Units from time to time.</p> <p>Right to Limit Redemptions</p> <p>The Trustee may, in the general interest of the Unit holders of the Scheme and when considered appropriate to do so based on unforeseen circumstances / unusual market conditions, limit the total number of Units which may be redeemed on any Business Day to 5% of the total number of Units then in issue under the Scheme and option(s) thereof or such other percentage as the Trustee may determine. Any Unit which consequently are not redeemed on a particular Business Day will be carried forward for Redemption to the next Business Day, in order of receipt. Redemptions so carried forward will be priced on the basis of the Applicable NAV (subject to the prevailing Load, if any) of the Business Day on which Redemption is made. Under such circumstances, to the extent multiple</p>
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	<p>Redemption requests are received at the same time on a single Business Day, redemptions will be made on a prorata basis based on the size of each Redemption request, the balance amount being carried forward for Redemption to the next Business Day. In addition, the Trustee reserves the right, in its sole discretion, to limit redemptions with respect to any single account to an amount of Rs. 1,00,000/- in a single day.</p> <p>Also refer to the paragraph 'Suspension of Purchase and Redemption of Units' in the Statement of Additional Information.</p>
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B. ONGOING OFFER DETAILS

<p>Ongoing Offer Period</p> <p>This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period.</p>	<p>On or before October 28, 2011</p>
<p>Ongoing price for subscription (purchase)/switch-in (from other schemes/plans of the mutual fund) by investors.</p> <p>This is the price you need to pay for purchase/switch-in.</p>	<p>At the Applicable NAV</p>
<p>Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors.</p> <p>This is the price you will receive for redemptions/switch outs.</p>	<p>At the Applicable NAV subject to prevailing Exit Load.</p> <p>Ongoing price for redemption /Switch out (to other Schemes/Plans of the Mutual Fund) is price which a Unit holder will receive for redemption/Switch-outs. During the continuous offer of the Scheme, the Unit holder can redeem the Units at Applicable NAV, subject to payment of Exit Load, if any. It will be calculated as follows:</p> <p>Redemption Price = Applicable NAV*(1-Exit Load, if any) Example: If the Applicable NAV is Rs. 10, Exit Load is 2% then redemption price will be: = Rs. 10* (1-0.02) = Rs. 9.80</p> <p>Investors/Unit holders should note that the AMC/Trustee has right to modify existing Load structure and to introduce Loads subject to a maximum limits prescribed under the Regulations.</p> <p>Any change in Load structure will be effective on prospective basis and will not affect the existing Unit holder in any manner.</p>

	<p>However, the Mutual Fund will ensure that the Redemption Price will not be lower than 93% of the Applicable NAV provided that the difference between the Redemption Price and the Subscription /Purchase Price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time, which is currently 7% calculated on the Subscription/ Purchase Price. The Purchase Price shall be at applicable NAV.</p>
<p>Cut off timing for subscriptions/ redemptions/ switches</p> <p>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p>Subscriptions/Purchases including Switch - ins: The following cut-off timings shall be observed by the Mutual Fund in respect of purchase of Units of the Scheme, and the following NAVs shall be applied for such purchase:</p> <ol style="list-style-type: none"> 1. where the application is received upto 3.00 pm with a local cheque or demand draft payable at par at the place where it is received – closing NAV of the day of receipt of application; 2. where the application is received after 3.00 pm with a local cheque or demand draft payable at par at the place where it is received – closing NAV of the next Business Day ; and 3. where the application is received with an outstation cheque or demand draft which is not payable on par at the place where it is received – closing NAV of day on which the cheque or demand draft is credited. <p>Redemptions including Switch - outs: The following cut-off timings shall be observed by the Mutual Fund in respect of Repurchase of Units:</p> <ol style="list-style-type: none"> 1. where the application received upto 3.00 pm – closing NAV of the day of receipt of application; and 2. an application received after 3.00 pm – closing NAV of the next Business Day. <p>The above mentioned cut off timing shall be applicable to transactions through the online trading platform.</p> <p>The Date of Acceptance will be reckoned as per the date & time; the transaction is entered in stock exchange's infrastructure for which a system generated confirmation slip will be issued to the investor.</p>
Where can the applications for purchase/redemption switches be submitted?	Refer Back Cover Page

<p>Minimum amount for purchase/redemption/switches</p>	<p>Minimum amount for purchase/Switch in</p> <p>Rs. 5,000 and in multiples of Re 1/- thereafter</p> <p>Minimum Additional Purchase Amount</p> <p>Rs.100 and in multiples of Re. 1/- thereafter</p> <p>Minimum Redemption Amount/Switch Out Minimum Redemption - Rs. 1000 or 100 Units or account balance whichever is lower in respect of each Option. In case the Investor specifies the number of Units and amount the number of units shall be considered for Redemption. In case the unit holder does not specify the number or amount, the request will not be processed.</p> <p>In case of Units held in dematerialized mode, the Unit Holder can give a request for Redemption only in number of Units.</p>
<p>Minimum balance to be maintained and consequences of non maintenance.</p>	<p>Currently, there is no minimum balance requirement.</p> <p>However, the AMC / Trustee may decide to introduce minimum balance requirements later, if they so deem fit. In such case, in the event of non-maintenance of minimum balance for any particular situations, the Units may be compulsorily redeemed.</p> <p>In case balance in the account of the Unit holder does not cover the amount of Redemption request, then the Mutual Fund is authorized to redeem all the Units in the folio and send the Redemption proceeds to the Unit holder.</p>
<p>Special Products available</p>	<p>Systematic Investment Purchase(SIP)</p> <p>Unit holder can enroll for the SIP facility by submitting duly completed Enrolment Form at the Official Point(s) of Acceptance. An Investor shall have the option of choosing any date of the Month as his SIP date (except for 29th, 30th and 31st). Minimum amount per SIP installment is Rs 1,000 and in multiples of Re. 1 thereafter. Minimum number of installments under SIP is 36. If the SIP period is not specified by the unit holder then the SIP enrolment will be deemed to be for perpetuity and processed accordingly.</p> <p>SIP through post-dated cheques</p> <p>The date of the first cheque shall be the same as the date of the application while the remaining cheques shall be post dated cheques which shall be dated</p>

	<p>uniformly. Investors can invest in SIP by providing post-dated cheques to Official Point(s) of Acceptance. An Investor is eligible to issue only one cheque for each month in the same SIP enrolment form. All SIP cheques should be of the same amount and same date option. Cheques should be drawn in favour of the Fund and "A/c Payee only". A Letter will be forwarded to the Investor on successful registration of SIP. The Post Dated cheques will be presented on the dates mentioned on the cheque and subject to realization of the cheque.</p> <p>SIP through Electronic Clearing System (ECS)/Direct Debit</p> <p>'Investors / Unit holders may also enroll for SIP facility through Electronic Clearing Service (Debit Clearing) of the RBI or for SIP Direct Debit Facility available with specified Banks / Branches. In order to enroll for SIP ECS Debit facility or Direct Debit Facility, an Investor must fill up the Application Form for SIP ECS/ Direct Debit facility.</p> <p>In case of SIP with payment mode as ECS/Direct Debit/Standing Instructions, Investors shall be required to submit a cancelled cheque or a photocopy of a cheque of the bank account for which the ECS/debit mandate is provided with first installment through cheque. The Systematic Investment Plan facility will also be available through standing instructions/direct debit given by the investor (with all payment installments being made through standing instructions/direct debit). However, the SIP facility with direct debit will be available through selected distributors/Banks. The Asset Management Company reserves the right to add/modify/delete from the list of distributors/banks through whom such facility will be available to the investors.'</p> <p>All SIP cheques/payment instructions should be of the same amount and same date(excluding first cheque). However, there should be a gap of 30 days between first SIP Installment and the second installment in case of SIP started during ongoing offer.</p> <p>Investors will have the right to discontinue the SIP facility at any time by sending a written request to any of the Official Point(s) of Acceptance. Notice of such discontinuance should be received at least 30 days prior to the due date of the next debit. On receipt of such request, the SIP facility will be terminated. It is clarified that if the Fund fails to get the proceeds from three Installments out of a continuous series of Installments submitted at the time of initiating a SIP (Subject to a minimum under SIP i.e. 36 months), the SIP is deemed as</p>
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	<p>discontinued.</p> <p>Investors can avail of the SIP facility during the NFO period as well. However, in such a case the SIP must be through the ECS or Direct Debit. The first investment in SIP during the NFO shall be through a cheque/debit/instrument.</p> <p>Units will be allotted at the Applicable NAV of the respective dates on which the investments are sought to be made. In case the date falls on a Holiday or falls during a Book Closure period, the immediate next Business Day will be considered for this purpose</p> <p>An extension of an existing SIP will be treated as a new SIP on the date of such application, and all the above conditions need to be met with. The Load structure prevailing at the time of submission of the SIP application (whether fresh or extension) will apply for all the Installments indicated in such application.</p> <p>The installment after the NFO period should be dated after the date of declaration of first NAV. Any payments intended for the interim period will not be processed and will be treated void.</p> <p>The AMC has the authority to make available SIP by way of a salary savings scheme for a group of employees through an arrangement with their employers.</p> <p>For applicable Load on Purchases through SIP, please refer paragraph 'Load Structure' given in the document.</p> <p>The AMC reserves the right to change / modify Load structure and other terms and conditions under the SIP prospectively at a future date. Please refer to the SIP Enrolment Form for terms & conditions before enrolment.</p> <p><u>Micro Systematic Investment Plan</u></p> <p>The Unit holders will have the facility of Micro SIP under the current SIP facility. The key features of the facility are as under:</p> <ol style="list-style-type: none"> 1. Minimum amount per SIP installment is Rs. 100/- and in multiples of Re. 1 thereafter. 2. The minimum redemption amount will be Rs. 300/-. 3. Where the Mutual Fund fails to get the proceeds from six Installments out of a continuous series of
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Installments submitted at the time of initiating a SIP (Subject to a minimum under SIP i.e. 36 months), the SIP may be discontinued by the AMC.

4. All other features / guidelines of Systematic Investment Plan with reference to Standing Instruction / Direct Debit will be equally applicable for a Micro SIP.

Investors with PAN are not eligible for simplified KYC procedure for Micro SIP investments – details of which have been provided in the Statement of Additional Information.

Micro SIP facility will not be available during the NFO period.

For details, investors are requested to refer to the Micro SIP application form.

Systematic Withdrawal Plan(SWP)

Existing Unitholders have the benefit of availing the choice of SWP on pre-specified dates. The SWP allows the Unitholder to withdraw a specified sum of money each month/quarter from his investments in the Scheme.

The amount thus withdrawn by redemption will be converted into Units at Applicable NAV based prices and the number of Units so arrived at will be subtracted from the Units balance to the credit of that Unitholder.

Unitholders may start the facility/change the amount of withdrawals or the period of withdrawals by giving a 15 days written intimation/notice. The SWP may be terminated on a written notice of 15 days by a Unitholder and it will terminate automatically if all the Units are liquidated or withdrawn from the account or the holdings fall below the SWP installment amount.

There are two options available under SWP viz-Monthly option and quarterly option, the details of which are given below:

	Monthly Option	Quarterly Option
Minimum value of SWP	Rs. 1,000	
Additional amount in multiples of	Re.1	

	Dates of SWP Installment	1/5/10/15/25	
	Minimum No of SWP	Six	Four
<p>Contingent Deferred Sales Charge (CDSC)/Exit Load, if any, is applicable to SWP.</p> <p>The AMC reserves the right to accept SWP applications of different amounts, dates and frequency.</p> <p>Unitholders can enroll themselves for the facility by submitting the duly completed Systematic Withdrawal enrolment Form at any of the Investor Service Centres(ISCs)/Official Points of Acceptance(OPAs). The AMC / Trustee reserve the right to change / modify the terms and conditions under the SWP prospectively at a future date.</p> <p><u>Systematic Transfer Plan</u></p> <p>This facility will be available to the investors only during the Ongoing Offer period.</p> <p>Investors can opt for the Systematic Transfer Plan by investing a lumpsum amount in certain schemes of Axis Mutual Fund (as maybe specified in the respective scheme information document) and providing a standing instruction to transfer sums at regular intervals [Weekly option (every Wednesday), Fortnightly (every alternative Wednesday), Monthly(on specified dates i.e. 1st , 7th, 10th, 15th, 25th of every month) into Axis Gold Fund. Investors could also opt for STP from an existing account by quoting their account / folio number. The investors would have to opt for a minimum of 6 transfers of Rs. 1000 in any of the frequencies.</p> <p>Investors can avail of the STP facility from any scheme of Axis Mutual Fund (subject to its scheme information document) to Axis Gold Fund. Investors can also transfer from Axis Gold Fund to any other other open ended scheme of Axis Mutual Fund (unless restricted).</p> <p>A minimum period of 7 days shall be required for registration under STP.</p> <p>Units will be allotted/redeemed at the applicable NAV of the respective dates of the Scheme on which such investments/withdrawals are sought from the Scheme.</p> <p>The AMC reserves the right to introduce STPs at any other frequencies or on any other dates as the AMC may feel appropriate from time to time. In the event that such a</p>			

	<p>day is a Holiday, the transfer would be affected on the next Business Day.</p> <p>The STP may be terminated on a written notice of 7 days by a Unit holder of the Scheme and it will terminate automatically if all Units are liquidated or withdrawn from the account or upon the Funds' receipt of notification of death or incapacity of the Unit holder.</p> <p>Switching Options</p> <p>(a) Inter - Scheme Switching option</p> <p>Unit holders under the Scheme have the option to Switch part or all of their Unit holdings in the Scheme to any other scheme offered by the Mutual Fund from time to time. The Mutual Fund also provides the Investors the flexibility to Switch their investments from any other scheme(s) / plan (s) offered by the Mutual Fund to this Scheme. This option will be useful to Unit holders who wish to alter the allocation of their investment among the scheme(s) / plan(s) of the Mutual Fund in order to meet their changed investment needs.</p> <p>The Switch will be effected by way of a Redemption of Units from the Scheme at Applicable NAV, subject to Exit Load, if any and reinvestment of the Redemption proceeds into another scheme offered by the Mutual Fund at Applicable NAV and accordingly the Switch must comply with the Redemption rules of switch out Scheme and the Subscription rules of the switch in scheme.</p> <p>Auto switch facility</p> <p>The mutual fund will offer an auto switch facility from Axis Treasury Advantage Fund to Axis Gold Fund during the New Fund Offer of Axis Gold Fund (i.e from September 30, 2011 to October 14, 2011). With this facility, the investors will be able to invest in Axis Treasury Advantage Fund with an instruction to switch the units to Axis Gold Fund on the last day of the new fund offer. However, Axis Asset Management Co. Ltd. reserves the right to extend or limit the said facility on such terms and conditions as may be decided from time to time.</p> <p>For details, investors are requested to refer to the Auto switch Key Information Memorandum cum application form.</p> <p>All other features / guidelines of the switch facility will be equally applicable for the above stated Auto switch facility.</p>
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	<p>(b) Intra -Scheme Switching option</p> <p>Unit holders under the Scheme have the option to Switch their Unit holdings from one option to another option (i.e. Growth to Dividend and vice-a-versa). The Switches would be done at the Applicable NAV based prices and the difference between the NAVs of the two options will be reflected in the number of Units allotted.</p> <p>Switching shall be subject to the applicable “Cut off time and Applicable NAV” stated elsewhere in the Scheme Information Document.</p> <p>In case of “Switch” transactions from one scheme to another, the allocation shall be in line with Redemption payouts.</p> <p>Transaction on Fax.</p> <p>In order to facilitate quick processing of transaction and / or instruction of investment of Investor the AMC/ Trustee/ Mutual Fund may (at its sole discretion and without being obliged in any manner to do so and without being responsible and/ or liable in any manner whatsoever) accept and process any application, supporting documents and / or instructions submitted by an Investor / Unit holder by facsimile (Fax Submission) and the Investor / Unit holder voluntarily and with full knowledge takes and assumes any and all risk associated therewith. The AMC / Trustee/ Mutual Fund shall have no obligation to check or verify the authenticity or accuracy of Fax Submission purporting to have been sent by the Investor and may act thereon as if same has been duly given by the Investor. In all cases the Investor will have to immediately submit the original documents/ instruction to AMC/ Mutual Fund.</p> <p>Online Transactions</p> <p>Axis Mutual Fund will allow Transactions including by way of Lumpsum Purchase/ Redemption / Switch of Units by electronic mode through the AMC web -site. The Subscription proceeds, when invested through this mode, are by way of direct debits to the designated bank through payment gateway. The Redemption proceeds, (subject to deduction of tax at source, if any) through this mode, are directly credited to the bank account of the Investors who have an account at the designated banks with whom the AMC has made arrangements from time to time or through NEFT/RTGS or through cheque/Payorder/Demand draft issuance. The AMC will</p>
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	<p>have right to modify the procedure of transaction processing without any prior intimation to the Investor.</p> <p>Investment amount through this facility may be restricted by the AMC from time to time in line with prudent risk management requirements and to protect the overall interest of the Investors.</p> <p>For details of the facility, investors are requested to refer to the website of the AMC.</p> <p>Easy Call Facility</p> <p>All individual investors in the scheme applying on "Sole" or "Anyone or Survivor" basis in their own capacity shall be eligible to avail of Easy Call facilities for permitted transactions inter alia on the following terms and conditions: "Terms and Conditions" mean the terms and conditions set out below by which the Facility shall be used/availed by the Investor/s and shall include all modifications and supplements made by AMC thereto from time to time.</p> <p>Axis Mutual Fund will allow transactions including by way of Lumpsum Purchase/ Redemption / Switch of Units over phone. Initial Investment has to be through the physical mode wherein he has to sign a one time debit mandate for bank accounts pertaining to designated banks with which the AMC may have an arrangement. This facility is extended to the bank with which the Fund would have an arrangement from time to time. Investment amount may be restricted by the AMC from time to time in line with prudent risk management requirements and to protect the overall interest of the Investors. Investor will be allowed transactions over phone after 30 days from the date of submission of one time mandate. Investor will not be permitted to avail the Easy call facility for Redemptions/Switch transactions if bank mandate is changed with in last 15 days. AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.</p> <p>The AMC has a right to ask such information (Key Information) from the available data of the Investor/s before allowing him access to avail the Facility. If for any reason, the AMC is not satisfied with the replies of the Investor/s, the AMC has at its sole discretion the right of refusing access without assigning any reasons to the Investor/s.</p> <p>It is clarified that the Facility is only with a view to accommodate /facilitate the Investor/s and offered at</p>
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	<p>the sole discretion of the AMC. The AMC is not bound and/or obliged in any way to give access to Facility to Investor/s.</p> <p>The Investor/s shall check his/her account records carefully and promptly. If the Investor/s believes that there has been a mistake in any transaction using the Facility, or that unauthorized transaction has been effected, the Investor/s shall notify the AMC immediately. If the Investor/s defaults in intimating the discrepancies in the statement within a period of fifteen days of receipt of the statements, he waives all his rights to raise the same in favour of the AMC, unless the discrepancy /error is apparent on the face of it. By opting for the facility the Investor/s hereby irrevocably authorizes and instructs the AMC to act as his /her agent and to do all such acts as AMC may find necessary to provide the Facility.</p> <p>The Investor/s shall at all times be bound by any modifications and/or variations made to these Terms and Conditions by the AMC at their sole discretion and without notice to them.</p> <p>The Investor/s agrees and confirms that the AMC has the right to ask the Investor/s for an oral or written confirmation of any transaction request using the Facility and/or any additional information regarding the Account of the Investor/s.</p> <p>The Investor/s agrees and confirms that the AMC may at its sole discretion suspend the Facility in whole or in part at any time without prior notice.</p> <p>The Investor/s shall not assign any right or interest or delegate any obligation arising herein.</p> <p>The Investor/s shall take responsibility for all the transactions conducted by using the Facility and will abide by the record of transactions generated by the AMC. Further, the Investor/s confirms that such records generated by the AMC shall be conclusive proof and binding for all purposes and may be used as evidence in any proceedings and unconditionally waives all objections in this behalf.</p> <p>The Investor/s agrees that use of the Facility will be deemed acceptance of the Terms and Conditions and the Investor/s will unequivocally be bound by these Terms and Conditions. The Investor agrees that all calls received shall be eligible for same day NAV subject to necessary formalities to be complied by the AMC in case of transaction through Easy Call Facility on or before the</p>
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	<p>uniform cut off time.</p> <p>Requests like change in bank mandate, change of nomination, change in mode of holding, change of address or such other requests as the AMC may decide from time to time will not be permitted using the Easy Call facility.</p> <p>INDEMNITIES IN FAVOUR OF THE AMC: The Investor/s shall not hold the AMC liable for the following:</p> <ol style="list-style-type: none"> 1) For any transaction using the Facilities carried out in good faith by the AMC on instructions of the Investor/s. 2) For the unauthorized usage/unauthorized transactions conducted by using the Facility. 3) For any loss or damage incurred or suffered by the Investor/s due to any error, defect, failure or interruption in the provision of the Facility arising from or caused by any reason whatsoever. 4) For any negligence / mistake or misconduct by the Investor/s. 5) For any breach or non-compliance by the Investor/s of the rules/terms and conditions stated in this Document. 6) For accepting instructions given by any one of the Investor/s in case of joint account/s having mode of operations as "Either or Survivor" or "anyone or survivor". 7) For not verifying the identity of the person giving the telephone instructions in the Investor/s name. 8) For not carrying out any such instructions where the AMC has reason to believe (which decision of the AMC the Investor/s shall not question or dispute) that the instructions given are not genuine or are otherwise improper, unclear, vague or raise a doubt. 9) For carrying out a transaction after such reasonable verification as the AMC may deem fit regarding the identity of the Investor/s 10) In case of error in NAV communication. 11) For accepting instructions given by any one of the Investor/s or his / her authorized person. <p>MISCELLANEOUS:</p> <ol style="list-style-type: none"> 1) The Investor/s agrees and understands that while this Facility is being introduced without any charges being levied; in case charges are to be levied on a future date he agrees to pay such charges and nonpayment in such an event can lead to termination of these services.
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	<p>2) Any dispute arising out of or in connection with these Terms and Conditions, will be referred to the arbitration of a sole arbitrator to be appointed by the AMC, in accordance with the Arbitration & Conciliation Act, 1996.</p> <p>3) These Terms and Conditions are subject to applicable SEBI (Mutual Funds) Regulations, 1996 as amended from time to time and includes Guidelines, Circular press release or Notification that may be issued.</p> <p>Application via electronic mode:</p> <p>Subject to the Investor fulfilling certain terms and conditions stipulated by the AMC as under, Axis Asset Management Company Limited, Axis Mutual Fund or any other agent or representative of the AMC, Mutual Fund, the Registrar & Transfer Agents may accept transactions through any electronic mode including fax/web/ electronic transactions as permitted by SEBI or other regulatory authorities :</p> <p>a) The acceptance of the fax/web/electronic transactions will be solely at the risk of the transmitter of the fax/web/ electronic transactions and the Recipient shall not in any way be liable or responsible for any loss, damage caused to the transmitter directly or indirectly, as a result of the transmitter sending or purporting to send such transactions.</p> <p>b) The recipient will also not be liable in the case where the transaction sent or purported to be sent is not processed on account of the fact that it was not received by the Recipient.</p> <p>c) The transmitter's request to the Recipient to act on any fax/web/electronic transmission is for the transmitter's convenience and the Recipient is not obliged or bound to act on the same.</p> <p>d) The transmitter acknowledges that fax/web/electronic transactions is not a secure means of giving instructions/ transactions requests and that the transmitter is aware of the risks involved including those arising out of such transmission.</p> <p>e) The transmitter authorizes the recipient to accept and act on any fax/web/ electronic transmission</p>
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	<p>which the recipient believes in good faith to be given by the transmitter and the recipient shall be entitled to treat any such fax/web/ electronic transaction as if the same was given to the recipient under the transmitter's original signature.</p> <p>f) The transmitter agrees that security procedures adopted by the recipient may include signature verification, telephone call backs which may be recorded by tape recording device and the transmitter consents to such recording and agrees to cooperate with the recipient to enable confirmation of such fax/web/ electronic transaction requests.</p> <p>g) The transmitter accepts that the fax/web/ electronic transactions, where applicable shall not be considered until time stamped as a valid transaction request in the Scheme in line with the Regulations.</p> <p>In consideration of the recipient from time to time accepting and at its sole discretion acting on any fax/ web/electronic transaction request received / purporting to be received from the transmitter, the transmitter agrees to indemnify and keep indemnified the AMC, Directors, employees, agents, representatives of the AMC, Axis Mutual Fund and Trustee from and against all actions, claims, demands, liabilities, obligations, losses, damages, costs and expenses of whatever nature (whether actual or contingent) directly or indirectly suffered or incurred, sustained by or threatened against the indemnified parties whatsoever arising from or in connection with or any way relating to the indemnified parties in good faith accepting and acting on fax/web/ electronic transaction requests including relying upon such fax/ electronic transaction requests purporting to come from the Transmitter even though it may not come from the Transmitter.</p> <p>The AMC reserves the right to discontinue the facility at any point of time.</p> <p>Transaction in Units through the trading platforms of NSE and BSE</p> <p>The investors can transact in the Units of the Scheme through the mutual fund trading platforms of the Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE") – with NSDL and CDSL as depositories for such units of the mutual fund.</p>
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	<p>NSE has introduced Mutual Fund Service System (MFSS) Platform and BSE has introduced BSE StAR MF Platform.</p> <p>The following are the salient features of the facility introduced:</p> <ol style="list-style-type: none"> 1. The facility i.e. purchase/redemption/SIP (Systematic Investment Plan) is available for both existing and new investors. Switch Facility is not available. 2. Maximum subscription: The investors can purchase units of the scheme by using NSE MFSS/ BSE StAR platform for transaction value less than Rs. 1 Crore. 3. All trading members of BSE & NSE who are registered with AMFI as Mutual Fund Advisors and also registered with BSE & NSE as Participants ("AMFI registered stock exchange brokers") will be eligible to offer this facility to investors and shall be treated as official point of acceptance. Units of mutual fund schemes shall be permitted to be transacted through clearing members of the registered Stock Exchanges. Clearing members and Depository participants will be considered as Official Points of Acceptance (OPA) of Axis Mutual Fund and conditions stipulated in SEBI Circular No. SEBI /IMD / CIR No.11/183204/2009 dated November 13, 2009 for stock brokers viz. AMFI /NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund, shall be applicable for such Clearing members and Depository participants as well. 6. The units of the Scheme are not listed on BSE & NSE and the same cannot be traded on the Stock Exchange. The window for purchase/redemption of units on BSE StAR & NSE MFSS will be available between 9 a.m. and 3 p.m. or such other timings as may be decided. 7. Investors shall hold the units in dematerialized form only. 8. Investors will be able to purchase/redeem units in the scheme in the following manner:
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	<p>(i) Investors shall receive redemption amount (if units are redeemed) and units (if units are purchased) through broker/ clearing member's pool account. Axis Asset Management Company Limited (the "AMC")/Axis Mutual Fund (the "Mutual Fund") shall pay proceeds to the broker/clearing member (in case of redemption) and broker/clearing member in turn to the respective investor and similarly units shall be credited by the AMC/ Mutual Fund into broker/clearing member's pool account (in case of purchase) and broker/clearing member in turn shall credit the units to the respective investor's demat account.</p> <p>(ii) Payment of redemption proceeds to the broker/clearing members by AMC/Mutual Fund shall discharge AMC/Mutual Fund of its obligation of payment to individual investor. Similarly, in case of purchase of units, crediting units into broker/clearing member pool account shall discharge AMC/Mutual Fund of its obligation to allot units to individual investor.</p> <p>9. Applications for purchase/redemption of units which are incomplete /invalid are liable to be rejected.</p> <p>10. For all the transactions done through these platforms, separate Folio. No. shall be allotted to the existing and the new investors. The bank a/c number, address, nomination details etc. shall be the same as per the Demat account of the investor. In case of non-financial requests/applications such as change of address, change of bank details, etc. investors should approach the respective Depository Participant(s).</p> <p>13. Investors will have to comply with Know Your Customer (KYC) norms as prescribed by BSE/NSE/CDSL/ NSDL and Axis Mutual Fund to participate in this facility.</p> <p>14. Investors should get in touch with Investor Service Centres (ISCs) of Axis Mutual Fund for further details.</p>
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Accounts Statements	<p>For normal transactions (other than SIP/STP/SWP) during ongoing sales and repurchase:</p> <ul style="list-style-type: none"> • The Account Statement reflecting the new or additional subscription as well as redemption / switch of Units shall be dispatched to the Unit holder within 5 business days from the date of receipt of request from the Unit holder. • For those Unit holders who have provided an e-mail address, the AMC will send the account statement by e-mail. • Unit holders will be required to download and print the documents after receiving e-mail from the Mutual Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties. • The Unit holder may request for a physical account statement by writing/calling the AMC/ISC/Registrar. <p>For SIP/STP/SWP transactions;</p> <ul style="list-style-type: none"> • Account Statement for SIP/SWP/STP will be despatched once every quarter ending March, June, September and December within 10 working days of the end of the respective quarter. • A soft copy of the Account Statement shall be mailed to the investors under SIP to their e-mail address on a monthly basis, if so mandated. • However, the first Account Statement under SIP/STP/SWP shall be issued within 10 working days of the initial investment/transfer. • In case of specific request received from investors, Mutual Funds shall provide the account statement (SIP) to the investors within 5 working days from the receipt of such request without any charges. <p>Annual Account Statement:</p> <ul style="list-style-type: none"> • The Mutual Fund shall provide the Account Statement to the Unit holders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement, • The account statements in such cases may be
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	<p>generated and issued along with the Portfolio Statement or Annual Report of the Scheme.</p> <p>Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.</p> <p>For normal transactions as stated above, in the event the account has more than one registered holder, the first named Unit holder shall receive the account statements.</p> <p>The AMC shall issue Unit certificates within 5 business days from the date of receipt of request where the applicant so desires.</p> <p>However, 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.</p>
Dividend	<p>The Dividend warrants/cheque/demand draft shall be dispatched to the Unit holders within 30 days of the date of declaration of the Dividend.</p> <p>The Dividend proceeds will be paid by way of ECS / EFT / NEFT / RTGS / Direct credits/ any other electronic manner if sufficient banking account details are available with Mutual Fund for Investor.</p> <p>In case of specific request for Dividend by warrants/cheques/demand drafts or unavailability of sufficient details with the Mutual Fund, the Dividend will be paid by warrant/cheques/demand drafts and payments will be made in favour of the Unit holder (registered holder of the Units or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Mutual Fund (please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI).</p>
Redemption	<p>How to Redeem</p> <p>A Transaction Slip can be used by the Unit Holder to request for Redemption. The requisite details should be entered in the Transaction Slip and submitted at an ISC/Official Point of Acceptance. Transaction Slips can be obtained from any of the ISCs/Official Points of Acceptance. Investor can also place redemption through Telephone using Easy Call facility or may redeem Online through the AMC's website subject to the</p>

	<p>terms and conditions as maybe stiputated from time to time.</p> <p>Procedure for payment of redemption.</p> <p>1. Resident Investors</p> <p>Redemption proceeds will be paid to the investor through Real Time Gross Settlement (RTGS), NEFT, Direct Credit, Cheque or Demand Draft.</p> <ol style="list-style-type: none"> If investor had provided IFSC code in the application form, by default redemption proceeds shall be to be credited to Investor's account through RTGS/NEFT. If Investor has neither provided RTGS code nor the NEFT code but have a bank account with Banks with whom the Fund would has an arrangement for Direct Credit from time to time, the proceeds will be paid through direct credit. Incase if investor bank account does not fall in the above a to b categories, redemption proceeds will be paid by cheques/demand drafts, marked "Account Payee only" and drawn in the name of the sole holder / first-named holder (as determined by the records of the Registrar). The bank name and bank account number, as specified in the Registrar's records, will be mentioned in the cheque/demand draft. The cheque will be payable at par at all bank branch or specific cities. If the Unit Holder resides in any other city, he will be paid by a demand draft payable at the city of his residence and the demand draft charges shall be borne by the AMC (please refer SAI for details). <p>The redemption proceeds will be sent by courier or (if the addressee city is not serviced by the courier) by registered post/UCP. The dispatch for the purpose of delivery through the courier / postal department, as the case may be, shall be treated as delivery to the investor. The AMC / Registrar are not responsible for any delayed delivery or non-delivery or any consequences thereof, if the dispatch has been made correctly as stated in this paragraph.</p> <p>The AMC reserves the right to change the sequence of payment from (a) to (c) without any</p>
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	<p>prior notice</p> <p>For Unit holders who have given specific request for Cheque/Demand Draft Redemption proceeds will be paid by cheque/demand drafts and payments will be made in favour of the Unit holder with bank account number furnished to the Mutual Fund</p> <p>(Please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI). Redemption cheques will be sent to the Unit holder's address.</p> <p>The Mutual Fund will endeavor to dispatch the redemption proceeds within 10 Business Days from the date of Redemption. If the payment is not made within the period stipulated in the Regulations, the Unit Holder shall be paid interest @15% p.a. or as specified by SEBI for the delayed period and the interest shall be borne by the AMC.</p> <p>The Trustee, at its discretion at a later date, may choose to alter or add other modes of payment.</p> <p>2. Non-Resident Investors</p> <p>For NRIs, Redemption proceeds will be remitted depending upon the source of investment as follows:</p> <p>(i) Repatriation basis</p> <p>When Units have been purchased through remittance in foreign exchange from abroad or by cheque / draft issued from proceeds of the Unit Holder's FCNR deposit or from funds held in the Unit Holder's Non Resident (External) account kept in India. The proceeds can also be sent to his Indian address for crediting to his NRE / FCNR / non-resident (Ordinary) account, if desired by the Unit Holder.</p> <p>(ii) Non-Repatriation basis</p> <p>When Units have been purchased from funds held in the Unit Holder's non-resident (Ordinary) account, the proceeds will be sent to the Unit Holder's Indian address for crediting to the Unit Holder's non-resident (Ordinary) account.</p> <p>For FIIs, the designated branch of the authorized dealer may allow remittance of net sale / maturity proceeds (after payment of taxes) or credit the amount to the Foreign Currency account or Non-resident Rupee account of the FII maintained in accordance with the</p>
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	<p>approval granted to it by the RBI. The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations, while converting the rupee amount in foreign exchange in the case of transactions with NRIs / FIIs. The Fund may make other arrangements for effecting payment of redemption proceeds in future.</p> <p>Effect of Redemptions The number of Units held by the Unit Holder in his / her / its folio will stand reduced by the number of Units Redeemed. Units once redeemed will be extinguished and will not be re-issued.</p> <p>The normal processing time may not be applicable in situations where such details are not provided by investors/Unit holders. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques and/or any delay/loss in transit.</p> <p>Unclaimed Redemptions and Dividends As per circular no. MFD / CIR / 9 / 120 / 2000, dated November 24, 2000 issued by SEBI, the unclaimed Redemption and dividend amounts shall be deployed by the Fund in money market instruments only. The unclaimed Redemption and dividend amounts shall be deployed 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. The circular also specifies that investors who claim these amounts during a period of three years from the due date shall be paid at the prevailing NAV. Thus, 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. In terms of the circular, the onus is on the AMC to make a continuous effort to remind investors through letters to take their unclaimed amounts. The details of such unclaimed amounts shall be disclosed in the annual report sent to the Unit Holders.</p> <p>AMC reserves the right to provide the facility of redeeming Units of the Scheme through an alternative mechanism including but not limited to online transactions on the Internet, as may be decided by the AMC from time to time. The alternative mechanism may also include electronic means of communication such as redeeming Units online through the AMC Website or any other website etc. The alternative mechanisms would be applicable to only those investors who opt for the same in writing and/or subject to investor fulfilling such</p>
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	<p>conditions as AMC may specify from time to time.</p> <p>Signature mismatches If the AMC / Registrar finds a signature mismatch, while processing the redemption/ switch out request, then the AMC/ Registrar reserves the right to process the redemption only on the basis of supporting documents confirming the identity of the investors. List of such documents would be notified by AMC from time to time on its website.</p> <p>Important Note: All applicants for Purchase of Units /Redemption of Units must provide a bank name, bank account number, branch address, and account type in the Application Form.</p>
Delay in payment of redemption / repurchase proceeds	<p>The AMC shall be liable to pay interest to the Unit holders at 15% or such other rate as may be prescribed by SEBI from time to time, in case the Redemption / Repurchase proceeds are not made within 10 Business Days of the date of Redemption / Repurchase. However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC / Trustee is required to obtain from the Investor / Unit holders verification of identity or such other details relating to Subscription for Units under any applicable law or as may be requested by a Regulatory Agency or any government authority, which may result in delay in processing the application.</p>

C. PERIODIC DISCLOSURES

<p>Net Asset Value</p> <p>This is the value per Unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your Unit balance.</p>	<p>The AMC will calculate and disclose the first NAV of the Scheme within a period of 5 business days from the date of allotment. Subsequently, the NAVs will be calculated and disclosed on all the Business Days. The NAV of the Scheme and purchase/Redemption price shall be published at least in two daily newspapers on daily basis in accordance with the Regulations. The AMC shall update the NAVs on the website of the AMC (www.axismf.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 10.00 a.m. on the next Business Day for a given business day. If the NAVs are not available before the commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.</p> <p>Information regarding NAV can be obtained by the Unit holders / Investors by calling or visiting the nearest ISC.</p>
Half yearly Disclosures: Portfolio / Financial Results	<p>The Mutual Fund shall publish a complete statement of the Scheme portfolio and the unaudited financial results,</p>

<p>This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p>within one month from the close of each half year (i.e. 31st March and 30th September), by way of an advertisement at least, in one National English daily and one regional newspaper in the language of the region where the head office of the Mutual Fund is located.</p> <p>The Mutual Fund may opt to send the portfolio to all Unit holders in lieu of the advertisement (if applicable).</p> <p>The Portfolio Statement will also be displayed on the website of the AMC and AMFI.</p>		
<p>Half Yearly Results</p>	<p>The Mutual Fund and AMC shall before the expiry of one month from the close of each half year i.e. 31st March and on 30th September, publish its unaudited financial results in one national English daily newspaper and in a regional newspaper published in the language of the region where the Head Office of the Mutual Fund is situated.</p> <p>The unaudited financial results will also be displayed on the website of the AMC and AMFI.</p>		
<p>Annual Report</p>	<p>The Scheme wise annual report or an abridged summary thereof shall be mailed (emailed, where e mail id is provided unless otherwise required) to all Unit holders not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year) and full annual report shall be available for inspection at the Head Office of the Mutual Fund and a copy shall be made available to the Unit holders on request on payment of nominal fees, if any. Scheme wise annual report shall also be displayed on the website of the AMC (www.axismf.com) and Association of Mutual Funds in India (www.amfiindia.com).</p>		
<p>Associate Transactions</p>	<p>Please refer to Statement of Additional Information (SAI).</p>		
<p>Taxation</p> <p>The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.</p>	<p>Axis Gold Fund</p>		
		<p>Resident Investors</p>	<p>Mutual Fund</p>
	<p>Tax on Dividend</p>	<p>Nil</p>	<p>Dividend Distribution Tax (DDT) Individual / HUF - 13.519%</p> <p>Others - 32.445%*</p>

	<p>Capital Gains: Long Term Short Term</p>	<p>10%/20% Income tax rate applicable to the Unit holders as per their income slabs.</p>	<p>Nil Nil</p>
	<p>1. Axis Mutual Fund is a Mutual Fund registered with the Securities & Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from income tax in accordance with the provisions of Section 10(23D) of the Income-tax Act, 1961 (the Act).</p> <p>2. On Income Distribution, if any, made by the Mutual Fund, additional income-tax is payable under section 115R of the Act, in the case of its schemes (other than equity-oriented funds and a money market mutual fund or a liquid fund). The additional income-tax on distribution of income to an individual / Hindu Undivided family (HUF) shall be payable by the Mutual fund at the rate of 13.519%* and at the rate of 32.445%* on distribution of income to any other investor.</p> <p>* including applicable surcharge, education cess and secondary and higher education cess.</p>		
	<p>For further details on taxation please refer to the clause on Taxation in the SAI</p>		
Investor services	<p>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" (toll-free number) or 022 - 4325 5100 (at local call rate for enquiring at AMC ISC's) or email - 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.</p> <p>Any complaints should be addressed to Mr. Milind Vengurlekar who has been appointed as the Investor Relations Officer and can be contacted at:</p> <p>Address : Axis Asset Management Co. Ltd. "Axis House", 1st Floor, Bombay Dyeing Mill Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025</p>		

	022 - 4325 4138/4123 For any grievances with respect to transactions through BSE StAR and / or NSE MFSS, the investors / Unit Holders should approach either the stock broker or the investor grievance cell of the respective stock exchange.
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D. COMPUTATION OF NAV

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

The Net Assets Value (NAV) of the Units under the Scheme shall be calculated as shown below:

$$\text{NAV (Rs.)} = \frac{\text{Market or Fair Value of Scheme + including Accrued - and Provisions Investments Income}}{\text{No. of Units outstanding under Scheme on the Valuation Day}}$$

The NAV shall be calculated up to four decimal places. However the AMC reserves the right to declare the NAVs up to additional decimal places as it deems appropriate. Separate NAV will be calculated and disclosed for each Option. The NAVs of the Growth Option and the Dividend Option will be different after the declaration of the first Dividend.

The AMC will calculate and disclose the first NAV of the Scheme within a period of 5 business days from the date of allotment. Subsequently, the NAVs will be calculated and disclosed on all the Business Days.

IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the scheme.

A. NEW FUND OFFER (NFO) EXPENSES

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

In accordance with the provisions of SEBI Circular no. SEBI/ IMD/CIR No. 1/64057/06 dated April 04, 2006 and SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009, the Scheme, being an open-ended scheme, the NFO expenses shall be borne by the AMC/Sponsor.

B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the Scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:

The AMC has estimated that up to 0.75% of the daily or weekly average net assets of the Scheme will be charged to the Scheme as expenses. For the actual current expenses being charged, the Investor should refer to the website of the AMC.

Particulars	% of Net Assets
Investment Management & Advisory Fee	0.00
Service Tax on Investment Management & Advisory Fee	0.00
Custodial Fees	0.05
Registrar & Transfer Agent Fees including cost related to providing accounts statement, Dividend/Redemption cheques/warrants etc.	0.10
Marketing & Selling Expenses including Agents Commission and statutory advertisement	0.55
Audit Fees / Fees and expenses of trustee	0.02
Costs related to Investor communications	0.02
Costs of fund transfer from location to location	-
Other Expenses*	0.01
Total Recurring Expenses	0.75

*Any other expenses which are directly attributable to the Scheme, maybe charged with the approval of the Trustee within the overall limits as specified in the Regulations except those expenses which are specifically prohibited.

These estimates have been made in good faith as per the information available to and estimates made by the Investment Manager and are subject to change inter-se or in total subject to prevailing Regulations. The AMC may incur actual expenses which may be more or less than those estimated above under any head and/or in total. Type of expenses charged shall be as per the Regulations.

The AMC will charge the Scheme such actual expenses incurred, subject to the statutory limit prescribed in the Regulations.

The recurring expenses of the Scheme (including the Investment Management and Advisory Fees) shall be as per the limits prescribed under the SEBI (MF) Regulations.

Any expenditure in excess of the SEBI regulatory limits shall be borne by the AMC or the Sponsor.

The investors will bear the recurring expenses of the scheme in addition to the expenses of other schemes in which Axis Gold Fund will make investment.

The total expenses of the scheme including the expenses of the underlying scheme, shall be capped at 1.50% p.a. of the daily or weekly average net assets of the scheme.

The current expense ratios will be updated on the AMC website viz. www.axismf.com within two working days mentioning the effective date of the change.

C. LOAD STRUCTURE

Load is an amount which is presently paid by the Investor to redeem the Units from the Scheme. This amount is used by the AMC to pay commission to the distributors and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, Investors may refer to the website of the AMC (www.axismf.com) or may call at **1800 3000 3300** or you can contact your distributor.

SEBI vide its circular No. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes.

Type of Load	Load chargeable (as %age of NAV)
Entry Load	NA
Exit Load	1% if redeemed/switched out within 1 year from date of allotment.

Units issued on reinvestment of Dividends shall not be subject to Load.

The above mentioned load structure shall be equally applicable to the special products such as SIP, switches, STP, SWP, etc. offered by the AMC. Further, for switches between the Growth and Dividend Option, no load will be charged by the scheme.

Of the Exit Load or CDSC charged to the Investor, a maximum of 1% of the Redemption proceeds can be maintained in a separate account which can be used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Any balance is to be credited to the Scheme immediately.

The Investor is requested to check the prevailing Load structure of the Scheme before investing.

For any change in Load structure AMC will issue an addendum and display it on the website/Investor Service Centres.

Under the Scheme, the AMC/Trustee reserves the right to change / modify the Load structure if it so deems fit in the interest of smooth and efficient functioning of the Mutual Fund. The AMC/Trustee reserves the right to introduce / modify the Load depending upon the circumstances prevailing at that time subject to maximum limits as prescribed under the Regulations.

The Redemption Price however, will not be lower than 93% of the NAV. Any imposition or enhancement of Load in future shall be applicable on prospective investments only. The difference between the Redemption price and Sale price at any point in time shall not

exceed the permitted limit as prescribed by SEBI from time to time which is presently 7% calculated on the Sale Price.

At the time of changing the Load Structure:

1. An Addendum detailing the changes will be attached to Scheme Information Document (s) and Key Information Memorandum. The addendum may be circulated to all the distributors / brokers so that the same can be attached to all Scheme Information Documents and Key Information Memoranda already in stock.
2. The addendum will be displayed on the website of the AMC and arrangements will be made to display the addendum in the form of a notice in all the Investor Service Centres and distributors / brokers' office.
3. The introduction of the Exit Load/ CDSC along with the details may be stamped in the acknowledgement slip issued to the Investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such Load/CDSC.
4. A public notice shall be given in respect of such changes 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.
5. Any other measure which the Mutual Fund may consider necessary.

Any change in Load structure shall be only on a prospective basis i.e. any such changes would be chargeable only for Redemptions from prospective purchases (applying first in first out basis).

Transaction charge:

In terms of SEBI circular no. CIR/ IMD/ DF/ 13/ 2011 dated August 22, 2011, as amended from time to time, Transaction Charge per subscription of Rs.10, 000/- and above shall be charged from the investors and shall be payable to the distributors/ brokers (who have not opted out of charging the transaction charge) in respect of applications routed through distributor/ broker relating to Purchases / subscription / new inflows only (lump sum and SIP), subject to the following:

- For Existing / New investors: Rs.100 / Rs.150 as applicable per subscription of 10,000/- and above
- Transaction charge for SIP shall be applicable only if the total commitment through SIP amounts to Rs.10,000/- and above. In such cases the transaction charge would be recovered in maximum 3/4 successful installments.
- There shall be no transaction charge on subscription below Rs.10,000/-.
- There shall be no transaction charges on direct investments.

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Not applicable

V. RIGHTS OF UNIT HOLDERS

Please refer to SAI for details.

VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

This section shall contain the details of penalties, pending litigation, and action taken by SEBI and other regulatory and Govt. Agencies.

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed.

Not Applicable

2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.

Reserve Bank of India has levied penalty of Rs. Fifteen lacs on Axis Bank Ltd. in April 2011 for inadequacies seen in adherence to guidelines on derivatives transactions. The penalty of Rs. Fifteen lacs has been paid by Axis Bank Ltd. on May 5, 2011 to Reserve Bank of India.

3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and rules and regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.

Nil

4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.

Nil

5. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustee/Trustee Company which SEBI has specifically advised to be disclosed in the Scheme Information Document, or which has been notified by any other Regulatory Agency, shall be disclosed.

Nil

The Scheme under this Scheme Information Document was approved by the Trustee Company by passing a resolution on March 29, 2011. The Trustee has ensured that the

Scheme is a new product offered by Axis Mutual Fund and is not a minor modification of its existing schemes.

Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

for and on behalf of
Axis Asset Management Company Limited

Sd/-

Rajiv Anand
Managing Director &
Chief Executive Officer

Date: September 19, 2011
Place: Mumbai

DURING NEW FUND OFFER PERIOD

AXIS AMC OFFICE ADDRESSES

Ahmedabad Ground Floor, Shop No 4, Megha House, Opp. Kotak Bank, Mithakali Law Garden Road, Ellisbridge, Ahmedabad 380006 • **Bhopal** C/o Axis Securities & Sales Limited, Akansha Building, 1st Floor, Opposite Navbharat Press Complex, Zone -1, M. P. Nagar, Bhopal - 462 011 • **Bhubaneswar** C/o Axis Securities & Sales Limited, Axis Mutual Fund, Agrani Press, Mallick commercial complex 1st floor, Block BPN A/69, Kharvela Nagar, Bhubaneswar- 751001 • **Bangalore** Embassy Square, Building No. 148, Unit No 306, 3rd Floor, Infantry Road, Bangalore 560001 • **Chandigarh** 1st Floor, Sco No 147-48, Sec 9c, Chandigarh 160017 • **Chennai** 5th Floor, Maalavika Center, 144 - 145 New No 60, Kodambakkam High Road, Nungambakkam, Chennai 600034 • **Dehradun** C/O Axis Bank Ltd, 74, Rajpura Road, IIPM Tower Dehradun, (U.K.), 248001 • **Ranchi** C/O Axis Bank Ltd, Ground Floor, Mapple Plaza, Opposite Road No. 2 Ashok Nagar, Ranchi 834002. • **Kochi** C/o Axis Securities & Sales Limited, Door No 1053-B1, Rani Tower, 1st Floor, Chittoor Road, Ernakulam, Kochi 682018 • **Coimbatore** C/o Axis Securities & Sales Limited, Door No 1437, Red Rose Chambers, 2nd Floor, Trichy Road, Coimbatore 641018 • **Guwahati** C/o Axis Securities & Sales Limited, 3rd Floor, Sarojini Commercial Complex, Opposite Ayakar Bhavan, Christian Basti, G.S.Road, Guwahati 781005 • **Hyderabad** 2nd Floor, Nerella House, Panjagutta, Hyderabad 500082 • **Indore** C/o Axis Securities & Sales Limited, 201, 2nd Floor, Silver Sanchora Castle, 8/2 R.N.T. Marg, Indore 452 003, India • Jaipur 305, 3rd Floor, Ganpati Plaza, M I Road, Jaipur 302001 • **Kanpur** 210, 2nd Floor, Kan Chambers, Civil Lines, Kanpur 208001 • **Kolkata** 3 - F, 3rd Floor, Shristi, 12 Hochiminh Sarani, Kolkata 700071 • **Lucknow** Unit No 5, 6 & 7, Halwasiya's Commerce House, 2nd Floor, Habibullah Estate, 11, M.G. Marg, Hazratganj, Lucknow 226001 • **Ludhiana** Axis Asset Management Co. Ltd., SCO - 28, First Floor, Feroz Gandhi Market, Ludhiana - 141001 • **Mumbai** Axis House, 1st Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025, India • **Mangalore** C/o Axis Securities & Sales Limited, Somayaji House, Door No 15-7-330/56, 5th Floor, Bunts Hostel Road, Mangalore 575003 • **Nagpur** C/o Axis Securities & Sales Limited, Sitaram Smruti, 2nd Floor, West High Court Road, Dharampeth, Nagpur 440010 • **Nasik** C/o Axis Securities & Sales Limited, Office No. 19/22, Gr. Floor, Suyojit Modern Point, Opposite Police Parade Ground, Sharanpur Road, Nasik 422002 • **New Delhi** 702-705, 7th Floor, Narain Manzil, Barakhamba Road, Connaught Place, New Delhi • **Panjim** C/o Axis Securities & Sales Limited, 103, 1st Floor, Unitech City Centre, M.G. Road, Panjim 403001 • **Patna** DG-11, Dumraon Place, Frazer Road, Patna - 800 001 • **Pune** 927, 204-205, 2nd Floor, Sanas Memories Apartment, Fergusson College Road, Shivaji Nagar, Pune 411004 • **Raipur** C/o Axis Securities & Sales Limited, Parthivi Pacific, Tatibandh, GE Road, Raipur 492 099. • **Rajkot** C/o Axis Securities & Sales Limited, 2nd Floor, Solitaire Building, 150 Feet Ring Road, Opp. Amin Marg, Junction, Rajkot 360001 • **Surat** C/o Axis Securities & Sales Limited, Centre Point, 106/a, First Floor, Ring Road, Surat 395002 • **Trivandrum** C/o Axis Securities & Sales Limited, Haji M. Bava Sahib Commercial Complex, TC25/2890(12), Ambujavilasam Road, Trivandrum 695001 • **Vadodara** C/o Axis Securities & Sales Limited, Chitarakash Complex, 1st Floor, 19, Punit Nagar, Old Padra Road, Vadodara 390007.

KARVY COMPUTERSHARE PRIVATE LIMITED INVESTOR SERVICE CENTERS

• **Agartala** Jagannath Bari Road, Bidur Kottar, Choumani, Agartala 799001 • **Agra** Deepak Wasan Plaza, Behind Holiday Inn, Opp Megdoot Furnitures, Sanjay Place, Agra 282002 (U.P) • **Ahmedabad** 201, Shail Building, Opp Madhusudhan House, Near Navrangpura Telephone Exchange, Navrangpura, Ahmedabad 380006 • **Aligarh** 1st Floor, Kumar Plaza, Aligarh 202001 Uttar Pradesh • **Allahabad** RSA Towers, 2nd Floor, Above Sony TV Showroom, 57, S P Marg, Civil Lines, Allahabad 211001 • **Alwar** 101, Saurabh Towers Road No # 2, Bhagat Singh Circle Alwar 301001 • **Ambala** 6349, Nicholson Road, Adjacent Kos Hospital, Ambala Cantt, Ambala 133001 • **Amritsar** 72-A, Taylor's Road, Aga Heritage Gandhi Ground, Amritsar 143001 • **Anand** F-6, Chitrangana Complex, Opp. Motikaka Chawl, V V Nagar, Anand 388001 • **Angul** Durga Shankar Road, Main Road, Infront of AXIS Bank Angul 759122 • **Ankleshwar** Shop No. FF 4 & 5, Shree Narmada Arcade, Old N H No 8, Opp. HDFC Bank, Ankleshwar 393001 • **Asansol** Hotal Askok, 2nd Floor 18, G T Road, Asansol 713301 • **Aurangabad** Shop No 214/215 Tapadiya City Centre, Nirala Bazar, Aurangabad 431001 • **Balasore** Balasore M S Das Street, Gopalgaon, Balasore 756001 • **Bangalore** No 51/25, 1st Floor, Surya Building, Ratna Avenue, Richmond Road, Bangalore 560025 • **Bankura** Ambika Market, Natunganj Bankura 722101 • **Bareilly** 1st Floor, 165, Civil Lines, Opposite Hotel Bareilly Palace, Near Rly Station Road, Bareilly 243001 • **Barhampore** (WB) Thakur Market Complex, 72, Naya Sarak Road, Gorabazar, PO. Berhampore, DIST. Murshidabad, Barhampore -742101 • **Baroda** Piccadilly, Office # 5, First Floor, Opp. Adani Super Market, Jetalpur Road, Vadodara 390007 Gujarat • **Belgaum** FK-1, Ambedkar Road, Opp Civil Hospital Belgaum 590001 • **Berhampur** (OR) Ramlingam Tank Road, Berhampur, Orissa 760002 • **Bharuch** 147-148, Aditya Complex, Near Kasak Circle, Bharuch - 392 002 • **Bhavnagar** Surabhi Mall 301, 3rd Floor, Waghawadi Road, Bhavnagar 364001 • **Bhilai** No138, New Civic Centre, Bhilai 490006 Dist Durg, Chattishgarh • **Bhilwara** 27-28, 1st Floor, Hira Panna Complex, Pur Road, Bhilwara 311001 • **Bhopal** Kay Kay Busniss Centre, 133 Zone, I M P Nagar, Bhopal 462021 • **Bhubaneswar** Plot No 104/105(P), Jaydev Vihar, Besides Hotel Pal Heights, Bhubaneswar 751013, Orissa • **Bikaner** 2nd Floor, Plot No 70 & 71, Panchshati Circle, Sardul Gunj Scheme, Bikaner 334003 • **Bilaspur** Shop No 201/202, V R Plaza, Link Road, Bilaspur 495001 • **Bokaro STEEL CITY** B-1, 1st Floor, Near Sona Chandi Jewellers, City Centre, Sector 4, Bokaro Steel, City 827004 (Jharkhand) • **Burdwan** 63 G T Road, Birhata, Halder Complex, 1st Floor, Burdwan 713101 • **Calicut** Sowbhagya Shopping Complex, Areyadathupalam Mavoor Road, Calicut 673004 • **Chandigarh** Sco-371-372, First Floor, Above HDFC Bank, Sector 35B Chandigarh 160022 • **Chennai** Flat No F11, First Floor, Akshya Plaza, (Erstwhile Harris Road), Opp Chief City Metropolitan Court, # 108, Adhithanar Salai, Egmore, Chennai 600002 • **Chinsura** JC Ghosh Sarani Near Bus Stand Chinsura 712101 • **Cochi (kochi)** Cochin Room No 2, IInd Floor, Jewel Arcade, (Above Oriental Insurance Ltd) Layam Road, Cochin 682011 • **Coimbatore** 29/1, 1st Floor, Chinthamani Nagar, Opp To Indian Overseas Bank, Nsr Road, Saibaba Colony, Coimbatore 641011 • **Cuttack** Dargha Bazar, Opp Dargha Bazar Police Station, Buxibazar, Cuttack 753001 • **Dehradun** Kaulagarh Road, Near Sirmaur Marg, Above Reliance Webworld, Dehradun 248001 • **Dhanbad** 208, New Market, 2nd Floor, Katras Road, Bank More, Dhanbad 826001 • **Durgapur** Old Dutta Automobiles Building 1st Floor, Nachan Road, Benachity, Durgapur 713213 • **Faridabad** A-2B, 1st Floor, Nehru Ground, Neelam Bata Road, Nit, Faridabad 121001 • **Gaya** 1st Floor, Lal Bhawan, Tower Chowk, Near Kiran Cinema, Gaya 823001 • **Gorakhpur** Above V I P House Ajdacent A D Girls Inter College, Bank Road, Gorakpur 273001 • **Guntur** Door No 6-10-18, Sai House, 10 / 1, Arundelpet , Guntur 522002 • **Gurgaon** Shop No 18, Ground Floor, Sector 14, Opp AKD Tower, Near Huda Office, Gurgaon 122001 • **Guwahati** 54 Sagarika Bhawan R G Baruah Road, (AIDC Bus Stop) Guwahati 781024 • **Hajipur** Ramraja Complex, Kacheri Road, Near Canara Bank, Hajipur 844101 • **Hazaribagh** C/o Hemlata Jain Kalibari Road, Hazaribagh 825301 • **Hissar** Sco 71, 1st Floor, Red Square Market, Hissar 125001 • **Hubli** 8&9, Upper Ground Floor, C Block, Akshaya Park, Gokul Road Hubli 580030 • **Hyderabad** 8-2-596 Karvy Plaza, Avenue 4, Street No 1, Banjara Hills, Hyderabad 500034 • **Indore** LG 3, Bombay Trade Centre, Lower Ground Floor, Grand Hotel, Opp Bombay Hospital , Scheme No 54, Indore 452010 • **Jabalpur** 43, Naya Bazar, Opposite Shyam Talkies, Jabalpur (MP) 482001 • **Jaipur** S-16 A, 3rd Floor, Land Mark, Opposite Jaipur Club, Mahavir Marg, C- Scheme, Jaipur 302001 • **Jalandhar** Lower Ground Floor, Office No 3, Arora Prime Tower, Plot No 28, G T Road, Jalandhar 144004 • **Jalpaiguri** D B C Raod, Near Rupasree Cinema Hall, Beside Kalamandir, PO & Dist Jalapiguri 735101 • **Jamnagar** 108 Madhav Plaza, Opp SBI Bank, Near Lal Bangalow, Jamnagar 361001 • **Jamshedpur** Kanchan Tower, 3rd Floor, Chhaganlal Dayalji @ Sons 3-S B Shop Area, (Near Traffic Signal) Main Road, Bistupur, Jamshedpur 831001 • **Jodhpur** 203, Modi Arcade, Chupasni Road, Jodhpur 342001 • **Jorhat** New Medical Store Complex, 3rd Floor, A T Road, Opp Chowk Bazar, Jorhat 785001 • **Kanpur** 2nd Floor, Prabhat Complex, Fort Road, Kannur 689107 • **Keonjhar** 2nd Floor, Maruti Arcade, Thanna Square, Keonjhar 758001 • **Kharagpur** Malancha Road, Beside UTI Bank, Kharagpur 721304 • **Kolhapur** 605/1/4 E Ward, Near Sultane Chambers, Shahupuri 2nd Lane, Kolhapur 416001 • **Kolkata** 16 Jatin Bagchi Road, Land Mark - opposite UCO Bank Purna Das Road Kolkata 700029, • **Kota** H No 29, First Floor, Near Lala Lajpat Rai Circle Shopping Centre, Kota, Rajasthan 324007 • **Kottayam** 1st Floor, CSI Ascension Church Complex, Kottayam 686001 • **Krishnagar** "52 R N Tagore Road, High Street, Krishnagar, Nadia 741101" • **Lucknow** "Usha Sadan, 24, Prem Nagar, Ashok Marg, Lucknow 226001" • **Ludhiana** SCO - 136, First Floor, Above Airtel Show Room, Feroze Gandhi Market, Ludhiana - 141 001. • **Madurai** Rakesh Towers, 30-C, Bye Pass Road, 1st Floor, Opp Nagappa Motors, Madurai 625010 • **Malda** "Sahistuli Under Ward No-6, English Bazar, Municipality, No-1 Govt Colony, Malda 732101" • **Manglore** Ground Floor, Mahendra Arcade, Kodial Bail, Mangalore 575003 • **Meerut** "1st Floor, Medi Centre Complex, Opp ICICI Bank, Hapur Road, Meerut 250002" • **Moradabad** "Om Arcade, Parker Road, Above Syndicate Bank, Tari Khana Chowk, Moradabad 244001" • **MUMBAI** ("Fort) DAS Chambers, Ground Floor, Opp BSE & Next to Corporation Bank, Dalal Street, Fort, Mumbai 400023" • **Muzzafarpur** 1st Floor, Uma Market, Near Thana Gumti, Motijheel, Muzaffarpur, Bihar 842001 • **Nadiad** 105 GF City Point, Near Paras Cinema, Nadiad 387001 • **Nagpur** 1st Floor, Sadoday Arcade, WHC Road, Above Top N Town, Dharampeth, Nagpur 440001 • **Nashik** S-12, Second Floor, Suyojit Sankul, Sharanpur Road, Nasik 422002 • **Nellore** 207, II Floor, Kaizen Heights, 16/2/230, Sunday Market, Pogathota, Nellore - 524001 • **New Delhi** 2E/23, Jhandewalan Extn. New Delhi 110055 • **Noida** 307 Jaipuria Plaza, D 68 A, 2nd Floor, Opp Delhi Public School, Sector 26, Noida 201301 • **Panipat** 1st Floor, Krishna Tower, Near HDFC Bank, Opp Railway Road, G T Road, Panipat 132103 • **Panjim** City Business Centre, Coelho Pereira Building, Room Nos 18, 19 & 20 Dada Vaidya Road, Panjim 403001 • **Patiala** Sco 27 D, Chhoti Baradari Patiala 147001 • **Patna** 3A, 3rd Floor, Anand Tower, Beside Chankya Cinema Hall, Exhibition Road, Patna 800001 • **Pondicherry** First Floor No.7, Thiayagaraja Street Pondicherry 605001 • **Pune** "Srinath Plaza, C Wing, Office No 58 & 59, 3rd Floor, Dyaneshwar Paduka Chowk, Survy No 18/4, F C Road, Pune 411004" • **Puri** Ground Floor, VIP Road, Near PKDA Office, P S Puri, Puri 752001 • **Raipur** Room No TT 31, 3rd Floor, Millennium Plaza, Behind Indian Coffee House, G E Road, Raipur 492001 • **Rajkot** "104, Siddhi Vinayak Complex, Dr Yagnik Road, Opp Ramkrishna Ashram Rajkot 360001" • **Ranchi** Commerce Towers, 3rd Floor, Room No 307, Beside Mahabir Towers, Main Road, Ranchi 834001 • **Rewa** 1st Floor, Angoori Building, Besides Allahabad Bank, Trans University Road, Civil Lines, Rewa 485001 • **Rohtak** 1st Floor, Ashoka Plaza, Delhi Road, Rohtak 124001 • **Rourkela** 1st Floor, Sandhu Complex, Kanchery Road, Udit Nagar, Rourkela 769012 • **Sagar** Above Poshak Garments, 5 Civil Lines, Opposite Income Tax Office, Sagar 470002 • **Salem** Old No 17, New No 49, Fort Main Road, First Floor, Shevapet, Salem 636002 • **Sambalpur** "Quality Massion, 1st Floor, Above Bata Shoe, Shop/ Preeti Auto Combine, Nayapara, Sambalpur 768001" • **Satna** 1st Floor, Gopal Complex, Near Busstand Rewa Road,

DURING NEW FUND OFFER PERIOD

KARVY COMPUTERSHARE PRIVATE LIMITED INVESTOR SERVICE CENTERS (contd.)

Satna (M.P.) - 485 001 • **Shaharanpur** "18 Mission Market, Court Road, Saharanpur 247001 Uttar Pradesh" • **Shillong** Mani Bhawan, Thana Road, Lower Police Bazar, Shillong 739001 • **Shimla** "Triveni Building, By Pas Chowk, Khallini, Shimla 171002" • **Sikar** 1st Floor, Super Towers Behind Ram Mandir, Station Road, Sikar 332001 • **Silchar** 1st Floor, Chowchakra Complex, N N Dutta Road, Premtala Silchar 788001 • **Siliguri** Nanak Complex, Near Church Road, Sevoke Road, Siliguri 734001 • **Solapur** Siddeshwar Securities, No 6, Vaman Road, Vijaypur Road, Vaman Nagar, Solapur 413004 • **Sriganganagar** 35-E-Block, Opp Sheetla Mata Vatika, Sri Ganga Nagar 335001 • **Surat** G-6 Empire State Building, Near Parag House, Udhna Darwaja, Ring Road, Surat 395002 • **Tezpur** 1st Floor, Mayur Bhawan, Binraj Road, Tezpur 784001 • **Tirupathi** #330, Tilak Road, Near Four Pillar Mandapam, Tirupati 517501 • **Trichur** 2nd Floor, Brother's Complex, Near Dhana Laxmi Bank Head Office, Naikkanal Junction, Trichur 680001 • **Trichy** "Sri Krishna Arcade, 1st Floor, 60 Thennur High Road, Trichy 620017" • **Trivandrum** 2nd Floor, Akshaya Towers, Above Jetairways, Sasthamangalam, Trivandrum 695010 • **Udaypur** 201-202, Madhav Chambers, Opp G P O Chetak Circle, Madhuban, Udaipur 313001 • **Varanasi** D-64/132, KA 1st Floor, Anant Complex, Sigra, Varanasi 221010 • **Vijaywada** "39-10-7 Opp Municipal Water Tank, Labbipet, Vijayawada 520010" • **Visakhapatnam** 47-14-5/1 Eswar Paradise, Dwaraka Nagar, Main Road, Visakhapatnam 530016 • **Warangal** 5-6-95, 1st Floor, Opp, B.Ed Collage, Lashkar Bazar, Chandra Complex, Hanmakonda, Warangal 500601

Karvy, Registrar & Transfer Agents of Axis Mutual Fund having its office at Unit: Axis Mutual Fund, Karvy Plaza, No 8-2-596 Street No. 1, Banjara Hills, Hyderabad 500034 is the collection centre (New Fund Offer) of transactions / request for electronic transactions received from specified banks, financial institutions, distribution channel etc. (mobilized on behalf of their clients) with whom the AMC has entered or may enter into specific arrangements for purchase/ sale/ switch of units.

Applicants availing ASBA facility shall submit application only at designated branches of SCSB's whose name appears in the list of SCSB available on SEBI / NSE / BSE website. ASBA forms are available with Axis AMC offices or can be download from our website www.axismf.com.

Website of the AMC (www.axismf.com) shall be official point of acceptance during NFO for existing investors.

For any assistance please call us on our Toll Free No 1800 3000 3300.

Axis Asset Management Company Limited (Investment Manager to Axis Mutual Fund)

Axis House, 1st Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025, India.

TEL 022 4325 5100 FAX 022 4325 5199 TOLL FREE 1800 3000 3300 EMAIL customerservice@axismf.com WEB www.axismf.com

relax. IT'S AXIS.



SCHEME INFORMATION DOCUMENT**AXIS FOCUSED 25 FUND****An Open-ended Equity Scheme**

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

New Fund Offer Opens on: June 11, 2012

New Fund Offer Closes on: June 25, 2012

Scheme re-opens on or before: July 06, 2012

Name of Mutual Fund	:	Axis Mutual Fund
Name of Asset Management Company	:	Axis Asset Management Company Limited
Name of Trustee Company	:	Axis Mutual Fund Trustee Limited
Addresses, Website of the entities	:	Axis House, 1 st Floor, C- 2, Wadia International Centre, Pandurang Budhkar Marg, Worli Mumbai – 400 025 www.axismf.com

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations or the Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the Asset Management Company (AMC). The Units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Axis Mutual Fund, Tax and Legal issues and general information on www.axismf.com.

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

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is May 28, 2012.

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HIGHLIGHTS/SUMMARY OF THE SCHEME

Investment objective

To generate long term capital appreciation by investing in a concentrated portfolio of equity & equity related instruments of up to 25 companies.

Liquidity

The Scheme offers Units for Subscription and Redemption at NAV based prices on all Business Days on an ongoing basis, commencing not later than 5 business days from the date of allotment. Under normal circumstances the AMC shall dispatch the redemption proceeds within 10 business days from date of receipt of request from the Unit holder.

Benchmark

Primary benchmark - S&P CNX Nifty

Additional benchmark – BSE 200

Transparency/NAV Disclosure

The AMC will calculate and disclose the NAVs on all Business Days. The NAV of the Scheme shall be published at least in two daily newspapers. The AMC shall update the NAVs on its website (www.axismf.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 9.00 p.m. on every Business Day. If the NAVs are not available before the commencement of business hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.

The AMC will disclose the portfolio of the Scheme within one month from the close of each half year (i.e. 31st March and 30th September) either by sending a complete statement to all the Unit holders or by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The portfolio statement will also be displayed on the website of the AMC and AMFI.

The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year.

Minimum Application Amount

Rs. 5,000 and in multiples of Re. 1/- thereafter

Minimum Additional Purchase Amount

Rs.100 and in multiples of Re. 1/- thereafter

Minimum application amount is applicable only at the time of creation of new folio.

Loads

Entry Load: Not Applicable

Exit Load: an Exit Load of 1% is payable if Units are redeemed / switched-out within 1 year from the date of allotment.

SEBI vide its circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder (AMFI registered Distributor) directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

For more details on Load Structure, please refer paragraph "Load Structure".

I. INTRODUCTION

A. RISK FACTORS

(i) Standard Risk Factors:

- Investment in mutual fund units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- Axis Focused 25 Fund is the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects and returns.
- The sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1 lakh made by it towards setting up the Fund.
- Axis Focused 25 Fund is not a guaranteed or assured return *scheme*.

(ii) Scheme Specific Risk Factors

Risks associated with investments in equities

- Equity and equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme portfolio would result at times, in potential losses to the Scheme, should there be a subsequent decline in the value of securities held in the Scheme portfolio. Also, the value of the Scheme investments may be affected by interest rates, currency exchange rates, changes in law/policies of the government, taxation laws and political, economic or other developments which may have an adverse bearing on individual Securities, a specific sector or all sectors.
- Investments in equity and equity related securities involve a degree of risk and investors should not invest in the equity Schemes unless they can afford to take the risk of losing their investment.

- Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed on the exchanges or offer other exit options to the investors, including put options. The AMC may choose to invest in unlisted securities that offer attractive yields within the regulatory limit. This may however increase the risk of the portfolio. Additionally, the liquidity and valuation of the Scheme investments due to its holdings of unlisted securities may be affected if they have to be sold prior to the target date of disinvestment.

Concentration risk

As the scheme will invest in limited number of companies it will have a less diversified portfolio. This relatively higher concentration may lead to a higher level of volatility as compared to a diversified equity fund.

Risks associated with investments in Fixed Income Securities

Interest-Rate Risk: Fixed income securities such as government bonds, corporate bonds, and money market instruments and derivatives run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices depends upon the coupon and maturity of the security. It also depends upon the yield level at which the security is being traded.

Re-investment Risk: Investments in fixed income securities carry re-investment risk as interest rates prevailing on the coupon payment or maturity dates may differ from the original coupon of the bond.

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

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

Liquidity Risk: The liquidity of a bond may change, depending on market conditions leading to changes in the liquidity premium attached to the price of the bond. At the time of selling the security, the security can become illiquid, leading to loss in value of the portfolio.

Credit Risk: This is the risk associated with the issuer of a debenture/bond or a money market instrument defaulting on coupon payments or in paying back the principal amount on maturity. Even when there is no default, the price of a security may change with expected changes in the credit rating of the issuer. It is to be noted here that a Government Security is a sovereign security and is the safest. Corporate bonds carry a higher amount of credit risk than Government securities. Within corporate bonds also there are different levels of safety and a bond rated higher by a particular rating agency is safer than a bond rated lower by the same rating agency.

Liquidity Risk on account of unlisted securities: The liquidity and valuation of the Scheme investments due to their holdings of unlisted securities may be affected if they have to be sold prior to their target date of divestment. The unlisted security can go down in value before the divestment date and selling of these securities before the divestment date can lead to losses in the portfolio.

Settlement Risk: Fixed income securities run the risk of settlement which can adversely affect the ability of the fund house to swiftly execute trading strategies which can lead to adverse movements in NAV

Risk Associated with Securitized Debt

The Scheme may invest in domestic securitized debt such as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are securitized debts where the underlying assets are receivables arising from various loans including automobile loans, personal loans, loans against consumer durables, etc. MBS are securitized debts where the underlying assets are receivables arising from loans backed by mortgage of residential / commercial properties.

At present in Indian market, following types of loans are securitized:

1. Auto Loans (cars / commercial vehicles /two wheelers)
2. Residential Mortgages or Housing Loans
3. Consumer Durable Loans
4. Personal Loans
5. Corporate Loans

In terms of specific risks attached to securitization, each asset class would have different underlying risks. Residential Mortgages generally have lower default rates than other asset classes, but repossession becomes difficult. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Asset classes like personal loans, credit card receivables are unsecured and in an economic downturn may witness higher default. A corporate loan/receivable, depend upon the nature of the underlying security for the loan or the nature of the receivable and the risks correspondingly fluctuate.

The rating agencies define margins, over collateralisation and guarantees to bring risk in line with similar AAA rated securities. The factors typically analyzed for any pool are as follows:

a. Assets securitized and Size of the loan: This indicates the kind of assets financed with the loan and the average ticket size of the loan. A very low ticket size might mean more costs in originating and servicing of the assets.

b. Diversification: Diversification across geographical boundaries and ticket sizes might result in lower delinquency

c. Loan to Value Ratio: Indicates how much % value of the asset is financed by borrower's own equity. The lower this value the better it is. This suggests that where the borrowers own contribution of the asset cost is high; the chances of default are lower.

d. Average seasoning of the pool: This indicates whether borrowers have already

displayed repayment discipline. The higher the number, the more superior it is. The other main risks pertaining to Securitised debt are as follows:

Prepayment Risk: This arises when the borrower pays off the loan sooner than expected. When interest rates decline, borrowers tend to pay off high interest loans with money borrowed at a lower interest rate, which shortens the average maturity of ABSs. However, there is some prepayment risk even if interest rates rise, such as when an owner pays off a mortgage when the house is sold or an auto loan is paid off when the car is sold.

Reinvestment Risk: Since prepayment risk increases when interest rates decline, this also introduces reinvestment risk, which is the risk that the principal can only be reinvested at a lower rate.

Risks associated with investments in derivatives

- The Scheme may invest in derivative products in accordance with and to the extent permitted under the Regulations and by RBI. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Trading in derivatives carries a high degree of risk although they are traded at a relatively small amount of margin which provides the possibility of great profit or loss in comparison with the principal investment amount. Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme.
- The derivatives market in India is nascent and does not have the volumes that may be seen in other developed markets, which may result in volatility to the values.
- Investment in derivatives also requires the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme.
- The Scheme may face execution risk, whereby the rates seen on the screen may not be the rate at which the ultimate execution of the derivative transaction takes place.
- The Scheme may find it difficult or impossible to execute derivative transactions in certain circumstances. For example, when there are insufficient bids or suspension of trading due to price limit or circuit breakers, the Scheme may face a liquidity issue.
- The options buyer's risk is limited to the premium paid, while the risk of an options writer is unlimited. However the gains of an options writer are limited to the premiums earned.
- The exchange may impose restrictions on exercise of options and may also restrict the exercise of options at certain times in specified circumstances and this could impact the value of the portfolio.

- The writer of a put option bears the risk of loss if the value of the underlying asset declines below the exercise price. The writer of a call option bears a risk of loss if the value of the underlying asset increases above the exercise price.
- Investments in index futures face the same risk as the investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks.
- The Scheme bears a risk that it may not be able to correctly forecast future market trends or the value of assets, indices or other financial or economic factors in establishing derivative positions for the Scheme.
- The risk of loss in trading futures contracts can be substantial, because of the low margin deposits required, the extremely high degree of leverage involved in futures pricing and the potential high volatility of the futures markets.
- There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. The counter party may default on a transaction before settlement and therefore, the Scheme is compelled to negotiate with another counterparty at the then prevailing (possibly unfavourable) market price.
- Derivatives also carry a market liquidity risk where the derivatives cannot be sold (unwound) at prices that reflect the underlying assets, rates and indices.
- Where derivatives are used for hedging, such use may involve a basis risk where the instrument used as a hedge does not match the movement in the instrument/underlying asset being hedged. The risk may be inter-related also e.g. interest rate movements can affect equity prices, which could influence specific issuer/industry assets.
- Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor.
- Execution of investment strategies depends upon the ability of the fund manager(s) to identify such opportunities which may not be available at all times. Identification and execution of the strategies to be pursued by the fund manager(s) involve uncertainty and decision of fund manager(s) may not always be profitable. No assurance can be given that the fund manager(s) will be able to identify or execute such strategies.
- The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

The following are certain additional risks involved with use of fixed income derivatives:

Interest rate risk: Derivatives carry the risk of adverse changes in the price due to change in interest rates.

Liquidity risk: During the life of the derivative, the benchmark might become illiquid and might not be fully capturing the interest rate changes in the market, or the selling, unwinding prices might not reflect the underlying assets, rates and indices, leading to loss of value of the portfolio.

Risks associated with investing in foreign securities/overseas investments/offshore securities

- Subject to necessary approvals and within the investment objectives of the Scheme, the Scheme may invest in overseas markets which carry risks related to fluctuations in the foreign exchange rates, the nature of the securities market of the country, repatriation of capital due to exchange controls and political circumstances.
- Since the Scheme would invest only partially in foreign securities, there may not be readily available and widely accepted benchmarks to measure performance of such Scheme. To manage risks associated with foreign currency and interest rate exposure, the Fund may use derivatives for efficient portfolio management and hedging and portfolio rebalancing and in accordance with conditions as may be stipulated under the Regulations and by RBI from time to time.
- Investment in Foreign Securities involves a currency risk. To the extent that the assets of the Scheme will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.

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

In respect of transaction in Units of the Scheme through BSE and / or NSE, allotment and redemption of Units on any Business Day will depend upon the order processing / settlement by BSE and / or NSE and their respective clearing corporations on which the Fund has no control.

Risks associated with Securities lending

The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of another party, to comply with the terms of agreement entered into between the lenders of securities i.e. any scheme and the approved intermediary/counterparty. Such failure to comply can result in the possible loss of rights in the collateral put up by the borrower of the securities, the inability of the approved intermediary/counterparty to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary. The Fund may not be able to sell such lent securities and this can lead to temporary illiquidity.

Risks associated with Short Selling

The Scheme may enter into short selling transactions, subject to SEBI and RBI Regulations. Short positions carry the risk of losing money and these losses may grow unlimited theoretically if the price of the stock increases without any limit. This may result in major loss to the Scheme. At times, the participants may not be able to cover their short positions, if the price increases substantially. If numbers of short sellers try to cover their position simultaneously, it may lead to disorderly trading in the stock and thereby can briskly escalate the price even further making it difficult or impossible to liquidate short position quickly at reasonable prices. In addition, short selling also carries the risk of inability to borrow the security by the participants thereby requiring the participants to purchase the securities sold short to cover the position even at unreasonable prices.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme/Plan shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme/Plan(s). However, if such limit is breached during the NFO of the Scheme, the Fund will endeavor to ensure that within a period of three months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. In case the Scheme / Plan(s) does not have a minimum of 20 investors in the stipulated period, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme / Plan(s) shall be wound up and the units would be redeemed at applicable NAV. The two conditions mentioned above shall also be complied within each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable Net Asset Value on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. SPECIAL CONSIDERATIONS, if any

- Prospective investors should study this Scheme Information Document and Statement of Additional Information carefully in its entirety and should not construe the contents hereof as advice relating to legal, taxation, financial, investment or any other matters and are advised to consult their legal, tax, financial and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, before making a decision to invest/redeem/hold Units.
- Neither this Scheme Information Document, Statement of Additional Information nor the Units have been registered in any jurisdiction. The distribution of this Scheme Information Document or Statement of Additional Information in certain jurisdictions may be restricted or totally prohibited to registration requirements and accordingly, persons who come into possession of this Scheme Information Document or Statement of Additional Information are required to inform themselves about and to observe any such restrictions and/ or legal compliance requirements.

- The AMC, Trustee or the Mutual Fund have not authorized any person to issue any advertisement or to give any information or to make any representations, either oral or written, other than that contained in this Scheme Information Document or the Statement of Additional Information or as is provided by the AMC in connection with this offering. Prospective investors are advised not to rely upon any information or representation not incorporated in the Scheme Information Document or Statement of Additional Information or provided by the AMC as having been authorized by the Mutual Fund, the AMC or the Trustee.
- Redemption due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any such tax consequences that may arise due to such redemptions.
- The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise, in the event that the Scheme is wound up for the reasons and in the manner provided in 'Statement of Additional Information ('SAI')'.
- The tax benefits described in this Scheme Information Document and Statement of Additional Information are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India as on the date of this Scheme Information Document and the Unit holders should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Unit holder is advised to consult his / her own professional tax advisor.
- The Mutual Fund may disclose details of the investor's account and transactions thereunder to those intermediaries whose stamp appears on the application form or who have been designated as such by the investor. In addition, the Mutual Fund may disclose such details to the bankers, as may be necessary for the purpose of effecting payments to the investor. The Fund may also disclose such details to regulatory and statutory authorities/bodies as may be required or necessary.
- In case the AMC or its Sponsor or its Shareholders or their affiliates/associates or group companies make substantial investment, either directly or indirectly in the Scheme redemption of Units by these entities may have an adverse impact on the performance of the Scheme. This may also affect the ability of the other Unit holders to redeem their Units.
- As the liquidity of the Scheme investments may sometimes be restricted by trading volumes and settlement periods, the time taken by the Fund for Redemption of Units may be significant in the event of an inordinately large number of Redemption Requests or of a restructuring of the Scheme portfolio. In view of this, the Trustee has the right, in its sole discretion, to limit redemptions under certain circumstances - please refer to the paragraph "Right to Limit Redemptions".

- Pursuant to the provisions of Prevention of Money Laundering Act, 2002, if after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, on failure to provide required documentation, information, etc. by the Unit holder the AMC shall have absolute discretion to report such suspicious transactions to FIU-IND and / or to freeze the folios of the investor(s), reject any application(s) / allotment of Units.
- Investor Protection:** The Scheme is designed to support longer- term investment and active trading is discouraged. Short term or excessive trading into and out of the Scheme may affect its performance by disrupting portfolio management strategies and by increasing expenses. The Fund and the distributors may refuse to accept applications for Purchase, especially where transactions are deemed disruptive, particularly from market timers or investors who, in their opinion, have a pattern of short term or excessive trading or whose trading has been or may be disruptive for the Scheme.

If in the opinion of the AMC, a Unit holder is indulging in short term or excessive trading as above, it shall, under powers delegated by the Trustee, have absolute discretion to reject any application, prevent further transaction by the Unit holder or redeem the Units held by the Unit holder at any time prior to the expiry of 30 Business Days from the date of the application.

D. DEFINITIONS

"AMC" or "Asset Management Company" or "Investment Manager"	Axis Asset Management Company Limited, incorporated under the provisions of the Companies Act, 1956 and approved by Securities and Exchange Board of India to act as the Asset Management Company for the scheme(s) of Axis Mutual Fund.
"Applicable NAV"	The NAV applicable for purchase or redemption or Switching of Units based on the time of the Business Day on which the application is time stamped.
"Book Closure"	The time during which the Asset Management Company would temporarily suspend Sale, redemption and Switching of Units.
"Business Day"	A day other than: (i) Saturday and Sunday; (ii) A day on which the banks in Mumbai and/or RBI are closed for business /clearing; (iii) A day on which the National Stock Exchange of India Limited and / or the Stock Exchange, Mumbai are closed; (iv) A day which is a public and /or bank Holiday at an Investor Service Centre/Official Point of Acceptance where the application is received; (v) A day on which Sale / Redemption / Switching of Units is suspended by the AMC; (vi) A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time

	to time. The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres/Official Points of Acceptance.
"Business Hours"	Presently 9.30 a.m. to 5.30 p.m. on any Business Day or such other time as may be applicable from time to time.
"Custodian"	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996, which for the time being is Deutsche Bank AG.
"Depository"	Depository as defined in the Depositories Act, 1996 (22 of 1996).
"Derivative"	Derivative includes (i) a security derived from a debt instrument, share, loan whether secured or unsecured, risk instrument or contract for differences or any other form of security; (ii) a contract which derives its value from the prices, or index of prices, or underlying securities.
"Dividend"	Income distributed by the Mutual Fund on the Units.
"Equity Related Instruments"	"Equity Related Instruments" includes convertible bonds and debentures, convertible preference shares, warrants carrying the right to obtain equity shares, equity derivatives and any other like instrument.
"FII"	Foreign Institutional Investor, registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
"Floating Rate Debt Instruments"	Floating rate debt instruments are debt securities issued by Central and / or State Government, corporates or PSUs with interest rates that are reset periodically. The periodicity of the interest reset could be daily, monthly, quarterly, half-yearly, annually or any other periodicity that may be mutually agreed with the issuer and the Fund. The interest on the instruments could also be in the nature of fixed basis points over the benchmark gilt yields.
"Foreign Securities"	ADRs / GDRs/ equity / debt securities of overseas companies listed on the recognized stock exchanges overseas or other securities as may be specified and permitted by SEBI and/or RBI from time to time.
"Gilts" or "Government Securities"	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.

"GOI"	Government of India
"Holiday"	Holiday means the day(s) on which the banks (including the Reserve Bank of India) are closed for business or clearing in Mumbai or their functioning is affected due to a strike / bandh call made at any part of the country or due to any other reason.
"Investment Management Agreement"	The agreement dated June 27, 2009 entered into between Axis Mutual Fund Trustee Limited and Axis Asset Management Company Limited, as amended from time to time.
"Investor Service Centres" or "ISCs"	Offices of Axis Asset Management Company Limited or such other centres / offices as may be designated by the AMC from time to time.
"Load"	<p>In the case of Redemption / Switch out of a Unit, the sum of money deducted from the Applicable NAV on the Redemption / Switch out (Exit Load) and in the case of Sale / Switch in of a Unit, a sum of money to be paid by the prospective investor on the Sale / Switch in of a Unit (Entry Load) in addition to the Applicable NAV.</p> <p>Presently, entry load cannot be charged by mutual fund schemes.</p>
"Money Market Instruments"	Includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time.
"Mutual Fund" or "the Fund"	Axis Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882.
"Net Asset Value" or "NAV"	Net Asset Value per Unit of the Scheme, calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
"NRI"	A Non-Resident Indian or a Person of Indian Origin residing outside India.
"Official Points of Acceptance"	Places, as specified by AMC from time to time where application for Subscription / Redemption / Switch will be accepted on ongoing basis.
"Person of Indian Origin"	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in sub-clause (a) or (b).
"Rating"	Rating means an opinion regarding securities, expressed in the form of standard symbols or in any other standardized manner, assigned by a credit rating agency and used by the issuer of such

	securities, to comply with any requirement of the SEBI (Credit Rating Agencies) Regulations, 1999.
"RBI"	Reserve Bank of India, established under the Reserve Bank of India Act, 1934, (2 of 1934)
"Registrar and Transfer Agent" or "Registrar"	Karvy Computershare Pvt. Ltd., Hyderabad, currently acting as registrar to the Scheme, or any other Registrar appointed by the AMC from time to time.
"Redemption / Repurchase"	Redemption of Units of the Scheme as permitted.
"Regulatory Agency"	GOI, SEBI, RBI or any other authority or agency entitled to issue or give any directions, instructions or guidelines to the Mutual Fund
"Repo"	Sale/Purchase of Securities with simultaneous agreement to repurchase / resell them at a later date.
"Statement of Additional Information" or "SAI"	The document issued by Axis Mutual Fund containing details of Axis Mutual Fund, its constitution, and certain tax, legal and general information. SAI is legally a part of the Scheme Information Document.
"Sale / Subscription"	Sale or allotment of Units to the Unit holder upon subscription by the Investor / applicant under the Scheme.
"Scheme"	Axis Focused 25 Fund
"Scheme Information Document"	This document issued by Axis Mutual Fund, offering for Subscription of Units of Axis Focused 25 Fund (including Options there under)
"SEBI"	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992.
"SEBI (MF) Regulations" or "Regulations"	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
"Short Selling"	Short selling means selling a stock which the seller does not own at the time of trade.
"Sponsor"	Axis Bank Limited
"Switch"	Redemption of a Unit in any Scheme (including the Plans / options therein) of the Mutual Fund against purchase of a Unit in another Scheme (including the Plans /options therein) of the Mutual Fund, subject to completion of Lock-in Period, if any.
"Stock Lending"	Lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio.
"Systematic Investment Plan" / "SIP"	A plan enabling investors to save and invest in the Scheme on a periodic basis submitting post dated cheques / payment instructions.
"Systematic Withdrawal Plan" / "SWP"	Facility given to the Unit holders to withdraw a specified sum of money each month/quarter from his investment in the Scheme.
"Trust Deed"	The Trust Deed dated June 27, 2009 made by and between Axis Bank Limited and Axis Mutual Fund

	Trustee Limited thereby establishing an irrevocable trust, called Axis Mutual Fund.
"Trustee" or "Trustee Company"	Axis Mutual Fund Trustee Limited incorporated under the provisions of the Companies Act, 1956 and approved by SEBI to act as the trustee to the Scheme of the Mutual Fund.
"Unit"	The interest of the Unit holder which consists of each Unit representing one undivided share in the assets of the Scheme.
"Unit holder" or "Investor"	A person holding Units in Axis Focused 25 Fund.

INTERPRETATION

For all purposes of this Scheme Information Document, 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 Dollars 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 a non Business Day.

E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

- The Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed Scheme.
- The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

Place: Mumbai
Date: October 25, 2011

Signed: Sd/-
Name : Miten Chawda
Designation: Head – Compliance &
Company Secretary

Note: The aforesaid Due Diligence Certificate dated October 25, 2011 was submitted to the Securities and Exchange Board of India on October 25, 2011.

II. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

An Open-ended Equity Scheme

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

To generate long term capital appreciation by investing in a concentrated portfolio of equity & equity related instruments of up to 25 companies.

C.HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Under normal circumstances, the asset allocation pattern will be:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Minimum	Maximum	High/Medium/Low
Equity and Equity Related Instruments (of not exceeding 25 companies)# Of which: Companies among the top 200 in terms of market capitalization – 90% – 100% Other equities – 0 – 10%	65	100	High
Debt and Money Market Instruments*#	0	35	Low to Medium

Including derivatives instruments to the extent of 50% of the Net Assets as permitted vide SEBI Circular no. DNPd/Cir 29/2005 dated September 14, 2005 and SEBI Circular No. DNPd/Cir-30/2006 dated January 20, 2006, SEBI circular No. SEBI/DNPd/Cir-31/2006 dated September 22, 2006 and SEBI Circular No. Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010. The Scheme may use derivatives for such purposes as maybe permitted by the Regulations, including for the purpose of hedging and portfolio balancing, based on the opportunities available and subject to guidelines issued by SEBI from time to time. The Scheme may also use fixed income derivative instruments subject to the guidelines as maybe issued by SEBI and RBI and for such purposes as maybe permitted from time to time.

*Investment in Securitized debt (excluding foreign securitized debt), if undertaken, would not exceed 20% of the net assets of the Scheme. The Scheme will not undertake repo transactions in corporate debt securities.

Investment in Foreign Securities

The Scheme may seek investment opportunities in foreign securities including ADRs / GDRs / Foreign equity and debt securities subject to SEBI (MF) Regulations. Such Investment shall not exceed 10% of the net assets of the Scheme.

Investment in Short Term Deposits

Pending deployment of the funds in securities in terms of investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of the Scheduled Commercial Banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, as may be amended from time to time.

Stock Lending by the Fund

The scheme shall adhere to the following limits should it engage in Stock Lending.

1. Not more than 25% of the net assets of the Scheme can generally be deployed in Stock Lending.
2. Not more than 5% of the net assets of the Scheme can generally be deployed in Stock Lending to any single counter party.

Short Selling by the Fund

The Fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.

The Scheme retains the flexibility to invest across all the securities in the equity, debt and Money Markets Instruments and mutual fund units. The portfolio may hold cash depending on the market condition.

Subject to the Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute. These proportions can vary substantially depending upon the perception of the fund manager; the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the investment pattern will be for short term and for defensive considerations only. In the event of deviations, the fund manager will endeavor to carry out rebalancing within 30 Business Days. Where the portfolio is not rebalanced within 30 Business Days, justification for the same shall be placed before the Investment Review Committee and reasons for the same shall be recorded in writing. The Investment Review committee shall then decide on the course of action. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.

Axis Focused 25 Fund: an open ended equity scheme is a new scheme offered by Axis Mutual Fund and is not a minor modification of any other existing scheme/product of Axis Mutual Fund. Differentiation as follows:

Name of the existing scheme	Asset Allocation Pattern			Primary Investment Objective	Differentiation	AUM as on May 24, 2012 (Rs. crores)	No. of Folios as on May 24, 2012											
Axis Long Term Equity Fund	<table><tr><th>Instruments</th><th colspan="2">Indicative Allocation (% of net assets)</th></tr><tr><th>Minimum</th><th>Maximum</th></tr><tr><td>Equity and Equity related securities</td><td>80</td><td>100</td></tr><tr><td>Debt and Money Market Instruments</td><td>0</td><td>20</td></tr></table>			Instruments	Indicative Allocation (% of net assets)		Minimum	Maximum	Equity and Equity related securities	80	100	Debt and Money Market Instruments	0	20	<p>The investment objective of the Scheme is to generate income and long-term capital appreciation from a diversified portfolio of predominantly equity and equity-related Securities. However, there can be no assurance that the investment objective of the Scheme will be achieved.</p> <p>Investment Strategy</p> <p>The Fund will invest in a diversified portfolio of strong growth companies with sustainable business models. Though the benchmark is BSE-200, the investments will not be limited to the companies constituting the benchmark. The Fund will have the flexibility to invest across the market capitalization spectrum (i.e. Large, mid and small cap companies) and across industries / sectors.</p> <p>The companies would be individually researched and selected only when the fund management team has satisfied itself on robustness of the company's business model, sustainability of its competitive advantage and the credibility of its top management team.</p>	Equity Linked Savings Scheme with a lock-in period of 3 years from the date of allotment/ investment	210.60	50425
				Instruments	Indicative Allocation (% of net assets)													
				Minimum	Maximum													
				Equity and Equity related securities	80	100												
				Debt and Money Market Instruments	0	20												
Axis Equity Fund	<table><tr><th>Instruments</th><th colspan="2">Indicative Allocation (% of net assets)</th></tr><tr><th>Minimum</th><th>Maximum</th></tr><tr><td>Equity and Equity Related Instruments</td><td>80%</td><td>100%</td></tr><tr><td>Debt and Money Market Instruments</td><td>0%</td><td>20%</td></tr></table>			Instruments	Indicative Allocation (% of net assets)		Minimum	Maximum	Equity and Equity Related Instruments	80%	100%	Debt and Money Market Instruments	0%	20%	<p>To achieve long term capital appreciation by investing in a diversified portfolio predominantly consisting of equity and equity related securities including derivatives. However, there can be no assurance that the investment objective of the Scheme will be achieved.</p>	Diversified portfolio predominantly consisting of equity and equity related securities	586.40	168797
	Instruments	Indicative Allocation (% of net assets)																
	Minimum	Maximum																
Equity and Equity Related Instruments	80%	100%																
Debt and Money Market Instruments	0%	20%																

		Investment Strategy The Fund will actively manage a diversified portfolio of strong growth companies with sustainable business models, whilst managing risk. The Fund will have the flexibility to invest across the market capitalization (i.e. large, mid and small cap companies) spectrum and industries / sectors. The companies would be individually researched and selected only when the fund management team has satisfied itself on robustness of the company's business model, sustainability of its competitive advantage and the credibility of its top management team.			
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Axis Midcap Fund				To achieve long term capital appreciation by investing predominantly in equity & equity related instruments of mid size companies. The focus of the fund would be to invest in relatively larger companies within this category. Investment Strategy The scheme seeks to generate capital appreciation through an actively managed diversified portfolio of primarily larger Midcap companies. Larger Midcap companies combine the flexible, innovative, high-growth features of mid and small size companies with the proven management and liquidity of larger companies. The Fund intends to benefit from this “best of both worlds” characteristic of larger Midcap companies. The portfolio will be built utilizing a bottom-up stock selection process, focusing on appreciation potential of individual stocks from a fundamental perspective.	Seeks to build a portfolio comprising primarily of equity and equity related securities of Midcap companies.	113.81	19090
	Instruments	Indicative Allocation (% of net assets)					
		Minimum	Maximum				
	Equity and Equity Related Instruments of Midcap companies of which: Larger midcap Companies – 75% – 100% Smaller mid-cap Companies – 0 – 25%	80	100				
	Equity and Equity Related Instruments of Non mid-cap Companies	0	20				
	Debt and Money Market Instruments	0	20				
Axis Focused 25 Fund				To generate long term capital appreciation by investing in a concentrated portfolio of equity & equity related instruments of up to 25 companies. Investment Strategy The scheme aims to generate long term capital appreciation by investing in a concentrated portfolio of equity & equity related instruments of up to 25 companies. In order to have a concentrated portfolio, the scheme will follow a bottom up stock selection approach. The portfolio will be built utilising a bottom-up stock selection process, focusing on appreciation potential of individual stocks from a fundamental perspective. The AMC employs a ""Fair value""	Axis Focused 25 Fund will invest in a concentrated portfolio of equity & equity related instruments of up to 25 companies	-	-
	Instruments	Indicative allocations (% of total assets)					
		Min	Max				
	Equity and Equity Related Instruments (of not exceeding 25 companies) Of which: Companies among the top 200 in terms of market capitalization – 90% – 100% Other equities – 0 – 10%	65	100				
	Debt and Money Market Instruments	0	35				

		<p>based research process to analyse the appreciation potential of each stock in its universe (Fair value is a measure of the intrinsic worth of a company). The universe of stocks is carefully selected to include companies having a robust business models and enjoying sustainable competitive advantages as compared to their competitors.</p> <p>While 65 - 100% of the corpus will be invested in equities (no less than 20 companies and up to 25 companies), it is expected that under normal market conditions at least 80% of the corpus will be invested in equities (no less than 20 companies and up to 25 companies). The Scheme will primarily invest in companies among the top 200 in terms of market cap.</p>			
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Differentiation – Axis Focused 25 Fund will invest in a concentrated portfolio of equity & equity related instruments of up to 25 companies

D.Where will the Scheme invest?

The corpus of the Scheme will be invested in Equity & Equity Related Instruments, Debt Instruments, Money Market Instruments and other permitted securities which will include but not limited to:

Equity and Equity Related Instruments:

1. Equity share is a security that represents ownership interest in a company.
2. Equity Related Instruments are securities which give the holder of the security right to receive Equity Shares on pre agreed terms. It includes convertible bonds, convertible debentures, equity warrants, convertible preference shares, etc.
3. Equity Derivatives are financial instruments, generally traded on an exchange, the price of which is directly dependent upon (i.e., "derived from") the value of equity shares or equity indices. Derivatives involve the trading of rights or obligations based on the underlying, but do not directly transfer property.
4. Foreign equity and Equity Related Instrument as may be permitted by SEBI/RBI from time to time.
5. Equity Derivatives:

Futures:

Futures are exchange-traded contracts to sell or buy financial instruments for future delivery at an agreed price. There is an agreement to buy or sell a specified quantity of

financial instrument on a designated future date at a price agreed upon by the buyer and seller at the time of entering into a contract. To make trading possible, the exchange specifies certain standardized features of the contract. A futures contract involves an obligation on both the parties to fulfill the terms of the contract.

SEBI has permitted futures contracts on indices and individual stocks with maturity of 1 month, 2 months and 3 months on a rolling basis. The futures contracts are settled on last Thursday (or immediately preceding trading day if Thursday is a trading holiday) of each month. The final settlement price is the closing price of the underlying stock(s)/index.

Options:

Option is a contract which provides the buyer of the option (also called holder) the right, without the obligation, to buy or sell a specified asset at the agreed price on or upto a particular date. For acquiring this privilege, the buyer pays premium (fee) to the seller. The seller on the other hand has the obligation to buy or sell specified asset at the agreed price and for this obligation he receives premium. The premium is determined considering number of factors such as the market price of the underlying asset/security, number of days to expiry, risk free rate of return, strike price of the option and the volatility of the underlying asset. Option contracts are of two types viz:

Call Option - The option that gives the buyer the right but not the obligation to buy specified quantity of the underlying asset at the strike price is a call option. The buyer of the call option (known as the holder of call option) can call upon the seller of the option (writer of the option) and buy from him the underlying asset at the agreed price at any time on or before the expiry of the option.

The seller (writer of the option) on the other hand has the obligation to sell the underlying asset if the buyer of the call option decides to exercise his option to buy.

Put Option - The option that gives the buyer the right but not the obligation to sell is called put option. A Put option gives the holder (buyer) the right to sell specified quantity of the underlying asset at the strike price. The seller of the put option (one who is short Put) however, has the obligation to buy the underlying asset at the strike price if the buyer decides to exercise his option to sell.

There are two kind of options based on the date of exercise of right. The first is the European Option which can be exercised only on the maturity date. The second is the American Option which can be exercised on or before the maturity date.

Debt Instruments & Money Market Instruments

Collateralized Borrowing and Lending Obligations (CBLO)

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

Certificate of Deposit (CD) of scheduled commercial banks and development financial institutions

Certificate of Deposit (CD) is a negotiable money market instrument issued by scheduled commercial banks and select all-India Financial Institutions that have been permitted by

the RBI to raise short term resources. The maturity period of CDs issued by the Banks is between 7 days to one year, whereas, in case of FIs, maturity is one year to 3 years from the date of issue.

Commercial Paper (CP)

Commercial Paper (CP) is an unsecured negotiable money market instrument issued in the form of a promissory note, generally issued by the corporates, primary dealers and all India Financial Institutions as an alternative source of short term borrowings. CP is traded in secondary market and can be freely bought and sold before maturity.

Treasury Bill (T-Bill)

Treasury Bills (T-Bills) are issued by the Government of India to meet their short term borrowing requirements. T-Bills are issued for maturities of 14 days, 91 days, 182 days and 364 days.

Bill (bills of exchange/promissory notes of public sector and private sector corporate entities) Rediscounting.

Repos

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

Securities created and issued by the Central and State Governments as may be permitted by RBI, securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills). State Government securities (popularly known as State Development Loans or SDLs) are issued by the respective State Government in co-ordination with the RBI.

Non convertible debentures and bonds

Non convertible debentures as well as bonds are securities issued by companies / institutions promoted / owned by the Central or State Governments and statutory bodies which may or may not carry a Central/State Government guarantee, Public and private sector banks, all India Financial Institutions and Private Sector Companies. These instruments may be secured or unsecured against the assets of the Company and generally issued to meet the short term and long term fund requirements.

The scheme may also invest in the non convertible part of convertible debt securities.

Floating rate debt instruments

Floating rate debt instruments are instruments issued by Central / state governments, corporates, PSUs, etc. with interest rates that are reset periodically.

Securitized Assets: Securitization is a structured finance process which involves pooling and repackaging of cashflow producing financial assets into securities that are then sold to investors. They are termed as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are backed by other assets such as credit card, automobile or consumer loan receivables, retail installment loans or participations in pools of leases. Credit support for these securities may be based on the underlying assets and/or provided through credit enhancements by a third party. MBS is an asset backed security whose cash flows are backed by the principal and interest payments of a set of

mortgage loans. Such Mortgage could be either residential or commercial properties. ABS/MBS instrument reflect the undivided interest in the underlying assets and do not represent the obligation of the issuer of ABS/MBS or the originator of underlying receivables. Securitization often utilizes the services of SPV.

Pass through Certificate (PTC) (Pay through or other Participation Certificates) represents beneficial interest in an underlying pool of cash flows. These cash flows represent dues against single or multiple loans originated by the sellers of these loans. These loans are given by banks or financial institutions to corporates. PTCs may be backed, but not exclusively, by receivables of personal loans, car loans, two wheeler loans and other assets subject to applicable regulations.

The following are certain additional disclosures w.r.t. investment in securitized debt:

1. How the risk profile of securitized debt fits into the risk appetite of the scheme

Securitized debt is a form of conversion of normally non-tradable loans to transferable securities. This is done by assigning the loans to a special purpose vehicle (a trust), which in turn issues Pass-Through-Certificates (PTCs). These PTCs are transferable securities with fixed income characteristics. The risk of investing in securitized debt is similar to investing in debt securities. However it differs in two respects.

Typically the liquidity of securitized debt is less than similar debt securities. For certain types of securitized debt (backed by mortgages, personal loans, credit card debt, etc.), there is an additional pre-payment risk. Pre-payment risk refers to the possibility that loans are repaid before they are due, which may reduce returns if the re-investment rates are lower than initially envisaged.

Because of these additional risks, securitized debt typically offers higher yields than debt securities of similar credit rating and maturity. If the fund manager judges that the additional risks are suitably compensated by the higher returns, he may invest in securitized debt up to the limits specified in the asset allocation table above.

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

The originator is the person who has initially given the loan. The originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). An analysis of the originator is especially important in case of retail loans as this affects the credit quality and servicing of the PTC. The key risk is that of the underlying assets and not of the originator. For example, losses or performance of earlier issuances does not indicate quality of current series. However such past performance may be used as a guide to evaluate the loan standards, servicing capability and performance of the originator.

Originators may be: Banks, Non Banking Finance Companies, Housing Finance Companies, etc. The fund manager / credit analyst evaluates originators based on the following parameters

- Track record
- Willingness to pay, through credit enhancement facilities etc.
- Ability to pay
- Business risk assessment, wherein following factors are considered:

- Outlook for the economy (domestic and global)
- Outlook for the industry
- Company specific factors

In addition a detailed review and assessment of rating rationale is done including interactions with the originator as well as the credit rating agency.

The following additional evaluation parameters are used as applicable for the originator / underlying issuer for pool loan and single loan securitization transactions:

- Default track record/ frequent alteration of redemption conditions / covenants
- High leverage ratios of the ultimate borrower (for single-sell downs) – both on a standalone basis as well on a consolidated level/ group level
- Higher proportion of reschedulement of underlying assets of the pool or loan, as the case may be
- Higher proportion of overdue assets of the pool or the underlying loan, as the case may be
- Poor reputation in market
- Insufficient track record of servicing of the pool or the loan, as the case may be.

3. Risk mitigation strategies for investments with each kind of originator

An analysis of the originator is especially important in case of retail loans as the size and reach affects the credit quality and servicing of the PTC. In addition, the quality of the collection process, infrastructure and follow-up mechanism; quality of MIS; and credit enhancement mechanism are key risk mitigants for the better originators / servicers.

In case of securitization involving single loans or a small pool of loans, the credit risk of the underlying borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk. The credit analyst looks at ageing (i.e. how long the loan has been with the originator before securitization) as one way of evaluating the performance potential of the PTC. Securitization transactions may include some risk mitigants (to reduce credit risk). These may include interest subvention (difference in interest rates on the underlying loans and the PTC serving as margin against defaults), overcollateralization (issue of PTCs of lesser value than the underlying loans, thus even if some loans default, the PTC continues to remain protected), presence of an equity / subordinate tranche (issue of PTCs of differing seniority when it comes to repayment - the senior tranches get paid before the junior tranche) and / or guarantees.

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

In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk.

The credit analyst looks at ageing (i.e. how long the loan has been with the originator before securitization) as one way of judging the performance potential of the PTC. Additional risk mitigants may include interest subvention, over collateralization, presence of an equity / subordinate tranche and / or guarantees. The credit analyst also uses analyses by credit rating agencies on the risk profile of the securitized debt.

Currently, the following parameters are used while evaluating investment decision relating to a pool securitization transaction. The Investment Review Committee may revise the parameters from time to time.

Characteristics/Type of Pool	Mortgage Loan	Commercial Vehicle and Construction Equipment	CAR	2 wheelers	Micro Finance Pools *	Personal Loans *	Single Sell Downs	Others
Approximate Average maturity (in Months)	Up to 10 years	Up to 3 years	Up to 3 years	Up to 3 years	NA	NA	Refer Note 1	Refer Note 2
Collateral margin (including cash, guarantees, excess interest spread, subordinate tranche)	>10%	>10%	>10%	>10%	NA	NA	"	"
Average Loan to Value Ratio	<90%	<80%	<80%	<80%	NA	NA	"	"
Average seasoning of the Pool	>3 months	>3 months	>3 months	>3 months	NA	NA	"	"
Maximum single exposure range	<1%	<1%	<1%	<1%	NA	NA	"	"
Average single exposure range %	<1%	<1%	<1%	<1%	NA	NA	"	"

* Currently, the Schemes will not invest in these types of securitized debt

Note 1: In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. The investment limits applicable to the underlying borrower are applied to the single loan sell-down.

2: Other investments will be decided on a case-to-case basis

The credit analyst may consider the following risk mitigating measures in his analysis of the securitized debt:

- Size of the loan
- Average original maturity of the pool
- Loan to Value Ratio
- Average seasoning of the pool
- Default rate distribution
- Geographical Distribution
- Credit enhancement facility
- Liquid facility
- Structure of the pool

5. Minimum retention period of the debt by originator prior to securitization

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements. In

addition, RBI has proposed minimum holding period of between nine and twelve months for assets before they can be securitized. The minimum holding period depends on the tenor of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

6. Minimum retention percentage by originator of debts to be securitized

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements, including maximum exposure by the originator in the PTCs. In addition, RBI has proposed minimum retention requirement of between five and ten percent of the book value of the loans by the originator. The minimum retention requirement depends on the tenor and structure of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

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

The key risk is securitized debt relates to the underlying borrowers and not the originator. In a securitization transaction, the originator is the seller of the debt(s) and the fund is the buyer. However, the originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). As the originators may also invest in the scheme, the fund manager shall ensure that the investment decision is based on parameters as set by the Investment Review Committee (IRC) of the asset management company and IRC shall review the same at regular interval.

8. The resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt

The fund management team including the credit analyst has the experience to analyze securitized debt. In addition, credit research agencies provide analysis of individual instruments and pools. On an on-going basis (typically monthly) the servicer provides reports regarding the performance of the pool. These reports would form the base for ongoing evaluation where applicable. In addition, rating reports indicating rating changes would be monitored for changes in rating agency opinion of the credit risk.

When issued

When, as and if issued' (commonly known as "**when-issued**" (**WI**) **security**) refers to a security that has been authorized for issuance but not yet actually issued. WI trading takes place between the time a new issue is announced and the time it is actually issued. All "when issued" transactions are on an "if" basis, to be settled if and when the actual security is issued.

SEBI has on April 16, 2008 in principle allowed Mutual Funds to undertake 'When Issued (WI)' transactions in Central Government securities, at par with other market participants.

- Open Position in the 'WI' market are subject to the following limits:

Category	Reissued Security	Newly Issued Security
Non-PDs	Long Position, not exceeding 5 percent of the notified amount.	Long Position, not exceeding 5 percent of the notified amount.

Debt derivative instruments:

Interest Rate Swap - An Interest Rate Swap (IRS) is a financial contract between two parties exchanging or swapping a stream of interest payments for a “notional principal” amount on multiple occasions during a specified period. Such contracts generally involve exchange of a “fixed to floating” or “floating to fixed rate” of interest. Accordingly, on each payment date that occurs during the swap period, cash payments based on fixed/ floating and floating rates are made by the parties to one another.

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

Interest Rate Futures (as and when permitted):

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

Characteristics of Interest Rate Futures

1. Obligation to buy or sell a bond at a future date
2. Standardized contract.
3. Exchange traded
4. Physical settlement
5. Daily mark to market

Investment in foreign securities

The Scheme may also invest in suitable investment avenues in foreign securities in overseas financial markets for the purpose of diversification, commensurate with the Scheme objectives and subject to necessary stipulations by SEBI / RBI. Towards this end, the Mutual Fund may also appoint overseas investment advisors and other service providers, to the extent permissible under the Regulations.

The Scheme may, with the approval of SEBI / RBI, where required invest in:

- ADRs (American Depositary Receipts)/ GDRs (Global Depositary Receipts) issued by Indian or foreign companies
- Equity of overseas companies listed on recognized stock exchanges overseas
- Initial and follow on public offerings for listing at recognized stock exchanges overseas
- Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies
- Money market instruments rated not below investment grade

- Repos in the form of investment, where the counterparty is rated not below investment grade; repos shall not however, involve any borrowing of funds by the mutual funds
- Government securities where the countries are rated not below investment grade
- Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities
- Short term deposits with banks overseas where the issuer is rated not below investment grade
- Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, or (b) unlisted overseas securities (not exceeding 10% of their net assets).

Note: The Scheme will not invest in foreign securitized debt.

As per SEBI Circular SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007, mutual funds can make overseas investments subject to a maximum of US \$300 million or such limits as may be prescribed by SEBI from time to time. Subject to the approval of RBI / SEBI and conditions as may be prescribed by them, the Mutual Fund may open one or more foreign currency accounts abroad either directly, or through the custodian/sub-custodian, to facilitate investments and to enter into/deal in forward currency contracts, currency futures, interest rate futures / swaps, currency options for the purpose of hedging the risks of assets of a portfolio or for its efficient management. However, the use of such instruments shall be as permitted from time to time. All the requirement of the SEBI circular dated September 26, 2007, would be adhered to by the AMC for investment in foreign securities.

Investment in overseas securities shall be made in accordance with the requirements including appointment of a dedicated Fund Manager stipulated by SEBI and RBI from time to time.

Investments in units of mutual fund schemes

The Scheme may invest in other schemes managed by the AMC or in the schemes of any other mutual funds in conformity with the investment objective of the Scheme and in terms of the prevailing SEBI (MF) Regulations.

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

The securities / instruments mentioned above and such other securities the Scheme is permitted to invest in could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity.

The securities may be acquired through initial public offering (IPOs), secondary market, private placement, rights offers, negotiated deals. Further investments in debentures, bonds and other fixed income securities will be in instruments which have been assigned investment grade rating by the Credit Rating Agency.

Investment in unrated debt instruments shall be subject to complying with the provisions of Regulations and within the limit as specified in Schedule VII to the Regulations. Pursuant to SEBI Circular No. MFD/CIR/9/120/2000 dated November 24, 2000, the AMC may constitute committee(s) to approve proposals for investments in unrated debt

instruments. The AMC Board and the Trustee shall approve the detailed parameters for such investments. However, in case any unrated debt security does not fall under the parameters, the prior approval of Board of AMC and Trustee shall be sought.

For applicable regulatory investment limits please refer paragraph "Investment Restrictions."

Details of various derivative instruments along with derivative strategies have been provided under the section "Derivatives Strategy"

The Fund Manager may invest in any other security as maybe permitted from time to time and which are in line with the investment objectives of the Scheme.

E.WHAT ARE THE INVESTMENT STRATEGIES

The scheme aims to generate long term capital appreciation by investing in a concentrated portfolio of equity & equity related instruments of up to 25 companies.

In order to have a concentrated portfolio, the scheme will follow a bottom up stock selection approach. The scheme will reflect our best investment ideas at all points of time.

The portfolio will be built utilising a bottom-up stock selection process, focusing on appreciation potential of individual stocks from a fundamental perspective. The AMC employs a "Fair value" based research process to analyse the appreciation potential of each stock in its universe (Fair value is a measure of the intrinsic worth of a company). The universe of stocks is carefully selected to include companies having a robust business models and enjoying sustainable competitive advantages as compared to their competitors.

While 65 - 100% of the corpus will be invested in equities (no less than 20 companies and up to 25 companies), it is expected that under normal market conditions at least 80% of the corpus will be invested in equities (no less than 20 companies and up to 25 companies). The Scheme will primarily invest in companies among the top 200 in terms of market cap.

The scheme by utilising a holistic risk management strategy will endeavour to manage risks associated with investing in equity markets. The scheme has identified the following risks and designed risk management strategies, which are embedded in the investment process to manage these risks

- i. Quality Risk - Risk of investing in unsustainable / weak companies.
- ii. Price Risk - Risk of overpaying for a company
- iii. Liquidity Risk - High Impact cost of entry and exit
- iv. Volatility Risk - Volatility in price due to company or portfolio specific factors
- v. Event Risk - Price risk due to a company / sector specific or market event

DERIVATIVES STRATEGY

The Scheme may invest in various derivative instruments which are permissible under the applicable regulations. Such investments shall be subject to the investment objective and strategy of the Scheme and the internal limits if any, as laid down from time to time. These include but are not limited to futures (both stock and index) and options (stock

and index).

Derivatives are financial contracts of pre-determined fixed duration, like stock futures/options and index futures and options, whose values are derived from the value of an underlying primary financial instrument such as: interest rates, exchange rates, commodities, and equities.

Derivatives can be either exchange traded or can be over the counter (OTC). Exchange traded derivatives are listed and traded on stock exchanges whereas OTC derivative transactions are generally structured between two counterparties.

The objectives of the various strategies include hedge stock / portfolio against market gyrations.

The risks associated with derivatives are similar to those associated with underlying investments. The additional risks of using derivative strategies could be on account of:

- Illiquidity;
- Potential mis - pricing of the Futures/Options;
- Lack of opportunity
- Inability of derivatives to correlate perfectly with the underlying (Indices, Assets, Exchange Rates);
- Cost of hedge can be higher than adverse impact of market movements;
- An exposure to derivatives in excess of the hedging requirements can lead to losses;
- An exposure to derivatives can also limit the profits from a genuine investment transaction.
- The prices which are seen on the screen need not be the same at which execution will take place.

For detailed risks associated with use of derivatives, please refer paragraph "Scheme Specific Risk Factors"

Concepts and Examples of derivatives which maybe used by the fund manager:

Futures

Futures (Index & Stocks) are forward contracts traded on the exchanges & have been introduced both by BSE and NSE. Generally futures of 1 month (near month), 2 months (next month) and 3 months (far month) are presently traded on these exchanges. These futures expire on the last working Thursday of the respective months.

Illustration with Index Futures

In case the Nifty near month future contract is trading at say, Rs. 3,510, and the fund manager has a view that it will depreciate going forward; the Scheme can initiate a sale transaction of Nifty futures at Rs. 3,510 without holding a portfolio of equity stocks or any other underlying long equity position. Once the price falls to Rs. 3,400 after say, 20 days, the Scheme can initiate a square-up transaction by buying the said futures and book a profit of Rs. 110.

Correspondingly, if the fund manager has a positive view he can initiate a long position in the index / stock futures without an underlying cash/ cash equivalent subject to the extant regulations.

There are futures based on stock indices as mentioned above as also futures based on individual stocks. The profitability of index /stock future as compared to an individual security will inter-alia depend upon:

- The carrying cost,
- The interest available on surplus funds, and
- The transaction cost.

Example of a typical future trade and the associated costs

Particulars	Index Future	Actual Purchase of Stocks
Index at the beginning of the month	3500	3500
Price of 1 month future	3510	
A. Execution cost: Carry and other index future costs	10	
B. Brokerage cost: Assumed at	7.02	8.75
0.2% of Index Future		
0.25% for spot Stocks		
C. Gains on surplus fund: (Assumed 8% p.a. return on 85% of the money left after paying 15% margin) $(8\% \times 3500 \times 85\% \times 30 \text{ days} / 365)$	19.56	0
Total Cost (A+B-C)	-2.54	8.75

Some strategies that employ stock /index futures and their objectives:

(a) Arbitrage

(1) Selling spot and buying future: In case the Scheme holds the stock of a company "A" at say Rs. 100 while in the futures market it trades at a discount to the spot price say at Rs. 98, then the Scheme may sell the stock and buy the futures.

On the date of expiry of the stock future, the Scheme may reverse the transactions (i.e. buying at spot & selling futures) and earn a risk-free Rs. 2 (2% absolute) on its holdings without any dilution of the view of the fund manager on the underlying stock.

Further, the Scheme can still benefit from any movement of the price in the upward direction, i.e. if on the date of expiry of the futures, the stock trades at Rs. 110 which would be the price of the futures too, the Scheme will have a benefit of Rs 10 whereby the Scheme gets the 10% upside movement together with the 2% benefit on the arbitrage and thus getting a total return of 12%.The corresponding return in case of holding the stock would have been 10%.

Note: The same strategy can be replicated with a basket of Nifty- 50 stocks (Synthetic Nifty) and the Nifty future index.

(2) Buying spot and selling future: Where the stock of a company "A" is trading in the spot market at Rs. 100 while it trades at Rs. 102 in the futures market, then the Scheme

may buy the stock at spot and sell in the futures market thereby earning Rs. 2.

Buying the stock in cash market and selling the futures results into a hedge where the Scheme has locked in a spread and is not affected by the price movement of cash market and futures market. The arbitrage position can be continued till expiry of the future contracts when there is a convergence between the cash market and the futures market. This convergence enables the Scheme to generate the arbitrage return locked in earlier.

(b) Buying/ Selling Stock future:

When the Scheme wants to initiate a long position in a stock whose spot price is at say, Rs.100 and futures is at 98, then the Scheme may just buy the futures contract instead of the spot thereby benefiting from a lower cost.

In case the Scheme has a bearish view on a stock which is trading in the spot market at Rs.98 and the futures market at say Rs. 100, the Scheme may subject to regulations, initiate a short position in the futures contract. In case the prices align with the view and the price depreciates to say Rs. 90, the Scheme can square up the short position thereby earning a profit of Rs.10 vis a vis a fall in stock price of Rs 8.

(c) Hedging:

The Scheme may use exchange-traded derivatives to hedge the equity portfolio. Both index and stock futures and options may be used to hedge the stocks in the portfolio.

(d) Alpha Strategy:

The Scheme will seek to generate alpha by superior stock selection and removing market risks by selling appropriate index. For example, one can seek to generate positive alpha by buying a bank stock and selling Bank Nifty future.

Execution of these strategies depends upon the ability of the fund manager to identify and execute based on such opportunities. These involve significant uncertainties and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

Option Contracts (Stock and Index)

An Option gives the buyer the right, but not the obligation, to buy (call) or sell (put) a stock at an agreed-upon price during a certain period of time or on a specific date.

Options are used to manage risk or as an investment to generate income. The price at which underlying security is contracted to be purchased or sold is called the Strike Price. Options that can be exercised on or before the expiration date are called American Options while, Options that can be exercised only on the expiration date are called European Options.

Options Risk / Return Pay-off Table

	Stock / Index Options	Buy Call	Sell Call	Buy Put	Sell Put
1	View on underlying	Positive	Negative	Negative	Positive
2	Premium	Pay	Receive	Pay	Receive

3	Risk Potential	Limited to premium paid	Unlimited	Limited to premium paid	Unlimited
4	Return Potential	Unlimited	Premium Received	Unlimited	Premium Received

Option contracts are of two types - Call and Put.

Call Option: A call option gives the buyer, the right to buy specified quantity of the underlying asset at the set strike price on or before expiration date and the seller (writer) of call option however, has the obligation to sell the underlying asset if the buyer of the call option decides to exercise the option to buy.

Put Option: A put option gives the buyer the right to sell specified quantity of the underlying asset at the set strike price on or before expiration date and the seller (writer) of put option however, has the obligation to buy the underlying asset if the buyer of the put option decides to exercise his option to sell.

Index Options / Stock Options

Index options / Stock options are termed to be an efficient way of buying / selling an index/stock compared to buying / selling a portfolio of physical shares representing an index for ease of execution and settlement. The participation can be done by buying / selling either Index futures or by buying a call/put option.

The risk are also different when index /stock futures are bought/sold visa- a- vis index/ stocks options as in case of an index future there is a mark to market variation and the risk is much higher as compared to buying an option, where the risk is limited to the extent of premium paid.

The illustration below explains how one can gain using Index call / put option. These same principles of profit / loss in an Index option apply in toto to that for a stock option.

Call Option

Suppose an investor buys a Call option on 1 lot of CNX Nifty (Lot Size: 50 units)

- Nifty index (European option).
- Nifty 1 Lot Size: 50 units
- Spot Price (S): 3500
- Strike Price (x): 3550 (Out-of-Money Call Option)
- Premium: 100

Total Amount paid by the investor as premium $[50 \times 100] = 5000$

There are two possibilities i.e. either the index moves up over the strike price or remains below the strike price.

Case 1- The index goes up

- An investor sells the Nifty Option described above before expiry:

Suppose the Nifty index moves up to 3600 in the spot market and the premium has moved to Rs 200 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1 Nifty call option as the option now is In the Money.

His gains are as follows:

- Nifty Spot: 3600

- Current Premium: Rs.200
- Premium paid: Rs.100
- Net Gain: Rs.200- Rs.100 = Rs.100 per unit
- Total gain on 1 lot of Nifty (50 units) = Rs.5000 (50*100)

In this case the premium of Rs.200 has an intrinsic value of Rs.50 per unit and the remaining Rs.150 is the time value of the option.

- An investor exercises the Nifty Option at expiry
- Suppose the Nifty index moves up to 3700 in the spot market on the expiry day and the investor decides to reverse his position in the market by exercising the Nifty call option as the option now is in The Money.

His gains are as follows:

- Nifty Spot: 3700
- Premium paid: Rs.100
- Exercise Price: 3550
- Receivable on exercise: 3700-3550 = 150
- Total Gain: Rs.2500 {(150-100)*50}

In this case the realised gain is only the intrinsic value, which is Rs.50, and there is no time value.

Case 2 - The Nifty index moves to any level below 3550

Then the investor does not gain anything but on the other hand his loss is limited to the premium paid:

Net Loss is Rs.5000 (Loss is capped to the extent of Premium Paid)

(Rs 100 Premium paid*Lot Size: 50 units).

Put Option

Suppose an investor buys a Put option on 1 lot of CNX Nifty.

- Nifty 1 Lot Size: 50 units
- Spot Price (S): 3500
- Strike Price (x): 3450 (Out-of-Money Put Option)
- Premium: 30
- Total Amount paid by the investor as premium [50*30] =1500

There are two possibilities i.e. either the index moves over the strike price or moves below the strike price.

Let us analyze these scenarios.

Case 1 - The index goes down

- An investor sells the Nifty Option before expiry:

Suppose the Nifty index moves down to 3400 in the spot market and the premium has moved to Rs. 80 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1 Nifty Put Option as the option now is In The Money. His gains are as follows:

- Nifty Spot: 3400
- Premium paid: Rs.30
- Net Gain: Rs.80 - Rs.30 = Rs.50 per unit
- Total gain on 1 lot of Nifty (50 units) = Rs.2500 (50*50)

In this case the premium of Rs.80 has an intrinsic value of Rs.50 per unit and the remaining Rs.30 is the time value of the option.

An investor exercises the Nifty Option at expiry (It is an European Option)

Suppose the Nifty index moves down to 3400 in the spot market on the expiry day and

the investor decides to reverse his position in the market by exercising the Nifty Put Option as the option now is In The Money.

His gains are as follows:

- Nifty Spot: 3400
- Premium paid: Rs.30
- Exercise Price: 3450
- Gain on exercise: $3450 - 3400 = 50$
- Total Gain: Rs.1000 $\{(50 - 30) \times 50\}$

In this case the realised amount is only the intrinsic value, which is Rs.50, and there is no time value in this case.

Case 2 - If the Nifty index stays over the strike price which is 3450, in the spot market then the investor does not gain anything but on the other hand his loss is limited to the premium paid.

- Nifty Spot: >3450
- Net Loss Rs.1500 (Loss is capped to the extent of Premium Paid)
(Rs 30 Premium paid * Lot Size: 50 units).

Investment in Fixed Income Derivative Instruments:

The Scheme may use Derivative instruments like interest rate swaps like overnight indexed swaps (OIS), forward rate agreements, interest rate futures(as and when permitted) or such other Derivative instruments as may be permitted under the applicable regulations. Derivatives will be used for the purpose of hedging, and portfolio balancing or such other purpose as may be permitted under the regulations and Guidelines from time to time.

The Fund will be allowed to take exposure in interest rate swaps only on a non-leveraged basis. A swap will be undertaken only if there is an underlying asset in the portfolio. In terms of Circular No. MFD.BC.191/07.01.279/1999-2000 and MPD.BC.187/07.01.279/1999-2000 dated November 1, 1999 and July 7, 1999 respectively issued by RBI permitting participation by Mutual Funds in interest rate swaps and forward rate agreements, the Fund will use Derivative instruments for the purpose of hedging and portfolio balancing. The Fund may also use derivatives for such purposes as maybe permitted from time to time. Further, the guidelines issued by RBI from time to time for forward rate agreements and interest rate swaps and other derivative products would be adhered to by the Mutual Fund.

IRS and FRAs do also have inherent credit and settlement risks. However, these risks are substantially reduced as they are limited to the interest streams and not the notional principal amounts.

Investments in Derivatives will be in accordance with the extant SEBI regulations / guidelines. Presently Derivatives shall be used for hedging and / or portfolio balancing purposes, as permitted under the Regulations. The circumstances under which such transactions would be entered into would be when, for example using the IRS route it is possible to generate better returns / meet the objective of the Scheme at a lower cost. e.g. if buying a 2 Yr Mibor based instrument and receiving the 2 Yr swap rate yields better return than the 2 Yr AAA corporate, the Scheme would endeavor to do that. Alternatively, the Scheme would also look to hedge existing fixed rate positions if the

view on interest rates is that it would likely rise in the future.

The following information provides a basic idea as to the nature of the Derivative instruments proposed to be used by the Fund and the benefits and risks attached therewith. Please note that the examples have been given for illustration purposes only.

Using Overnight Indexed Swaps

In a rising interest rate scenario, the Scheme may enhance returns for the Investor by hedging the risk on its fixed interest paying assets by entering into an OIS contract where the Scheme agrees to pay a fixed interest rate on a specified notional amount, for a pre determined tenor and receives floating interest rate payments on the same notional amount. The fixed returns from the Scheme assets and the fixed interest payments to be made by the Scheme on account of the OIS transaction offset each other and the Scheme benefits on the floating interest payments that it receives. The Scheme may enter into an opposite position in case of a falling interest rate scenario, i.e. to hedge the floating rate assets in its portfolio the Scheme enters into an OIS transaction wherein it receives a fixed interest rate on a specified notional amount for a specified time period and pays a floating interest rate on the same notional amount. The floating interest payments that the Scheme receives on its floating rate securities and the floating interest payments that the Scheme has to pay on account of the OIS transaction offset each other and the Scheme benefits on the fixed interest payments that it receives in such a scenario.

Swap

Assume that the Scheme has a Rs. 20 crore floating rate investment linked to MIBOR (Mumbai Inter Bank Offered Rate). Hence, the Scheme is currently running an interest rate risk and stands to lose if the interest rate moves down. To hedge this interest rate risk, the Scheme can enter into a 6 month MIBOR swap. Through this swap, the Scheme will receive a fixed predetermined rate (assume 12%) and pays the "benchmark rate" (MIBOR), which is fixed by the NationNSE or any other agency such as Reuters. This swap would effectively lock-in the rate of 12% for the next 6 months, eliminating the daily interest rate risk. This transaction is usually routed through an intermediary who runs a book and matches deals between various counterparties. The steps will be as follows:

Assuming the swap is for Rs. 20 Crores for June 1, 2009 to December 1, 2009. The Scheme is a fixed rate receiver at 12% and the counterparty is a floating rate receiver at the overnight rate on a compounded basis (say NSE MIBOR).

On June 1, 2009 the Scheme and the counterparty will exchange only a contract of having entered this swap. This documentation would be as per International Swap Dealers Association (ISDA) norms.

On a daily basis, the benchmark rate fixed by NSE will be tracked by them.

On December 1, 2009 they will calculate the following:

- The Scheme is entitled to receive interest on Rs. 20 Crores at 12% for 184 days i.e. Rs. 1.21 Crores, (this amount is known at the time the swap was concluded) and will pay the compounded benchmark rate.
- The counterparty is entitled to receive daily compounded call rate for 184 days & pay 12% fixed.
- On December 1, 2009, if the total interest on the daily overnight compounded benchmark rate is higher than Rs. 1.21 Crores, the Scheme will pay the difference

to the counterparty. If the daily compounded benchmark rate is lower, then the counterparty will pay the Scheme the difference.

- Effectively the Scheme earns interest at the rate of 12% p.a. for six months without lending money for 6 months fixed, while the counterparty pays interest @ 12% p.a. for 6 months on Rs. 20 Crores, without borrowing for 6 months fixed.

The above example illustrates the use of Derivatives for hedging and optimizing the investment portfolio. Swaps have their own drawbacks like credit risk, settlement risk. However, these risks are substantially reduced as the amount involved is interest streams and not principal.

Forward Rate Agreement

Assume that on June 30, 2009, the 30 day commercial paper (CP) rate is 4% and the Scheme has an investment in a CP of face value Rs. 50 Crores, which is going to mature on July 31, 2009. If the interest rates are likely to remain stable or decline after July 31, 2009, and if the fund manager, who wants to re-deploy the maturity proceeds for 1 more month does not want to take the risk of interest rates going down, he can then enter into a following Forward Rate Agreement (FRA) say as on June 30, 2009:

He can receive 1 X 2 FRA on June 30, 2009 at 4.00% (FRA rate for 1 months lending in 1 months time) on the notional amount of Rs. 50 Crores, with a reference rate of 30 day CP benchmark. If the CP benchmark on the settlement date i.e. July 30, 2009 falls to 3.75%, then the Scheme receives the difference 4.00 – 3.75 i.e. 25 basis points on the notional amount Rs. 50 Crores.

Interest Rate Futures

Assume that the Fund holds an Indian ten year benchmark and the fund manager has a view that the yields will go up in the near future leading to decrease in value of the investment and subsequent decrease in Net Asset Value of the fund. The fund house decides to use Interest Rate Futures to mitigate the risk of decline of Net Asset Value of the fund.

12th October 2009

- The benchmark ten year paper 6.88 2009, is trading at INR 98.00 at a yield of 7.19%.
- December 2009 futures contract on the ten year notional 7% coupon bearing Government paper is trading at a yield of 7.29% at a price of INR 98.50.
- The mutual fund decides to hedge the exposure by taking a short position in December 2009 interest rate futures contract.

25th November 2009

- As expected by the fund manager the yield of the benchmark ten year paper has increased to 8% and the price has decreased to 92.70.
- The December 2009 futures contract is trading at a price of INR 93.17 indicating a yield of 8.05%
- The mutual fund unwinds the short position by buying the December 2009 futures contract. The transaction results in profit from the futures position, against the corresponding loss from the Government of India security position.

For details of risk factors relating to use of Derivatives, the investors are advised to refer to

Scheme Specific Risk Factors.

PORTFOLIO TURNOVER

The Scheme is an open-ended scheme. It is expected that there would be a number of subscriptions and redemptions on a daily basis. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio.

There may be an increase in transaction cost such as brokerage paid, if trading is done frequently. However, the cost would be negligible as compared to the total expenses of the Scheme. Frequent trading may increase the profits which will offset the increase in costs. The fund manager will endeavor to optimize portfolio turnover to maximize gains and minimize risks keeping in mind the cost associated with it. However, it is difficult to estimate with reasonable accuracy, the likely turnover in the portfolio of the Scheme. The Scheme has no specific target relating to portfolio turnover

RISK CONTROL

Risk is an inherent part of the investment function. Effective Risk Management is critical to Fund Management for achieving financial soundness. Investments by the Scheme shall be made as per the investment objectives of the Scheme and provisions of the Regulations.

Risk control would include managing risk in order to keep it in line with the investment objective of the Scheme. The AMC has incorporated adequate safeguards to manage risk in the portfolio construction process. The risk control process involves identifying & measuring the risk through various Risk Measurement Tools. Further, the AMC has implemented the Bloomberg Portfolio Management System as Front Office System (FOS) for managing risk. The system has inbuilt features which enables the Fund Manager calculate various risk ratios and analyze the same.

The AMC has experienced investment professionals to help limit investment universe to carefully selected high quality businesses. The fund manager would also consider hedging the portfolios in case of predictable events with uncertain outcomes.

INVESTMENT BY THE AMC IN THE SCHEME

Subject to the Regulations, the AMC may invest either directly or indirectly, in the Scheme during the NFO and / or Ongoing Offer Period. However, the AMC shall not charge any investment management fee on such investment in the Scheme.

F: FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the Scheme, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

(i) Type of a Scheme

(ii) Investment Objective

(iii) Terms of Issue

- o Liquidity provisions such as listing, Repurchase, Redemption.

- o Aggregate fees and expenses charged to the Scheme.
- Any safety or guarantee net provided:

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustee shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unit holders is carried out unless:

- 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
- The Unit holders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE ?

The Scheme performance would be benchmarked against S&P CNX Nifty Index (Primary benchmark). The S&P CNX Nifty is a well diversified index accounting for 24 sectors of the economy. It is the most popular and widely followed benchmark to track the performance of the equity market in India.

It also covers majority of the sectors where the portfolio might be constructed by the fund manager.

Additional benchmark - BSE 200

The Trustee may change the benchmark in future if a benchmark better suited to the investment objective of the Scheme is available.

H. WHO MANAGES THE SCHEME?

Name of Fund Manager	Ages and Qualification	Experience of the Fund Manager	Names of other schemes under his management
Mr. Pankaj Murarka	35 B. Com, ACA	<ul style="list-style-type: none"> • Fund Manager - Equity, Axis Asset Management Co. Ltd.(November 3, 2009 till date) • Principal Officer, Pipal Capital Management Private Limited (April 2009 - November 2009) • Portfolio Manager, DSP Merrill Lynch Ltd (June 2006 – March 2009) • Head of Research & Fund Manager, Rare Enterprises (June 2004- June 2006) • Equity Sales, Motilal Oswal Securities Ltd. (April 2003 – May 2004) 	Axis Midcap Fund (along with Mr. Jinesh Gopani), Axis Income Saver (along with Mr. R. Sivakumar and Mr. Sudhanshu Asthana), Axis Equity Fund (with Mr. Chandresh Nigam)

		<ul style="list-style-type: none"> Fund Management & Research, UTI Asset Management Company Ltd. (February 1998 to January 2003) 	
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The Fixed Income Fund Managers of the Mutual Fund will be involved in management of the Debt Component of the Scheme. Further, presently the Trustee/AMC has not designated a dedicated Fund Manager for investment in Foreign Securities. However, it shall be ensured that there is a dedicated fund manager for investment in foreign securities as and when the fund makes investment in foreign securities.

I. WHAT ARE THE INVESTMENT RESTRICTIONS?

Pursuant to Regulations, specifically the Seventh Schedule and amendments thereto, the following investment restrictions are currently applicable to the Scheme:

1. The Scheme shall not invest more than 10 per cent of its NAV in the equity shares or equity related instruments of any company
2. The Scheme shall not invest more than 5% of its NAV in the unlisted equity shares or equity related instruments
3. The Mutual Fund under all its Scheme(s) shall not own more than ten per cent of any company's paid up capital carrying voting rights.
4. The Scheme shall not invest more than 15% of its NAV in debt instruments issued by a single issuer, which are rated not below investment grade by a credit rating agency authorized to carry out such activities under the SEBI Act, 1992. Such investment limit may be extended to 20% of the NAV of the Scheme with the prior approval of the Trustee and the Board of AMC.

Such limit shall not be applicable for investment in Government Securities and money market instruments.

In case of investment in money market instruments, the Scheme shall not invest more than 30% of its net assets in Money Market Instruments issued by a single issuer. The limit shall not be applicable to investment in CBLOs.

Investments within such limit can be made in the mortgaged backed securitised debt, which are rated not below investment grade by a credit rating agency, registered with SEBI.

5. The Scheme shall not invest more than 10% of its NAV in un-rated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the Scheme. All such investments shall be made with the prior approval of the Trustee and Board of AMC.
6. The Scheme may invest in other schemes of the Mutual Fund or any other mutual fund without charging any fees, provided the aggregate inter-scheme investment made by all the schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the Net Asset Value of the Fund.
7. The Scheme shall not make any investment in :
 - a) any unlisted security of an associate or group company of the sponsor; or

- b) any security issued by way of private placement by an associate or group company of the sponsor; or
- c) the listed securities of group companies of the sponsor which is in excess of 25% of the net assets; or
- 8. The Mutual Fund shall get the securities purchased transferred in the name of the Fund on account of the concerned Scheme, wherever investments are intended to be of a long-term nature.
- 9. Transfer of investments from one scheme to another scheme in the same Mutual Fund is permitted provided:
 - a. such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and
 - b. the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.
- 10. The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities:
 Provided that the Mutual Fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.

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

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

- 11. The Scheme shall not make any investment in any fund of funds scheme.
- 12. The Scheme will comply with the following restrictions for trading in exchange traded derivatives, as specified by SEBI vide its circular DNPd/Cir-29/2005 dated September 14, 2005, Circular DNPd/Cir-30/2006 dated January 20, 2006 and Circular DNPd/Cir-31/2006 dated September 22, 2006:

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

- a. The Mutual Fund position limit in all index options contracts on a particular underlying index shall be Rs. 500 crores or 15% of the total open interest of the market in index options, whichever is higher, per stock exchange.
- b. This limit would be applicable on open positions in all options contracts on a particular underlying index.

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

- a. The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be Rs.500 crores or 15% of the total open interest of the market in index futures, whichever is higher, per stock exchange.
- b. This limit would be applicable on open positions in all futures contracts on a particular underlying index.

iii. Additional position limit for hedging

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

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

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

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

The Mutual Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts, is defined in the following manner:-

- a. For stocks having applicable market-wide position limit ('MWPL') of Rs. 500 crores or more, the combined futures and options position limit shall be 20% of applicable MWPL or Rs. 300 crores, whichever is lower and within which stock futures position cannot exceed 10% of applicable MWPL or Rs. 150 crores, whichever is lower.
- b. For stocks having applicable MWPL less than Rs. 500 crores, the combined futures and options position limit would be 20% of applicable MWPL and futures position cannot exceed 20% of applicable MWPL or Rs. 50 crores whichever is lower.

v. Position limit for each scheme of a Mutual Fund

The scheme-wise position limit / disclosure requirements shall be:

- a. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a Mutual Fund shall not exceed the higher of 1% of the free float market capitalization (in terms of number of shares)
or
5% of the open interest in the derivative contract on a particular underlying stock (in terms of number of contracts).
- b. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
- c. For index based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

- 13 Pending deployment of the funds of the Scheme in securities in terms of the investment objective of the Scheme, the AMC may park the Funds of the Scheme in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007 as may be amended from time to time:

The Scheme will comply with the following guidelines/restrictions for parking of funds in short term deposits:

- i. "Short Term" for such parking of funds by the Scheme shall be treated as a period not exceeding 91 days. Such short-term deposits shall be held in the name of the Scheme.
- ii. The Scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustee.
- iii. Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
- iv. The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.

- v. The Scheme shall not park funds in short term deposit of a bank which has invested in that Scheme.

However, the above provisions will not apply to term deposits placed as margins for trading in cash and derivatives market.

14 The Scheme shall not advance any loans.

15 The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of repurchase/redemption of Units or payment of interest and/or dividend to the Unit holders.

Provided that the Fund shall not borrow more than 20% of the net assets of the individual Scheme and the duration of the borrowing shall not exceed a period of 6 month The Scheme will comply with the other Regulations applicable to the investments of Mutual Funds from time to time.

16. Further, SEBI vide its circular no. Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010 has prescribed the following investment restrictions w.r.t. investment in derivatives:

1	The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the scheme. Cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure.
2	The Scheme shall not write options or purchase instruments with embedded written options.
3	The total exposure related to option premium paid shall not exceed 20% of the net assets of the scheme.
4	<p>Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:</p> <ol style="list-style-type: none"> Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
5	Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.

6	<p>Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:</p> <table border="1" data-bbox="430 394 1386 567"> <thead> <tr> <th>Position</th><th>Exposure</th></tr> </thead> <tbody> <tr> <td>Long Future</td><td>Futures Price * Lot Size * Number of Contracts</td></tr> <tr> <td>Short Future</td><td>Futures Price * Lot Size * Number of Contracts</td></tr> <tr> <td>Option bought</td><td>Option Premium Paid * Lot Size * Number of Contracts.</td></tr> </tbody> </table>	Position	Exposure	Long Future	Futures Price * Lot Size * Number of Contracts	Short Future	Futures Price * Lot Size * Number of Contracts	Option bought	Option Premium Paid * Lot Size * Number of Contracts.
Position	Exposure								
Long Future	Futures Price * Lot Size * Number of Contracts								
Short Future	Futures Price * Lot Size * Number of Contracts								
Option bought	Option Premium Paid * Lot Size * Number of Contracts.								
7	<p>The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases shall not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions shall not exceed 10% of the net assets of the scheme.</p>								

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

Apart from the Investment Restrictions prescribed under the Regulations, internal risk parameters for limiting exposure to a particular scrip or sector may be prescribed from time to time to respond to the dynamic market conditions and market opportunities.

The AMC/Trustee may alter these above stated restrictions from time to time to the extent the Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its respective investment objective.

J. HOW HAS THE SCHEME PERFORMED?

This is a new scheme and has no performance track record.

K. Investments by the AMC

Subject to the Regulations, the AMC may invest either directly or indirectly, in the Scheme during the NFO and / or Ongoing Offer Period. However, the AMC shall not charge any investment management fee on such investment in the Scheme.

III. UNITS AND OFFER

This section provides details you need to know for investing in the Scheme.

A. NEW FUND OFFER (NFO)

<p>New Fund Offer Period</p> <p>This is the period during which a new scheme sells its Units to the investors.</p>	<p>NFO opens on: June 11, 2012 NFO closes on: June 25, 2012</p> <p>The AMC/Trustee reserves the right to close the NFO of the Scheme before the above mentioned date.</p>
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	The AMC/Trustee reserves the right to extend the closing date of the New Fund Offer Period, subject to the condition that the New Fund Offer shall not be kept open for more than 15 days.
<p>New Fund Offer Price:</p> <p>This is the price per Unit that the investors have to pay to invest during the NFO.</p>	Rs. 10/- per Unit
Minimum Amount for Application /Switch in in the NFO	Rs. 5,000 in multiples of Re 1/- thereafter
<p>Minimum Target amount</p> <p>This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return. However, if AMC fails to refund the amount within 6 weeks, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of six weeks from the date of closure of the subscription period.</p>	Rs. 10 crores
Maximum amount to be raised (if any)	_Not Applicable
Plans / Options offered	<p>Plans: Nil</p> <p>The Scheme offers the following options:</p> <p>a) Growth Option</p> <p>b) Dividend Option.</p> <ol style="list-style-type: none"> 1. Dividend Payout Facility 2. Dividend Reinvestment Facility <p>a) Growth Option Dividends will not be declared under this Option. The income attributable to Units under this Option will continue to remain invested in the Scheme and will be reflected in the Net Asset Value of Units under this Option.</p> <p>b) Dividend Option Under this Option, dividends will be declared at the discretion of the Trustee, subject to availability of</p>

	<p>distributable surplus calculated in accordance with SEBI (MF) Regulations. On payment of dividend, the NAV of the units under Dividend option will fall to the extent of the dividend payout and applicable statutory levies, if any.</p> <p>It must be distinctly understood that the actual declaration of dividend and frequency thereof is at the sole discretion of Board of Directors of the Trustee Company. There is no assurance or guarantee to the Unit holders as to the rate of dividend distribution nor that the dividend will be paid regularly.</p> <p><u>Dividend Payout Facility</u></p> <p>Under this facility, dividend declared, if any, will be paid (subject to deduction of dividend distribution tax and statutory levy, if any) to those Unit holders, whose names appear in the register of Unit holders on the notified record date.</p> <p><u>Dividend Reinvestment Facility</u></p> <p>Under this facility, the dividend due and payable to the Unit holders will be compulsorily and without any further act by the Unit holder, reinvested in the Dividend option at a price based on the prevailing ex-dividend Net Asset Value per Unit. The amount of dividend re-invested will be net of tax deducted at source, wherever applicable. The dividends so reinvested shall constitute a constructive payment of dividends to the Unit holders and a constructive receipt of the same amount from each Unit holder for reinvestment in Units.</p> <p>On reinvestment of dividends, the number of Units to the credit of Unit holder will increase to the extent of the dividend reinvested divided by the Applicable NAV. There shall, however, be no Load on the dividend so reinvested.</p> <p>Default Option</p> <p>The investor must clearly specify his choice of option/facility. In the absence of such clear instruction, it will be assumed that the investor has opted for 'default' option / facility and the application will be processed accordingly. The default option / facility are:</p> <p>Default Option: Growth (between Growth and Dividend)</p> <p>Default Facility: Dividend Reinvestment facility (between Dividend Reinvestment and Dividend Payout facility)</p>
Dividend Policy	<p>Under the Dividend option, the Trustee will have the discretion to declare the dividend, subject to availability of distributable surplus calculated in</p>

	<p>accordance with the Regulations. The actual declaration of dividend and frequency will inter-alia, depend on availability of distributable surplus calculated in accordance with SEBI (MF) Regulations and the decisions of the Trustee shall be final in this regard. There is no assurance or guarantee to the Unit holders as to the rate of dividend nor that the dividend will be paid regularly.</p> <p>The AMC/Trustee reserves the right to change the frequency of declaration of dividend or may provide for additional frequency for declaration of dividend.</p> <p>Dividend Distribution Procedure</p> <p>In accordance with SEBI Circular no. SEBI/ IMD/ Cir No. 1/ 64057/06 dated April 4, 2006, the procedure for Dividend distribution would be as under:</p> <ol style="list-style-type: none"> 1. Quantum of dividend and the record date will be fixed by the Trustee. Dividend so decided shall be paid, subject to availability of distributable surplus. 2. Within one calendar day of decision by the Trustee, the AMC shall issue notice to the public communicating the decision about the dividend including the record date, 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. 3. Record date shall be the date, which will be considered for the purpose of determining the eligibility of investors whose names appear on the register of Unit holders for receiving dividends. The Record Date will be 5 calendar days from the date of issue of notice. 4. The notice will, in font size 10, bold, categorically state that pursuant to payment of dividend, the NAV of the Scheme would fall to the extent of payout and statutory levy (if applicable). 5. The NAV will be adjusted to the extent of dividend distribution and statutory levy, if any, at the close of business hours on record date. 6. Before the issue of such notice, no communication indicating the probable date of dividend declaration in any manner whatsoever will be issued by Mutual Fund.
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<p>Allotment</p>	<p>Full allotment will be made to all valid applications received during the New Fund Offer Period. Allotment of Units, shall be completed not later than 5 business days after the close of the New Fund Offer Period.</p> <p>On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted by way of e-mail and/or SMS within 5 business days from the date of closure of new fund offer period will be sent to the Unit Holders registered e-mail address and/or mobile number.</p> <p>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.</p>
<p>Refund</p>	<p>Fund will refund the application money to applicants whose applications are found to be incomplete, invalid or have been rejected for any other reason whatsoever. Refund instruments will be dispatched within 5 business days of the closure of NFO period. In the event of delay beyond 5 business days, the AMC shall be liable to pay interest at 15% per annum or such other rate of interest as maybe prescribed from time to time. Refund orders will be marked "A/c Payee only" and drawn in the name of the applicant (in the case of a sole applicant) and in the name of the first applicant in all other cases. All refund orders will be sent by registered post or as permitted by Regulations.</p>
<p>Who can invest</p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.</p>	<p>The following persons (subject to, wherever relevant, purchase of Units of mutual funds, being permitted under respective constitutions, and relevant statutory regulations) are eligible and may apply for Subscription to the Units of the Scheme:</p> <ol style="list-style-type: none"> 1. Resident adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis; 2. Hindu Undivided Family (HUF) through Karta; 3. Minor through parent / legal guardian; 4. Partnership Firms; 5. Proprietorship in the name of the sole proprietor;

	<p>6. Companies, Bodies Corporate, Public Sector Undertakings (PSUs.), Association of Persons (AOP) or Bodies of Individuals (BOI) and societies registered under the Societies Registration Act, 1860(so long as the purchase of Units is permitted under the respective constitutions);</p> <p>7. Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions;</p> <p>8. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as "Public Securities" as required) and Private trusts authorised to invest in mutual fund schemes under their trust deeds;</p> <p>9. Non-Resident Indians (NRIs) / Persons of Indian origin (PIOs) residing abroad on repatriation basis or on non-repatriation basis;</p> <p>10. Foreign Institutional Investors (FIIs) and their sub-accounts registered with SEBI on repatriation basis;</p> <p>11. Army, Air Force, Navy and other para-military units and bodies created by such institutions;</p> <p>12. Scientific and Industrial Research Organisations;</p> <p>13. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / RBI;</p> <p>14. Provident/ Pension/ Gratuity Fund to the extent they are permitted;</p> <p>15. Other schemes of Axis Mutual Fund or any other mutual fund subject to the conditions and limits prescribed by the Regulations;</p> <p>16. The Trustee, AMC or Sponsor or their associates may subscribe to Units under the Scheme;</p> <p>17. Such other person as maybe decided by the AMC from time to time.</p>
Who cannot invest	<p>1. Any individual who is a foreign national or any other entity that is not an Indian resident under the Foreign Exchange Management Act, 1999 (FEMA Act) except where registered with SEBI as a FII or sub account of FII or otherwise explicitly permitted under FEMA Act/ by RBI/ by any other applicable authority.</p>

	<p>2. Pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) can not invest in Mutual Funds.</p> <p>3. NRIs residing in Non-Compliant Countries and Territories (NCCTs) as determined by the Financial Action Task Force (FATF), from time to time.</p> <p>4. Such other persons as may be specified by AMC from time to time.</p>
Where can you submit the filled up applications.	Please refer the back cover page of the Scheme Information Document
How to Apply	Please refer to the SAI and Application form for the instructions.
Listing	The Scheme is an open ended equity scheme under which Sale and Repurchase will be made on a continuous basis and therefore listing on stock exchanges is not envisaged. However, the Trustee reserves the right to list the Units as and when open-end Schemes are permitted to be listed under the Regulations, and the Trustee considers it necessary in the interest of Unit holders of the Fund.
Special Products / facilities available during the NFO	Systematic Investment Purchase (SIP), Switch In facility, Easy call, Easy SMS and online transaction facility would be available.
The policy regarding reissue of repurchased Units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.	Units once redeemed will be extinguished and will not be reissued.
Restrictions, if any, on the right to freely retain or dispose of Units being offered.	<p>Pledge of Units</p> <p>The Unit under the Scheme (subject to completion of Lockin Period, if any) may be offered as security by way of a pledge / charge in favour of scheduled banks, financial institutions, non-banking finance companies (NBFCs), or any other body. The AMC and / or the ISC will note and record such Pledged Units. The AMC shall mark a lien only upon receiving the duly completed form and documents as it may require. Disbursement of such loans will be at the entire discretion of the bank / financial institution / NBFC or any other body concerned and the Mutual Fund assumes no responsibility thereof.</p> <p>The Pledger will not be able to redeem Units that are pledged until the entity to which the Units are pledged provides written authorisation to the Mutual Fund that the pledge / lien charge may be removed. As long as Units are pledged, the Pledgee will have complete authority to redeem such Units. Dividends declared on</p>

	<p>Units under lien will be paid / re-invested to the credit of the Unit Holder and not the lien holder unless specified otherwise in the lien letter.</p> <p>Lien on Units</p> <p>On an ongoing basis, when existing and new Investors make Subscriptions, a lien on Units allotted will be created and such unit shall not be available for redemption until the payment proceeds are realised by the Scheme. In case a unit holder redeems units soon after making purchases, the redemption cheque will not be dispatched until sufficient time has elapsed to provide reasonable assurance that cheques or drafts for Units purchased have been cleared.</p> <p>In case the cheque / draft is dishonoured by the bank, the transaction shall be reversed and the Units allotted earlier shall be cancelled, and a fresh Account Statement / Confirmation slip shall be dispatched to the Unit holder. For NRIs, the Scheme may mark a lien on Units in case documents which need to be submitted are not given in addition to the application form and before the submission of the redemption request. However, the AMC reserves the right to change operational guidelines for lien on Units from time to time.</p> <p>Right to Limit Redemptions</p> <p>The Trustee may, in the general interest of the Unit holders of the Scheme and when considered appropriate to do so based on unforeseen circumstances / unusual market conditions, limit the total number of Units which may be redeemed on any Business Day to 5% of the total number of Units then in issue under the Scheme and option(s) thereof or such other percentage as the Trustee may determine. Any Unit which consequently are not redeemed on a particular Business Day will be carried forward for Redemption to the next Business Day, in order of receipt. Redemptions so carried forward will be priced on the basis of the Applicable NAV (subject to the prevailing Load, if any) of the Business Day on which Redemption is made. Under such circumstances, to the extent multiple Redemption requests are received at the same time on a single Business Day, redemptions will be made on a prorata basis based on the size of each Redemption request, the balance amount being carried forward for Redemption to the next Business Day. In addition, the Trustee reserves the right, in its sole discretion, to limit redemptions with respect to any single account to an</p>
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	<p>amount of Rs. 1,00,000/- in a single day.</p> <p>Also refer to the paragraph 'Suspension of Purchase and Redemption of Units' in the Statement of Additional Information.</p>
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B. ONGOING OFFER DETAILS

<p>Ongoing Offer Period</p> <p>This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period.</p>	<p>On or before July 06, 2012</p>
<p>Ongoing price for subscription (purchase)/switch-in (from other schemes/plans of the mutual fund) by investors.</p> <p>This is the price you need to pay for purchase/switch-in.</p>	<p>At the Applicable NAV</p>
<p>Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors.</p> <p>This is the price you will receive for redemptions/switch outs.</p>	<p>At the Applicable NAV subject to prevailing Exit Load.</p> <p>Ongoing price for redemption /Switch out (to other Schemes/Plans of the Mutual Fund) is price which a Unit holder will receive for redemption/Switch-outs. During the continuous offer of the Scheme, the Unit holder can redeem the Units at Applicable NAV, subject to payment of Exit Load, if any. It will be calculated as follows:</p> <p>Redemption Price = Applicable NAV*(1-Exit Load, if any) Example: If the Applicable NAV is Rs. 10, Exit Load is 2% then redemption price will be: = Rs. 10* (1-0.02) = Rs. 9.80</p> <p>Investors/Unit holders should note that the AMC/Trustee has right to modify existing Load structure and to introduce Loads subject to a maximum limits prescribed under the Regulations.</p> <p>Any change in Load structure will be effective on prospective basis and will not affect the existing Unit holder in any manner.</p> <p>However, the Mutual Fund will ensure that the Redemption Price will not be lower than 93% of the Applicable NAV provided that the difference between the Redemption Price and the Subscription /Purchase Price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time, which is</p>

	currently 7% calculated on the Subscription/ Purchase Price. The Purchase Price shall be at applicable NAV.
<p>Cut off timing for subscriptions/ redemptions/ switches</p> <p>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p>Subscriptions/Purchases including Switch - ins: The following cut-off timings shall be observed by the Mutual Fund in respect of purchase of Units of the Scheme, and the following NAVs shall be applied for such purchase:</p> <ol style="list-style-type: none"> 1. where the application is received upto 3.00 pm with a local cheque or demand draft payable at par at the place where it is received – closing NAV of the day of receipt of application; 2. where the application is received after 3.00 pm with a local cheque or demand draft payable at par at the place where it is received – closing NAV of the next Business Day ; and 3. where the application is received with an outstation cheque or demand draft which is not payable on par at the place where it is received – closing NAV of day on which the cheque or demand draft is credited. <p>Redemptions including Switch - outs: The following cut-off timings shall be observed by the Mutual Fund in respect of Repurchase of Units:</p> <ol style="list-style-type: none"> 1. where the application received upto 3.00 pm – closing NAV of the day of receipt of application; and 2. an application received after 3.00 pm – closing NAV of the next Business Day. <p>The above mentioned cut off timing shall be applicable to transactions through the online trading platform.</p> <p>The Date of Acceptance will be reckoned as per the date & time; the transaction is entered in stock exchange's infrastructure for which a system generated confirmation slip will be issued to the investor.</p>
Where can the applications for purchase/redemption switches be submitted?	Refer Back Cover Page
Minimum amount for purchase/redemption/switches	<p>Minimum amount for purchase/Switch in</p> <p>Rs. 5,000 in multiples of Re 1/- thereafter</p>

	<p>Minimum Additional Purchase Amount</p> <p>Rs.100 and in multiples of Re. 1/- thereafter</p> <p>Minimum Redemption Amount/Switch Out Minimum Redemption - Rs. 1000 or 100 Units in respect of each Option. In case the Investor specifies the number of Units and amount the number of units shall be considered for Redemption. In case the unit holder does not specify the number or amount, the request will not be processed.</p> <p>In case of Units held in dematerialized mode, the Unit Holder can give a request for Redemption only in number of Units. Request for subscriptions can be given only in amount. Depository participants of registered Depositories to process only redemption request of units held in demat form.</p>
Minimum balance to be maintained and consequences of non maintenance.	<p>Currently, there is no minimum balance requirement.</p> <p>However, the AMC / Trustee may decide to introduce minimum balance requirements later, if they so deem fit. In such case, in the event of non-maintenance of minimum balance for any particular situations, the Units may be compulsorily redeemed.</p> <p>In case balance in the account of the Unit holder does not cover the amount of Redemption request, then the Mutual Fund is authorized to redeem all the Units in the folio and send the Redemption proceeds to the Unit holder.</p>
Special Products available	<p>Systematic Investment Purchase(SIP)</p> <p>Unit holder can enroll for the SIP facility by submitting duly completed Enrolment Form at the Official Point(s) of Acceptance. An Investor shall have the option of choosing any date of the Month (other than 29, 30, 31) as his SIP date. Minimum amount per SIP installment is Rs 1,000 and in multiples of Re. 1 thereafter. Minimum number of installments under SIP is 36. If the SIP period is not specified by the unit holder then the SIP enrolment will be deemed to be for perpetuity and processed accordingly.</p> <p>SIP through post-dated cheques</p> <p>The date of the first cheque shall be the same as the date of the application while the remaining cheques shall be post dated cheques which shall be dated uniformly. Investors can invest in SIP by providing post-dated cheques to Official Point(s) of Acceptance. An</p>

	<p>Investor is eligible to issue only one cheque for each month in the same SIP enrolment form. All SIP cheques should be of the same amount and same date option. Cheques should be drawn in favour of the Fund and "A/c Payee only". A Letter will be forwarded to the Investor on successful registration of SIP. The Post Dated cheques will be presented on the dates mentioned on the cheque and subject to realization of the cheque.</p> <p>SIP through Electronic Clearing System (ECS)/Direct Debit</p> <p>'Investors / Unit holders may also enroll for SIP facility through Electronic Clearing Service (Debit Clearing) of the RBI or for SIP Direct Debit Facility available with specified Banks / Branches. In order to enroll for SIP ECS Debit facility or Direct Debit Facility, an Investor must fill up the Application Form for SIP ECS/ Direct Debit facility.</p> <p>In case of SIP with payment mode as ECS/Direct Debit/Standing Instructions, Investors shall be required to submit a cancelled cheque or a photocopy of a cheque of the bank account for which the ECS/debit mandate is provided with first installment through cheque. The Systematic Investment Plan facility will also be available through standing instructions/direct debit given by the investor (with all payment installments being made through standing instructions/direct debit). However, the SIP facility with direct debit will be available through selected distributors/Banks. The Asset Management Company reserves the right to add/modify/delete from the list of distributors/banks through whom such facility will be available to the investors.'</p> <p>All SIP cheques/payment instructions should be of the same amount and same date(excluding first cheque). However, there should be a gap of 30 days between first SIP Installment and the second installment in case of SIP started during ongoing offer.</p> <p>Investors will have the right to discontinue the SIP facility at any time by sending a written request to any of the Official Point(s) of Acceptance. Notice of such discontinuance should be received at least 30 days prior to the due date of the next debit. On receipt of such request, the SIP facility will be terminated. It is clarified that if the Fund fails to get the proceeds from three Installments out of a continuous series of Installments submitted at the time of initiating a SIP (Subject to a minimum under SIP i.e. 36 months), the SIP is deemed as discontinued.</p>
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	<p>Investors can avail of the SIP facility during the NFO period as well. However, in such a case the SIP must be through the ECS or Direct Debit. The first investment in SIP during the NFO shall be through a cheque only.</p> <p>Units will be allotted at the Applicable NAV of the respective dates on which the investments are sought to be made. In case the date falls on a Holiday or falls during a Book Closure period, the immediate next Business Day will be considered for this purpose</p> <p>An extension of an existing SIP will be treated as a new SIP on the date of such application, and all the above conditions need to be met with. The Load structure prevailing at the time of submission of the SIP application (whether fresh or extension) will apply for all the Installments indicated in such application.</p> <p>The installment after the NFO period should be dated after the date of declaration of first NAV. Any payments intended for the interim period will not be processed and will be treated void.</p> <p>The AMC has the authority to make available SIP by way of a salary savings scheme for a group of employees through an arrangement with their employers.</p> <p>For applicable Load on Purchases through SIP, please refer paragraph 'Load Structure' given in the document.</p> <p>The AMC reserves the right to change / modify Load structure and other terms and conditions under the SIP prospectively at a future date. Please refer to the SIP Enrolment Form for terms & conditions before enrolment.</p> <p>Systematic Withdrawal Plan(SWP)</p> <p>Existing Unitholders have the benefit of availing the choice of SWP on pre-specified dates. The SWP allows the Unitholder to withdraw a specified sum of money each month/quarter from his investments in the Scheme.</p> <p>The amount thus withdrawn by redemption will be converted into Units at Applicable NAV based prices and the number of Units so arrived at will be subtracted from the Units balance to the credit of that Unitholder.</p> <p>Unitholders may start the facility/change the amount of withdrawals or the period of withdrawals by giving a 15 days written intimation/notice. The SWP may be terminated on a written notice of 15 days by a Unitholder and it will terminate automatically if all the Units are liquidated or withdrawn from the account or the</p>
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	holdings fall below the SWP installment amount.															
	There are two options available under SWP viz-Monthly option and quarterly option, the details of which are given below:															
	<table><tr><td></td><td>Monthly Option</td><td>Quarterly Option</td></tr><tr><td>Minimum value of SWP</td><td colspan="2">Rs. 1,000</td></tr><tr><td>Additional amount in multiples of</td><td colspan="2">Re.1</td></tr><tr><td>Dates of SWP Installment</td><td colspan="2">1/5/10/15/25</td></tr><tr><td>Minimum No of SWP</td><td>Six</td><td>Four</td></tr></table>		Monthly Option	Quarterly Option	Minimum value of SWP	Rs. 1,000		Additional amount in multiples of	Re.1		Dates of SWP Installment	1/5/10/15/25		Minimum No of SWP	Six	Four
	Monthly Option	Quarterly Option														
Minimum value of SWP	Rs. 1,000															
Additional amount in multiples of	Re.1															
Dates of SWP Installment	1/5/10/15/25															
Minimum No of SWP	Six	Four														
	Contingent Deferred Sales Charge (CDSC)/Exit Load, if any, is applicable to SWP.															
	The AMC reserves the right to accept SWP applications of different amounts, dates and frequency.															
	Unitholders can enroll themselves for the facility by submitting the duly completed Systematic Withdrawal enrolment Form at any of the Investor Service Centres(ISCs)/Official Points of Acceptance(OPAs). The AMC / Trustee reserve the right to change / modify the terms and conditions under the SWP prospectively at a future date.															
	Switching Options															
	(a) Inter - Scheme Switching option															
	Unit holders under the Scheme have the option to Switch part or all of their Unit holdings in the Scheme to any other scheme offered by the Mutual Fund from time to time. The Mutual Fund also provides the Investors the flexibility to Switch their investments from any other scheme(s) / plan (s) offered by the Mutual Fund to this Scheme. This option will be useful to Unit holders who wish to alter the allocation of their investment among the scheme(s) / plan(s) of the Mutual Fund in order to meet their changed investment needs.															
	The Switch will be effected by way of a Redemption of Units from the Scheme at Applicable NAV, subject to Exit Load, if any and reinvestment of the Redemption proceeds into another scheme offered by the Mutual Fund at Applicable NAV and accordingly the Switch must comply with the Redemption rules of switch out Scheme and the Subscription rules of the switch in															

	<p>scheme. However, no load will be charged for switches between equity schemes.</p> <p>(b) Intra -Scheme Switching option</p> <p>Unit holders under the Scheme have the option to Switch their Unit holdings from one option to another option (i.e. Growth to Dividend and vice-a-versa). The Switches would be done at the Applicable NAV based prices and the difference between the NAVs of the two options will be reflected in the number of Units allotted.</p> <p>Switching shall be subject to the applicable "Cut off time and Applicable NAV" stated elsewhere in the Scheme Information Document.</p> <p>In case of "Switch" transactions from one scheme to another, the allocation shall be in line with Redemption payouts.</p> <p>Transaction on Fax.</p> <p>In order to facilitate quick processing of transaction and / or instruction of investment of Investor the AMC/ Trustee/ Mutual Fund may (at its sole discretion and without being obliged in any manner to do so and without being responsible and/ or liable in any manner whatsoever) accept and process any application, supporting documents and / or instructions submitted by an Investor / Unit holder by facsimile (Fax Submission) and the Investor / Unit holder voluntarily and with full knowledge takes and assumes any and all risk associated therewith. The AMC / Trustee/ Mutual Fund shall have no obligation to check or verify the authenticity or accuracy of Fax Submission purporting to have been sent by the Investor and may act thereon as if same has been duly given by the Investor. In all cases the Investor will have to immediately submit the original documents/ instruction to AMC/ Mutual Fund.</p> <p>Online Transactions</p> <p>Axis Mutual Fund will allow Transactions including by way of Lumpsum Purchase/ Redemption / Switch of Units by electronic mode through the AMC web -site. The Subscription proceeds, when invested through this mode, are by way of direct debits to the designated bank through payment gateway. The Redemption proceeds, (subject to deduction of tax at source, if any) through this mode, are directly credited to the bank account of the Investors who have an account at the designated banks with whom the AMC has made arrangements</p>
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	<p>from time to time or through NEFT/RTGS or through cheque/Payorder/Demand draft issuance. The AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.</p> <p>Investment amount through this facility may be restricted by the AMC from time to time in line with prudent risk management requirements and to protect the overall interest of the Investors.</p> <p>For details of the facility, investors are requested to refer to the website of the AMC.</p> <p>Easy Call Facility</p> <p>All individual investors in the scheme applying on "Sole" or "Anyone or Survivor" basis in their own capacity shall be eligible to avail of Easy Call facilities for permitted transactions inter alia on the following terms and conditions: "Terms and Conditions" mean the terms and conditions set out below by which the Facility shall be used/availed by the Investor/s and shall include all modifications and supplements made by AMC thereto from time to time.</p> <p>Axis Mutual Fund will allow transactions including by way of Lumpsum Purchase/ Redemption / Switch of Units over phone. Initial Investment has to be through the physical mode wherein he has to sign a one time debit mandate for bank accounts pertaining to designated banks with which the AMC may have an arrangement. This facility is extended to the bank with which the Fund would have an arrangement from time to time. Investment amount may be restricted by the AMC from time to time in line with prudent risk management requirements and to protect the overall interest of the Investors. Investor will be allowed transactions over phone after 30 days from the date of submission of one time mandate. Investor will not be permitted to avail the Easy call facility for Redemptions/Switch transactions if bank mandate is changed within last 15 days. AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.</p> <p>The AMC has a right to ask such information (Key Information) from the available data of the Investor/s before allowing him access to avail the Facility. If for any reason, the AMC is not satisfied with the replies of the Investor/s, the AMC has at its sole discretion the right of refusing access without assigning any reasons to the Investor/s.</p>
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	<p>It is clarified that the Facility is only with a view to accommodate /facilitate the Investor/s and offered at the sole discretion of the AMC. The AMC is not bound and/or obliged in any way to give access to Facility to Investor/s.</p> <p>The Investor/s shall check his/her account records carefully and promptly. If the Investor/s believes that there has been a mistake in any transaction using the Facility, or that unauthorized transaction has been effected, the Investor/s shall notify the AMC immediately. If the Investor/s defaults in intimating the discrepancies in the statement within a period of fifteen days of receipt of the statements, he waives all his rights to raise the same in favour of the AMC, unless the discrepancy /error is apparent on the face of it. By opting for the facility the Investor/s hereby irrevocably authorizes and instructs the AMC to act as his /her agent and to do all such acts as AMC may find necessary to provide the Facility.</p> <p>The Investor/s shall at all times be bound by any modifications and/or variations made to these Terms and Conditions by the AMC at their sole discretion and without notice to them.</p> <p>The Investor/s agrees and confirms that the AMC has the right to ask the Investor/s for an oral or written confirmation of any transaction request using the Facility and/or any additional information regarding the Account of the Investor/s.</p> <p>The Investor/s agrees and confirms that the AMC may at its sole discretion suspend the Facility in whole or in part at any time without prior notice.</p> <p>The Investor/s shall not assign any right or interest or delegate any obligation arising herein.</p> <p>The Investor/s shall take responsibility for all the transactions conducted by using the Facility and will abide by the record of transactions generated by the AMC. Further, the Investor/s confirms that such records generated by the AMC shall be conclusive proof and binding for all purposes and may be used as evidence in any proceedings and unconditionally waives all objections in this behalf.</p> <p>The Investor/s agrees that use of the Facility will be deemed acceptance of the Terms and Conditions and the Investor/s will unequivocally be bound by these Terms and Conditions. The Investor agrees that all calls received shall be eligible for same day NAV subject to</p>
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	<p>necessary formalities to be complied by the AMC in case of transaction through Easy Call Facility on or before the uniform cut off time.</p> <p>Requests like change in bank mandate, change of nomination, change in mode of holding, change of address or such other requests as the AMC may decide from time to time will not be permitted using the Easy Call facility.</p> <p>INDEMNITIES IN FAVOUR OF THE AMC: The Investor/s shall not hold the AMC liable for the following:</p> <ol style="list-style-type: none"> 1) For any transaction using the Facilities carried out in good faith by the AMC on instructions of the Investor/s. 2) For the unauthorized usage/unauthorized transactions conducted by using the Facility. 3) For any loss or damage incurred or suffered by the Investor/s due to any error, defect, failure or interruption in the provision of the Facility arising from or caused by any reason whatsoever. 4) For any negligence / mistake or misconduct by the Investor/s. 5) For any breach or non-compliance by the Investor/s of the rules/terms and conditions stated in this Document. 6) For accepting instructions given by any one of the Investor/s in case of joint account/s having mode of operations as "Either or Survivor" or "anyone or survivor". 7) For not verifying the identity of the person giving the telephone instructions in the Investor/s name. 8) For not carrying out any such instructions where the AMC has reason to believe (which decision of the AMC the Investor/s shall not question or dispute) that the instructions given are not genuine or are otherwise improper, unclear, vague or raise a doubt. 9) For carrying out a transaction after such reasonable verification as the AMC may deem fit regarding the identity of the Investor/s 10) In case of error in NAV communication. 11) For accepting instructions given by any one of the Investor/s or his / her authorized person. <p>MISCELLANEOUS:</p> <ol style="list-style-type: none"> 1) The Investor/s agrees and understands that while this Facility is being introduced without any charges being levied; in case charges are to be levied on a future date he agrees to pay such
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	<p>charges and nonpayment in such an event can lead to termination of these services.</p> <p>2) Any dispute arising out of or in connection with these Terms and Conditions, will be referred to the arbitration of a sole arbitrator to be appointed by the AMC, in accordance with the Arbitration & Conciliation Act, 1996.</p> <p>3) These Terms and Conditions are subject to applicable SEBI (Mutual Funds) Regulations, 1996 as amended from time to time and includes Guidelines, Circular press release or Notification that may be issued.</p> <p>Application via electronic mode:</p> <p>Subject to the Investor fulfilling certain terms and conditions stipulated by the AMC as under, Axis Asset Management Company Limited, Axis Mutual Fund or any other agent or representative of the AMC, Mutual Fund, the Registrar & Transfer Agents may accept transactions through any electronic mode including fax/web/ electronic transactions as permitted by SEBI or other regulatory authorities :</p> <p>a) The acceptance of the fax/web/electronic transactions will be solely at the risk of the transmitter of the fax/web/ electronic transactions and the Recipient shall not in any way be liable or responsible for any loss, damage caused to the transmitter directly or indirectly, as a result of the transmitter sending or purporting to send such transactions.</p> <p>b) The recipient will also not be liable in the case where the transaction sent or purported to be sent is not processed on account of the fact that it was not received by the Recipient.</p> <p>c) The transmitter's request to the Recipient to act on any fax/web/electronic transmission is for the transmitter's convenience and the Recipient is not obliged or bound to act on the same.</p> <p>d) The transmitter acknowledges that fax/web/electronic transactions is not a secure means of giving instructions/ transactions requests and that the transmitter is aware of the risks involved including those arising out of such transmission.</p>
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	<p>e) The transmitter authorizes the recipient to accept and act on any fax/web/ electronic transmission which the recipient believes in good faith to be given by the transmitter and the recipient shall be entitled to treat any such fax/web/ electronic transaction as if the same was given to the recipient under the transmitter's original signature.</p> <p>f) The transmitter agrees that security procedures adopted by the recipient may include signature verification, telephone call backs which may be recorded by tape recording device and the transmitter consents to such recording and agrees to cooperate with the recipient to enable confirmation of such fax/web/ electronic transaction requests.</p> <p>g) The transmitter accepts that the fax/web/ electronic transactions, where applicable shall not be considered until time stamped as a valid transaction request in the Scheme in line with the Regulations.</p> <p>In consideration of the recipient from time to time accepting and at its sole discretion acting on any fax/ web/electronic transaction request received / purporting to be received from the transmitter, the transmitter agrees to indemnify and keep indemnified the AMC, Directors, employees, agents, representatives of the AMC, Axis Mutual Fund and Trustee from and against all actions, claims, demands, liabilities, obligations, losses, damages, costs and expenses of whatever nature (whether actual or contingent) directly or indirectly suffered or incurred, sustained by or threatened against the indemnified parties whatsoever arising from or in connection with or any way relating to the indemnified parties in good faith accepting and acting on fax/web/ electronic transaction requests including relying upon such fax/ electronic transaction requests purporting to come from the Transmitter even though it may not come from the Transmitter.</p> <p>The AMC reserves the right to discontinue the facility at any point of time.</p> <p>Purchase/Redemption of units through Stock Exchange Infrastructure</p> <p>Investors can subscribe to the Units of Axis Mutual Fund through the mutual fund trading platforms of the Bombay Stock Exchange ("BSE") and National Stock</p>
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	<p>Exchange ("NSE") – with NSDL and CDSL as depositories for such units of the mutual fund.</p> <p>NSE has introduced Mutual Fund Service System (MFSS) Platform and BSE has introduced BSE StAR MF Platform.</p> <p>The following are the salient features of the new facility introduced:</p> <ol style="list-style-type: none"> 1. The facility i.e. purchase/redemption/SIP (Systematic Investment Plan) is available for both existing and new investors. Switch Facility is not available. 2. The Investors will be eligible to purchase/redeem units of the scheme. 3. Maximum subscription: The investors can purchase units of the above listed schemes by using NSE MFSS/ BSE StAR platform for transaction value less than Rs. 1 Crore. 4. List of additional Official Point of Acceptance The following shall be the additional Official Point of Acceptance of Transactions for the Scheme: All trading members of BSE & NSE who are registered with AMFI as Mutual Fund Advisors and also registered with BSE & NSE as Participants ("AMFI registered stock exchange brokers") will be eligible to offer this facility to investors and shall be treated as official point of acceptance. Units of mutual fund schemes shall be permitted to be transacted through clearing members of the registered Stock Exchanges. Clearing members and Depository participants will be considered as Official Points of Acceptance (OPA) of Axis Mutual Fund and conditions stipulated in SEBI Circular No. SEBI /IMD / CIR No.11/183204/2009 dated November 13, 2009 for stock brokers viz. AMFI /NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund, shall be applicable for such Clearing members and Depository participants as well. 5. The units of the Scheme are not listed on BSE & NSE and the same cannot be traded on the Stock Exchange. The window for purchase/redemption of units on BSE StAR & NSE MFSS will be available
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	<p>between 9 a.m. and 3 p.m. or such other timings as may be decided.</p> <p>6. Investors shall hold the units in dematerialized form only.</p> <p>7. Investors will be able to purchase/redeem units in the scheme in the following manner:</p> <p>(i) Investors shall receive redemption amount (if units are redeemed) and units (if units are purchased) through broker/ clearing member's pool account. Axis Asset Management Company Limited (the "AMC")/Axis Mutual Fund (the "Mutual Fund") shall pay proceeds to the broker/clearing member (in case of redemption) and broker/clearing member in turn to the respective investor and similarly units shall be credited by the AMC/ Mutual Fund into broker/clearing member's pool account (in case of purchase) and broker/clearing member in turn shall credit the units to the respective investor's demat account.</p> <p>(ii) Payment of redemption proceeds to the broker/clearing members by AMC/Mutual Fund shall discharge AMC/Mutual Fund of its obligation of payment to individual investor. Similarly, in case of purchase of units, crediting units into broker/clearing member pool account shall discharge AMC/Mutual Fund of its obligation to allot units to individual investor.</p> <p>8. Applications for purchase/redemption of units which are incomplete /invalid are liable to be rejected.</p> <p>9. For all the transactions done through these platforms, separate Folio. No. shall be allotted to the existing and the new investors. The bank a/c number, address, nomination details etc. shall be the same as per the Demat account of the investor. In case of non-financial requests/applications such as change of address, change of bank details, etc. investors should approach the respective Depository Participant(s).</p> <p>10. Investors will have to comply with Know Your Customer (KYC) norms as prescribed by BSE/NSE/CDSL/ NSDL and Axis Mutual Fund to participate in this facility.</p> <p>11. Investors should get in touch with Investor Service Centres (ISCs) of Axis Mutual Fund for further details.</p>
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	<p><u>Systematic Transfer Plan</u></p> <p>This facility will be available to the investors only during the Ongoing Offer period.</p> <p>Investors can opt for the Systematic Transfer Plan by investing a lumpsum amount in one scheme of the fund and providing a standing instruction to transfer sums at regular intervals [Weekly option (every Wednesday), Fortnightly (every alternative Wednesday), Monthly (on specified dates i.e. 1st, 7th, 10th, 15th, 25th of every month) into any other scheme (as maybe permitted by the Scheme Information Document of the respective schemes) of Axis Mutual Fund. Investors could also opt for STP from an existing account by quoting their account / folio number. The investors would have to opt for a minimum of 6 transfers of Rs. 1000 in any of the frequencies.</p> <p>A minimum period of 7 days shall be required for registration under STP.</p> <p>Units will be allotted/redeemed at the applicable NAV of the respective dates of the Scheme on which such investments/withdrawals are sought from the Scheme.</p> <p>The AMC reserves the right to introduce STPs at any other frequencies or on any other dates as the AMC may feel appropriate from time to time. In the event that such a day is a Holiday, the transfer would be affected on the next Business Day.</p> <p>The STP may be terminated on a written notice of 7 days by a Unit holder of the Scheme and it will terminate automatically if all Units are liquidated or withdrawn from the account or upon the Funds' receipt of notification of death or incapacity of the Unit holder.</p> <p>Further, in case of a last STP, where the balance amount is less than the STP amount, the entire amount will be transferred to the transferee scheme.</p> <p>Easy SMS facility</p> <p>This facility is available for individual investors (registration process to be completed by the investor to avail this facility). For details of the registration process, please contact our Investor Service Centres/website of the AMC.</p> <p>All individual investors applying on "Sole" or "Anyone or Survivor" basis in their own capacity shall be eligible to</p>
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	<p>avail the facility for permitted transactions i.e. for lump sum purchase, redemption and switch transactions on the below mentioned terms and conditions:.. "Terms and Conditions" mean the terms and conditions set out below by which the Facility shall be used/availed by the Investors and shall include all modifications and supplements made by AMC thereto from time to time.</p> <p>Initial Investment has to be through the physical mode wherein the Investor has to sign a one time debit mandate for bank accounts pertaining to designated banks with which the AMC may have an arrangement. This facility is extended to the bank with which the Fund would have an arrangement from time to time. Transaction amount may be restricted by the AMC from time to time in line with prudent risk management requirements and to protect the overall interest of the Investors. Investor will be allowed transactions over SMS after 30 days from the date of submission of one time mandate. Investor will not be permitted to avail the facility for Redemptions/Switch transactions if bank mandate is changed within last 15 days. AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.</p> <p>The AMC has a right to ask such information (Key Information) from the available data of the Investors before allowing him access to avail the Facility. If for any reason, the AMC is not satisfied with the replies of the Investors, the AMC has at its sole discretion the right of refusing access without assigning any reasons to the Investors.</p> <p>This facility can be availed only through the registered mobile number of the Investor.</p> <p>It is clarified that the Facility is only with a view to accommodate /facilitate the Investors and offered at the sole discretion of the AMC. The AMC is not bound and/or obliged in any way to give access to Facility to Investors. The Investors shall check his/her account records carefully and promptly. If the Investors believe that there has been a mistake in any transaction using the Facility, or that unauthorized transaction has been effected, the Investors shall notify the AMC immediately. If the Investors defaults in intimating the discrepancies in the statement within a period of fifteen days of receipt of the statements, he waives all his rights to raise the same in favour of the AMC, unless the discrepancy /error is apparent on the face of it. By opting for the facility the Investors hereby irrevocably authorizes and instructs the AMC to act as his /her agent and to do all such acts as</p>
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	<p>AMC may find necessary to provide the Facility.</p> <p>The Investors shall at all times be bound by any modifications and/or variations made to these Terms and Conditions by the AMC at their sole discretion and without notice to them.</p> <p>The Investor agrees and confirms that the AMC has the right to ask the Investor for an oral or written confirmation of any transaction request using the Facility and/or any additional information regarding the Account of the Investor. The Investor agrees and confirms that the AMC may at its sole discretion suspend the Facility in whole or in part at any time without prior notice. The Investor shall not assign any right or interest or delegate any obligation arising herein. The Investor shall take responsibility for all the transactions conducted by using the Facility and will abide by the record of transactions generated by the AMC. Further, the Investor confirms that such records generated by the AMC shall be conclusive proof and binding for all purposes and may be used as evidence in any proceedings and unconditionally waives all objections in this behalf.</p> <p>The Investor agrees that use of the Facility will be deemed acceptance of the Terms and Conditions and the Investor will unequivocally be bound by these Terms and Conditions. The Investor agrees that all transactions received shall be eligible for same day NAV subject to necessary formalities to be complied by the AMC in case of transaction through the facility on or before the uniform cut off time.</p> <p>Requests like change in bank mandate, change of nomination, change in mode of holding, change of address or such other requests as the AMC may decide from time to time will not be permitted using the facility.</p> <p>Investors should SMS HELP PURCHASE/REDEMPTION/SWITCH to 9212010033 in order to avail the facility post registration. The procedure for availing the facility will be communicated to the investor. Alternatively, the investor can also get in touch with the Investor Service Centres of the AMC.</p> <p>Karvy, Registrar & Transfer Agents to Axis Mutual Fund having its office at Unit: Axis Mutual Fund Karvy Plaza, No. 8-2-596 Street No. 1, Banjara Hills Hyderabad - 500 034 will be the official point of acceptance for such transactions received for Axis Mutual Fund schemes.</p> <p>INDEMNITIES IN FAVOUR OF THE AMC: The Investor/s shall</p>
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	<p>not hold the AMC liable for the following:</p> <ul style="list-style-type: none"> • For any transaction using the Facilities carried out in good faith by the AMC on instructions of the Investor/s. • For the unauthorized usage/unauthorized transactions conducted by using the Facility. • For any loss or damage incurred or suffered by the Investor/s due to any error, defect, failure or interruption in the provision of the Facility arising from or caused by any reason whatsoever. • For any negligence / mistake or misconduct by the Investor/s. • For any breach or non-compliance by the Investor/s of the rules/terms and conditions stated herein. • For accepting instructions given by any one of the Investor/s in case of joint account/s having mode of operations as "Either or Survivor" or "anyone or survivor". • For not verifying the identity of the person giving the SMS instructions (provided it is through the mobile number registered with the AMC). • For not carrying out any such instructions where the AMC has reason to believe (which decision of the AMC the Investor/s shall not question or dispute) that the instructions given are not genuine or are otherwise improper, unclear, vague or raise a doubt. • For carrying out a transaction after such reasonable verification as the AMC may deem fit regarding the identity of the Investor/s • In case of error in NAV communication. • For accepting instructions given by any one of the Investor/s or his / her authorized person. <p>Further, Distributors offer goal based financial planning (facility) to their clients. In order to encourage Investors to plan for their investments based on life goals (e.g. child's education, retirement, wealth creation, etc), the Asset Management Company would assist in providing such facilities. Since such facilities are aimed at helping Investors achieving their financial goals, certain features offered by Axis Mutual Fund may not be offered/available under such goal based investment folios. Under a folio, no additional purchase, switch and part redemption would be allowed. Requests for changes in goals/goal details will not be accepted. Under normal circumstances, there is no restriction on the right of the investor to transact directly with the mutual fund. Multiple goals based investments can be applied for under one application form and a single</p>
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	<p>cheque in the name of 'Axis Mutual Fund First Investor name' or 'Axis Mutual Fund Permanent Account Number' would have to be provided by the Investor. Transaction charge would be charged at application form level. In case of SIP investments, where the entire installment amount is not available, the SIP for that month would be rejected. Allocation to a particular scheme or pro – rata allocation to schemes will not be carried out. Post dated cheques will not be accepted. In case there is a broker code change/the investor is desirous of being a direct investor with the mutual fund, the investment will cease to be a part of the facility. Investors may note that investments under such facilities would be based on advice from the distributor /Financial advisor and the Asset Management Company acts purely in capacity as a facilitator for such transactions. The distributor(s) may choose to modify/change or discontinue the above stated facility. In such a case the investors may continue their investment with the AMC/any other distributor. For further details/clarifications investors may contact the distributor(s) or the ISCs of the AMC.</p>
Accounts Statements	<ul style="list-style-type: none"> On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted by way of e-mail and/or SMS within 5 business days from the date of receipt of transaction request/closure of NFO period will be sent to the Unit Holders registered e-mail address and/or mobile number. For those Unit holders who have provided an e-mail address, the AMC will send the account statement by e-mail. Unit holders will be required to download and print the documents after receiving e-mail from the Mutual Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties. The Unit holder may request for a physical account statement by writing/calling the AMC/ISC/Registrar. 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.

	<p>Annual Account Statement:</p> <ul style="list-style-type: none"> • The Mutual Fund shall provide the Account Statement to the Unit holders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement, • The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme. <p>Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.</p> <p>In the event the account has more than one registered holder, the first named Unit holder shall receive the account statements.</p> <p>The AMC shall issue Unit certificates within 5 business days from the date of receipt of request where the applicant so desires.</p> <p>Consolidated Account Statement</p> <p>Consolidated account statement for each calendar month shall be issued, on or before tenth day of succeeding month, 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, to all the investors in whose folios transaction has taken place during that month. The AMC shall ensure that a consolidated account statement 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.</p> <p>The AMC shall identify common investors across fund houses by their permanent account number for the purposes of sending consolidated account statement. 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. In the event the account has more than one registered holder, the first named Unit Holder shall receive the Account Statement. The word transaction</p>
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	<p>will include purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan and systematic transfer plan.</p> <p>The AMC will endeavor to send statement of accounts by e-mail where the Investor has provided the e-mail id. The statement of holding of the beneficiary account holder for units held in demat will be sent by the respective Depository Participants periodically. Additionally, the AMC may at its discretion send Account Statements individually to the investors.</p> <p>Option to hold Units in dematerialized (demat) form</p> <p>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.</p> <p>Investors desirous of having the Units of the Scheme in dematerialized form should contact the ISCs of the AMC/Registrar.</p> <p>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.</p> <p>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.</p> <p>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</p>
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	<p>with such rules / regulations as may be in force governing transfer of securities in dematerialized mode.</p> <p>In case of SIP, Units will be allotted based on the applicable NAV as per Scheme Information Document and will be credited to investors Demat Account on weekly basis on realisation of funds.</p> <p>For details, Investors may contact any of the Investor Service Centres of the AMC.</p>
Dividend	<p>The Dividend warrants/cheque/demand draft shall be dispatched to the Unit holders within 30 days of the date of declaration of the Dividend.</p> <p>The Dividend proceeds will be paid by way of ECS / EFT / NEFT / RTGS / Direct credits/ any other electronic manner if sufficient banking account details are available with Mutual Fund for Investor.</p> <p>In case of specific request for Dividend by warrants/cheques/demand drafts or unavailability of sufficient details with the Mutual Fund, the Dividend will be paid by warrant/cheques/demand drafts and payments will be made in favour of the Unit holder (registered holder of the Units or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Mutual Fund (please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI).</p>
Redemption	<p>How to Redeem</p> <p>A Transaction Slip can be used by the Unit Holder to request for Redemption. The requisite details should be entered in the Transaction Slip and submitted at an ISC/Official Point of Acceptance. Transaction Slips can be obtained from any of the ISCs/Official Points of Acceptance. Investor can also place redemption through Telephone using Easy Call facility or may redeem Online through the AMC's website subject to the terms and conditions as maybe stipulated from time to time.</p> <p>Procedure for payment of redemption.</p> <p>1. Resident Investors</p> <p>Redemption proceeds will be paid to the investor through Real Time Gross Settlement (RTGS), NEFT, Direct Credit, Cheque or Demand Draft.</p>

	<p>a) If investor had provided IFSC code in the application form, by default redemption proceeds shall be to be credited to Investor's account through RTGS/NEFT.</p> <p>b) If Investor has neither provided RTGS code nor the NEFT code but have a bank account with Banks with whom the Fund would has an arrangement for Direct Credit from time to time, the proceeds will be paid through direct credit.</p> <p>c) Incase if investor bank account does not fall in the above a to b categories, redemption proceeds will be paid by cheques/demand drafts, marked "Account Payee only" and drawn in the name of the sole holder / first-named holder (as determined by the records of the Registrar). The bank name and bank account number, as specified in the Registrar's records, will be mentioned in the cheque/demand draft. The cheque will be payable at par at all bank branch or specific cities. If the Unit Holder resides in any other city, he will be paid by a demand draft payable at the city of his residence and the demand draft charges shall be borne by the AMC (please refer SAI for details).</p> <p>The redemption proceeds will be sent by courier or (if the addressee city is not serviced by the courier) by registered post/UCP. The dispatch for the purpose of delivery through the courier / postal department, as the case may be, shall be treated as delivery to the investor. The AMC / Registrar are not responsible for any delayed delivery or non-delivery or any consequences thereof, if the dispatch has been made correctly as stated in this paragraph.</p> <p>The AMC reserves the right to change the sequence of payment from (a) to (c) without any prior notice</p> <p>For Unit holders who have given specific request for Cheque/Demand Draft Redemption proceeds will be paid by cheque/demand drafts and payments will be made in favour of the Unit holder with bank account number furnished to the Mutual Fund</p> <p>(Please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of</p>
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	<p>SEBI). Redemption cheques will be sent to the Unit holder's address.</p> <p>The Mutual Fund will endeavor to dispatch the redemption proceeds within 10 Business Days from the date of Redemption. If the payment is not made within the period stipulated in the Regulations, the Unit Holder shall be paid interest @15% p.a. or as specified by SEBI for the delayed period and the interest shall be borne by the AMC.</p> <p>The Trustee, at its discretion at a later date, may choose to alter or add other modes of payment.</p> <p>2. Non-Resident Investors</p> <p>For NRIs, Redemption proceeds will be remitted depending upon the source of investment as follows:</p> <p>(i) Repatriation basis</p> <p>When Units have been purchased through remittance in foreign exchange from abroad or by cheque / draft issued from proceeds of the Unit Holder's FCNR deposit or from funds held in the Unit Holder's Non Resident (External) account kept in India. The proceeds can also be sent to his Indian address for crediting to his NRE / FCNR / non-resident (Ordinary) account, if desired by the Unit Holder.</p> <p>(ii) Non-Repatriation basis</p> <p>When Units have been purchased from funds held in the Unit Holder's non-resident (Ordinary) account, the proceeds will be sent to the Unit Holder's Indian address for crediting to the Unit Holder's non-resident (Ordinary) account.</p> <p>For FIIs, the designated branch of the authorized dealer may allow remittance of net sale / maturity proceeds (after payment of taxes) or credit the amount to the Foreign Currency account or Non-resident Rupee account of the FII maintained in accordance with the approval granted to it by the RBI. The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations, while converting the rupee amount in foreign exchange in the case of transactions with NRIs / FIIs. The Fund may make other arrangements for effecting payment of redemption proceeds in future.</p> <p>Effect of Redemptions</p> <p>The number of Units held by the Unit Holder in his / her / its folio will stand reduced by the number of Units</p>
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	<p>Redeemed. Units once redeemed will be extinguished and will not be re-issued.</p> <p>The normal processing time may not be applicable in situations where such details are not provided by investors/Unit holders. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques and/or any delay/loss in transit.</p> <p>Unclaimed Redemptions and Dividends As per circular no. MFD / CIR / 9 / 120 / 2000, dated November 24, 2000 issued by SEBI, the unclaimed Redemption and dividend amounts shall be deployed by the Fund in money market instruments only. The unclaimed Redemption and dividend amounts shall be deployed 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. The circular also specifies that investors who claim these amounts during a period of three years from the due date shall be paid at the prevailing NAV. Thus, 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. In terms of the circular, the onus is on the AMC to make a continuous effort to remind investors through letters to take their unclaimed amounts. The details of such unclaimed amounts shall be disclosed in the annual report sent to the Unit Holders.</p> <p>AMC reserves the right to provide the facility of redeeming Units of the Scheme through an alternative mechanism including but not limited to online transactions on the Internet, as may be decided by the AMC from time to time. The alternative mechanism may also include electronic means of communication such as redeeming Units online through the AMC Website or any other website etc. The alternative mechanisms would be applicable to only those investors who opt for the same in writing and/or subject to investor fulfilling such conditions as AMC may specify from time to time.</p> <p>Signature mismatches If the AMC / Registrar finds a signature mismatch, while processing the redemption/ switch out request, then the AMC/ Registrar reserves the right to process the redemption only on the basis of supporting documents confirming the identity of the investors. List of such documents would be notified by AMC from time to time on its website.</p>
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	Important Note: All applicants for Purchase of Units /Redemption of Units must provide a bank name, bank account number, branch address, and account type in the Application Form.
Delay in payment of redemption / repurchase proceeds	The AMC shall be liable to pay interest to the Unit holders at 15% or such other rate as may be prescribed by SEBI from time to time, in case the Redemption / Repurchase proceeds are not made within 10 Business Days of the date of Redemption / Repurchase. However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC / Trustee is required to obtain from the Investor / Unit holders verification of identity or such other details relating to Subscription for Units under any applicable law or as may be requested by a Regulatory Agency or any government authority, which may result in delay in processing the application.

C. PERIODIC DISCLOSURES

Net Asset Value This is the value per Unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your Unit balance.	The AMC will calculate and disclose the NAV of the Scheme on all the Business Days. The NAV of the Scheme and purchase/Redemption price shall be published at least in two daily newspapers on daily basis in accordance with the Regulations. The AMC shall update the NAVs on the website of the AMC (www.axismf.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 9.00 p.m. on every Business Day. If the NAVs are not available before the commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV. Information regarding NAV can be obtained by the Unit holders / Investors by calling or visiting the nearest ISC.
Half yearly Disclosures: Portfolio / Financial Results This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.	The Mutual Fund shall publish a complete statement of the Scheme portfolio and the unaudited financial results, within one month from the close of each half year (i.e. 31st March and 30th September), by way of an advertisement at least, in one National English daily and one regional newspaper in the language of the region where the head office of the Mutual Fund is located. The Mutual Fund may opt to send the portfolio to all Unit holders in lieu of the advertisement (if applicable). The Portfolio Statement will also be displayed on the website of the AMC and AMFI.
Half Yearly Results	The Mutual Fund and AMC shall before the expiry of one

	<p>month from the close of each half year i.e. 31st March and on 30th September, publish its unaudited financial results in one national English daily newspaper and in a regional newspaper published in the language of the region where the Head Office of the Mutual Fund is situated.</p> <p>The unaudited financial results will also be displayed on the website of the AMC and AMFI.</p>		
Annual Report	<p>The Scheme wise annual report or an abridged summary thereof shall be mailed (emailed, where e mail id is provided unless otherwise required) to all Unit holders not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year) and full annual report shall be available for inspection at the Head Office of the Mutual Fund and a copy shall be made available to the Unit holders on request on payment of nominal fees, if any. Scheme wise annual report shall also be displayed on the website of the AMC (www.axismf.com) and Association of Mutual Funds in India (www.amfiindia.com).</p> <p>Mailing of Annual Report or Abridged Summary The Scheme wise annual report or an abridged summary hereinafter shall be sent by AMC/Mutual Fund as under:</p> <ul style="list-style-type: none"> (i) by e-mail to the Unit holders whose e-mail address is available with the Fund, (ii) in physical form to the Unit holders whose email address is not available with the Fund and/or to those Unit holders who have opted / requested for the same. <p>The physical copy of the scheme wise annual report or abridged summary shall be made available to the investors at the registered office of the AMC. A link of the scheme annual report or abridged summary shall be displayed prominently on the website of the Mutual Fund.</p>		
Associate Transactions	Please refer to Statement of Additional Information (SAI).		
Taxation			
		Resident Investors	Mutual Fund
	Tax on Dividend	Nil	Nil
	Capital Gains: Long Term	Nil	Nil

his or her participation in the schemes.	Short Term	15% (plus applicable surcharge and education cess)	Nil
	The scheme will attract securities transaction tax (STT) at 0.25% on the redemption value.		
	The Scheme being an equity oriented scheme, no additional tax under section 115R of the income tax, 1961 is payable on income distribution, if any, made by the scheme.		
	For further details on taxation please refer to the clause on Taxation in the SAI		
Investor services	<p>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" (toll-free number) or 4325 5100 (at local call rate for enquiring at AMC ISC's) or email – customerservice@axismf.com.</p> <p>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.</p> <p>Any complaints should be addressed to Mr. Milind Vengurlekar who has been appointed as the Investor Relations Officer and can be contacted at:</p> <p>Address : Axis House, 1st Floor, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400 025 Phone no.: 022 43254138/4123</p> <p>For any grievances with respect to transactions through BSE StAR and / or NSE MFSS, the investors / Unit Holders should approach either the stock broker or the investor grievance cell of the respective stock exchange.</p>		

D. COMPUTATION OF NAV

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

The Net Assets Value (NAV) of the Units under the Scheme shall be calculated as shown below:

$$\text{NAV (Rs.)} = \frac{\text{Market or Fair Value of Scheme + including Accrued - and Provisions Investments Income}}{\text{No. of Units outstanding under Scheme on the Valuation Day}}$$

The NAV shall be calculated up to two decimal places. However the AMC reserves the right to declare the NAVs up to additional decimal places as it deems appropriate. Separate NAV will be calculated and disclosed for each Option. The NAVs of the Growth Option and the Dividend Option will be different after the declaration of the first Dividend.

The AMC will calculate and disclose the first NAV of the Scheme within a period of 5 business days from the date of allotment. Subsequently, the NAVs will be calculated and disclosed on all the Business Days.

IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the scheme.

A. NEW FUND OFFER (NFO) EXPENSES

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

In accordance with the provisions of SEBI Circular no. SEBI/ IMD/CIR No. 1/64057/06 dated April 04, 2006 and SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009, the Scheme, being an open-ended scheme, the NFO expenses shall be borne by the AMC/Sponsor.

B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the Scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:

The AMC has estimated that up to 2.50% of the daily average net assets of the Scheme will be charged to the Scheme as expenses. For the actual current expenses being charged, the Investor should refer to the website of the AMC.

Particulars	% of Net Assets
Investment Management & Advisory Fee	1.25
Service tax on Investment Management & Advisory Fee	0.12
Custodial Fees	0.05
Registrar & Transfer Agent Fees including cost related to providing accounts statement, Dividend/Redemption	0.10

cheques/warrants etc.	
Marketing & Selling Expenses including Agents Commission and statutory advertisement	0.75
Brokerage & Transaction Cost pertaining to the distribution of units	-
Audit Fees / Fees and expenses of the Trustee	0.10
Costs related to Investor communications	0.08
Costs of fund transfer from location to location	-
Other Expenses*	0.05
Total Recurring Expenses	2.50

*Any other expenses which are directly attributable to the Scheme, maybe charged with the approval of the Trustee within the overall limits as specified in the Regulations except those expenses which are specifically prohibited.

These estimates have been made in good faith as per the information available to and estimates made by the Investment Manager and are subject to change inter-se or in total subject to prevailing Regulations. The AMC may incur actual expenses which may be more or less than those estimated above under any head and/or in total. Type of expenses charged shall be as per the Regulations.

The AMC will charge the Scheme such actual expenses incurred, subject to the statutory limit prescribed in the Regulations.

The recurring expenses of the Scheme (including the Investment Management and Advisory Fees) shall be as per the limits prescribed under the SEBI (MF) Regulations. These are as follows:

On the first Rs. 100 crores of the average weekly net assets - 2.50%

On the next Rs. 300 crores of the average weekly net assets - 2.25%

On the next Rs. 300 crores of the average weekly net assets – 2.00%

On the balance of the assets - 1.75%

The AMC may charge the Mutual Fund with investment and advisory fee as prescribed in the SEBI (MF) Regulations from time to time and as permitted by the Investment Management Agreement. Presently, the SEBI (MF) Regulations permit fees as follows:

- i) 1.25% of the weekly average net assets outstanding in each accounting year for the Scheme concerned as long as the net assets do not exceed Rs.100 crore, and
- ii) 1% of the excess amount over Rs.100 crore, where net assets so calculated exceed Rs.100 crore.

The total expenses of the Scheme(s) including the investment management and advisory fee shall not exceed the limit stated in Regulation 52(6) of the SEBI (MF) Regulations.

Any expenditure in excess of the SEBI regulatory limits shall be borne by the AMC or by the Trustee or the Sponsor.

The current expense ratios will be updated on the AMC website viz. www.axismf.com within two working days mentioning the effective date of the change.

C. LOAD STRUCTURE

Load is an amount which is presently paid by the Investor to redeem the Units from the Scheme. This amount is used by the AMC to pay commission to the distributors and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, Investors may refer to the website of the AMC (www.axismf.com) or may call at **1800 3000 3300** or you can contact your distributor.

SEBI vide its circular No. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes.

Type of Load	Load chargeable (as %age of NAV)
Entry Load	NA
Exit Load	1% if redeemed within 1 year from date of allotment.

Units issued on reinvestment of Dividends shall not be subject to Load.

The above mentioned load structure shall be equally applicable to the special products such as SIP, STP, SWP, switches, etc. offered by the AMC. However, for switches between equity schemes, no load will be charged by the AMC. Further, for switches between the Growth and Dividend Option, no load will be charged by the scheme.

Of the Exit Load or CDSC charged to the Investor, a maximum of 1% of the Redemption proceeds can be maintained in a separate account which can be used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Any balance is to be credited to the Scheme immediately.

The Investor is requested to check the prevailing Load structure of the Scheme before investing.

For any change in Load structure AMC will issue an addendum and display it on the website/Investor Service Centres.

Under the Scheme, the AMC/Trustee reserves the right to change / modify the Load structure if it so deems fit in the interest of smooth and efficient functioning of the Mutual Fund. The AMC/Trustee reserves the right to introduce / modify the Load depending upon the circumstances prevailing at that time subject to maximum limits as prescribed under the Regulations.

The Redemption Price however, will not be lower than 93% of the NAV. Any imposition or enhancement of Load in future shall be applicable on prospective investments only. The difference between the Redemption price and Sale price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time which is presently 7% calculated on the Sale Price.

At the time of changing the Load Structure:

1. An Addendum detailing the changes will be attached to Scheme Information Document (s) and Key Information Memorandum. The addendum may be circulated to all the distributors / brokers so that the same can be attached to all Scheme Information Documents and Key Information Memoranda already in stock.
2. The addendum will be displayed on the website of the AMC and arrangements will be made to display the addendum in the form of a notice in all the Investor Service Centres and distributors / brokers' office.
3. The introduction of the Exit Load/ CDSC along with the details may be stamped in the acknowledgement slip issued to the Investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such Load/CDSC.
4. A public notice shall be given in respect of such changes 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.
5. Any other measure which the Mutual Fund may consider necessary.

Any change in Load structure shall be only on a prospective basis i.e. any such changes would be chargeable only for Redemptions from prospective purchases (applying first in first out basis).

Transaction charge:

In terms of SEBI circular no. CIR/ IMD/ DF/ 13/ 2011 dated August 22, 2011, as amended from time to time, Transaction Charge per subscription of Rs.10, 000/- and above shall be charged from the investors and shall be payable to the distributors/ brokers (who have opted in for charging the transaction charge) in respect of applications routed through distributor/ broker relating to Purchases / subscription / new inflows only (lump sum and SIP), subject to the following:

- For Existing / New investors: Rs.100 / Rs.150 as applicable per subscription of 10,000/- and above
- Transaction charge for SIP shall be applicable only if the total commitment through SIP amounts to Rs.10,000/- and above. In such cases the transaction charge would be recovered in maximum 3/4 successful installments.
- There shall be no transaction charge on subscription below Rs.10,000/-.
- There shall be no transaction charges on direct investments.

The transaction charge, if any, shall be deducted by the AMC from the subscription amount and paid to the distributor; and the balance shall be invested.

The statement of account shall clearly state the net investment as gross subscription less transaction charge and give the number of units allotted against the net investment.

The requirement of minimum application amount shall not be applicable if the investment amount falls below the minimum amount required due to deduction of transaction charges from the subscription amount.

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Not applicable

V. RIGHTS OF UNIT HOLDERS

Please refer to SAI for details.

VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

This section shall contain the details of penalties, pending litigation, and action taken by SEBI and other regulatory and Govt. Agencies.

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed.

Not Applicable

2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.

Reserve Bank of India has levied penalty of Rs. Fifteen lacs on Axis Bank Ltd. in April 2011 for inadequacies seen in adherence to guidelines on derivatives transactions. The penalty of Rs. Fifteen lacs has been paid by Axis Bank Ltd. on May 5, 2011 to Reserve Bank of India.

3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and rules and regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.

Nil

4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.

Nil

5. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustee/Trustee Company which SEBI has specifically advised to be disclosed in the Scheme Information Document, or which has been notified by any other Regulatory Agency, shall be disclosed.

Nil

The Scheme under this Scheme Information Document was approved by the Trustee Company by passing a resolution on September 22, 2011. The Trustee has ensured that the Scheme is a new product offered by Axis Mutual Fund and is not a minor modification of its existing schemes.

Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

**for and on behalf of
Axis Asset Management Company Limited**

Sd/-

**Rajiv Anand
Managing Director &
Chief Executive Officer**

Date: May 28, 2012

Place: Mumbai

DURING NEW FUND OFFER

AXIS AMC OFFICE ADDRESSES

Ahmedabad Ground Floor, Shop No 4, Megha House, Opp. Kotak Bank, Mithakali Law Garden Road, Ellisbridge, Ahmedabad 380006 • **Bhopal** C/o Axis Securities & Sales Limited, Akansha Building, 1st Floor, Opposite Navbharat Press Complex, Zone -1, M. P. Nagar, Bhopal - 462 011 • **Bhubaneswar** C/o Axis Securities & Sales Limited, Axis Mutual Fund, Agrani Press, Mallick commercial complex 1st floor, Block BPN A/69, Kharvela Nagar, Bhubaneswar- 751001 • **Bangalore** Embassy Square, Building No. 148, Unit No 306, 3rd Floor, Infantry Road, Bangalore 560001 • **Chandigarh** 1st Floor, Sco No 147-48, Sec 9c, Chandigarh 160017 • **Chennai** 5th Floor, Maalavika Center, 144 - 145 New No 60, Kodambakkam High Road, Nungambakkam, Chennai 600034 • **Dehradun** C/O Axis Bank Ltd, 74, Rajpura Road, IIPM Tower Dehradun, (U.K.), 248001 • **Kochi** C/o Axis Securities & Sales Limited, Door No 1053-B1, Rani Tower, 1st Floor, Chittoor Road, Ernakulam, Kochi 682018 • **Coimbatore** C/o Axis Securities & Sales Limited, Door No 1437, Red Rose Chambers, 2nd Floor, Trichy Road, Coimbatore 641018 • **Guwahati** C/o Axis Securities & Sales Limited, 3rd Floor, Sarojini Commercial Complex, Opposite Ayakar Bhavan, Christian Basti, G.S. Road, Guwahati 781005 • **Hyderabad** 2nd Floor, Nerella House, Panjagutta, Hyderabad 500082 • **Indore** C/o Axis Securities & Sales Limited, 201, 2nd Floor, Silver Sanchora Castle, 8/2 R.N.T. Marg, Indore 452 003, India • **Jaipur** 305, 3rd Floor, Ganpati Plaza, M I Road, Jaipur 302001 • **Kanpur** Axis Asset Management Company Ltd, 210, 2nd Floor, Kan Chambers, Civil Lines, Kanpur - 208001. • **Kolkata** 3 - F, 3rd Floor, Shristi, 12 Hochiminh Sarani, Kolkata 700071 • **Lucknow** Unit No 5, 6 & 7, Halwasiya's Commerce House, 2nd Floor, Habibullah Estate, 11, M.G. Marg, Hazratganj, Lucknow 226001 • **Ludhiana** Axis Asset Management Co. Ltd., SCO - 28, First Floor, Feroz Gandhi Market, Ludhiana - 141001 • **Mumbai** Axis Asset Management Company Limited, Axis House, First Floor, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400025. • **Mangalore** C/o Axis Securities & Sales Limited, Somayaji House, Door No 15-7-330/56, 5th Floor, Bunts Hostel Road, Mangalore 575003 • **Nagpur** Shop No.4., Suraj Palace Plot no. 69, Hill Road, Near Ravinagar Square, Ramnagar Nagpur 440033. • **Nasik** C/o Axis Securities & Sales Limited, Office No. 19/22, Gr. Floor, Suyojit Modern Point, Opposite Police Parade Ground, Sharanpur Road, Nasik 422002 • **New Delhi** 702-705, 7th Floor, Narain Manzil, Barakhamba Road, Connaught Place, New Delhi • **Panjim** C/o Axis Securities & Sales Limited, 103, 1st Floor, Unitech City Centre, M.G. Road, Panjim 403001 • **Patna** DG- 11, Dumraon Place, Frazer Road, Patna - 800 001 • **Pune** 927, 204-205, 2nd Floor, Sanas Memories Apartment, Fergusson College Road, Shivaji Nagar, Pune 411004 • **Raipur** Axis Mutual Fund, C/O Axis Bank Ltd., Pachpedi Naka, Pujari Chambers, Block B - 1, NH - 43, Raipur-492001 • **Rajkot** C/o Axis Securities & Sales Limited, 2nd Floor, Solitaire Building, 150 Feet Ring Road, Opp. Amin Marg, Junction, Rajkot 360001 • **Ranchi** C/O Axis Securities & Sales Ltd., Prashanti, 2nd Floor, Lalja Hirji Road, O. C. Compound Ranchi - 834001. • **Surat** C/O Axis Securities & Sales Ltd, HG-2A, International Trade Centre (ITC), Majura Gate Crossing, Majura Gate, Ring Road, Surat-395002 • **Trivandrum** C/o Axis Securities & Sales Limited, Haji M. Bava Sahib Commercial Complex, TC25/2890(12), Ambujavilasam Road, Trivandrum 695001 • **Vadodara** C/o Axis Securities & Sales Limited, Chitarakash Complex, 1st Floor, 19, Punit Nagar, Old Padra Road, Vadodara 390007.

KARVY COMPUTERSHARE PRIVATE LIMITED INVESTOR SERVICE CENTERS

• **Agartala** Jagannath Bari Road, Bidur Kottar, Choumani, Agartala 799001 • **Agra** Deepak Wasan Plaza, Behind Holiday Inn, Opp Megdoot Furnitures, Sanjay Place, Agra 282002 (U.P) • **Ahmedabad** 201, Shail Building, Opp Madhusudhan House, Near Navrangpura Telephone Exchange, Navrangpura, Ahmedabad 380006 • **Aligarh** 1st Floor, Kumar Plaza, Aligarh 202001 Uttar Pradesh • **Allahabad** RSA Towers, 2nd Floor, Above Sony TV Showroom, 57, S P Marg, Civil Lines, Allahabad 211001 • **Alwar** 101, Saurabh Towers Road No # 2, Bhagat Singh Circle Alwar 301001 • **Ambala** 6349, Nicholson Road, Adjacent Kos Hospital, Ambala Cantt, Ambala 133001 • **Amritsar** 72-A, Taylor's Road, Aga Heritage Gandhi Ground, Amritsar 143001 • **Anand** F-6, Chitrangana Complex, Opp. Motikaka Chawl, V V Nagar, Anand 388001 • **Ankleshwar** Karvy computer share private ltd, L/2 KEVAL SHOPPING CENTER, OLD NATIONAL HIGHWAY Ankleswar-393002 • **Asansol** Karvy computer share private limited 114/71 GT road near sony center bhnga pachil Asansol 713303 • **Aurangabad** Karvy computer share private limited ramkunj railway station road near osmanpura circle Aurangabad • **Balasore** Balasore M S Das Street, Gopalgaon, Balasore 756001 • **Bangalore** No 51/25, 1st Floor, Surya Building, Ratna Avenue, Richmond Road, Bangalore 560025 • **Bankura** Ambika Market, Natunganj Bankura 722101 • **Bareilly** 1st Floor, 165, Civil Lines, Opposite Hotel Bareilly Palace, Near Rly Station Road, Bareilly 243001 • **Barhampore** (WB) Thakur Market Complex, 72, Naya Sarak Road, Gorabazar, PO. Berhampore, DIST. Murshidabad, Barhampore -742101 • **Baroda** Karvy computer share private limited sb-4&5 mangaldeep hall productivity road alkapuri vadodara 390007 • **Belgaum** Karvy Computershare Private Limited, CTS No 3939/ A2 A1, Above Raymonds Show Room Beside Harsha Appliances Club Road, Belgaum 590001 • **Berhampur** (OR) Ramlingam Tank Road, Berhampur, Orissa 760002 • **Bharuch** 147-148, Aditya Complex, Near Kasak Circle, Bharuch - 392 002 •

Bhavnagar Surabhi Mall 301, 3rd Floor, Waghawadi Road, Bhavnagar 364001 • **Bhilai** Karvy Computershare Private Limited, Shop No-1, First Floor Plot NO-1, Old Sada Office Block, Commercial Complex, Near HDFC Atm, Nehru Nagar-East, Post Bhilai 490020 • **Bhilwara** 27-28, 1st Floor, Hira Panna Complex, Pur Road, Bhilwara 311001 • **Bhopal** Kay Kay Busniss Centre, 133 Zone, I M P Nagar, Bhopal 462021 • **Bhubaneswar** Plot No 104/105(P), Jaydev Vihar, Besides Hotel Pal Heights, Bhubaneswar 751013, Orissa • **Bikaner** 2nd Floor, Plot No 70 & 71, Panchshati Circle, Sardul Gunj Scheme, Bikaner 334003 • **Bilaspur** Shop No 201/202, V R Plaza, Link Road, Bilaspur 495001 • **Bokaro STEEL CITY** B-1, 1st Floor, Near Sona Chandi Jewellers, City Centre, Sector 4, Bokaro Steel, City 827004 (Jharkhand) • **Burdwan** 63 G T Road, Birhata, Halder Complex, 1st Floor, Burdwan 713101 • **Calicut** Sowbhagya Shopping Complex, Areyadathupalam Mavoor Road, Calicut 673004 • **Chandigarh** Sco-371-372, First Floor, Above HDFC Bank, Sector 35B Chandigarh 160022 • **Chennai** Flat No F11, First Floor, Akshya Plaza, (Erstwhile Harris Road), Opp Chief City Metropolitan Court, # 108, Adhithanar Salai, Egmore, Chennai 600002 • **Chinsura** JC Ghosh Sarani Near Bus Stand Chinsura 712101 • **Cochin** Karvy Computershare Private Limited, Building Nos.39 Ali Arcade, 1st floor, Near Atlantis Junction, Kizhvana Road, Panampili Nagar, Cochin-682011 Ernakulum District • **Coimbatore** 29/1, 1st Floor, Chinthamani Nagar, Opp To Indian Overseas Bank, Nsr Road, Saibaba Colony, Coimbatore 641011 • **Cuttack** Dargha Bazar, Opp Dargha Bazar Police Station, Buxibazar, Cuttack 753001 • **Dehradun** Kaulagarh Road, Near Sirmaur Marg, Above Reliance Webworld, Dehradun 248001 • **Dhanbad** 208, New Market, 2nd Floor, Katras Road, Bank More, Dhanbad 826001 • **Durgapur** Karvy Computershare Private Limited, MWAV-16 Bengal Ambuja, 2nd Floor, City Centre, Durgapur- 713216 • **Faridabad** A-2B, 1st Floor, Nehru Ground, Neelam Bata Road, Nit, Faridabad 121001 • **Gaya** 1st Floor, Lal Bhawan, Tower Chowk, Near Kiran Cinema, Gaya 823001 • **Gandhidham** Karvy Computershare Private Limited, Office No. 203, Second Floor, Bhagwati Chamber, Plot No. 8, Sector - 1/A, Kutch Kala Road, Gandhidham - 370 201 • **Gorakhpur** Above V I P House Adjacent A D Girls Inter College, Bank Road, Gorakhpur 273001 • **Guntur** Door No 6-10-18, Sai House, 10 / 1, Arundelpet, Guntur 522002 • **Gurgaon** Shop No 18, Ground Floor, Sector 14, Opp AKD Tower, Near Huda Office, Gurgaon 122001 • **Guwahati** 54 Sagarika Bhawan R G Baruah Road, (AIDC Bus Stop) Guwahati 781024 • **Hissar** Sco 71, 1st Floor, Red Square Market, Hissar 125001 • **Hoshiarpur** 1st Floor, The Mall Tower, Opp Kapila Hospital, Sutheri Road, Near Maharaj Palace, Hoshiarpur - 146001 • **Hubli** Karvy Computershare Private Limited, 22 & 23, 3rd Floor, Eureka Junction, T B Road, Hubli - 580029 • **Hyderabad** 8-2-596 Karvy Plaza, Avenue 4, Street No 1, Banjara Hills, Hyderabad 500034 • **Indore** Karvy Computershare Private Limited, G - 7, Royal Ratan Building, M.G Road, Opp. Kotak Mahindra Bank, Indore - 452010 • **Jabalpur** 43, Naya Bazar, Opposite Shyam Talkies, Jabalpur (MP) 482001 • **Jaipur** S-16 A, 3rd Floor, Land Mark, Opposite Jaipur Club, Mahavir Marg, C- Scheme, Jaipur 302001 • **Jalandhar** Lower Ground Floor, Office No 3, Arora Prime Tower, Plot No 28, G T Road, Jalandhar 144004 • **Jalpaiguri** D B C Raod, Near Rupasree Cinema Hall, Beside Kalamandir, PO & Dist Jalapiguri 735101 • **Jamnagar** 108 Madhav Plaza, Opp SBI Bank, Near Lal Bangalow, Jamnagar 361001 • **Jamshedpur** Kanchan Tower, 3rd Floor, Chhaganlal Dayalji @ Sons 3-S B Shop Area, (Near Traffic Signal) Main Road, Bistupur, Jamshedpur 831001 • **Jammu** 29 D/C, Near Service Selection Commission Office, Gandhi Nagar, Jammu - 180004. • **Jodhpur** 203, Modi Arcade, Chupasni Road, Jodhpur 342001 • **Kanpur** Karvy Computershare Private Limited, 15/46, Ground Floor, Opp: Muir Mills, Civil Lines, Kanpur - 208001 • **Kharagpur** Malancha Road, Beside UTI Bank, Kharagpur 721304 • **Kolhapur** 605/1/4 E Ward, Near Sultane Chambers, Shahupuri 2nd Lane, Kolhapur 416001 • **Kolkata** Karvy Computershare Private Limited, 166A, Rashbehari Avenue, 2nd Floor, Near Adi Dhakerhwari Bastralaya, OPP- Fortis Hospital, Kolkata - 700029, • **Kota** H No 29, First Floor, Near Lala Lajpat Rai Circle Shopping Centre, Kota, Rajasthan 324007 • **Kottayam** 1st Floor, CSI Ascension Church Complex, Kottayam 686001 • **Lucknow** "Usha Sadan, 24, Prem Nagar, Ashok Marg, Lucknow 226001" • **Ludhiana** SCO - 136, First Floor, Above Airtel Show Room, Feroze Gandhi Market, Ludhiana - 141 001. • **Madurai** Rakesh Towers, 30-C, Bye Pass Road, 1st Floor, Opp Nagappa Motors, Madurai 625010 • **Malda** "Sahistuli Under Ward No-6, English Bazar, Municipality, No-1 Govt Colony, Malda 732101" • **Manglore** Ground Floor, Mahendra Arcade, Kodial Bail, Mangalore 575003 • **Meerut** "1st Floor, Medi Centre Complex, Opp ICICI Bank, Hapur Road, Meerut 250002" • **Moradabad** "Om Arcade, Parker Road, Above Syndicate Bank, Tari Khana Chowk, Moradabad 244001" • **MUMBAI** Office number : 01/04, 24/B, Raja Bahadur Compound, Ambalal Doshi Marg, Behind Bombay Stock Exchange, Fort Mumbai - 400001 • **Muzzafarpur** 1st Floor, Uma Market, Near Thana Gumti, Motijheel, Muzaffarpur, Bihar 842001 • **Nadiad** 105 GF City Point, Near Paras Cinema, Nadiad 387001 • **Nagpur** Karvy Computershare Private Limited, Plot No.2/1, House No. 102/1, Mangaldeep Apartment, Mata Mandir Road, Opp. Khandelwal Jewellers, Dharampeth, Nagpur 440010 • **Nashik** S-12, Second Floor, Suyojit Sankul, Sharanpur Road, Nasik 422002 • **Nellore** 207, II Floor, Kaizen Heights, 16/2/230, Sunday Market, Pogathota, Nellore - 524001 • **New Delhi** Karvy Computershare Pvt Ltd, 305, 3rd Floor, New Delhi House, Bara Khamba Road, Connaught Place, New Delhi-110001 • **Noida** 307 Jaipuria Plaza, D 68 A, 2nd Floor, Opp Delhi Public School, Sector 26, Noida 201301 • **Panipat** 1st Floor, Krishna Tower, Near HDFC Bank, Opp Railway Road, G T Road, Panipat 132103 • **Panjim** City Business Centre, Coelho Pereira Building, Room Nos 18,19 & 20 Dada Vaidya Road, Panjim 403001 • **Patiala** Sco 27 D, Chhoti Baradari Patiala 147001 • **Patna** 3A, 3rd Floor, Anand Tower, Beside Chankya Cinema Hall, Exhibition Road, Patna 800001. • **PATHANKOT** Karvy Computershare Private Limited, I Floor, 9A, Improvement Trust Building Near HDFC Bank, Patel Chowk Pathankot - 145001. • **Pondicherry** First Floor No.7, Thiayagaraja Street Pondicherry 605001

• **Pune** Karvy Computershare Private Limited, Shop No. 16, 17 & 18, Ground Floor, Sreenath Plaza, Dyaneshwar Paduka Chowk, F C Road, Pune-411004" • **Raipur** Room No TF 31, 3rd Floor, Millennium Plaza, Behind Indian Coffee House, G E Road, Raipur 492001 • **Rajkot** "104,Siddhi Vinayak Complex, Dr Yagnik Road, Opp Ramkrishna Ashram Rajkot 360001" • **Ranchi** Commerce Towers, 3rd Floor, Room No 307, Beside Mahabir Towers, Main Road, Ranchi 834001 • **Rewa** 1st Floor, Angoori Building, Besides Allahabad Bank, Trans University Road, Civil Lines, Rewa 485001 • **Rohtak** 1st Floor, Ashoka Plaza, Delhi Road, Rohtak 124001 • **Rourkela** 1st Floor, Sandhu Complex, Kanchery Road, Udit Nagar, Rourkela 769012 • **Sagar** Above Poshak Garments, 5 Civil Lines, Opposite Income Tax Office, Sagar 470002 • **Salem** Karvy Computershare Private Limited, Door No: 40, Brindavan Road, Near Perumal Koil,Fairlands, Salem-636016 • **Sambalpur** "Quality Massion, 1st Floor, Above BataShoe, Shop/ Preeti Auto Combine, Nayapara, Sambalpur 768001" • **Satna** 1st Floor, Gopal Complex, Near Busstand Rewa Road, Satna (M.P) - 485 001 • **Shaharanpur** "18 Mission Market, Court Road, Saharanpur 247001 Uttar Pradesh" • **Shillong** Mani Bhawan, Thana Road, Lower Police Bazar, Shillong 739001 • **Shimla** "Triveni Building, By Pas Chowk, Khallini, Shimla 171002" • **Sikar** 1st Floor, Super Towers Behind Ram Mandir, Station Road, Sikar 332001 • **Silchar** 1st Floor, Chowchakra Complex, N N Dutta Road, Premtala Silchar 788001 • **Siliguri** Nanak Complex, Near Church Road, Sevoke Road, Siliguri 734001 • **Solapur** Siddeshwar Securities, No 6, Vaman Road, Vijaypur Road, Vaman Nagar, Solapur 413004 • **Sriganganagar** 35-E-Block, Opp Sheetla Mata Vatika, Sri Ganga Nagar 335001 • **Surat** G-6 Empire State Building, Near Parag House, Udhna Darwaja, Ring Road, Surat 395002 • **Tirupathi** Karvy Computershare Private Limited, Plot No.16 (south part),First Floor, R C Road, Tirupati - 517502 • **Trichur** 2nd Floor, Brother's Complex, Near Dhana Laxmi Bank Head Office, Naikkanal Junction, Trichur 680001 • **Trichy** "Sri Krishna Arcade, 1st Floor, 60 Thennur HighRoad, Trichy 620017" • **Trivandrum** 2nd Floor, Akshaya Towers, Above Jetairways, Sasthamangalam, Trivandrum 695010 • **Udaypur** 201-202, Madhav Chambers, Opp G P O Chetak Circle, Madhuban, Udaipur 313001 • **Varanasi** D-64/132, KA 1st Floor, Anant Complex, Sigra, Varanasi 221010 • **Vijaywada** "39-10-7 Opp Municipal Water Tank, Labbipet,Vijayawada 520010" • **Visakhapatnam** 47-14-5/1 Eswar Paradise, Dwaraka Nagar, Main Road, Visakhapatnam 530016 • **Warangal** 5-6-95, 1st Floor, Opp, B.Ed Collage, Lashkar Bazar, Chandra Complex, Hanmakonda, Warangal 500601

Karvy, Registrar & Transfer Agents of Axis Mutual Fund having its office at Unit: Axis Mutual Fund, Karvy Plaza, No 8-2-596 Street No. 1, Banjara Hills, Hyderabad 500034 is the collection centre (New Fund Offer) of transactions / request for electronic transactions received from specified banks, financial institutions, distribution channel etc. (mobilized on behalf of their clients) with whom the AMC has entered or may enter into specific arrangements for purchase/ sale/ switch of units.

Applicants availing ASBA facility shall submit application only at designated branches of SCSB's whose name appears in the list of SCSB available on SEBI / NSE / BSE website. ASBA forms are available with Axis AMC offices or can be downloaded from our website www.axismf.com.

Website of the AMC (www.axismf.com) shall be official point of acceptance during NFO for existing investors.

For any assistance please call us on our Toll Free No 1800 3000 3300.

OFFICIAL POINTS OF ACCEPTANCE FOR ONGOING TRANSACTION

AXIS AMC OFFICE ADDRESSES

Ahmedabad Ground Floor, Shop No 4, Megha House, Opp. Kotak Bank, Mithakali Law Garden Road, Ellisbridge, Ahmedabad 380006 • **Bhopal** C/o Axis Securities & Sales Limited, Akansha Building, 1st Floor, Opposite Navbharat Press Complex, Zone -1, M. P. Nagar, Bhopal - 462 011 • **Bhubaneswar** C/o Axis Securities & Sales Limited, Axis Mutual Fund, Agrani Press, Mallick commercial complex 1st floor, Block BPN A/69, Kharvela Nagar, Bhubaneswar- 751001 • **Bangalore** Embassy Square, Building No. 148, Unit No 306, 3rd Floor, Infantry Road, Bangalore 560001 • **Chandigarh** 1st Floor, Sco No 147-48, Sec 9c, Chandigarh 160017 • **Chennai** 5th Floor, Maalavika Center, 144 - 145 New No 60, Kodambakkam High Road, Nungambakkam, Chennai 600034 • **Dehradun** C/O Axis Bank Ltd, 74, Rajpura Road, IIPM Tower, Dehradun, (U.K.), 248001. • **Kochi** C/o Axis Securities & Sales Limited, Door No 1053-B1, Rani Tower, 1st Floor, Chittoor Road, Ernakulam, Kochi 682018 • **Coimbatore** C/o Axis Securities & Sales Limited, Door No 1437, Red Rose Chambers, 2nd Floor, Trichy Road, Coimbatore 641018 • **Guwahati** C/o Axis Securities & Sales Limited, 3rd Floor,

Sarojini Commercial Complex, Opposite Ayakar Bhavan, Christian Basti, G.S.Road, Guwahati 781005 • **Hyderabad** 2nd Floor, Nerella House, Panjagutta, Hyderabad 500082 • **Indore** C/o Axis Securities & Sales Limited, 201, 2nd Floor, Silver Sanchora Castle, 8/2 R.N.T. Marg, Indore 452 003, India • **Jaipur** 305, 3rd Floor, Ganpati Plaza, M I Road, Jaipur 302001 • **Kanpur** 210, 2nd Floor, KanChambers, Civil Lines, Kanpur 208001 • **Kolkata** 3 - F, 3rd Floor, Shristi, 12HochiminhSarani,Kolkata 700071 • **Lucknow** Unit No 5, 6 & 7, Halwasiya's Commerce House, 2nd Floor, Habibullah Estate, 11, M.G. Marg, Hazratganj, Lucknow226001 • **Ludhiana** Axis Asset Management Co. Ltd., SCO - 28, First Floor, Feroz Gandhi Market, Ludhiana - 141001 • **Mumbai** Axis House, 1st Floor, C-2 Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400025, India • **Mangalore** C/o Axis Securities & Sales Limited, Somayaji House, Door No 15-7-330/56,5thFloor, Bunts Hostel Road, Mangalore 575003 • **Nagpur** Shop No.4 Suraj Palace Plot No. 69 Hill Road Near Ravinagar Square Ramnagar Nagpur 440033. • **Nasik** C/o Axis Securities & Sales Limited, Office No. 19/22, Gr. Floor, Suyojit Modern Point, Opposite Police Parade Ground, Sharanpur Road, Nasik 422002 • **New Delhi** 702-705, 7th Floor, NarainManzil, Barakhamba Road, Connaught Place, New Delhi • **Panjim** C/o Axis Securities & Sales Limited, 103, 1st Floor, Unitech City Centre, M.G. Road, Panjim 403001 • **Patna** DG-11, Dumraon Place, Frazer Road, Patna - 800 001 • **Pune** 927, 204-205, 2nd Floor, Sanas Memories Apartment, Fergusson College Road, Shivaji Nagar, Pune 411004 • **Raipur** C/o Axis Bank Pachpedi Naka,Pujari Chambers Block B-1 NH-43 Raipur – 492 001. • **Rajkot** C/oAxis Securities & Sales Limited, 2nd Floor, Solitaire Building, 150 Feet Ring Road, Opp. Amin Marg, Juction, Rajkot 360001 • **Ranchi** C/O Axis Securities & Sales Ltd., Prashanti, 2nd Floor, Lalja Hirji Road, O. C. Compound, Ranchi - 834001. • **Surat** Axis Asset Management Company Limited HG-2A International Trade Centre (ITC),Majura Gate Crossing, Majura Gate, Ring Road, Surat – 395002 • **Trivandrum** C/o Axis Securities & Sales Limited,Haji M. Bava Sahib Commercial Complex, TC25/2890(12),Ambujavilasam Road, Trivandrum 695001 • **Vadodara** C/o Axis Securities & Sales Limited, Chitarakash Complex, 1st Floor, 19, Punit Nagar, Old Padra Road, Vadodara390007.

KARVY COMPUTERSHARE PRIVATE LIMITED INVESTOR SERVICE CENTERS

Agartala - Jagannath Bari Road, Bidur Karta Chowmuhan, Agartala - 799001. • **Agra** - Deepak Wasan Plaza, Behind Holiday Inn, Opp Megdoot Furnitures, Sanjay Place, Agra -282002 (U.P). • **Ahmedabad** - 201, Shail Building, Opp. Madhusudhan House. Nr. Navrangpura Telephone Exchange, Navrangpura, Ahmedabad - 380 006. • **Ajmer**.1-2, II Floor, Ajmer Tower, Kutchary Road, Ajmer - 305 001. • **Akola** - Shop No-30, Ground Floor, Yamuna Tarang Complex, N. H. No.-06, Murtizapur Road, Akola- 444004. • **Aligarh**.1st Floor, Kumar Plaza,Aligarh - 202001. Uttar Pradesh. **Allahabad** - RSA Towers, 2nd Floor, Above Sony TV Showroom, 57, S.P. Marg, Civil Lines,Allahabad - 211001. • **Alleppy** 2nd Floor, JP Towers, Near West Of Zilla Court Bridge, Mullakkal, Alleppy - 688011. • **Alwar** - 101, 1st Floor, Saurabh Towers, Opp. UTI, Road No # 2, Bhagat Singh Circle, Alwar-301001. • **Amaravathi** - Shop No. 13 & 27, First Floor, Gulshan Plaza, Raj Peth, Badnera Road, Amaravathi - 444605. • **Ambala** 6349, Nicholson Road, Adjacent Kos Hospital, Ambala Cantt, Ambala - 133001. • **Amritsar** - 72-A, Taylor'S Road, Aga Heritage Gandhi Ground, Amritsar – 143 001. • **Anand** - F-6, Chitrangana Complex. Opp: Motikaka Chawl, V. V. Nagar, Anand - 388 001. • **Ananthapur**.# 15-149, 1st Floor, S. R. Towers, Opp. Lalithakala Parishat, Subash Road, Anantapur - 515 001. • **Ankleshwar** - L/2, Keval Shopping Center, Old National Highway, Ankleshwar - 393 002. • **Asansol** - 114 / 71, G.T. Road. Near Sony Centre, Bhanga Pachil, Asansol - 713303. • **Aurangabad** - Ramkunj, Railway Station Road, Near Osmanpura Circle, Aurangabad-431005. • **Azamgarh** - 1st Floor, Alkal Building, Opp. Nagaripalika Civil Line, Azamgarh - 276 001. • **Balasore** - M S Das Street, Gopalgaon, Balasore - 756001. • **Bangalore** - No : 51/25, 1st Floor, Surya Building, Ratna Avenue, Richmond Road, Bangalore - 560 025. • **Bankura** - Ambika Market, Natunganj, Bankura - 722101. • **Bareilly** -1st Floor, 165, Civil Lines,,Opp.Hotel Bareilly Palace, Near Rly Station Road, Bareilly - 243 001. • **Barhampore (WB)**.Thakur Market Complex,72, Naya Sarak Road,Gorabazar PO. Berhampore, Dist. Murshidabad, Barhampore -742101. • **Baroda** - SB-4&5, Mangaldeep Complex, Opposite Mesonic Hall, Productivity Road, Alkapuri,Vadodara - 390007. • **Begusarai** - Hotel Diamond Surbhi Complex, Near I.O.C Township Gate, Kapasiya Chowk, Begusarai - 851117. • **Belgaum** - CTS No 3939/ A2 A1, Above Raymonds Show Room, Beside Harsha Appliances, Club Road, Belgaum - 590001. • **Bellary** - No.1 KHB Colony, Gandhinagar,Bellary - 583101. • **Berhampur (OR)** - Ramlingam Tank Road, Berhampur-760002. • **Betul** - 107, Hotel Utkarsh, Awasthi Complex, J H College Road, Civil Lines, Beetul-460001. • **Bhagalpur** - 2nd Floor, Chandralok Complex,Ghantaghar, Radha Rani Sinha Road, Bhagalpur - 812001. • **Bharuch** - 147-148, Aditya Complex, Near Kasak Circle, Bharuch - 392 002. • **Bhatinda** - #2047- A, 2nd Floor, Above Max New York Life Insurance, The Mall Road, Bhatinda - 151001. • **Bhavnagar** - Surabhi Mall, 301, 3rd Floor, Waghawadi Road, Bhavnagar - 364001. • **Bhilai** - Shop No.-1,First Floor, Plot No-1, Old Sada Office Block, Commercial Complex, Near HDFC ATM, Nehru Nagar - East, Post - BHILAI. Pin - 490020. • **Bhilwara** - 27-28, 1st Floor, Hira-Panna Complex, Pur Road, Bhilwara-311001. • **Bhopal** -

Kay Kay Business Centre,133, Zone I, M. P. Nagar, Bhopal-462011. • **Bhubaneswar** - Plot No- 104/105(P), Jaydev Vihar, Besides Hotel Pal Heights, Bhubaneswar-751013. • **Bikaner** - 2nd Floor, Plot No 70 & 71, Panchshati Circle, Sardul Gunj Scheme, Bikaner - 334003. • **Bilaspur** - Shop No 201/202, V.R. Plaza Link Road, Bilaspur-495001. • **Bokaro** - B-1, 1st Floor, Near Sona Chandi Jewellers, City Centre, Sector - 4, Bokaro Steel City - 827 004. • **Burdwan** - 63 G. T. Road, Birhata, Halder Complex, 1st Floor, Burdwan - 713101. • **Calicut** - Sowbhagya Shopping Complex, Areyadathupalam, Mavoor Road, Calicut - 673 004. • **Chandigarh** - Sco-371-372, First Floor, Above HDFC Bank, Sector 35B, Chandigarh - 160 022. • **Chandrapur** - Shop No.5, Office No. 2,1st Floor, Routs Raghuvanshi Complex, Beside Azad Garden, Main Road, Chandrapur-442402. • **Chennai** - Flat No. F11, First Floor, Akshya Plaza, (Erstwhile Harris Road), Opp. Chief City Metropolitan Court, # 108, Adhithanar Salai, Egmore, Chennai - 600002. • **Chinsura** - JC Ghosh Sarani, Near Bus Stand, Chinsura - 712101. • **Cochin** - Building Nos. 39, Ali Arcade, 1st Floor, Near Atlantis Junction, Kizhvana Road, Panampili Nagar, Cochin-682 036. Ernakulum District. • **Coimbatore** - 29/1, 2nd Floor, Chinthamani Nagar, Opp to Indian Overseas Bank, NSR Road, Saibaba Colony, Coimbatore- 641011. • **Cuttack** - Dargha Bazar, Opp. Dargha Bazar Police Station, Buxibazar, Cuttack - 753001. • **Darbhangha** - Jaya Complex, 2nd Floor, Above Furniture Planet, Donar Chowk, Darbanga-846 003. • **Davangere** - # 15/9, Sobagu Complex, 1st Floor, 2nd Main Road, P. J. Extension, Davangere - 577002. • **Dehradun** - Kaulagarh Road, Near Sirmour Marg, Above Reliance Webworld, Dehradun - 248 001. • **Deoria** - 1st Floor, Shanti Niketan, Opp. Zila Panchayat, Civil Lines, Deoria- 274001. • **Dewas** - 27 RMO House, Station Road, Dewas-455001. • **Dhanbad** - 208, New Market, 2Nd Floor, Katras Road, Bank More, Dhanbad - 826001. • **Dharwad** - G7 & 8, Sri Banashankari Avenue, Ramnagar, Opp Nttfb Road, Dharwad - 580 001. • **Dhule** - Ashoka Estate, Shop No. 14/A, Upper Ground Floor, Sakri Road, Opp. Santoshi Mata Mandir, Dhule- 424001. • **Dindigul** - No. 9, Old No.4/B, New Aghraharam, Palani Road, Dindigul - 624 001. • **Durgapur** - MWAV-16 Bengal Ambuja, 2nd Floor, City Centre, Durgapur- 713216. • **Eluru** - D. No:23B-5-93/1, Savithri Complex, Edaravari Street. Near Dr. Prabhavathi Hospital, R. R. Pet. Eluru-534 002. • **Erode** - No. 4, KMY Salai, Veerappan Traders Complex, Opp. Erode Bus Stand, Sathy Road, Erode - 638 003. • **Faridabad** - A-2B, 1st Floor, Nehru Ground, Neelam Bata Road, Nit, Faridabad - 121 001. • **Ferozpur** - 2nd Floor, Malwal Road, Opp. H. M. School. Ferozpur City -152002. • **Gandhidham** - Office No. 203, Second Floor, Bhagwati Chamber, Plot No. 8. Sector - 1/A, Kutch Kala Road, Gandhidham - 370 201. • **Gandhinagar** - Plot No. - 945/2, Sector - 7/C, Gandhinagar - 382 007. • **Gaya** - 1st Floor, Lal Bhawan, Tower Chowk, Near Kiran Cinema, Gaya-823001. • **Ghaziabad** - 1st Floor, C-7, Lohia Nagar, Ghaziabad - 201001. • **Ghazipur** - Shubhra Hotel Complex, 2nd Floor, Mahaubagh, Ghazipur-233 001. • **Gonda** - Shree Markit, Sahabgunj, Near Nuramal Mandir, Station Road Gonda, Gonda-271 001. • **Gorakhpur** - Above V.I.P. House, Ajdacent A. D. Girls, Inter College, Bank Road, Gorakhpur - 273 001. • **Gulbarga** - CTS No. 2913, First Floor, Asian Tower, Next to Hotel Aditya, Jagat Station Main Road, Gulbarga : 585105. • **Guntur** - Door No. 6-10-18, Sai House, 10/1, Arundelpet, Guntur - 522 002. • **Gurgaon** - Shop No. 18, Ground Floor, Sector - 14, Opp. AKD Tower, Near Huda Office, Gurgaon - 122001. • **Guwahati** - 54 Sagarika Bhawan, R G Baruah Road, (AIDC Bus Stop), Guwahati 781024. • **Gwalior** - Shindi Ki Chawani, Nadi Gate Pul, MLB Road, Gwalior - 474 001. • **Haldwani** - Above Kapilaz Sweet House, Opp LIC Building, Pilikothi, Haldwani - 263139. Uttarakhand. • **Haridwar** - 8, Govind Puri, Opp. LIC - 2, Above Vijay Bank, Main Road, Ranipur More Haridwar- 249 401. • **Hassan** - St. Anthony's Complex, Ground Floor, H. N. Pura Road, Hassan - 573201. • **Hissar** - Sco 71, 1st Floor, Red Square Market, Hissar - 125001. • **Hoshiarpur** - 1st Floor, The Mall Tower, Opp Kapila Hospital, Sutheri Road, Near Maharaj Palace, Hoshiarpur - 146001. • **Hubli** - 22 & 23, 3rd Floor. Eurecka Junction, T. B. Road, Hubli - 580029. • **Hyderabad** - 8-2-596 Karvy Plaza, Avenue 4, Street No.1, Banjara Hills, Hyderabad - 500 034. • **Indore** - G - 7, Royal Ratan Building. M. G. Road, Opp. Kotak Mahindra Bank, Indore - 452010. • **Jabalpur** - 43, Naya Bazar, Opposite Shyam Talkies, Jabalpur (M.P.) 482 001. • **Jaipur** - S-16 A, 3rd Floor. Land Mark, Opposite Jaipur Club, Mahavir Marg, C-Scheme, Jaipur - 302 001. • **Jalandhar** - Lower Ground Floor, Office No : 3, Arora Prime Tower, Plot No. 28, G. T. Road. Jalandhar - 144 004. • **Jalgaon** - 148 Navi Peth, Opp. Vijaya Bank, Near Bharat Dudhalay, Jalgaon, Jalgaon - 425 001. • **Jalpaiguri** - D.B.C. Road, Near Rupasree Cinema Hall, Beside Kalamandir, Po & Dist Jalapiguri, Jalpaiguri - 735101. • **Jammu** - 29 D/C, Near Service Selection Commission Office, Gandhi Nagar. Jammu - 180004. • **Jamnagar** - 108 Madhav Plaza. Opp SBI Bank, Near Lal Bangalow, Jamnagar - 361001. • **Jamshedpur** - Kanchan Tower, 3rd Floor, Chhaganlal Dayalji @ Sons, 3-S B Shop Area, (Near Traffic Signal), Main Road, Bistupur, Jamshedpur - 831 001. • **Jaunpur** - 119, R. N. Complex, 2nd Floor, Near Jay Ceej Crossing, Ummarpur, Jaunpur-222 002. • **Jhansi** 371/01, Narayan Plaza, Gwalior Road, Near Jeevan Shah Chauraha, Jhansi - 284 001. • **Jodhpur** - 203, Modi Arcade, Chupasni Road, Jodhpur - 342 001. • **Junagadh** - 124/125, Punit Shopping Center, Ranavat Chowk, Junagadh, Gujarat 362001. • **Kannur** - 2nd Floor, Prabhat Complex, Fort Road, Kannur - 670001. • **Kanpur** - 15/46, Ground Floor, Opp: Muir Mills, Civil Lines, Kanpur - 208001. • **Karaikudi** - Gopi Arcade, 100 Feet Road, Karaikudi - 630 001. • **Karimnagar** - H.No.4-2-130/131, Above Union Bank. Jafri Road, Rajeev Chowk. Karimnagar-505001. • **Karnal** - 18/369, Char Chaman. Kunjpura Road. Karnal-132001. • **Karur** - No. 6, Old No.1304. Thiru-Vi-Ka Road, Near G. R. Kalyan Mahal. Karur - 639 001. • **Kharagpur** - Malancha Road. Beside UTI Ban, Kharagpur-721304. • **Kolhapur** - 605/1/4 E Ward, Near Sultane Chambers, Shahupuri 2nd Lane, Kolhapur 416001. • **Kolkata** - 166A, Rashbehari Avenue, 2nd Floor. Near Adi Dhakerhwari Bastralaya. OPP- Fortis Hospital, Kolkata-700029. • **Kollam** - Ground Floor, Vigneshwara Bhavan, Below Reliance Web World, Kadapakkada. Kollam - 691008. • **Korba** - 1st Floor, 35 Indira Complex, T. P. Nagar, Korba (C.G.) - 495677. • **Kota** - H. No. 29, First Floor,

Near Lala Lajpat Rai Circle Shopping Centre, Kota - 324007. • **Kottayam** - 1st Floor, CSI Ascension Church Complex, Kottayam - 686 001. • **Kurnool** - Shop No. 43, 1st Floor. S. V. Complex, Railway Station Road. Kurnool - 518 004. • **Lucknow** - Usha Sadan, 24, Prem Nagar, Ashok Marg, Lucknow - 226001. • **Ludhiana** - SCO - 136 , First Floor. Above Airtel Show Room, Feroze Gandhi Market, Ludhiana - 141001. • **Madurai** - Rakesh Towers, 30-C, Bye Pass Road. 1st Floor, Opp Nagappa Motors, Madurai - 625010. • **Malda** - Sahistuli Under Ward. No-6, English Bazar Municipality, No-1 Govt. Colony, Malda - 732101. • **Mangalore** - Ground Floor, Mahendra Arcade, Kodial Bail, Mangalore - 575 003. • **Margao** - 2nd Floor, Dalal Commercial Complex, Opp. Hari Mandir, Pajifond, Margao -Goa -403601. • **Mathura** - AMBEY Crown, IInd Floor.In Front of BSA College. Gaushala Road. Mathura - 281001. • **Meerut** - 1st Floor, Medi Centre Complex, Opp. ICICI Bank, Hapur Road, Meerut - 250 002. • **Mehsana** - Ul-47, Appolo Enclave; Opp Simandhar Temple, Modhera Char Rasta Highway, Mehsana-384002. • **Mirzapur** - Girja Sadan, Dankin Gunj, Mirzapur-231001. • **Moga** - Near Dharamshala Brat Ghar, Civil Line, Dutt Road, Moga-142001. • **Moradabad** - Om Arcade, Parker Road, Above Syndicate Bank, Tari Khana Chowk, Moradabad - 244 001. • **Morena** - Moti Palace, Near Ramjanki Mandir, Jiwaji Ganj, Morena -476 001. • **Mumbai** - Office Number - 01/04.24/B, Raja Bahadur Compound. Ambalal Doshi Marg, Behind Bombay Stock Exchange, Fort, Mumbai - 400001. • **Muzaffarpur** - 1st Floor, Uma Market, Near Thana Gumti, Motijheel, Muzaffarpur, Bihar - 842001. • **Mysore** - L - 350, Silver Tower, Clock Tower, Ashoka Road, Mysore - 570 001. • **Nadiad** - 105 GF City Point, Near Paras Cinema, Nadiad - 387001. • **Nagercoil** - 3A, South Car Street, Parfan Complex, Near The Laxmi Villas Bank, Nagarcoil - 629001. • **Nagpur** - Plot No.2/1, House No. 102/1, Mangaldeep Apartment, Mata Mandir Road, Opp. Khandelwal Jewellers, Dharampeth, Nagpur - 440 010. • **Namakkal** - 105/2, Arun Towers, Paramathi Street, Namakkal 637 001. • **Nanded** - Shop No. 4, First Floor, Opp. Bank of India, Santkrupa Market, Gurudwara Road, Nanded-431602. • **Nasik** - S-12, Second Floor, Suyojit Sankul, Sharanpur Road, Nasik - 422 002. • **Navsari** - 1st Floor, Chinmay Arcade. Opp. Sattapir, Tower Road, Navsari - 396 445. • **Nellore** - 207, II Floor, Kaizen Heights 16/2/230, Sunday Market, Pogathota, Nellore - 524001. • **New Delhi** - 305, 3rd Floor, New Delhi House, Bara Khamba Road, Connaught Place, New Delhi -110 001. • **Nizamabad** - H. No. 4- 9-55, 1st Floor. Uppala Rameshwara Complex, Jawahar Road. Nizambad - 503 001. • **Noida** - 307 Jaipuria Plaza, D 68 A, 2nd Floor, Opp Delhi Public School, Sector 26, Noida - 201301. • **Palghat** - 12/310, (No. 20 & 21), Metro Complex, Head Post Office Road, Sultanpet, Palghat - 678001. • **Panipat** - 1st Floor, Krishna Tower, Near HDFC Bank, Opp. Railway Road, G T Road, Panipat - 132103. • **Panjim** - City Business Centre, Coelho Pereira Building, Room Nos.18,19 & 20, Dada Vaidya Road, Panjim - 403001. • **Pathankot** - I Floor, 9A, Improvement Trust Building, Near HDFC Bank, Patel Chowk, Pathankot - 145001. • **Patiala** - Sco 27 D, Chhoti Baradari. Patiala – 147 001. • **Patna** - 3A, 3rd Floor, Anand Tower, Beside Chankya Cinema Hall; Exhibition Road, Patna - 800001. • **Pollachi** - S. S. Complex, New Scheme Road, Pollachi 642002. • **Pondicherry** - First Floor. No.7, Thiagarajar Street, Pondicherry - 605 001. • **Pudukottai** - Sundaram Masilamani Towers, TS No. 5476 - 5479, PM Road, Old Tirumayam Salai, Near Anna Statue, Jublie Arts, Pudukottai 622 001. • **Pune** - Shop No. 16, 17 & 18, Ground Floor, Sreenath Plaza, Dyaneshwar Paduka Chowk, F C Road, Pune - 411004. • **Raipur** - Room No. TF 31, 3rd Floor, Millennium Plaza, Behind Indian Coffee House, G E Road, Raipur - 492 001. • **Rajahmundry** - Dr.No. 6-1-4, First Floor. Rangachary Street,Tnagar.Rajahmundry-533101. • **Rajapalayam** - Professional Couriers Building, 40/C (1), Hospital Road, Rajapalayam 626 117. • **Rajkot**.104, Siddhi Vinayak Complex. Dr Yagnik Road, Opp. Ramkrishna Ashram, Rajkot - 360 001. • **Ranchi** - Room No. 307, 3rd Floor, Commerce Towers, Beside Mahabir Towers, Main Road. Ranchi - 834 001. • **Ratlam** - 1 Nagpal Bhavan, Freeganj Road, Tobatti, Ratlam-457001. • **Renukoot** - Shop No. 18, Near Complex Birla Market, Renukoot-231 217. • **Rewa** - Ist Floor, Angoori Building, Besides Allahabad Bank, Trans University Road, Civil Lines, Rewa-485 001. • **Rohtak** - 1st Floor, Ashoka Plaza, Delhi Road, Rohtak - 124001. • **Roorkee** - Shree Ashadeep Complex, 16 Civil Lines.Near Income Tax Office, Roorkee, Uttaranchal - 247 667. • **Rourkela** - 1st Floor, Sandhu Complex, Kanchery Road, Udit Nagar, Rourkela - 769 012. • **Sagar** - Above Poshak Garments, 5 Civil Lines. Opposite Income Tax Office, Sagar-470002. • **Saharanpur** - 18 Mission Market, Court Road, Saharanpur - 247001. Uttar Pradesh. • **Salem** - Door No. 40, Brindavan Road, Near Perumal Koil, Fairlands, Salem- 636016. • **Sambalpur** - Quality Massion, 1st Floor. Above Bata Shop / Preeti Auto Combine, Nayapara, Sambalpur-768 001. • **Satna** - 1st Floor, Gopal Complex, Near Bus Stand Rewa Road, Satna (M.P) - 485 001. • **Shaktinagar**.1st/A-375, V V Colony, Dist. Sonebhadra, Shaktinagar-231 222. • **Shillong** - Mani Bhawan, Thana Road, Lower Police Bazar. Shillong - 793 001. • **Shimla** - Triveni Building, By Pas Chowk; Khallini. Shimla - 171 002. • **Shimoga** - Uday Ravi Complex, LLR Road, Durgi Gudi, Shimoga - 577201. • **Shivpuri** - 1ST Floor, M.P.R.P. Building, Near Bank of India, Shivpuri-473 551. • **Sikar** - 1st Floor, Super Towers. Behind Ram Mandir, Station Road, Sikar- 332001. • **Silchar** - 1st Floor, Chowchakra Complex, N N Dutta Road, Premtala, Silchar - 788001. • **Siliguri** - Nanak Complex, Near Church Road, Sevoke Road, Siliguri - 734001. • **Sitapur** - 12/12-A Surya Complex, Arya Nagar, Opp. Mal Godam, Sitapur - 261001. • **Sivakasi** - 363, Thiruthangal Road, Opp: Tneb. Sivakasi 626 123. • **Solan** - Sahni Bhawan, Adjacent Anand Cinema Complex, The Mall. Solan-173 212. • **Solapur** - Siddeshwar Securities, No. 6, Vaman Road, Vijaypur Road, Vaman Nagar, Solapur-413 004. • **Sonepat** - 205 R Model Town. Above Central Bank of India, Sonepat-131001. • **Sri Ganganagar** - 35-E-Block, Opp. Sheetla Mata Vatika, Sri Ganga Nagar - 335001. • **Srikakulam** - 4-1-28/1. Venkateshwara Colony, Day & Night Junction, Srikakulam-532001. • **Sultanpur** - Rama Shankar Complex, Civil Lines, Faizabad Road, Sultanpur-228 001. • **Surat** - G-6 Empire State Building, Near Parag House,Udhna Darwaja, Ring

Road.Surat-395002. • **Thanjavur** - Nalliah Complex, No. 70, Srinivasam Pillai Road, Thanjavur - 613001. • **Thodupuzha** - First Floor, Pulimoottil Pioneer, Pala Road, Thodupuzha - 685584. • **Tirunelveli** - Jeney Building, 55/18, S N Road, Near Arvind Eye Hospital.Tirunelveli - 627 001. • **Tirupathi** - Plot No.16 (South Part), First Floor, R C Road.Tirupati - 517502. • **Tirupur** - First Floor, 224 A, S. Selvakumar Departmental Stores, Ist Floor, Kamaraj Road, Opp. to Cotton Market Complex, Tirupur - 641 604. • **Tiruvalla** - 2nd Floor, Erinjery Complex, Near Kotak Securites, Ramanchira, Tiruvalla - 689107. • **Trichur** - 2'nd Floor, Brother'S Complex, Near Dhana Laxmi Bank Head Office, Naikkanal Junction, Trichur - 680 001. • **Trichy** - Sri Krishna Arcade, 1st Floor; 60 Thennur High Road.Trichy - 620 017. • **Trivandrum** - 2nd Floor, Akshaya Towers, Above Jetairways, Sasthamangalam, Trivandrum - 695 010. • **Tuticorin** - 4 B, A34, A37, Mangalmal, Mani Nagar, Opp. Rajaji Park, Palayamkottai Road, Tuticorin - 628003. • **Udaipur** - 201-202, Madhav Chambers, Opp. G.P.O, Chetak Circle, Madhuban, Udaipur-313001. • **Ujjain** - 101, Aastha Tower, 13/1, Dhanwantri Marg, Free Gunj, Ujjain-456010. • **Valsad** - Shop No 2, Phiroza Corner, Opp Next Showroom, Tithal Road. Valsad - 396001. • **Vapi** - Shop No 5, Phikhaji Residency, Opp DCB Bank, Vapi Silvassa Road, Vapi - 396195. • **Varanasi** - D-64/132,KA 1st Floor, Anant Complex, Sigra, Varanasi - 221 010. • **Vellore** - No.1, M.N.R. Arcade, Officer'S Line, Krishna Nagar, Vellore - 632001. • **Vijayanagaram** - "Soubhagya", 19-6-13/1, II nd Floor, Near SBI Fort Branch, Vijayanagaram-535 002. **Vijayawada** - 39-10-7 Opp : Municipal Water Tank.Labbipet.Vijayawada - 520 010. • **Visakhapatnam** - 47-14-5/1 Eswar Paradise, Dwaraka Nagar, Main Road. Visakhapatnam - 530 016. • **Warangal** - 5-6-95, 1st Floor, Opp. B.Ed Collage, Lashkar Bazar, Chandra Complex, Hanmakonda, Warangal - 506001. • **Yamuna nagar** - Jagdhari Road, Above UCO Bank, Near D. A. V. Grils College, Yamuna Nagar-135 001.

Karvy, Registrar & Transfer Agents of Axis Mutual Fund having its office at Unit: Axis Mutual Fund, Karvy Plaza, No 8-2-596 Street No. 1, Banjara Hills, Hyderabad 500034 is the collection centre for electronic transactions received from specified banks, financial institutions, distribution channel etc. (mobilized on behalf of their clients) with whom the AMC has entered or may enter into specific arrangements for purchase/ sale/ switch of units.

Website of the AMC (www.axismf.com) shall be official point of acceptance

Axis Asset Management Company Limited (Investment Manager to Axis Mutual Fund)

Axis House, 1st Floor, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400025, India.

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SCHEME INFORMATION DOCUMENT**AXIS LIQUID FUND****An Open-ended Liquid Scheme**

Continuous offer for units at NAV based prices

Name of Mutual Fund : Axis Mutual Fund
Name of Asset Management Company : Axis Asset Management Company Limited
Name of Trustee Company : Axis Mutual Fund Trustee Limited
Addresses, Website of the entities : Axis House, 1st Floor, Bombay Dyeing Mill Compound,
Pandurang Budhkar Marg, Worli, Mumbai – 400 025
www.axismf.com

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations or the Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the Asset Management Company (AMC). The Units being offered for public Subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the scheme that a prospective Investor ought to know before investing. Before investing, Investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

The Investors are advised to refer to the Statement of Additional Information (SAI) for details of Axis Mutual Fund, Tax and Legal issues and general information on www.axismf.com.

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

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated June 30, 2011

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HIGHLIGHTS/SUMMARY OF THE SCHEME**Investment objective**

To provide a high level of liquidity with reasonable returns commensurating with low risk through a portfolio of money market and debt securities. However, there can be no assurance that the investment objective of the scheme will be achieved.

Liquidity

The Scheme offers Units for Subscription and Redemption at NAV based prices on all Business Days on an ongoing basis. Under normal circumstances the AMC shall dispatch the Redemption proceeds within 10 Business Days from date of receipt of request from the Unit holder.

Benchmark

CRISIL Liquid Fund Index

Transparency/NAV Disclosure

The AMC will calculate the NAVs for all the Calendar Days. The NAV of the Scheme shall be published at least in two daily newspapers on all Business Days. The Asset Management Company ("AMC") shall update the NAVs on its website (www.axismf.com) and of the Association of Mutual Funds in India ("AMFI") (www.amfiindia.com) before 9.00 p.m. every Business Day. If the NAVs are not available before the commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.

The AMC will disclose the portfolio of the Scheme within one month from the close of each half year (i.e. 31st March and 30th September) either by sending a complete statement to all the Unit holders or by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The portfolio statement will also be displayed on the website of the AMC and AMFI.

The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year.

Loads

Entry Load: Not Applicable

Exit Load: Nil

SEBI vide its circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder (AMFI registered

Distributor) directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

For more details on Load Structure, refer to the paragraph 'Load Structure'.

Minimum Application Amount

Retail Plan - Rs. 5,000 in multiples of Re. 1/- thereafter

Institutional Plan – Rs. 1 crore and in multiples of Re. 1/- thereafter

Minimum Additional Purchase Amount

Retail Plan - Rs.1,000 and in multiples of Re. 1/- thereafter

Institutional Plan – Rs. 1 lac and in multiples of Re. 1/- thereafter

Minimum application amount is applicable at the time of creation of new folio and at the time of first investment in a plan.

I. INTRODUCTION

A. RISK FACTORS

i. Standard Risk Factors:

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- Axis Liquid Fund is only the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects and returns.
- The sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1 lakh made by it towards setting up the Fund.
- Axis Liquid Fund is not a guaranteed or assured return Scheme.

ii. Scheme Specific Risk Factors

The following are the risks associated with investment in Fixed Income securities:

Interest-Rate Risk: Fixed income securities such as government bonds, corporate bonds, Money Market Instruments and Derivatives run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices depends upon the coupon and maturity of the security. It also depends upon the yield level at which the security is being traded.

Re-investment Risk: Investments in fixed income securities carry re-investment risk as interest rates prevailing on the coupon payment or maturity dates may differ from the original coupon of the bond.

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

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

Liquidity Risk: The liquidity of a bond may change, depending on market conditions leading to changes in the liquidity premium attached to the price of the bond. At the time of selling the security, the security can become illiquid, leading to loss in value of the portfolio.

Credit Risk: This is the risk associated with the issuer of a debenture/bond or a Money Market Instrument defaulting on coupon payments or in paying back the principal amount on maturity. Even when there is no default, the price of a security may change with expected changes in the credit rating of the issuer. It is to be noted here that a Government Security is a sovereign security and is the safest. Corporate bonds carry a higher amount of credit risk than Government Securities. Within corporate bonds also there are different levels of safety and a bond rated higher by a particular rating agency is safer than a bond rated lower by the same rating agency.

Liquidity Risk on account of unlisted securities: The liquidity and valuation of the Scheme investments due to their holdings of unlisted securities may be affected if they have to be sold prior to their target date of divestment. The unlisted security can go down in value before the divestment date and selling of these securities before the divestment date can lead to losses in the portfolio.

Settlement Risk: Fixed income securities run the risk of settlement which can adversely affect the ability of the fund house to swiftly execute trading strategies which can lead to adverse movements in NAV.

Risk Associated with Securitized Debt

The Scheme may invest in domestic securitized debt such as Asset Backed Securities ("ABS") or Mortgage Backed Securities ("MBS"). ABS are securitized debts where the underlying assets are receivables arising from various loans including automobile loans, personal loans, loans against consumer durables, etc. MBS are securitized debts where the underlying assets are receivables arising from loans backed by mortgage of residential / commercial properties.

At present in Indian market, following types of loans are securitized:

1. Auto Loans (cars / commercial vehicles /two wheelers)
2. Residential Mortgages or Housing Loans
3. Consumer Durable Loans
4. Personal Loans
5. Corporate Loans

In terms of specific risks attached to securitization, each asset class would have different

underlying risks. Residential Mortgages generally have lower default rates than other asset classes, but repossession becomes difficult. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Asset classes like personal loans, credit card receivables are unsecured and in an economic downturn may witness higher default. A corporate loan/receivable, depend upon the nature of the underlying security for the loan or the nature of the receivable and the risks correspondingly fluctuate.

The rating agencies define margins, over collateralisation and guarantees to bring risk in line with similar AAA rated securities. The factors typically analyzed for any pool are as follows:

- a. Assets securitized and Size of the loan: This indicates the kind of assets financed with the loan and the average ticket size of the loan. A very low ticket size might mean more costs in originating and servicing of the assets.
- b. Diversification: Diversification across geographical boundaries and ticket sizes might result in lower delinquency.
- c. Loan to Value Ratio: Indicates how much % value of the asset is financed by borrower's own equity. The lower this value the better it is. This suggests that where the borrowers own contribution of the asset cost is high; the chances of default are lower.
- d. Average seasoning of the pool: This indicates whether borrowers have already displayed repayment discipline. The higher the number, the more superior it is.

The other main risks pertaining to Securitised debt are as follows:

Prepayment Risk: This arises when the borrower pays off the loan sooner than expected. When interest rates decline, borrowers tend to pay off high interest loans with money borrowed at a lower interest rate, which shortens the average maturity of ABS. However, there is some prepayment risk even if interest rates rise, such as when an owner pays off a mortgage when the house is sold or an auto loan is paid off when the car is sold.

Reinvestment Risk: Since prepayment risk increases when interest rates decline, this also introduces reinvestment risk, which is the risk that the principal can only be reinvested at a lower rate.

Risks associated with Derivatives Transactions

Credit Risk: The credit risk is the risk that the counter party will default in its obligations and is generally small as in a Derivative transaction there is generally no exchange of the principal amount.

Interest rate risk: Derivatives carry the risk of adverse changes in the price due to change in interest rates.

Basis Risk: When a bond is hedged using a Derivative, the change in price of the bond and the change in price of the Derivative may not be fully correlated leading to basis risk in the portfolio.

Liquidity risk: During the life of the Derivative, the benchmark might become illiquid and might not be fully capturing the interest rate changes in the market, or the selling, unwinding prices might not reflect the underlying assets, rates and indices, leading to loss of value of the portfolio.

Model Risk: The risk of mis-pricing or improper valuation of Derivatives.

Trade Execution: Risk where the final execution price is different from the screen price leading to dilution in the spreads and hence impacting the profitability of the reverse arbitrage strategy.

Systemic Risk: For Derivatives, especially OTC ones the failure of one Counter Party can put the whole system at risk and the whole system can come to a halt.

Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

The risks associated with the use of Derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

Risk associated with Short Selling & Securities Lending

Securities Lending is a lending of securities through an approved intermediary to a borrower under an agreement for a specified period with the condition that the borrower will return equivalent securities of the same type or class at the end of the specified period along with the corporate benefits accruing on the securities borrowed. There are risks inherent in securities lending, including the risk of failure of the other party, in this case the approved intermediary to comply with the terms of the agreement. Such failure can result in a possible loss of rights to the collateral, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of corporate benefits accruing thereon.

Short-selling is the sale of shares or securities that the seller does not own at the time of trading. Instead, he borrows it from someone who already owns it. Later, the short seller buys back the stock/security he shorted and returns the stock/security to the lender to close out the loan. The inherent risks are Counterparty risk and liquidity risk of the stock/security being borrowed. The security being short sold might be illiquid or become illiquid and covering of the security might occur at a much higher price level than anticipated, leading to losses.

Risk Associated with investment in Foreign Securities

Subject to necessary approvals, the Scheme may also invest in overseas financial assets as permitted under the applicable regulations. The value of an investment in a foreign issuer's securities may depend on general global economic factors or specific economic and political factors relating to the country or countries in which the foreign issuer operates. To the extent the assets of the Scheme are invested in overseas financial assets, there may be risk associated with fluctuation in foreign exchange rates, restriction on repatriation of capital and earnings under the exchange control regulations and transaction procedure in overseas market. The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls, political circumstances, bi-lateral conflicts or prevalent tax laws. Since the Scheme would invest only partially in foreign securities, there may not be readily available and widely accepted benchmarks to measure performance of such Scheme. To manage risks associated with foreign currency and interest rate exposure, the Fund may use derivatives for efficient portfolio management and hedging and portfolio rebalancing and in accordance with conditions as may be stipulated under the Regulations and by RBI from time to time.

Investment in foreign securities carries currency risk. Currency risk is a form of risk that arises from the change in price of one currency against other. The exchange risk associated with a foreign denominated instrument is a key element in foreign investment. This risk flows from differential monetary policy and growth in real productivity, which results in differential inflation rates. The risk arises because currencies may move in relation to each other.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme/Plan shall have a minimum of 20 Investors and no single Investor shall account for more than 25% of the corpus of the Scheme/Plan(s). The aforesaid conditions should be complied with in each calendar quarter on an average basis. In case the Scheme / Plan(s) does not have a minimum of 20 Investors on an ongoing basis for each calendar quarter, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme / Plan(s) shall be wound up and the units would be redeemed at Applicable NAV. If there is a breach of the 25% limit by any Investor over the quarter, a rebalancing period of one month would be allowed and thereafter the Investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic Redemption by the Mutual Fund on the Applicable NAV on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. SPECIAL CONSIDERATIONS, if any

- Prospective investors should study this Scheme Information Document and Statement of Additional Information carefully in its entirety and should not construe the contents hereof as advise relating to legal, taxation, financial, investment or any other matters and are advised to consult their legal, tax, financial and other professional advisors to determine possible legal, tax, financial or other considerations

of subscribing to or redeeming Units, before making a decision to invest/redeem/hold Units.

- Neither this Scheme Information Document ("SID"), Statement of Additional Information ("SAI") nor the Units have been registered in any jurisdiction. The distribution of this Scheme Information Document or Statement of Additional Information in certain jurisdictions may be restricted or totally prohibited to registration requirements and accordingly, persons who come into possession of this Scheme Information Document or Statement of Additional Information are required to inform themselves about and to observe any such restrictions and/ or legal compliance requirements.
- The AMC, Trustee or the Mutual Fund have not authorized any person to issue any advertisement or to give any information or to make any representations, either oral or written, other than that contained in this Scheme Information Document or the Statement of Additional Information or as provided by the AMC in connection with this offering. Prospective Investors are advised not to rely upon any information or representation not incorporated in the Scheme Information Document or Statement of Additional Information or as provided by the AMC as having been authorized by the Mutual Fund, the AMC or the Trustee.
- Redemption due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any such tax consequences that may arise due to such Redemptions.
- The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise, in the event that the Scheme is wound up for the reasons and in the manner provided in Statement of Additional Information.
- The tax benefits described in this Scheme Information Document and Statement of Additional Information are as available under the present taxation laws and are available subject to relevant conditions. 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 as on the date of this Scheme Information Document and the Unit holders should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Unit holder is advised to consult his / her own professional tax advisor.
- The Mutual Fund may disclose details of the investor's account and transactions there under to those intermediaries whose stamp appears on the application form or who have been designated as such by the investor. In addition, the Mutual Fund may disclose such details to the bankers, as may be necessary for the purpose of effecting payments to the investor. The Fund may also disclose such details to regulatory and statutory authorities/bodies as may be required or necessary.
- In case the AMC or its Sponsor or its Shareholders or their affiliates/associates or group companies make substantial investment, either directly or indirectly in the Scheme.

Redemption of Units by these entities may have an adverse impact on the performance of the Scheme. This may also affect the ability of the other Unit holders to redeem their units.

- As the liquidity of the Scheme investments may sometimes be restricted by trading volumes and settlement periods, the time taken by the Fund for Redemption of Unit may be significant in the event of an inordinately large number of Redemption Requests or of a restructuring of the Scheme portfolio. In view of this, the Trustee has the right, in its sole discretion, to limit redemptions under certain circumstances - please refer to the paragraph "Right to Limit Redemptions".
- Pursuant to the provisions of Prevention of Money Laundering Act, 2002, if after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, on failure to provide required documentation, information, etc. by the Unit holder the AMC shall have absolute discretion to report such suspicious transactions to FIU-IND (Financial Intelligence Unit – India) and / or to freeze the folios of the investor(s), reject any application(s)/redemptions / allotment of Units.

D. DEFINITIONS

"AMC" or "Asset Management Company" or "Investment Manager"	Axis Asset Management Company Limited, incorporated under the provisions of the Companies Act, 1956 and approved by Securities and Exchange Board of India to act as the Asset Management Company for the scheme(s) of Axis Mutual Fund.
"Applicable NAV"	The NAV applicable for purchase or redemption or Switching of Units based on the time of the Business Day on which the application is time stamped.
"Book Closure"	The time during which the Asset Management Company would temporarily suspend Sale, redemption and Switching of Units.
"Business Day"	<p>A day other than:</p> <ul style="list-style-type: none"> (i) Saturday and Sunday; (ii) A day on which the banks in Mumbai and /or RBI are closed for business /clearing; (iii) A day on which the National Stock Exchange of India Limited and/or the Stock Exchange, Mumbai are closed; (iv) A day which is a public and /or bank Holiday at an Investor Service Centre/Official Point of Acceptance where the application is received; (v) A day on which Sale / Redemption / Switching of Units is suspended by the AMC; (vi) A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time. <p>Further, the day(s) on which the money markets</p>

	<p>are closed / not accessible, shall not be treated as Business Day(s).</p> <p>The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres/Official Points of Acceptance.</p>
"Business Hours"	Presently 9.30 a.m. to 5.30 p.m. on any Business Day or such other time as may be applicable from time to time.
"Custodian"	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996, which for the time being is Deutsche Bank AG.
"Depository"	Depository as defined in the Depositories Act, 1996 (22 of 1996).
"Derivative"	Derivative includes (i) a security derived from a debt instrument, share, loan whether secured or unsecured, risk instrument or contract for differences or any other form of security; (ii) a contract which derives its value from the prices, or index of prices, or underlying securities.
"Dividend"	Income distributed by the Mutual Fund on the Units.
"FII"	Foreign Institutional Investor, registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
"Floating Rate Debt Instruments"	Floating rate debt instruments are debt securities issued by Central and / or State Government, corporates or PSUs with interest rates that are reset periodically. The periodicity of the interest reset could be daily, monthly, quarterly, half-yearly, annually or any other periodicity that may be mutually agreed with the issuer and the Fund. The interest on the instruments could also be in the nature of fixed basis points over the benchmark gilt yields.
"Foreign Securities"	ADRs / GDRs/ equity / debt securities of overseas companies listed on the recognized stock exchanges overseas or other securities as may be specified and permitted by SEBI and/or RBI from time to time.
"Gilts" or "Government Securities"	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.
"GOI"	Government of India
"Holiday"	Holiday means the day(s) on which the banks (including the Reserve Bank of India) are closed for business or clearing in Mumbai or their functioning is affected due to a strike / bandh call made at

	any part of the country or due to any other reason.
"Investment Management Agreement"	The agreement dated June 27, 2009 entered into between Axis Mutual Fund Trustee Limited and Axis Asset Management Company Limited, as amended from time to time.
"Investor Service Centres" or "ISCs"	Offices of Axis Asset Management Company Limited or such other centres / offices as may be designated by the AMC from time to time.
"Load"	<p>In the case of Redemption / Switch out of a Unit, the sum of money deducted from the Applicable NAV on the Redemption / Switch out (Exit Load) and in the case of Sale / Switch in of a Unit, a sum of money to be paid by the prospective investor on the Sale / Switch in of a Unit (Entry Load) in addition to the Applicable NAV.</p> <p>Presently, entry load cannot be charged by mutual fund schemes.</p>
"Money Market Instruments"	Includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time.
"Mutual Fund" or "the Fund"	Axis Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882.
"Net Asset Value" or "NAV"	Net Asset Value per Unit of the Scheme, calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
"NRI"	A Non-Resident Indian or a Person of Indian Origin residing outside India.
"Official Points of Acceptance"	Places, as specified by AMC from time to time where application for Subscription / Redemption / Switch will be accepted on ongoing basis.
"Person of Indian Origin"	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in sub-clause (a) or (b).
"Rating"	Rating means an opinion regarding securities, expressed in the form of standard symbols or in any other standardized manner, assigned by a credit rating agency and used by the issuer of such securities, to comply with any requirement of the SEBI (Credit Rating Agencies) Regulations, 1999.
"RBI"	Reserve Bank of India, established under the Reserve Bank of India Act, 1934, (2 of 1934)
"Registrar and Transfer Agent" or Registrar	Karvy Computershare Pvt. Ltd., Hyderabad, currently acting as registrar to the Scheme, or any

	other Registrar appointed by the AMC from time to time.
"Redemption / Repurchase"	Redemption of Units of the Scheme as permitted.
"Regulatory Agency"	GOI, SEBI, RBI or any other authority or agency entitled to issue or give any directions, instructions or guidelines to the Mutual Fund
"Repo"	Sale of Government Securities with simultaneous agreement to repurchase / resell them at a later date.
"Statement of Additional Information" or "SAI"	The document issued by Axis Mutual Fund containing details of Axis Mutual Fund, its constitution, and certain tax, legal and general information. SAI is legally a part of the Scheme Information Document.
"Sale / Subscription"	Sale or allotment of Units to the Unit holder upon subscription by the Investor / applicant under the Scheme.
"Scheme"	Axis Liquid Fund
"Scheme Information Document"	This document issued by Axis Mutual Fund, offering for Subscription of Units of Axis Liquid Fund (including Options there under)
"SEBI"	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992.
"SEBI (MF) Regulations" or "Regulations"	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
"Short Selling"	Short selling means selling a stock which the seller does not own at the time of trade.
"Sponsor"	Axis Bank Limited
"Switch"	Redemption of a unit in any scheme (including the Plans / options therein) of the Mutual Fund against purchase of a unit in another scheme (including the Plans /options therein) of the Mutual Fund, subject to completion of Lock-in Period, if any.
"Stock Lending"	Lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio.
"Systematic Transfer Plan" / "STP"	Facility given to the Unit holders to transfer sums on periodic basis from one scheme to another schemes launched by the Mutual Fund from time to time by giving a single instruction.
"Deed of Trust"	The Trust Deed dated June 27, 2009 made by and between Axis Bank Limited and Axis Mutual Fund Trustee Limited thereby establishing an irrevocable trust, called Axis Mutual Fund.
"Trustee" or "Trustee Company"	Axis Mutual Fund Trustee Limited incorporated under the provisions of the Companies Act, 1956 and approved by SEBI to act as the Trustee to the Scheme of the Mutual Fund.
"Unit"	The interest of the Unit holder which consists of

	each Unit representing one undivided share in the assets of the Scheme.
"Unit holder" or "Investor"	A person holding Units in Axis Liquid Fund.

INTERPRETATION

For all purposes of this Scheme Information Document, 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 Dollars 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 a Non Business Day.

E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

- The Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed scheme.
- The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

Place: Mumbai
Date: June 30, 2011

Signed : Sd/-
Name : Miten Chawda
Designation : Head – Compliance &
Company Secretary

II. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

An Open-ended Liquid Scheme

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

To provide a high level of liquidity with reasonable returns commensurating with low risk through a portfolio of money market and debt securities. However, there can be no assurance that the investment objective of the Scheme will be achieved.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Under normal circumstances the asset allocation pattern will be:

Instruments	Indicative Allocation (% of net assets)		Risk Profile
	Minimum	Maximum	
Money market instruments (including cash, repo, CPs, CDs, Treasury Bills and Government securities) with maturity/residual maturity up to 91 days	50	100	Low
Debt instruments (including floating rate debt instruments and securitized debt)* with maturity/residual maturity/weighted average maturity up to 91 days	0	50	Low to medium

*securitized debt cumulative allocation not to exceed 30% of the net assets of the Scheme (excluding foreign securitized debt).

Investment in Derivatives – up to 50% of the net assets of the Scheme. Investment in derivatives shall be for hedging, portfolio balancing and such other purposes as maybe permitted from time to time.

Pursuant to SEBI circular No. SEBI/IMD/CIR No. 13/150975/09 dated January 19, 2009, the Scheme shall make investment in / purchase debt and money market securities with maturity of up to 91 days only.

Explanation:

- In case of securities where the principal is to be repaid in a single payout, the maturity of the securities shall mean residual maturity. In case the principal is to be repaid in more than one payout then the maturity of the securities shall be calculated on the basis of weighted average maturity of the security.

- b. In case of securities with put and call options (daily or otherwise) the residual maturity of the securities shall not be greater than 91 days.
- c. In case the maturity of the security falls on a Non Business Day, then settlement of securities will take place on the next Business Day.

The Scheme retains the flexibility to invest across all the securities in the debt and Money Market Instruments. The Scheme may also invest in units of debt and liquid mutual fund schemes.

The Scheme can invest up to 50% of net assets in Foreign Securities. All investments in foreign securities shall adhere to SEBI circular SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007 and amendments thereto.

Pending deployment of the funds in securities in terms of investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of the Scheduled Commercial Banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, as may be amended from time to time.

The Scheme may engage in Short Selling of securities in accordance with the framework relating to Short Selling and securities lending and borrowing specified by SEBI.

The Scheme may also engage in Securities Lending wherein the Scheme shall not deploy more than 20% of its net assets in securities lending and not more than 5% of the net assets of the Scheme will be deployed in securities lending to any single counterparty.

The portfolio duration will undergo a change according to the expected movement in interest rates. Liquidity conditions and other macro-economic factors affecting interest rates shall be taken into account for varying the portfolio duration. It is expected that the average maturity for the fund will be in the range of 1-3 months depending on the interest rate view. However, this can undergo a change in case the market conditions warrant and according to the fund manager's view.

The Scheme may review the above pattern of investments based on views on interest rates and asset liability management needs. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme. Subject to the Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute. These proportions can vary substantially depending upon the perception of the fund manager; the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the investment pattern will be for short term and for defensive considerations only. In case of deviation, the portfolio would be rebalanced within 3 months from the date of deviation. In case the same is not aligned to the above asset allocation pattern within 3 months, justification shall be provided to the Investment Review Committee and reasons for the same shall be recorded in writing. The Investment Review committee shall then decide on the course of action.

D. Where will the Scheme invest?

The corpus of the Scheme will be invested in money market & debt instruments with maturity/weighted average maturity/residual maturity not greater than 91 days which will include but not limited to:

Collateralized Borrowing and Lending Obligations (CBLO)

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

Certificate of Deposit (CD) of scheduled commercial banks and development financial institutions

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

Commercial Paper (CP)

Commercial Paper (CP) is an unsecured negotiable money market instrument issued in the form of a promissory note, generally issued by the corporates, primary dealers and all India Financial Institutions as an alternative source of short term borrowings. CP is traded in secondary market and can be freely bought and sold before maturity.

Treasury Bill (T-Bill)

Treasury Bills (T-Bills) are issued by the Government of India to meet their short term borrowing requirements. T-Bills are issued for maturities of 14 days, 91 days, 182 days and 364 days.

Bill (bills of exchange/promissory notes of public sector and private sector corporate entities) Rediscounting

Repo

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

Securities created and issued by the Central and State Governments as may be permitted by RBI, securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills). State Government securities (popularly known as State Development Loans or SDLs) are issued by the respective State Government in co-ordination with the RBI.

Non convertible debentures and bonds

Non convertible debentures as well as bonds are securities issued by companies / institutions promoted / owned by the Central or State Governments and statutory bodies which may or may not carry a Central/State Government guarantee, Public and private

sector banks, all India Financial Institutions and Private Sector Companies. These instruments may be secured or unsecured against the assets of the Company and generally issued to meet the short term and long term fund requirements.

The Scheme may also invest in the non convertible part of convertible debt securities.

Floating rate debt instruments

Floating rate debt instruments are instruments issued by Central / state governments, corporates, PSUs, etc. with interest rates that are reset periodically.

Securitized Assets

Securitization is a structured finance process which involves pooling and repackaging of cashflow producing financial assets into securities that are then sold to investors. They are termed as Asset Backed Securities ("ABS") or Mortgage Backed Securities ("MBS"). ABS are backed by other assets such as credit card, automobile or consumer loan receivables, retail installment loans or participations in pools of leases. Credit support for these securities may be based on the underlying assets and/or provided through credit enhancements by a third party. MBS is an asset backed security whose cash flows are backed by the principal and interest payments of a set of mortgage loans. Such Mortgage could be either residential or commercial properties. ABS/MBS instrument reflect the undivided interest in the underlying assets and do not represent the obligation of the issuer of ABS/MBS or the originator of underlying receivables. Securitization often utilizes the services of a special purpose vehicle.

Pass through Certificate (PTC)

(Pay through or other Participation Certificates) represents beneficial interest in an underlying pool of cash flows. These cash flows represent dues against single or multiple loans originated by the sellers of these loans. These loans are given by banks or financial institutions to corporates. PTCs may be backed, but not exclusively, by receivables of personal loans, car loans, two wheeler loans and other assets subject to applicable regulations.

The following are certain additional disclosures w.r.t. investment in securitized debt:

1. How the risk profile of securitized debt fits into the risk appetite of the scheme

Securitized debt is a form of conversion of normally non-tradable loans to transferable securities. This is done by assigning the loans to a special purpose vehicle (a trust), which in turn issues Pass-Through-Certificates (PTCs). These PTCs are transferable securities with fixed income characteristics. The risk of investing in securitized debt is similar to investing in debt securities. However it differs in two respects.

Typically the liquidity of securitized debt is less than similar debt securities. For certain types of securitized debt (backed by mortgages, personal loans, credit card debt, etc.), there is an additional pre-payment risk. Pre-payment risk refers to the possibility that loans are repaid before they are due, which may reduce returns if the re-investment rates are lower than initially envisaged.

Because of these additional risks, securitized debt typically offers higher yields than debt securities of similar credit rating and maturity. If the fund manager judges that the additional risks are suitably compensated by the higher returns, he may invest in securitized debt up to the limits specified in the asset allocation table above.

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

The originator is the person who has initially given the loan. The originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). An analysis of the originator is especially important in case of retail loans as this affects the credit quality and servicing of the PTC. The key risk is that of the underlying assets and not of the originator. For example, losses or performance of earlier issuances does not indicate quality of current series. However such past performance may be used as a guide to evaluate the loan standards, servicing capability and performance of the originator.

Originators may be: Banks, Non Banking Finance Companies, Housing Finance Companies, etc. The fund manager / credit analyst evaluates originators based on the following parameters

- Track record
- Willingness to pay, through credit enhancement facilities etc.
- Ability to pay
- Business risk assessment, wherein following factors are considered:
 - Outlook for the economy (domestic and global)
 - Outlook for the industry
 - Company specific factors

In addition a detailed review and assessment of rating rationale is done including interactions with the originator as well as the credit rating agency.

The following additional evaluation parameters are used as applicable for the originator / underlying issuer for pool loan and single loan securitization transactions:

- Default track record/ frequent alteration of redemption conditions / covenants
- High leverage ratios of the ultimate borrower (for single-sell downs) – both on a standalone basis as well on a consolidated level/ group level
- Higher proportion of reschedulement of underlying assets of the pool or loan, as the case may be
- Higher proportion of overdue assets of the pool or the underlying loan, as the case may be
- Poor reputation in market
- Insufficient track record of servicing of the pool or the loan, as the case may be.

3. Risk mitigation strategies for investments with each kind of originator

An analysis of the originator is especially important in case of retail loans as the size and reach affects the credit quality and servicing of the PTC. In addition, the quality of the collection process, infrastructure and follow-up mechanism; quality of MIS; and credit enhancement mechanism are key risk mitigants for the better originators / servicers.

In case of securitization involving single loans or a small pool of loans, the credit risk of the underlying borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk. The credit analyst looks at ageing (i.e. how long the loan has been with the originator before securitization) as one way of evaluating the performance potential of the PTC. Securitization transactions

may include some risk mitigants (to reduce credit risk). These may include interest subvention (difference in interest rates on the underlying loans and the PTC serving as margin against defaults), overcollateralization (issue of PTCs of lesser value than the underlying loans, thus even if some loans default, the PTC continues to remain protected), presence of an equity / subordinate tranche (issue of PTCs of differing seniority when it comes to repayment - the senior tranches get paid before the junior tranche) and / or guarantees.

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

In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk.

The credit analyst looks at ageing (i.e. how long the loan has been with the originator before securitization) as one way of judging the performance potential of the PTC. Additional risk mitigants may include interest subvention, over collateralization, presence of an equity / subordinate tranche and / or guarantees. The credit analyst also uses analyses by credit rating agencies on the risk profile of the securitized debt.

Currently, the following parameters are used while evaluating investment decision relating to a pool securitization transaction. The Investment Review Committee may revise the parameters from time to time.

Characteristics/Type of Pool	Mortgage Loan	Commercial Vehicle and Construction Equipment	CAR	2 wheelers	Micro Finance Pools *	Personal Loans *	Single Sell Downs	Others
Approximate Average maturity (in Months)	Up to 10 years	Up to 3 years	Up to 3 years	Up to 3 years	NA	NA	Refer Note 1	Refer Note 2
Collateral margin (including cash, guarantees, excess interest spread, subordinate tranche)	>10%	>10%	>10%	>10%	NA	NA	"	"
Average Loan to Value Ratio	<90%	<80%	<80%	<80%	NA	NA	"	"
Average seasoning of the Pool	>3 months	>3 months	>3 months	>3 months	NA	NA	"	"
Maximum single exposure range	<1%	<1%	<1%	<1%	NA	NA	"	"
Average single exposure range %	<1%	<1%	<1%	<1%	NA	NA	"	"

* Currently, the Schemes will not invest in these types of securitized debt

Note 1: In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. The investment limits applicable to the underlying borrower are applied to the single loan sell-down.

2: Other investments will be decided on a case-to-case basis

The credit analyst may consider the following risk mitigating measures in his analysis of the securitized debt:

- Size of the loan
- Average original maturity of the pool
- Loan to Value Ratio
- Average seasoning of the pool
- Default rate distribution
- Geographical Distribution
- Credit enhancement facility
- Liquid facility
- Structure of the pool

5. Minimum retention period of the debt by originator prior to securitization

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements. In addition, RBI has proposed minimum holding period of between nine and twelve months for assets before they can be securitized. The minimum holding period depends on the tenor of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

6. Minimum retention percentage by originator of debts to be securitized

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements, including maximum exposure by the originator in the PTCs. In addition, RBI has proposed minimum retention requirement of between five and ten percent of the book value of the loans by the originator. The minimum retention requirement depends on the tenor and structure of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

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

The key risk is securitized debt relates to the underlying borrowers and not the originator. In a securitization transaction, the originator is the seller of the debt(s) and the fund is the buyer. However, the originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). As the originators may also invest in the scheme, the fund manager shall ensure that the investment decision is based on parameters as set by the Investment Review Committee (IRC) of the asset management company and IRC shall review the same at regular interval.

8. The resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt

The fund management team including the credit analyst has the experience to analyze securitized debt. In addition, credit research agencies provide analysis of individual instruments and pools. On an on-going basis (typically monthly) the servicer provides

reports regarding the performance of the pool. These reports would form the base for ongoing evaluation where applicable. In addition, rating reports indicating rating changes would be monitored for changes in rating agency opinion of the credit risk.

When issued

When, as and if issued' (commonly known as "**when-issued**" (**WI**) **security**) refers to a security that has been authorized for issuance but not yet actually issued. WI trading takes place between the time a new issue is announced and the time it is actually issued. All "when issued" transactions are on an "if" basis, to be settled if and when the actual security is issued.

SEBI has on April 16, 2008 in principle allowed Mutual Funds to undertake 'When Issued (WI)' transactions in Central Government securities, at par with other market participants.

- Open Position in the 'WI' market are subject to the following limits:

Category	Reissued Security	Newly Issued Security
Non-PDs	Long Position, not exceeding 5 percent of the notified amount.	Long Position, not exceeding 5 percent of the notified amount.

Debt derivative instruments:

Interest Rate Swap - An Interest Rate Swap ("IRS") is a financial contract between two parties exchanging or swapping a stream of interest payments for a "notional principal" amount on multiple occasions during a specified period. Such contracts generally involve exchange of a "fixed to floating" or "floating to fixed" rate of interest. Accordingly, on each payment date that occurs during the swap period, cash payments based on fixed/ floating and floating rates are made by the parties to one another.

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

Interest Rate Futures (as and when permitted):

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

Characteristics of Interest Rate Futures

1. Obligation to buy or sell a bond at a future date
2. Standardized contract.
3. Exchange traded
4. Physical settlement
5. Daily mark to market

Investment in Foreign Securities

The Scheme may also invest in suitable investment avenues in Foreign Securities in overseas financial markets for the purpose of diversification, commensurate with the Scheme objectives and subject to necessary stipulations by SEBI / RBI. Towards this end, the Mutual Fund may also appoint overseas investment advisors and other service providers, as and when permissible under the regulations.

The Scheme may, with the approval of SEBI / RBI invest in:

- Initial and follow on public offerings for listing at recognized stock exchanges overseas
- Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies
- Money Market Instruments rated not below investment grade
- Repos in the form of investment, where the counterparty is rated not below investment grade, repos shall not however, involve any borrowing of funds by the mutual funds
- Government Securities where the countries are rated not below investment grade
- Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities
- Short term deposits with banks overseas where the issuer is rated not below investment grade
- Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, or (b) unlisted overseas securities (not exceeding 10% of their net assets).

Note: The Scheme will not invest in foreign securitized debt.

As per SEBI Circular SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007, mutual funds can make overseas investments subject to a maximum of US \$300 million or such limits as may be prescribed by SEBI from time to time. Subject to the approval of RBI / SEBI, where required and conditions as may be prescribed by them, the Mutual Fund may open one or more foreign currency accounts abroad either directly, or through the custodian/sub-custodian, to facilitate investments and to enter into/deal in forward currency contracts, currency futures, interest rate futures / swaps, currency options for the purpose of hedging the risks of assets of a portfolio or for such purposes as maybe permitted from time to time. However, the use of such instruments shall be as permitted from time to time. All the requirement of the SEBI circular dated September 26, 2007, would be adhered to by the AMC for investment in foreign securities.

Investments in units of mutual fund schemes

The Scheme may invest in other schemes managed by the AMC or in the schemes of any other mutual funds in conformity with the investment objective of the Scheme and in terms of the prevailing SEBI (MF) Regulations.

Investment in Short Term Deposits

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

The securities / instruments mentioned above and such other securities the Scheme is permitted to invest in could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity.

The securities may be acquired through initial public offering (IPOs), secondary market, private placement, rights offers, negotiated deals. Further investments in debentures, bonds and other fixed income securities will be in instruments which have been assigned investment grade rating by the Credit Rating Agency.

Investment in unrated debt instruments shall be subject to complying with the provisions of the Regulations and within the limit as specified in Schedule VII to the Regulations. Pursuant to SEBI Circular No. MFD/CIR/9/120/2000 dated November 24, 2000, the AMC may constitute committee(s) to approve proposals for investments in unrated debt instruments. The AMC Board and the Trustee shall approve the detailed parameters for such investments. However, in case any unrated debt security does not fall under the parameters, the prior approval of Board of AMC and Trustee shall be sought.

For applicable regulatory investment limits please refer paragraph "Investment Restrictions".

Details of various derivative strategies/examples of use of derivatives have been provided under the section "Derivatives Strategy"

The Fund Manager reserves the right to invest in such securities as maybe permitted from time to time and which are in line with the investment objectives of the Scheme.

E.WHAT ARE THE INVESTMENT STRATEGIES?

The Fund shall be managed according to the investment objective - to generate reasonable returns commensurate with low risk. As this Scheme is positioned at the lowest level of risk-return matrix, it is usually aimed to meet the needs of the Investors who want to deploy their funds for a short period of time.

The composition of Indian debt market (both primary and secondary) at the front end of the yield curve is dominated by money market instruments. Accordingly the Scheme will invest predominantly in money market securities with some tactical allocation towards other debt securities to enhance the portfolio return. The portfolio will be structured to incorporate asset-liability management based on seasonal/historic trends of liabilities. Given the usually observed nature of the profile of liabilities, the fund shall seek to maintain high liquidity with the use of cash/cash equivalent assets.

As yield curve has been observed to be flat (overnight to 3 months) during most of the times, attempt will be made to space out the assets uniformly across the maturity buckets. However any irregularity in the shape of the curve (steep/inverted) will be played out in the portfolio construction after analysing the macro-economic

environment including future course of system liquidity, interest rates and inflation along with other considerations in the economy and markets.

The investment team of the AMC will carry out rigorous in depth credit evaluation of the money market and debt instruments proposed to be invested in. The credit evaluation will essentially be a bottom up approach and include a study of the operating environment of the issuer, the past track record as well as the future prospects of the issuer and the short term / long term financial health of the issuer.

Derivatives Strategy:

The Scheme may use Derivative instruments like interest rate swaps like Overnight Indexed Swaps ("OIS"), forward rate agreements, interest rate futures (as and when permitted) or such other Derivative instruments as may be permitted under the applicable regulations. Derivatives will be used for the purpose of hedging, and portfolio balancing or such other purpose as may be permitted under the regulations and Guidelines from time to time.

The Fund will be allowed to take exposure in interest rate swaps only on a non-leveraged basis. A swap will be undertaken only if there is an underlying asset in the portfolio. In terms of Circular No. MFD.BC.191/07.01.279/1999-2000 and MPD.BC.187/07.01.279/1999-2000 dated November 1, 1999 and July 7, 1999 respectively issued by RBI permitting participation by Mutual Funds in interest rate swaps and forward rate agreements, the Fund will use Derivative instruments for the purpose of hedging and portfolio balancing. The Fund may also use derivatives for such purposes as maybe permitted from time to time. Further, the guidelines issued by RBI from time to time for forward rate agreements and interest rate swaps and other derivative products would be adhered to by the Mutual Fund.

IRS and FRA do also have inherent credit and settlement risks. However, these risks are substantially reduced as they are limited to the interest streams and not the notional principal amounts.

Investments in Derivatives will be in accordance with the extant Regulations / guidelines. Presently Derivatives shall be used for hedging and / or portfolio balancing purposes, as permitted under the Regulations. The circumstances under which such transactions would be entered into would be when, for example using the IRS route it is possible to generate better returns / meet the objective of the Scheme at a lower cost. e.g. if buying a 2 Yr Mibor based instrument and receiving the 2 Yr swap rate yields better return than the 2 Yr AAA corporate, the Scheme would endeavor to do that. Alternatively, the Scheme would also look to hedge existing fixed rate positions if the view on interest rates is that it would likely rise in the future.

The following information provides a basic idea as to the nature of the Derivative instruments proposed to be used by the Fund and the benefits and risks attached therewith. Please note that the examples have been given for illustration purposes only.

Using Overnight Indexed Swaps

In a rising interest rate scenario, the Scheme may enhance returns for the Investor by hedging the risk on its fixed interest paying assets by entering into an OIS contract where the Scheme agrees to pay a fixed interest rate on a specified notional amount, for a pre

determined tenor and receives floating interest rate payments on the same notional amount. The fixed returns from the Scheme assets and the fixed interest payments to be made by the Scheme on account of the OIS transaction offset each other and the Scheme benefits on the floating interest payments that it receives. The Scheme may enter into an opposite position in case of a falling interest rate scenario, i.e. to hedge the floating rate assets in its portfolio the Scheme enters into an OIS transaction wherein it receives a fixed interest rate on a specified notional amount for a specified time period and pays a floating interest rate on the same notional amount. The floating interest payments that the Scheme receives on its floating rate securities and the floating interest payments that the Scheme has to pay on account of the OIS transaction offset each other and the Scheme benefits on the fixed interest payments that it receives in such a scenario.

Swap

Assume that the Scheme has a Rs. 20 crore floating rate investment linked to MIBOR (Mumbai Inter Bank Offered Rate). Hence, the Scheme is currently running an interest rate risk and stands to lose if the interest rate moves down. To hedge this interest rate risk, the Scheme can enter into a 6 month MIBOR swap. Through this swap, the Scheme will receive a fixed predetermined rate (assume 12%) and pays the “benchmark rate” (MIBOR), which is fixed by the NSE (“National Stock Exchange of India Limited”) or any other agency such as Reuters. This swap would effectively lock-in the rate of 12% for the next 6 months, eliminating the daily interest rate risk. This transaction is usually routed through an intermediary who runs a book and matches deals between various counterparties. The steps will be as follows:

Assuming the swap is for Rs. 20 Crores for June 1, 2009 to December 1, 2009. The Scheme is a fixed rate receiver at 12% and the counterparty is a floating rate receiver at the overnight rate on a compounded basis (say NSE MIBOR).

On June 1, 2009 the Scheme and the counterparty will exchange only a contract of having entered this swap. This documentation would be as per International Swap Dealers Association (“ISDA”) norms.

On a daily basis, the benchmark rate fixed by NSE will be tracked by them.

On December 1, 2009 they will calculate the following:

- The Scheme is entitled to receive interest on Rs. 20 Crores at 12% for 184 days i.e. Rs. 1.21 Crores, (this amount is known at the time the swap was concluded) and will pay the compounded benchmark rate.
- The counterparty is entitled to receive daily compounded call rate for 184 days & pay 12% fixed.
- On December 1, 2009, if the total interest on the daily overnight compounded benchmark rate is higher than Rs. 1.21 Crores, the Scheme will pay the difference to the counterparty. If the daily compounded benchmark rate is lower, then the counterparty will pay the Scheme the difference.
- Effectively the Scheme earns interest at the rate of 12% p.a. for six months without lending money for 6 months fixed, while the counterparty pays interest @ 12% p.a. for 6 months on Rs. 20 Crores, without borrowing for 6 months fixed.

The above example illustrates the use of Derivatives for hedging and optimizing the investment portfolio. Swaps have their own drawbacks like credit risk, settlement risk.

However, these risks are substantially reduced as the amount involved is interest streams and not principal.

Forward Rate Agreement

Assume that on June 30, 2009, the 30 day commercial paper (CP) rate is 4% and the Scheme has an investment in a CP of face value Rs. 50 Crores, which is going to mature on July 31, 2009. If the interest rates are likely to remain stable or decline after July 31, 2009, and if the fund manager, who wants to re-deploy the maturity proceeds for 1 more month does not want to take the risk of interest rates going down, he can then enter into a following Forward Rate Agreement (FRA) say as on June 30, 2009:

He can receive 1 X 2 FRA on June 30, 2009 at 4.00% (FRA rate for 1 months lending in 1 months time) on the notional amount of Rs. 50 Crores, with a reference rate of 30 day CP benchmark. If the CP benchmark on the settlement date i.e. July 30, 2009 falls to 3.75%, then the Scheme receives the difference $4.00 - 3.75$ i.e. 25 basis points on the notional amount Rs. 50 Crores.

Interest Rate Futures

Assume that the Fund holds an Indian ten year benchmark and the fund manager has a view that the yields will go up in the near future leading to decrease in value of the investment and subsequent decrease in Net Asset Value (NAV) of the fund. The fund house decides to use Interest Rate Futures to mitigate the risk of decline of Net Asset Value (NAV) of the fund.

12th October 2009

- The benchmark ten year paper 6.88 2009, is trading at INR 98.00 at a yield of 7.19%.
- December 2009 futures contract on the ten year notional 7% coupon bearing Government paper is trading at a yield of 7.29% at a price of INR 98.50.
- The mutual fund decides to hedge the exposure by taking a short position in December 2009 interest rate futures contract.

25th November 2009

- As expected by the fund manager the yield of the benchmark ten year paper has increased to 8% and the price has decreased to 92.70.
- The December 2009 futures contract is trading at a price of INR 93.17 indicating a yield of 8.05%
- The mutual fund unwinds the short position by buying the December 2009 futures contract. The transaction results in profit from the futures position, against the corresponding loss from the Government of India security position.

Certain risks are inherent to Derivative strategies viz. lack of opportunities, inability of Derivatives to correlate perfectly with the underlying and execution risks, whereby the rate seen on the screen may not be the rate at which the transaction is executed. For details of risk factors relating to use of Derivatives, the investors are advised to refer to Scheme Specific Risk Factors.

Portfolio Turnover:

The Scheme being an open-ended Scheme, it is expected that there would be a number of Subscriptions and Redemptions on a daily basis. Further, in the debt market, trading opportunities may arise due to changes in system liquidity, interest rate policy announced by RBI, shifts in the yield curve, credit rating changes or any other factors. In the opinion of the fund manager these opportunities can be played out to enhance the total return of the portfolio, which will result in increase in portfolio turnover. There may be an increase in transaction cost such as brokerage paid, if trading is done frequently. However, the cost would be negligible as compared to the total expenses of the Scheme. Frequent trading may increase the profits which will offset the increase in costs. The fund manager will endeavour to optimize portfolio turnover to maximize gains and minimize risks keeping in mind the cost associated with it. However, it is difficult to estimate with reasonable measure accuracy, the likely turnover in the portfolio of the Scheme. The Scheme has no specific target relating to portfolio turnover.

Investment in overseas financial assets (foreign fixed income securities):

RBI vide its letter no. EC.CO.OID.MF/ 19.19.463/2001-2002 dated May 31, 2002 has given approval to mutual funds to invest in such securities subject to the conditions stated therein. SEBI through its Circular dated September 26, 2007 & such other circulars as issued by SEBI from time to time has permitted Mutual Funds to invest in Foreign Securities including foreign debt securities within the overall limit of US\$ 7 billion, subject to a maximum of US\$ 300 million per Mutual Fund. Further, the Mutual Funds can also invest in Exchange Traded Funds within an over all limit of US\$ 1 billion, subject to a maximum of US\$ 50mn per Mutual Fund.

It is the Investment Manager's belief that overseas securities offer new investment and portfolio diversification opportunities into multi-market and multi-currency products. However, such investments also entail additional risks. Such investment opportunities may be pursued by the Investment Manager provided they are considered appropriate in terms of the overall investment objectives of the Scheme. Since the Scheme would invest only partially in overseas securities, there may not be readily available and widely accepted benchmarks to measure the performance of the Scheme. To manage risks associated with foreign currency and interest rate exposure, the Fund may use Derivatives for efficient portfolio management and hedging as maybe permitted from time to time and in accordance with conditions as may be stipulated by SEBI/RBI from time to time.

Offshore investments will be made subject to any/all approvals/ conditions thereof as may be stipulated by SEBI/ RBI/ other Regulatory Agency. The Fund may, where necessary, appoint other intermediaries of repute as advisors, sub-custodians, etc. for managing and administering such investments. The appointment of such intermediaries shall be in accordance with the applicable requirements of SEBI and within the permissible ceilings of expenses. The fees and expenses would illustratively include, besides the investment management fees, custody fees and costs, fees of appointed advisors and sub-managers, transaction costs, and overseas regulatory costs.

Under normal circumstances, the Scheme may invest maximum 50% of its net assets in foreign securities. However, the AMC with a view to protecting the interests of investors may alter the exposure in Foreign Securities as deemed fit from time to time.

Debt and Money Markets in India

The Indian debt market is today one of the largest in Asia and includes securities issued by the Government (Central & State Governments), public sector undertakings, other government bodies, financial institutions, banks and corporates. Government and public sector enterprises are the predominant borrowers in the markets. The major players in the Indian debt markets today are banks, financial institutions, mutual funds, insurance companies, primary dealers, trusts, pension funds and corporates. The Indian debt market is the largest segment of the Indian financial markets. The debt market comprises broadly two segments, viz. Government Securities market or G-Sec market and corporate debt market. The latter is further classified as market for PSU bonds and private sector bonds.

The Government Securities (G-Secs) market, with market capitalization of Rs. 22,14,424 cr as at April 2011 (State Govt securities – Rs 6,28,453 cr, Source: NSE), is the oldest and the largest component (77% share in market cap) of the Indian debt market in terms of market capitalization, outstanding securities and trading volumes. The G-Secs market plays a vital role in the Indian economy as it provides the benchmark for determining the level of interest rates in the country through the yields on the Government Securities which are referred to as the risk-free rate of return in any economy. Over the years, there have been new products introduced by the RBI like zero coupon bonds, floating rate bonds, inflation indexed bonds, etc.

The corporate bond market, in the sense of private corporate sector raising debt through public issuance in capital market, is only an insignificant part of the Indian Debt Market. The market capitalization of corporate debt market as on April 2011 is Rs.6,52,146 Cr (Source: NSE). A large part of the issuance in the non-Government debt market is currently on private placement basis.

The money markets in India essentially consist of the call money market (i.e. market for overnight and term money between banks and institutions), repo transactions (temporary sale with an agreement to buy back the securities at a future date at a specified price), commercial papers (CPs, short term unsecured promissory notes, generally issued by corporates), certificate of deposits (CDs, issued by banks) and Treasury Bills (issued by RBI). In a predominantly institutional market, the key money market players are banks, financial institutions, insurance companies, mutual funds, primary dealers and corporates. In money market, activity levels of the Government and nongovernment debt vary from time to time. Instruments that comprise a major portion of money market activity include but not limited to:

- Overnight Call
- Collateralised Borrowing & Lending Obligations (CBLO)
- Repo/Reverse Repo Agreement
- Treasury Bills
- Government securities with a residual maturity of < 1 year.
- Commercial Paper
- Certificate of Deposit

Apart from these, there are some other options available for short tenure investments that include MIBOR linked debentures with periodic exit options and other such instruments. Though not strictly classified as Money Market Instruments, PSU / DFI /

Corporate paper with a residual maturity of < 1 year, are actively traded and offer a viable investment option.

The market has evolved in past 2-3 years in terms of risk premia attached to different class of issuers. Bank CDs have clearly emerged as popular asset class with increased acceptability in secondary market. PSU banks trade the tightest on the back of comfort from majority government holding. Highly rated manufacturing companies also command premium on account of limited supply. However, there has been increased activity in papers issued by private/foreign banks/NBFCs/companies in high-growth sector due to higher yields offered by them. Even though companies across these sectors might have been rated on a same scale, the difference in the yield on the papers for similar maturities reflects the perception of their respective credit profiles.

The following table gives approximate yields prevailing on June 3, 2011 on some of the instruments and further illustrates this point.

Instrument	Current Yield range
CBLO	7-7.25
Repo	7.25
3m Tbill	8.05-8.15
1Y Tbill	8.25-8.35
10Y gsec	8.25-8.40
3m PSU Bank CD	9.65-9.75
3m NBFC CP	10-10.15
3m Manufacturing co. CP	9.90-10
1Y PSU Bank CD	10-10.10
1Y NBFC CP	10.25-10.50
1Y Manufacturing co. CP	10.25-10.50
5Y AAA Institutional Bond	9.50-9.60
10Y AAA Institutional Bond	9.70-9.80

Source: Bloomberg

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

Risk Control:

Risk is an inherent part of the investment function. Effective risk management is critical to fund management for achieving financial soundness. Since investing requires disciplined risk management, the AMC would incorporate adequate safeguards for controlling risks in the portfolio construction process. The risk control process involves reducing risks through portfolio diversification; The AMC believes that this diversification would help achieve the desired level of consistency in returns. The AMC aims to identify securities, which offer superior levels of yield at lower levels of risks. With the aim of controlling risks, rigorous in-depth credit evaluation of the securities proposed to be invested in will be carried out by the investment team of the AMC. Risk control would involve managing risk in order to keep it in line with the investment objective of the Scheme. AMC has implemented the Bloomberg Portfolio Order Management System as Front Office System

(FOS) for this purpose The system has incorporated all the investment restrictions as per SEBI guidelines and “soft” warning alerts at appropriate levels for preemptive monitoring. The system enables identifying & measuring the risk through various risk measurement tools like various risk ratios, average duration and analyzes the same and acts in a preventive manner.

INVESTMENT BY THE AMC IN THE SCHEME

Subject to the Regulations, the AMC may invest either directly or indirectly, in the Scheme during the Ongoing Offer Period. However, the AMC shall not charge any investment management fee on such investment in the Scheme.

F: FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the Scheme, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

(i) Type of a Scheme

(ii) Investment Objective

(iii) Terms of Issue

- Liquidity provisions such as listing, Repurchase, Redemption.
- Aggregate fees and expenses charged to the scheme.
- Any safety net or guarantee provided.

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustee shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unit holders is carried out unless:

- 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
- The Unit holders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE ?

The performance of the Scheme will be benchmarked with Crisil Liquid fund index

Justification for use of benchmark

The Scheme intends to invest in a portfolio of instruments which is best captured by Crisil Liquid Fund Index. The constituents and weights of CRISIL Liquid Fund Index are as under:

Constituents	Applicable from January 17, 2011 Weights (%)
CBLO Return	25.00

CP Return	13.80
CD Return	61.20
Total	100.00

Crisil Liquid Fund Index is a realistic estimate to track the returns of a Liquid Fund at a particular return and risk level and hence is used as a benchmark by most market participants.

The Trustee reserves the right to change the benchmark for the evaluation of the performance of the Scheme from time to time, keeping in mind the investment objective of the Scheme and the appropriateness of the benchmark, subject to the Regulations and other prevalent guidelines.

H. WHO MANAGES THE SCHEME?

The Scheme will be managed by Mr. Ninad Deshpande and Mr. R. Sivakumar

Name of Fund Manager	Age and Qualification	Experience of the Fund Manager in the last 10 years	Names of other schemes under his management
Mr. Ninad Deshpande	34 BE, MMS Finance	<p>Mr. Ninad Deshpande has over 10 years of experience in Treasury Management and Fixed Income Markets.</p> <ul style="list-style-type: none"> • Fund Manager – Fixed Income, Axis Asset Management Co. Ltd.(June 2009 till date) • Lead Portfolio Manager – Fixed Income, Goldman Sachs Asset Management India Pvt. Ltd(April 2008 till May 2009) • AVP – Fixed Income, Franklin Templeton Asset Management India Pvt. Ltd.(April 2004 till April 2008) • Deputy Manager-Treasury, Bank of Bahrain & Kuwait(March 2003 to April 2004) • Deputy Manager-Treasury, SBI DFHI Ltd.erstwhile SBI Gilts Ltd (June 2001 to March 	Axis Treasury Advantage Fund, Axis Short Term Fund and Axis Fixed Term Plan – Series 11, 12, 13 and Axis Dynamic Bond Fund (along with Mr. R. Sivakumar)

		2003)	
Mr. R. Sivakumar	35 Bachelor of Technology, IIT, Madras PGDM, IIM, Ahmedabad)	<ul style="list-style-type: none"> • Head – Fixed Income & Products, Axis Asset Management Co. Ltd.(September 02, 2010 – till date) • Fund Manager – PMS, Axis Asset Management Co. Ltd.(August 2009 till September 01 2010) • Chief Operating Officer, Fortis Investment Management (India) Pvt. Ltd. - previously known as ABN AMRO Asset Management (India) Private Limited (Last position held – Chief Operating Officer. Previous roles included Fund Manager – Fixed Income, VP – Product Development and Portfolio Management and Head – Structured Products.) (April 2004 – July 2009) • Fund Manager – Fixed Income, Sundaram Asset Management Company Limited (January 2001 – March 2004) • Research Analyst, Zurich Asset Management (India) Private Limited (December 1999 – December 2000) 	Axis Treasury Advantage Fund, Axis Short Term Fund, Axis Fixed Term Plan – Series 11, 12, 13 and Axis Dynamic Bond Fund (along with Mr. Ninad Deshpande), Axis Triple Advantage Fund (along with Mr. Chandresh Nigam and Mr. Sudhanshu Asthana), Axis Income Saver (along with Mr. Pankaj Murarka),

Presently, the Trustee/AMC has not designated a dedicated Fund Manager for investment in Foreign Securities. However, it shall be ensured that there is a dedicated fund manager for investment in foreign securities as and when the fund makes investment in foreign securities.

I. WHAT ARE THE INVESTMENT RESTRICTIONS?

Pursuant to Regulations, specifically the Seventh schedule and amendments thereto, the following investment restrictions are currently applicable to the Scheme:

1. The Scheme shall not invest more than 15% of its NAV in debt instruments issued by a single issuer, which are rated not below investment grade by a credit rating agency authorized to carry out such activities under the SEBI Act, 1992. Such investment limit may be extended to 20% of the NAV of the Scheme with the prior approval of the Board of Trustee and the Board of AMC.

Provided that such limit shall not be applicable for investment in Government Securities and Money Market Instruments.

Provided that in case of investment in money market Instruments, the Scheme shall not invest more than 30% of its net assets in Money Market Instruments issued by a single issuer. The limit shall not be applicable to investment in CBLOs.

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

2. The Scheme shall not invest more than 10% of its NAV in un-rated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the Scheme.

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

3. The Scheme may invest in other schemes of the Mutual Fund or any other mutual fund (restricted to only debt and liquid funds) without charging any fees, provided the aggregate inter-scheme investment made by all the schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the Net Asset Value of the Mutual Fund.

4. The Scheme shall not make any investment in :
 - a) any unlisted security of an associate or group company of the sponsor; or
 - b) any security issued by way of private placement by an associate or group company of the sponsor; or
 - c) the listed securities of group companies of the sponsor which is in excess of 25% of the net assets.

5. The Mutual Fund shall get the securities purchased transferred in the name of the Fund on account of the concerned Scheme, wherever investments are intended to be of a long-term nature.

6. Transfer of investments from one scheme to another scheme in the same Mutual Fund is permitted provided:
 - a) such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and
 - b) the securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfer has been made.

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

The Mutual Fund may engage in Short Selling of securities in accordance with the framework relating to Short Selling and securities lending and borrowing specified by SEBI.

The Mutual Fund may enter into Derivatives transactions in a recognized stock exchange, subject to the framework specified by SEBI.

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

8. The Scheme shall not make any investment in any fund of funds scheme.
9. Pending deployment of the funds of the Scheme in securities in terms of the investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007 as may be amended from time to time:

The Scheme will comply with the following guidelines/restrictions for parking of funds in short term deposits:

- i. "Short Term" for such parking of funds by the Scheme shall be treated as a period not exceeding 91 days. Such short-term deposits shall be held in the name of the Scheme.
- ii. The Scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustee.
- iii. Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
- iv. The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
- v. The Scheme shall not park funds in short term deposit of a bank which has invested in that Scheme.

However, the above provisions will not apply to term deposits placed as margins for trading in cash and Derivatives market.

10. The Scheme shall not advance any loans.
11. The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of Repurchase/Redemption of Unit or payment of interest and/or Dividend to the Unit holder.

The Fund shall not borrow more than 20% of the net assets of the individual Scheme and the duration of the borrowing shall not exceed a period of 6 months.

12. Further, SEBI vide its circular no. Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010 has prescribed the following investment restrictions w.r.t. investment in derivatives:

S. No.	Particulars								
1	The cumulative gross exposure through debt and derivative positions shall not exceed 100% of the net assets of the scheme. Cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure.								
2	The Scheme shall not write options or purchase instruments with embedded written options.								
3	The total exposure related to option premium paid shall not exceed 20% of the net assets of the scheme.								
4	<p>Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:</p> <ul style="list-style-type: none"> a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains. b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1. c. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged. d. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken. 								
5	Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.								
6	<p>Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:</p> <table border="1"> <thead> <tr> <th>Position</th><th>Exposure</th></tr> </thead> <tbody> <tr> <td>Long Future</td><td>Futures Price * Lot Size * Number of Contracts</td></tr> <tr> <td>Short Future</td><td>Futures Price * Lot Size * Number of Contracts</td></tr> <tr> <td>Option bought</td><td>Option Premium Paid * Lot Size * Number of Contracts.</td></tr> </tbody> </table>	Position	Exposure	Long Future	Futures Price * Lot Size * Number of Contracts	Short Future	Futures Price * Lot Size * Number of Contracts	Option bought	Option Premium Paid * Lot Size * Number of Contracts.
Position	Exposure								
Long Future	Futures Price * Lot Size * Number of Contracts								
Short Future	Futures Price * Lot Size * Number of Contracts								
Option bought	Option Premium Paid * Lot Size * Number of Contracts.								
7	The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases shall not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions shall not exceed 10% of the net assets of the scheme.								

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The Scheme will comply with the other Regulations applicable to the investments of Mutual Funds from time to time.

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

Apart from the Investment Restrictions prescribed under the Regulations, internal risk parameters for limiting exposure to a particular scrip or sector may be prescribed from time to time to respond to the dynamic market conditions and market opportunities.

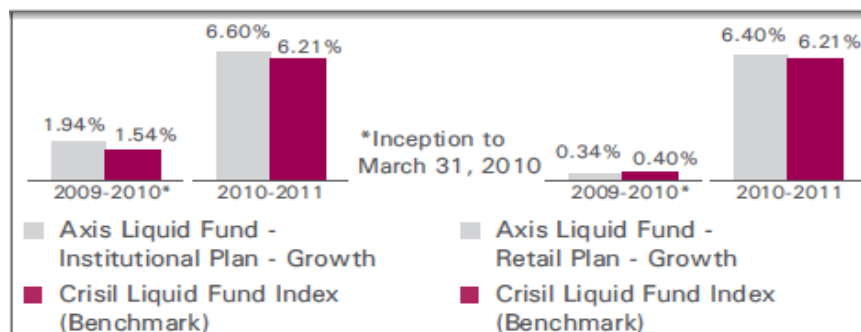
The AMC/Trustee may alter these above stated restrictions from time to time to the extent the Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its respective investment objective.

J. HOW HAS THE SCHEME PERFORMED?

Performance of the Scheme as at May 31, 2011 is as follows:

	Axis Liquid Fund - Institutional Plan		Axis Liquid Fund - Retail Plan	
Period	Scheme Returns	Benchmark Returns	Scheme Returns	Benchmark Returns
1 year	7.28%	6.90%	7.07%	6.90%
Since Inception	6.09%	5.50%	6.53%	6.32%

Absolute returns for the past two financial years



Date of Allotment - 9 October, 2009

Past performance may or may not be sustained in future.

Returns are compounded annualized for period more than or equal to 1 year. Since inception returns are calculated on Rs. 1000 invested at inception. Calculations are based on Growth Option NAVs. Since inception returns for Institutional Plan - Growth Option & Retail Plan - Growth Option are calculated from 9th October 2009 & 1st March 2010 respectively. Retail Plan introduced on 2nd March 2010.

III. UNITS AND OFFER

This section provides details you need to know for investing in the Scheme.

A. NEW FUND OFFER (NFO)

<p>New Fund Offer Period</p> <p>This is the period during which a new Scheme sells its Unit to the Investors.</p>	<p>The New Fund Offer opened on October 8, 2009 and closed on October 8, 2009. The units under the Scheme were allotted on October 9, 2009.</p>
<p>New Fund Offer Price:</p> <p>This is the price per Unit that the Investors have to pay to invest during the NFO.</p>	<p>Not Applicable</p>
<p>Minimum Amount for Application/Switch in the NFO</p>	<p>Not Applicable</p>
<p>Minimum Target amount</p> <p>This is the minimum amount required to operate the Scheme and if this is not collected during the NFO period, then all the Investors would be refunded the amount invested without any return. However, if the AMC fails to refund the amount within 6 weeks, interest as specified by SEBI (currently 15% p.a.) will be paid to the Investors from the expiry of six weeks from the date of closure of the Subscription period.</p>	<p>Not Applicable</p>
<p>Maximum Amount to be raised (if any)</p>	<p>Not Applicable</p>
<p>Plans / Options offered</p>	<p>The Scheme offers the following Plans:</p>

- 1) Retail Plan
- 2) Institutional Plan

Both plans will have a common portfolio.

Each Plan offers the following Options:

- Growth option
- Dividend option

Options	Sub-options	Frequency of dividend	Record date
Growth	Nil	NA	NA
Dividend	Daily(Re-investment)	Daily (every day)	Daily
	Weekly (payout and Reinvestment)	Weekly	Every Monday*
	Monthly (payout and reinvestment)	Monthly	25 th of the month*

*Next Business day if such day happens to be a non-business day.

The Trustee/AMC reserves the right to change the record date from time to time.

If Dividend payable under Dividend Payout option (Weekly Option) is equal to or less than Rs. 25, 000/- then the Dividend would be compulsorily reinvested in the option of the Scheme.

Where Dividend payable under Dividend Payout option (Monthly Option) is equal to or less than Rs. 500/- then the Dividend would be compulsorily reinvested in the option of the Scheme.

The Investors should indicate plan/option for which Subscription is made by indicating the choice in the appropriate box provided for this purpose in the application form. In case of valid application received without any choice of plan/option/facility, the following default plan/option/facility will be considered;

Default plan

Default plan in case of fresh purchase

Where investment amount is Rs. 1crore or more, the default plan will be institutional plan. Where investment amount is less than Rs. 1 crore, the default plan would be retail plan.

Default plan in case of additional purchase

Where investment amount is Rs. 1 lac or more, the default plan will be

	<p>institutional plan. Where investment amount is less than Rs. 1 lac, the default plan would be retail plan.</p> <p>Default option</p> <p>Default Option – Growth</p> <p>Default dividend frequency – Daily Option</p> <p>Default between Payout & Reinvestment Option - Reinvestment</p> <p>Growth option</p> <p>Dividends will not be declared under this option. The income attributable to Units under this option will continue to remain invested in the scheme and will be reflected in the NAV of Units under this option.</p> <p>Dividend option</p> <p>Under this option, Dividends will be declared (subject to deduction of tax at source, if any) at specified frequencies at the discretion of the Trustee, subject to availability of distributable surplus calculated in accordance with SEBI (MF) Regulations. On payment of Dividend, the NAV of the Unit under Dividend option will fall to the extent of the Dividend payout and applicable statutory levies, if any.</p> <p>It must be distinctly understood that the actual declaration of Dividend and frequency thereof is at the sole discretion of the Trustee. There is no assurance or guarantee to the Unit holders as to the rate of Dividend distribution nor that will the Dividend be paid regularly. The Trustee reserves the right to declare a Dividend at any other frequency in addition to the frequencies mentioned above.</p> <p>Dividend Payout Facility</p> <p>Under this facility, Dividend declared, if any, will be paid (subject to deduction of Dividend distribution tax and statutory levy, if any) to those Unit holder, whose names appear in the register of Unit holders on the notified record date.</p> <p>Dividend Reinvestment Facility</p> <p>Under this facility, the Dividend due and payable to the Unit holders will be compulsorily and without any further act by the Unit holder, reinvested in the respective Dividend option at a price based on the prevailing ex-Dividend Net Asset Value per Unit. The amount of Dividend re-invested will be net of tax deducted at source, wherever applicable. The Dividends so reinvested shall constitute a constructive payment of Dividends to the Unit holders and a constructive receipt of the same amount from each Unit holder for reinvestment in Units.</p> <p>On reinvestment of Dividends, the number of Units to the credit of Unit holder will increase to the extent of the Dividend reinvested divided by the Applicable NAV. There shall, however, be no Load on the Dividend so reinvested.</p>
Dividend Policy	Under the Dividend option, the Trustee will endeavour to declare the

	<p>Dividend as per the specified frequencies, subject to availability of distributable surplus calculated in accordance with the Regulations. The actual declaration of Dividend and frequency will inter-alia, depend on availability of distributable surplus calculated in accordance with SEBI (MF) Regulations and the decisions of the Trustee shall be final in this regard. There is no assurance or guarantee to the Unit holders as to the rate of Dividend nor that the Dividend will be paid regularly.</p> <p>The AMC/Trustee reserves the right to change the frequency of declaration of Dividend or may provide for additional frequency for declaration of Dividend.</p> <p>Dividend Distribution Procedure</p> <p>In accordance with SEBI Circular no. SEBI/ IMD/ Cir No. 1/ 64057/06 dated April 4, 2006, the procedure for Dividend distribution would be as under:</p> <ol style="list-style-type: none"> 1. Quantum of Dividend and the record date will be fixed by the Trustee. Dividend so decided shall be paid, subject to availability of distributable surplus. 2. Within one calendar day of decision by the Trustee, the AMC shall issue notice to the public communicating the decision about the Dividend including the record date, 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. 3. Record date shall be the date, which will be considered for the purpose of determining the eligibility of Investors whose names appear on the register of Unit holders for receiving Dividends. The Record Date will be 5 calendar days from the date of issue of notice. 4. The notice will, in font size 10, bold, categorically state that pursuant to payment of Dividend, the NAV of the Scheme would fall to the extent of payout and statutory levy (if applicable). 5. The NAV will be adjusted to the extent of Dividend distribution and statutory levy, if any, at the close of Business Hours on record date. 6. Before the issue of such notice, no communication indicating the probable date of Dividend declaration in any manner whatsoever will be issued by Mutual Fund. However, the requirement of giving notice shall not be applicable for Dividend options having frequency up to one month.
Allotment	Not Applicable
Refund	Not Applicable
Who can invest This is an indicative list and you are requested to consult	<p>The following persons (subject to, wherever relevant, purchase of unit of Mutual Funds, being permitted under respective constitutions, and relevant statutory regulations) are eligible and may apply for Subscription to the Unit of the Scheme:</p> <ol style="list-style-type: none"> 1. Resident adult individuals either singly or jointly (not exceeding

<p>your financial advisor to ascertain whether the Scheme is suitable to your risk profile.</p>	<p>three) or on an Anyone or Survivor basis;</p> <ol style="list-style-type: none"> 2. Hindu Undivided Family (HUF) through Karta; 3. Minor through parent / legal guardian; 4. Partnership Firms; 5. Limited Liability Partnerships 6. Proprietorship in the name of the sole proprietor; 7. Companies, Bodies Corporate, Public Sector Undertakings (PSUs.), Association of Persons (AOP) or Bodies of Individuals (BOI) and societies registered under the Societies Registration Act, 1860(so long as the purchase of Unit is permitted under the respective constitutions; 8. Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions; 9. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as "Public Securities" as required) and Private trusts authorised to invest in mutual fund schemes under their trust deeds; 10. Non-Resident Indians (NRIs) / Persons of Indian origin (PIOs) residing abroad on repatriation basis or on non-repatriation basis; 11. Foreign Institutional Investors (FIIs) and their sub-accounts registered with SEBI on repatriation basis; 12. Army, Air Force, Navy and other para-military units and bodies created by such institutions; 13. Scientific and Industrial Research Organisations; 14. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / RBI 15. Provident/ Pension/ Gratuity Fund to the extent they are permitted; 16. Other schemes of Axis Mutual Fund or any other mutual fund subject to the conditions and limits prescribed by SEBI Regulations; 17. Trustee, AMC or Sponsor or their associates may subscribe to Units under the Scheme(s); 18. Such other person as maybe decided by the AMC from time to time.
<p>Who cannot invest</p>	<ol style="list-style-type: none"> 1. Any individual who is a foreign national or any other entity that is not an Indian resident under the Foreign Exchange Management Act, 1999 (FEMA Act) except where registered with SEBI as a FII or sub account of FII or otherwise explicitly permitted under FEMA Act/ by RBI/ by any other applicable authority. 2. Pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) can not invest in Mutual Funds. 3. NRIs residing in Non-Compliant Countries and Territories (NCCTs) as determined by the Financial Action Task Force (FATF), from time to time. 4. Such other persons as may be specified by AMC from time to time.

Where can you submit the filled up applications.	Not Applicable
How to Apply	Please refer to the SAI and Application form for the instructions.
Listing	Axis Liquid Fund is an open ended Liquid Scheme under which Sale and Repurchase will be made on a continuous basis and therefore listing on stock exchanges is not envisaged. However, the Trustee reserves the right to list the Units as and when open-end Schemes are permitted to be listed under the Regulations, and the Trustee considers it necessary in the interest of Unit holders of the Fund.
Special Products / facilities available during the NFO	Not Applicable
The policy regarding reissue of Repurchased Units, including the maximum extent, the manner of reissue, the entity (the Scheme or the AMC) involved in the same.	Units once redeemed will be extinguished and will not be reissued.
Restrictions, if any, on the right to freely retain or dispose of Units being offered.	<p>Pledge of Units</p> <p>The Unit under the Scheme (subject to completion of Lockin Period, if any) may be offered as security by way of a pledge / charge in favour of scheduled banks, financial institutions, non-banking finance companies (NBFCs), or any other body. The AMC and / or the ISC will note and record such Pledged Units. The AMC shall mark a lien only upon receiving the duly completed form and documents as it may require. Disbursement of such loans will be at the entire discretion of the bank / financial institution / NBFC or any other body concerned and the Mutual Fund assumes no responsibility thereof.</p> <p>The Pledger will not be able to redeem Units that are pledged until the entity to which the Unit are pledged provides written authorisation to the Mutual Fund that the pledge / lien charge may be removed. As long as Unit are pledged, the Pledgee will have complete authority to redeem such Units. Dividends declared on Units under lien will be paid / re-invested to the credit of the Unit Holder and not the lien holder unless specified otherwise in the lien letter.</p> <p>Lien on Units</p> <p>On an ongoing basis, when existing and new investors make Subscriptions, a lien on Units allotted will be created and such Unit shall not be available for redemption until the payment proceeds are realised by the Scheme. In case a Unit holder redeems Units soon after making purchases, the redemption cheque will not be dispatched until sufficient time has elapsed to provide reasonable assurance that cheques or drafts for Unit purchased have been cleared.</p> <p>In case the cheque / draft is dishonoured by the bank, the transaction shall be reversed and the Units allotted earlier shall be cancelled, and a</p>

	<p>fresh Account Statement / Confirmation slip shall be dispatched to the Unit holder. For NRIs, the Scheme may mark a lien on Unit in case documents which need to be submitted are not given in addition to the application form and before the submission of the redemption request. However, the AMC reserves the right to change operational guidelines for lien on Unit from time to time.</p> <p>Right to Limit Redemptions</p> <p>The Trustee may, in the general interest of the Unit holders of the Scheme and when considered appropriate to do so based on unforeseen circumstances / unusual market conditions, limit the total number of Units which may be redeemed on any Business Day to 5% of the total number of Units then in issue under the Scheme and option(s) thereof or such other percentage as the Trustee may determine. Any Units which consequently are not redeemed on a particular Business Day will be carried forward for Redemption to the next Business Day, in order of receipt. Redemptions so carried forward will be priced on the basis of the Applicable NAV (subject to the prevailing Load, if any) of the Business Day on which Redemption is made. Under such circumstances, to the extent multiple Redemption requests are received at the same time on a single Business Day, redemptions will be made on a prorata basis based on the size of each Redemption request, the balance amount being carried forward for Redemption to the next Business Day. In addition, the Trustee reserves the right, in its sole discretion, to limit redemptions with respect to any single account to an amount of Rs. 1,00,000/- in a single day.</p> <p>Also refer to the section 'Suspension of Purchase and Redemption of Units' in the Statement of Additional Information.</p>
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B. ONGOING OFFER DETAILS

<p>Ongoing Offer Period</p> <p>This is the date from which the Scheme will reopen for Subscriptions/Redemptions after the closure of the NFO period.</p>	<p>The Scheme has reopened for continuous subscription and redemption from October 12, 2009.</p>
<p>Ongoing price for Subscription (purchase)/Switch-in (from other Schemes/Plans of the Mutual Fund) by investors.</p> <p>This is the price you need to pay for purchase/Switch-in.</p>	<p>At the Applicable NAV</p>

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<p>Ongoing price for Redemption (sale) /Switch outs (to other schemes/plans of the Mutual Fund) by Investors.</p> <p>This is the price you will receive for redemptions/Switch outs.</p>	<p>At the Applicable NAV subject to prevailing exit load.</p> <p>Ongoing price for redemption /Switch out (to other Schemes/Plans of the Mutual Fund) is price which a Unit holder will receive for redemption/Switch-outs. During the continuous offer of the Scheme, the Unit holder can redeem the Units at Applicable NAV, subject to payment of Exit Load, if any. It will be calculated as follows:</p> <p>Redemption Price = Applicable NAV*(1-Exit Load, if any) Example: If the Applicable NAV is Rs. 10, Exit Load is 2% then redemption price will be: = Rs. 10* (1-0.02) = Rs. 9.80</p> <p>Investors/Unit holders should note that the AMC/Trustee has right to modify existing Load structure and to introduce Loads subject to a maximum limits prescribed under the Regulations.</p> <p>Any change in Load structure will be effective on prospective basis and will not affect the existing Unit holder in any manner.</p> <p>However, the Mutual Fund will ensure that the Redemption Price will not be lower than 93% of the Applicable NAV provided that the difference between the Redemption Price and the Subscription /Purchase Price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time, which is currently 7% calculated on the Subscription/ Purchase Price. The Purchase Price shall be at applicable NAV.</p>
<p>Cut off timing for Subscriptions/ redemptions/ Switches</p> <p>This is the time before which your application (complete in all respects) should reach the Official Points of Acceptance.</p>	<p>(i) Subscriptions/Purchases including Switch - ins:</p> <ol style="list-style-type: none"> where the application is received upto 2.00 p.m. on a day and funds are available for utilization before the cut-off time without availing any credit facility, whether, intra-day or otherwise – the closing NAV of the day immediately preceding the day of receipt of application; where the application is received after 2.00 p.m. on a day and funds are available for utilization on the same day without availing any credit facility, whether, intra-day or otherwise – the closing NAV of the day immediately preceding the next business day ; and irrespective of the time of receipt of application, where the funds are not available for utilization before the cut-off time without availing any credit facility, whether, intra-day or otherwise – the closing NAV of the day immediately preceding the day on which the funds are available for utilization. <p>For allotment of units in respect of purchase in to the scheme, it shall be ensured that:</p> <ol style="list-style-type: none"> Application is received before the applicable cut-off time.

	<p>ii. Funds for the entire amount of subscription/purchase as per the application are credited to the bank account of the scheme before the cut-off time.</p> <p>iii. The funds are available for utilization before the cut-off time without availing any credit facility whether intra-day or otherwise, by the scheme.</p> <p>For allotment of units in respect of switch-in to the scheme from other schemes, it shall be ensured that:</p> <p>i. Application for switch-in is received before the applicable cut-off time.</p> <p>ii. Funds for the entire amount of subscription/purchase as per the switch-in request are credited to the bank account of the scheme before the cut-off time.</p> <p>iii. The funds are available for utilization before the cut-off time without availing any credit facility whether intra-day or otherwise, by the respective switch-in schemes.</p> <p>ii) Redemptions including Switch - outs:</p> <p>a. In respect of valid applications received upto 3.00 p.m. – the closing NAV of the day immediately preceding the next Business Day ; and</p> <p>b. In respect of valid applications received after 3 p.m. by the Mutual Fund, the closing NAV of the next Business Day shall be applicable.</p>
Where can the applications for purchase/redemption Switches be submitted?	Refer Back Cover Page
Minimum amount for purchase/Redemption /Switches	<p>Minimum amount for purchase/Switch in Retail Plan - Rs. 5,000 in multiples of Re. 1/- thereafter Institutional Plan – Rs. 1 crore and in multiples of Re. 1/- thereafter</p> <p>Minimum Additional Purchase Amount Retail Plan - Rs.1000 and in multiples of Re. 1/- thereafter Institutional Plan – Rs. 1 lac and in multiples of Re. 1/- thereafter</p> <p>Minimum application amount is applicable at the time of creation of new folio and at the time of first investment in a plan.</p> <p>Minimum Redemption Amount/Switch Out Minimum Redemption - Rs. 1000 or 1 Unit in respect of each Option. In case the Investor specifies the number of Units and amount the number of Units shall be considered for Redemption. In case the Unit holder does not specify the number or amount, the request will not be processed.</p>

	<p>Note:</p> <ul style="list-style-type: none"> For existing unit holders (who will be categorized as investors under the 'Institutional Plan') the enhanced minimum additional application amount under the 'Institutional Plan' will be applicable. In case plan is not mentioned then units will be allotted according to his additional application amount (subject to fulfillment of the minimum application amount criteria under the retail plan for the initial investment i.e. If amount is Rs.5000 and above but below Rs.1 Lakh – Retail Plan and If amount is Rs. 1 Lakh and above – Institutional Plan). Once the investor holds units in retail and institutional plan, he can make additional purchases in either plan subject to fulfillment of additional application amount criteria of the desired plan(as stated in the application). In case he does not mention any plan, the units will be allotted according to his application amount. Application will be rejected where he does not fulfill the minimum additional application amount criteria of the desired plan.
Minimum balance to be maintained and consequences of non maintenance.	<p>Currently, there is no minimum balance requirement.</p> <p>However, the AMC / Trustee may decide to introduce minimum balance requirements later, if they so deem fit. In such case, in the event of non-maintenance of minimum balance for any particular situations, the Units may be compulsorily redeemed.</p> <p>In case balance in the account of the Unit holder does not cover the amount of Redemption request, then the Mutual Fund is authorized to redeem all the Units in the folio and send the Redemption proceeds to the Unit holder.</p>
Special Products available	<p>SIP facility is not available under the Scheme.</p> <p>Systematic Transfer Plan This facility will be available to the investors only during the Ongoing Offer period.</p> <p>Investors can opt for the Systematic Transfer Plan by investing a lumpsum amount in one scheme of the fund and providing a standing instruction to transfer sums at regular intervals [Weekly option (every Wednesday), Fortnightly (every alternative Wednesday), Monthly(on specified dates i.e. 1st, 7th, 10th, 15th, 25th of every month) into any other scheme(as maybe permitted by the Scheme Information Document of the respective schemes) of Axis Mutual Fund. Investors could also opt for STP from an existing account by quoting their account / folio number. The investors would have to opt for a minimum of 6 transfers of Rs. 1000 in any of the frequencies.</p> <p>A minimum period of 7 days shall be required for registration under STP.</p> <p>Units will be allotted/redeemed at the applicable NAV of the respective dates of the Scheme on which such investments/withdrawals are</p>

	<p>sought from the Scheme.</p> <p>The AMC reserves the right to introduce STPs at any other frequencies or on any other dates as the AMC may feel appropriate from time to time. In the event that such a day is a Holiday, the transfer would be affected on the next Business Day.</p> <p>The STP may be terminated on a written notice of 7 days by a Unit holder of the Scheme and it will terminate automatically if all Units are liquidated or withdrawn from the account or upon the Funds' receipt of notification of death or incapacity of the Unit holder.</p> <p>Further, in case of a last STP, where the balance amount is less than the STP amount, the entire amount will be transferred to the transferee scheme.</p> <p>Switching Options</p> <p>(a) Inter - Scheme Switching option</p> <p>Unit holders under the Scheme have the option to Switch part or all of their Unit holdings in the Scheme to any other Scheme offered by the Mutual Fund from time to time. The Mutual Fund also provides the Investors the flexibility to Switch their investments from any other scheme(s) / plan (s) offered by the Mutual Fund to this Scheme. This option will be useful to Unit holders who wish to alter the allocation of their investment among the scheme(s) / plan(s) of the Mutual Fund in order to meet their changed investment needs.</p> <p>The Switch will be effected by way of a Redemption of Units from the Scheme at Applicable NAV, subject to Exit Load, if any and reinvestment of the Redemption proceeds into another Scheme offered by the Mutual Fund at Applicable NAV and accordingly the Switch must comply with the Redemption rules of the Switch out Scheme and the Subscription rules of the Switch in Scheme.</p> <p>(b) Intra -Scheme Switching plan/option</p> <p>Unit holders under the Scheme have the option to Switch their Unit holding from one plan/option to another plan/option (i.e. Retail to Institutional, Growth to Dividend and vice-a-versa). The Switches would be done at the Applicable NAV based prices and the difference between the NAVs of the two plans/options will be reflected in the number of Units allotted.</p> <p>Switching shall be subject to the applicable "Cut off time and Applicable NAV" stated elsewhere in the Scheme Information Document. In case of "Switch" transactions from one scheme to another, the allocation shall be in line with Redemption payouts.</p> <p>Transaction on Fax.</p> <p>In order to facilitate quick processing of transaction and / or instruction of investment of investor the AMC/ Trustee/ Mutual Fund Fund may (at its sole discretion and without being obliged in any manner to do so</p>
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	<p>and without being responsible and/ or liable in any manner whatsoever) accept and process any application, supporting documents and / or instructions submitted by an investor / Unit holder by facsimile (Fax Submission) and the investor / Unit holder voluntarily and with full knowledge takes and assumes any and all risk associated therewith. The AMC / Trustee/ Mutual Fund shall have no obligation to check or verify the authenticity or accuracy of Fax Submission purporting to have been sent by the investor and may act thereon as if same has been duly given by the investor. In all cases the investor will have to immediately submit the original documents/ instruction to AMC/ Mutual Fund.</p> <p>Online Transactions</p> <p>Axis Mutual Fund will allow Transactions including by way of Redemption / Switch out of Units by electronic mode through the AMC website. The Redemption proceeds, (subject to deduction of tax at source, if any) through this mode, are directly credited to the bank account of the Investors who have an account at the designated banks with whom the AMC has made arrangements from time to time or through NEFT/RTGS or through cheque/Payorder/Demand draft issuance. The AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.</p> <p>For details of the facility, investors are requested to refer to the website of the AMC.</p> <p>Easy Call Facility</p> <p>All individual investors in the scheme applying on "Sole" or "Anyone or Survivor" basis in their own capacity shall be eligible to avail of Easy Call facilities for permitted transactions inter alia on the following terms and conditions: "Terms and Conditions" mean the terms and conditions set out below by which the Facility shall be used/availed by the Investor/s and shall include all modifications and supplements made by AMC thereto from time to time.</p> <p>Axis Mutual Fund will allow transactions including by way of Redemption / Switch out of Units over phone. Initial Investment has to be through the physical mode wherein he has to sign a one time debit mandate for bank accounts pertaining to designated banks with which the AMC may have an arrangement. This facility is extended to the bank with which the Fund would have an arrangement from time to time. Investor will be allowed transactions over phone after 30 days from the date of submission of one time mandate. Investor will not be permitted to avail the Easy call facility for Redemptions/Switch transactions if bank mandate is changed with in last 15 days. AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.</p> <p>The AMC has a right to ask such information (Key Information) from the available data of the Investor/s before allowing him access to avail the Facility. If for any reason, the AMC is not satisfied with the replies of the Investor/s, the AMC has at its sole discretion the right of refusing access</p>
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	<p>without assigning any reasons to the Investor/s.</p> <p>It is clarified that the Facility is only with a view to accommodate /facilitate the Investor/s and offered at the sole discretion of the AMC. The AMC is not bound and/or obliged in any way to give access to Facility to Investor/s.</p> <p>The Investor/s shall check his/her account records carefully and promptly. If the Investor/s believes that there has been a mistake in any transaction using the Facility, or that unauthorized transaction has been effected, the Investor/s shall notify the AMC immediately. If the Investor/s defaults in intimating the discrepancies in the statement within a period of fifteen days of receipt of the statements, he waives all his rights to raise the same in favour of the AMC, unless the discrepancy /error is apparent on the face of it. By opting for the facility the Investor/s hereby irrevocably authorizes and instructs the AMC to act as his /her agent and to do all such acts as AMC may find necessary to provide the Facility.</p> <p>The Investor/s shall at all times be bound by any modifications and/or variations made to these Terms and Conditions by the AMC at their sole discretion and without notice to them.</p> <p>The Investor/s agrees and confirms that the AMC has the right to ask the Investor/s for an oral or written confirmation of any transaction request using the Facility and/or any additional information regarding the Account of the Investor/s.</p> <p>The Investor/s agrees and confirms that the AMC may at its sole discretion suspend the Facility in whole or in part at any time without prior notice.</p> <p>The Investor/s shall not assign any right or interest or delegate any obligation arising herein.</p> <p>The Investor/s shall take responsibility for all the transactions conducted by using the Facility and will abide by the record of transactions generated by the AMC. Further, the Investor/s confirms that such records generated by the AMC shall be conclusive proof and binding for all purposes and may be used as evidence in any proceedings and unconditionally waives all objections in this behalf.</p> <p>The Investor/s agrees that use of the Facility will be deemed acceptance of the Terms and Conditions and the Investor/s will unequivocally be bound by these Terms and Conditions. The Investor agrees that all calls received shall be eligible for same day NAV subject to necessary formalities to be complied by the AMC in case of transaction through Easy Call Facility on or before the uniform cut off time.</p> <p>Requests like change in bank mandate, change of nomination, change in mode of holding, change of address or such other requests as the</p>
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	<p>AMC may decide from time to time will not be permitted using the Easy Call facility.</p> <p>INDEMNITIES IN FAVOUR OF THE AMC: The Investor/s shall not hold the AMC liable for the following:</p> <ol style="list-style-type: none"> 1) For any transaction using the Facilities carried out in good faith by the AMC on instructions of the Investor/s. 2) For the unauthorized usage/unauthorized transactions conducted by using the Facility. 3) For any loss or damage incurred or suffered by the Investor/s due to any error, defect, failure or interruption in the provision of the Facility arising from or caused by any reason whatsoever. 4) For any negligence / mistake or misconduct by the Investor/s. 5) For any breach or non-compliance by the Investor/s of the rules/terms and conditions stated in this Document. 6) For accepting instructions given by any one of the Investor/s in case of joint account/s having mode of operations as "Either or Survivor" or "anyone or survivor". 7) For not verifying the identity of the person giving the telephone instructions in the Investor/s name. 8) For not carrying out any such instructions where the AMC has reason to believe (which decision of the AMC the Investor/s shall not question or dispute) that the instructions given are not genuine or are otherwise improper, unclear, vague or raise a doubt. 9) For carrying out a transaction after such reasonable verification as the AMC may deem fit regarding the identity of the Investor/s 10) In case of error in NAV communication. 11) For accepting instructions given by any one of the Investor/s or his / her authorized person. <p>MISCELLANEOUS:</p> <ol style="list-style-type: none"> 1) The Investor/s agrees and understands that while this Facility is being introduced without any charges being levied; in case charges are to be levied on a future date he agrees to pay such charges and nonpayment in such an event can lead to termination of these services. 2) Any dispute arising out of or in connection with these Terms and Conditions, will be referred to the arbitration of a sole arbitrator to be appointed by the AMC, in accordance with the
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	<p>Arbitration & Conciliation Act, 1996.</p> <p>3) These Terms and Conditions are subject to applicable SEBI (Mutual Funds) Regulations, 1996 as amended from time to time and includes Guidelines, Circular press release or Notification that may be issued.</p> <p>Application via electronic mode: Subject to the Investor fulfilling certain terms and conditions stipulated by the AMC as under, Axis Asset Management Company Limited, Axis Mutual Fund or any other agent or representative of the AMC, Mutual Fund, the Registrar & Transfer Agents may accept transactions through any electronic mode including fax/web transactions as permitted by SEBI or other regulatory authorities :</p> <p>a) The acceptance of the fax/web/electronic transactions will be solely at the risk of the transmitter of the fax/web/ electronic transactions and the Recipient shall not in any way be liable or responsible for any loss, damage caused to the transmitter directly or indirectly, as a result of the transmitter sending or purporting to send such transactions.</p> <p>b) The recipient will also not be liable in the case where the transaction sent or purported to be sent is not processed on account of the fact that it was not received by the Recipient.</p> <p>c) The transmitter's request to the Recipient to act on any fax/web/electronic transmission is for the transmitter's convenience and the Recipient is not obliged or bound to act on the same.</p> <p>d) The transmitter acknowledges that fax/web/electronic transactions is not a secure means of giving instructions/ transactions requests and that the transmitter is aware of the risks involved including those arising out of such transmission.</p> <p>e) The transmitter authorizes the recipient to accept and act on any fax/web/ electronic transmission which the recipient believes in good faith to be given by the transmitter and the recipient shall be entitled to treat any such fax/web/ electronic transaction as if the same was given to the recipient under the transmitter's original signature.</p> <p>f) The transmitter agrees that security procedures adopted by the recipient may include signature verification, telephone call backs which may be recorded by tape recording device and the transmitter consents to such recording and agrees to cooperate with the recipient to enable confirmation of such fax/web/ electronic transaction requests.</p> <p>g) The transmitter accepts that the fax/web/ electronic transactions, where applicable shall not be considered until time stamped as a</p>
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	<p>valid transaction request in the Scheme in line with the Regulations.</p> <p>In consideration of the recipient from time to time accepting and at its sole discretion acting on any fax/ web/electronic transaction request received / purporting to be received from the transmitter, the transmitter agrees to indemnify and keep indemnified the AMC, Directors, employees, agents, representatives of the AMC, Axis Mutual Fund and Trustee from and against all actions, claims, demands, liabilities, obligations, losses, damages, costs and expenses of whatever nature (whether actual or contingent) directly or indirectly suffered or incurred, sustained by or threatened against the indemnified parties whatsoever arising from or in connection with or any way relating to the indemnified parties in good faith accepting and acting on fax/web/ electronic transaction requests including relying upon such fax/ electronic transaction requests purporting to come from the Transmitter even though it may not come from the Transmitter.</p> <p>The AMC reserves the right to discontinue the facility (ies) at any point of time.</p>
Accounts Statements	<p>For normal transactions (other than STP) during ongoing Sales and Repurchase:</p> <ul style="list-style-type: none"> • The Account Statement reflecting the new or additional subscription as well as redemption / switch of Units shall be dispatched to the Unit holder within 5 days from the date of receipt of request from the Unit holder. • For those Unit holders who have provided an e-mail address, the AMC will send the account statement by e-mail. • Unit holder will be required to download and print the documents after receiving e-mail from the Mutual Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties. • The Unit holder may request for a physical account statement by writing/calling the AMC/ISC/Registrar & Transfer Agent. <p>For STP transactions;</p> <ul style="list-style-type: none"> • Account Statement STP will be despatched once every quarter ending March, June, September and December within 10 working days of the end of the respective quarter. • A soft copy of the Account Statement shall be mailed to the Investors under STP to their e-mail address on a monthly basis, if so mandated. • However, the first Account Statement under STP shall be issued within 10 working days of the initial investment/transfer. • In case of specific request received from Investors, Mutual Funds shall

	<p>provide the account statement (STP) to the investors within 5 working days from the receipt of such request without any charges.</p> <p>Annual Account Statement:</p> <ul style="list-style-type: none"> • The Mutual Fund shall provide the Account Statement to the Unit holders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement, • The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme. <p>Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.</p> <p>For normal transactions as stated above, in the event the account has more than one registered holder, the first named Unit holder shall receive the account statements.</p> <p>The AMC shall issue Unit certificates within 5 business days from the date of receipt of request where the applicant so desires.</p>
Dividend	<p>The Dividend warrants/cheque/demand draft shall be dispatched to the Unit holders within 30 days of the date of declaration of the Dividend.</p> <p>The Dividend proceeds will be paid by way of ECS / EFT / NEFT / RTGS / Direct credits/ any other electronic manner if sufficient banking details are available with the Mutual Fund for the investor.</p> <p>In case of specific request for Dividend by warrants/cheques/demand drafts or unavailability of sufficient details with the Mutual Fund, the Dividend will be paid by warrant/cheques/demand drafts and payments will be made in favour of the Unit holder (registered holder of the Unit or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Mutual Fund (Please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI).</p>
Redemption	<p>How to Redeem</p> <p>A Transaction Slip can be used by the Unit Holder to request for Redemption. The requisite details should be entered in the Transaction Slip and submitted at an ISC/Official Point of Acceptance. Transaction Slips can be obtained from any of the ISCs/Official Points of Acceptance. Investor can also place redemption through Telephone using Easy Call facility or may redeem Online through the AMC's website subject to the terms and conditions as maybe stipulated from time to time.</p>

	<p>Procedure for payment of redemption.</p> <p>1. Resident Investors</p> <p>Redemption proceeds will be paid to the investor through Real Time Gross Settlement (RTGS), NEFT, Direct Credit, Cheque or Demand Draft.</p> <ol style="list-style-type: none"> If investor has provided IFSC code in the application form, by default redemption proceeds shall be to be credited to Investor's account through RTGS/NEFT. If Investor has neither provided IFSC code nor the NEFT code but have a bank account with Banks with whom the Fund would has an arrangement for Direct Credit from time to time, the proceeds will be paid through direct credit. Incase if investor bank account does not fall in the above a to b categories, redemption proceeds will be paid by cheques/demand drafts, marked "Account Payee only" and drawn in the name of the sole holder / first-named holder (as determined by the records of the Registrar). The bank name and bank account number, as specified in the Registrar's records, will be mentioned in the cheque/demand draft. The cheque will be payable at par at all bank branch or specific cities. If the Unit Holder resides in any other city, he will be paid by a demand draft payable at the city of his residence and the demand draft charges shall be borne by the AMC (please refer SAI for details). <p>The redemption proceeds will be sent by courier or (if the addressee city is not serviced by the courier) by registered post/UCP. The dispatch for the purpose of delivery through the courier / postal department, as the case may be, shall be treated as delivery to the investor. The AMC / Registrar are not responsible for any delayed delivery or non-delivery or any consequences thereof, if the dispatch has been made correctly as stated in this paragraph.</p> <p>The AMC reserves the right to change the sequence of payment from (a) to (c) without any prior notice</p> <p>For Unit holders who have given specific request for Cheque/Demand Draft Redemption proceeds will be paid by cheque/demand drafts and payments will be made in favour of the Unit holder with bank account number furnished to the Mutual Fund</p> <p>(Please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI). Redemption cheques will be sent to the Unit holder's address.</p> <p>The Mutual Fund will endeavor to dispatch the redemption proceeds within 10 Business Days from the date of Redemption. If the payment is</p>
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	<p>not made within the period stipulated in the Regulations, the Unit Holder shall be paid interest @15% p.a. or as specified by SEBI for the delayed period and the interest shall be borne by the AMC.</p> <p>The Trustee, at its discretion at a later date, may choose to alter or add other modes of payment.</p> <p>2. Non-Resident Investors For NRIs, Redemption proceeds will be remitted depending upon the source of investment as follows:</p> <p>(i) Repatriation basis When Units have been purchased through remittance in foreign exchange from abroad or by cheque / draft issued from proceeds of the Unit Holder's FCNR deposit or from funds held in the Unit Holder's Non Resident (External) account kept in India, The proceeds can also be sent to his Indian address for crediting to his NRE / FCNR / non-resident (Ordinary) account, if desired by the Unit Holder.</p> <p>(ii) Non-Repatriation basis When Units have been purchased from funds held in the Unit Holder's non-resident (Ordinary) account, the proceeds will be sent to the Unit Holder's Indian address for crediting to the Unit Holder's non-resident (Ordinary) account.</p> <p>For FIIs, the designated branch of the authorized dealer may allow remittance of net sale / maturity proceeds (after payment of taxes) or credit the amount to the Foreign Currency account or Non-resident Rupee account of the FII maintained in accordance with the approval granted to it by the RBI.</p> <p>The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations, while converting the rupee amount in foreign exchange in the case of transactions with NRIs / FIIs. The Fund may make other arrangements for effecting payment of redemption proceeds in future.</p> <p>Effect of Redemptions The number of Units held by the Unit Holder in his / her / its folio will stand reduced by the number of Units Redeemed. Units once redeemed will be extinguished and will not be re-issued.</p> <p>The normal processing time may not be applicable in situations where such details are not provided by investors/Unit holders. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques and/or any delay/loss in transit.</p> <p>Unclaimed Redemptions and Dividends As per circular no. MFD / CIR / 9 / 120 / 2000, dated November 24, 2000 issued by SEBI, the unclaimed Redemption and dividend amounts shall be deployed by the Fund in money market instruments only. The unclaimed Redemption and dividend amounts shall be deployed in</p>
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	<p>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. The circular also specifies that investors who claim these amounts during a period of three years from the due date shall be paid at the prevailing NAV. Thus, 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. In terms of the circular, the onus is on the AMC to make a continuous effort to remind investors through letters to take their unclaimed amounts. The details of such unclaimed amounts shall be disclosed in the annual report sent to the Unit Holders.</p> <p>AMC reserves the right to provide the facility of redeeming Units of the Scheme through an alternative mechanism including but not limited to online transactions on the Internet, as may be decided by the AMC from time to time. The alternative mechanism may also include electronic means of communication such as redeeming Units online through the AMC Website or any other website, etc. The alternative mechanisms would be applicable to only those investors who opt for the same in writing and/or subject to investor fulfilling such conditions as AMC may specify from time to time.</p> <p>Signature mismatches If the AMC / Registrar finds a signature mismatch, while processing the redemption/ switch out request, then the AMC/ Registrar reserves the right to process the redemption only on the basis of supporting documents confirming the identity of the investors. List of such documents would be notified by AMC from time to time on its website.</p> <p>Important Note: All applicants for Purchase of Units /Redemption of Units must provide a bank name, bank account number, branch address, and account type in the Application Form.</p>
Delay in payment of Redemption / Repurchase proceeds	<p>The AMC shall be liable to pay interest to the Unit holders at 15% or such other rate as may be prescribed by SEBI from time to time, in case the Redemption / Repurchase proceeds are not made within 10 Business Days of the date of Redemption / Repurchase. However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC / Trustee is required to obtain from the investor / Unit holders verification of identity or such other details relating to subscription for Units under any applicable law or as may be requested by a Regulatory Agency or any government authority, which may result in delay in processing the application.</p>

C. PERIODIC DISCLOSURES

<p>Net Asset Value</p> <p>This is the value per Unit of the Scheme on a particular day. You</p>	<p>The AMC will calculate and disclose the NAV of the Scheme for all Calendar Days. The NAV of the Scheme and purchase/Redemption price shall be published at least in two daily newspapers every Business Day in accordance with the SEBI Regulations. The AMC shall update the NAVs on the website of the AMC (www.axismf.com) and of the</p>
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can ascertain the value of your investments by multiplying the NAV with your Unit balance.	<p>Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 9.00 p.m. every Business Day. If the NAVs are not available before the commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.</p> <p>Information regarding NAV can be obtained by the Unit holders / Investors by calling or visiting the nearest ISC.</p>		
<p>Half yearly Disclosures: Portfolio / Financial Results</p> <p>This is a list of securities where the corpus of the Scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p>The Mutual Fund shall publish a complete statement of the Scheme portfolio and the unaudited financial results, within one month from the close of each half year (i.e. 31st March and 30th September), by way of an advertisement at least, in one National English daily and one regional newspaper in the language of the region where the head office of the Mutual Fund is located.</p> <p>The Mutual Fund may opt to send the portfolio to all Unit holders in lieu of the advertisement (if applicable).</p> <p>The Portfolio Statement will also be displayed on the website of the AMC and AMFI.</p>		
Half Yearly Results	<p>The Mutual Fund and AMC shall before the expiry of one month from the close of each half year i.e. 31st March and on 30th September, publish its unaudited financial results in one national English daily newspaper and in a regional newspaper published in the language of the region where the Head Office of the Mutual Fund is situated.</p> <p>The unaudited financial results will also be displayed on the website of the AMC and AMFI.</p>		
Annual Report	<p>The Scheme wise annual report or an abridged summary thereof shall be mailed (emailed, where e mail id is provided unless otherwise required) to all Unit holders not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year) and full annual report shall be available for inspection at the Head Office of the Mutual Fund and a copy shall be made available to the Unit holders on request on payment of nominal fees, if any. Scheme wise annual report shall also be displayed on the website of the AMC (www.axismf.com) and Association of Mutual Funds in India (www.amfiindia.com).</p>		
Associate Transactions	Please refer to Statement of Additional Information (SAI).		
<p>Taxation</p> <p>The information is provided for general information only. However, in view of the individual nature</p>			
		Resident Investors	Mutual Fund
	Tax on Dividend	Nil	Dividend Distribution Tax (DDT) - 27.038% *

<p>of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the Scheme.</p>	<p>Capital Gains: Long Term Short Term</p>	<p>10% / 20% ^^ Income tax Rate applicable to the Unit holders as per their income slabs.</p>	<p>Nil Nil</p>
	<p>1. Axis Mutual Fund is a Mutual Fund registered with the Securities & Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from income tax in accordance with the provisions of Section 10(23D) of the Income-tax Act, 1961 (the Act).</p> <p>2. On income distribution, if any, made by the Mutual Fund, additional income tax is payable @ 27.038% * under section 115R of the Act in case of money market mutual fund or a liquid fund.</p> <p>* Including applicable surcharge, education cess and secondary and higher education cess.</p>		
	<p>^^For further details on taxation please refer to the clause on Taxation in the SAI</p>		
<p>Investor services</p>	<p>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" (toll-free number) or 4325 5100 (at local call rate for enquiring at AMC ISC's) or email – 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.</p> <p>Any complaints should be addressed to Mr. Milind Vengurlekar, who has been appointed as the Investor Relations Officer and can be contacted at:</p> <p>Address : Axis House, 1st Floor, Bombay Dyeing Mill Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 025 Phone no.: 022 43254138/4123</p>		

D. COMPUTATION OF NAV

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

The Net Assets Value (NAV) of the Units under the Scheme shall be calculated as shown below:

$$\text{NAV (Rs.)} = \frac{\text{Market or Fair Value of Scheme's + including Accrued - Investments Income} - \text{Current Liabilities and Provisions}}{\text{No. of Units outstanding under Scheme on the Valuation Day}}$$

The NAV shall be calculated up to four decimal places. However the AMC reserves the right to declare the NAVs up to additional decimal places as it deems appropriate. Separate NAV will be calculated and disclosed for each Option. The NAVs of the Growth Option and the Dividend Option will be different after the declaration of the first Dividend.

The AMC will calculate and disclose the NAV of the Scheme for all the Calendar Days.

IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the Scheme.

A. NEW FUND OFFER (NFO) EXPENSES

These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees paid marketing and advertising, Registrar & Transfer Agents expenses, printing and stationary, bank charges etc.

In accordance with the provisions of SEBI Circular no. SEBI/ IMD/CIR No. 1/64057/06 dated April 04, 2006 and SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009, the NFO expenses shall be borne by the AMC/Sponsor.

B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the Scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar & Transfer Agent fees, marketing and selling costs etc. as given in the table below:

The AMC has estimated that upto 2.25 % of the daily average net assets of the Scheme will be charged to the Scheme as expenses. For the actual current expenses being charged, the Investor should refer to the website of the AMC.

Particulars	% of Net Assets	
	Retail Plan	Institutional Plan
Investment Management & Advisory Fee	1.25	1.25
Service Tax on Investment Management & Advisory Fee	0.13	0.13
Custodial Fees	0.05	0.05
Registrar & Transfer Agent Fees including cost related to providing accounts statement, Dividend/Redemption cheques/warrants etc.	0.10	0.10
Marketing & Selling Expenses including Agents Commission and statutory advertisement	0.37	0.27

Brokerage & Transaction Cost pertaining to the distribution of units	-	-
Audit Fees / Fees and expenses of trustee	0.10	0.10
Costs related to Investor communications	0.15	0.15
Costs of fund transfer from location to location	-	-
Other Expenses*	0.10	0.10
Total Recurring Expenses	2.25	2.15

*Any other expenses which are directly attributable to a Plan, maybe charged with the approval of the Trustee within the overall limits as specified in the Regulations except those expenses which are specifically prohibited.

These estimates have been made in good faith as per the information available to and estimates made by the Investment Manager and are subject to change inter-se or in total subject to prevailing Regulations. The AMC may incur actual expenses which may be more or less than those estimated above under any head and/or in total. Type of expenses charged shall be as per the Regulations.

The recurring expenses of the Scheme (including the Investment Management and Advisory Fees) shall be as per the limits prescribed under the SEBI (MF) Regulations. These are as follows:

On the first Rs. 100 crores of the average weekly net assets - 2.25%

On the next Rs. 300 crores of the average weekly net assets - 2.00%

On the next Rs. 300 crores of the average weekly net assets – 1.75%

On the balance of the assets - 1.50%

The AMC may charge the Mutual Fund with investment and advisory fee as prescribed in the SEBI (MF) Regulations from time to time and as permitted by the Investment Management Agreement. Presently, the SEBI (MF) Regulations permit fees as follows:

i) 1.25% of the weekly average net assets outstanding in each accounting year for the Scheme concerned as long as the net assets do not exceed Rs.100 crore, and

ii) 1% of the excess amount over Rs.100 crore, where net assets so calculated exceed Rs.100 crore.

The total expenses of the Scheme(s) including the investment management and advisory fee shall not exceed the limit stated in Regulation 52(6) of the SEBI (MF) Regulations.

Any expenditure in excess of the SEBI regulatory limits shall be borne by the AMC or by the Trustee or the Sponsor.

The current expense ratios will be updated on the AMC website viz. www.axismf.com within two working days mentioning the effective date of the change.

C. LOAD STRUCTURE

Load is an amount which is presently paid by the investor to redeem the Units from the Scheme. This amount is used by the AMC to pay commission to the distributors and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, investors may refer to the website of the AMC (www.axismf.com) or may call at **1800 3000 3300** or you can contact your distributor.

SEBI vide its circular No. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes.

Type of Load	Load chargeable (as %age of NAV)
Entry Load	NA
Exit Load	Nil

Units issued on reinvestment of Dividends shall not be subject to any Load, if any.

The above mentioned load structure shall be equally applicable to the special products such as STP, switches, etc. offered by the AMC.

Of the Exit Load or CDSC charged to the Investor, a maximum of 1% of the Redemption proceeds can be maintained in a separate account which can be used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Any balance is to be credited to the Scheme immediately.

The Investor is requested to check the prevailing Load structure of the Scheme before investing.

For any change in Load structure AMC will issue an addendum and display it on the website/Investor Service Centres.

Under the Scheme, the AMC/Trustee reserves the right to change / modify the Load structure if it so deems fit in the interest of smooth and efficient functioning of the Mutual Fund. The AMC/Trustee reserves the right to introduce / modify the Load depending upon the circumstances prevailing at that time subject to maximum limits as prescribed under the Regulations.

The Redemption Price however, will not be lower than 93% of the NAV. Any imposition or enhancement of Load in future shall be applicable on prospective investments only. The difference between the Redemption price and Sale price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time which is presently 7% calculated on the Sale Price.

At the time of changing the Load Structure:

1. An Addendum detailing the changes will be attached to Scheme Information Document (s) and Key Information Memorandum. The addendum may be circulated to all the distributors / brokers so that the same can be attached to all Scheme Information Documents and Key Information Memoranda already in stock.

2. The addendum will be displayed on the website of the AMC and arrangements will be made to display the addendum in the form of a notice in all the Investor Service Centres and distributors / brokers office.
3. The introduction of the Exit Load/ CDSC alongwith the details may be stamped in the acknowledgement slip issued to the Investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such Load/CDSC
4. A public notice shall be given in respect of such changes 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.
5. Any other measure which the Mutual Fund may consider necessary.

The Trustee/AMC reserves the right to change the load structure subject to the limits prescribed under the Regulations. Any change in Load structure shall be only on a prospective basis i.e. Any such changes would be chargeable only for Redemptions from prospective purchases (applying first in first out basis).

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Not applicable

V. RIGHTS OF UNITHOLDERS

Please refer to SAI for details.

VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

This section shall contain the details of penalties, pending litigation, and action taken by SEBI and other regulatory and Govt. Agencies.

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed.

Not Applicable

2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.

Reserve Bank of India has levied penalty of Rs. Fifteen lacs on Axis Bank Ltd. in April 2011 for inadequacies seen in adherence to guidelines on derivatives transactions.

The penalty of Rs. Fifteen lacs has been paid by Axis Bank Ltd. on May 5, 2011 to Reserve Bank of India.

3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.

Nil

4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.

Nil

5. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the Scheme Information Document, or which has been notified by any other Regulatory Agency, shall be disclosed.

Nil

The Scheme under this Scheme Information Document was approved by the Trustee Company on September 05, 2009. The Trustee has ensured that the Scheme is a new product offered by Axis Mutual Fund and is not a minor modification of its existing schemes.

Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

**for and on behalf of
Axis Asset Management Company Limited**

**Rajiv Anand
Managing Director &
Chief Executive Officer**

**Date: June 30, 2011
Place: Mumbai**

OFFICIAL POINTS OF ACCEPTANCE FOR ONGOING TRANSACTIONS

Ahmedabad Ground Floor, Shop No 4, Megha House, Opp. Kotak Bank, Mithakali Law Garden Road, Ellisbridge, Ahmedabad 380006 • **Bhopal** C/o Axis Securities & Sales Limited, Akansha Building, 1st Floor, Opposite Navbharat Press Complex, Zone -1, M. P. Nagar, Bhopal - 462 011 • **Bhubaneswar** C/o Axis Securities & Sales Limited, Axis Mutual Fund, Agrani Press, Mallick commercial complex 1st floor, Block BPN A/69, Khavela Nagar, Bhubaneswar-751001 • **Bangalore** Embassy Square, Building No. 148, Unit No 306, 3rd Floor, Infantry Road, Bangalore 560001 • **Chandigarh** 1st Floor, ScoNo 147-48, Sec 9c, Chandigarh 160017 • **Chennai** 5th Floor, Maalavika Center, 144 - 145 New No 60, Kodambakkam High Road, Nungambakkam, Chennai 600034 • **Kochi** C/o Axis Securities & Sales Limited, Door No 1053-B1, Rani Tower, 1st Floor, Chittoor Road, Ernakulam, Kochi 682018 • **Coimbatore** C/o Axis Securities & Sales Limited, Door No 1437, Red Rose Chambers, 2nd Floor, Trichy Road, Coimbatore 641018 • **Guwahati** C/o Axis Securities & Sales Limited, 3rd Floor, Sarojini Commercial Complex, Opposite Ayakar Bhavan, Christian Basti, G.S.Road, Guwahati 781005 • **Hyderabad** 2nd Floor, Nerella House, Panjagutta, Hyderabad 500082 • **Indore** C/o Axis Securities & Sales Limited, 201, 2nd Floor, Silver Sanchora Castle, 8/2 R.N.T. Marg, Indore 452 003, India • **Jaipur** 305, 3rd Floor, Ganpati Plaza, M I Road, Jaipur 302001 • **Jamshedpur** C/o Axis Securities & Sales Limited, Shatabdi Tower, 1 SNP Area, Sakchi, Jamshedpur 831001 • **Kanpur** 210, 2nd Floor, Kan Chambers, Civil Lines, Kanpur 208001 • **Kolkata** 3 - F, 3rd Floor, Shristi, 12 Hochiminh Sarani, Kolkata 700071 • **Lucknow** Unit No 5, 6 & 7, Halwasiya's Commerce House, 2nd Floor, Habibullah Estate, 11, M.G.Marg, Hazratganj, Lucknow 226001 • **Ludhiana** Axis Asset Management Co. Ltd., SCO - 28, First Floor, Feroz Gandhi Market, Ludhiana - 141001 • **Mumbai** Axis House, 1st Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025, India • **Mangalore** C/o Axis Securities & Sales Limited, Somayaji House, Door No 15-7-330/56, 5th Floor, Bunts Hostel Road, Mangalore 575003 • **Nagpur** C/o Axis Securities & Sales Limited, Sitarang Smriti, 2nd Floor, West High Court Road, Dharampeth, Nagpur 440010 • **Nasik** C/o Axis Securities & Sales Limited, Office No. 19/22, Gr. Floor, Suyojit Modern Point, Opposite Police Parade Ground, Sharanpur Road, Nasik 422002 • **New Delhi** 702-705, 7th Floor, Narain Manzil, Barakhamba Road, Connaught Place, New Delhi • **Panaji** C/o Axis Securities & Sales Limited, 103, 1st Floor, Unitech City Centre, M.G.Road, Panjim 403001 • **Patna** DG-11, Dumraon Place, Frazier Road, Patna - 800 001 • **Pune** 927, 204-205, 2nd Floor, Sanas Memories Apartment, Fergusson College Road, Shivaji Nagar, Pune 411004 • **Raipur** C/o Axis Securities & Sales Limited, Parthivi Pacific, Tatibandh, GE Road, Raipur 492 099. • **Rajkot** C/o Axis Securities & Sales Limited, 2nd Floor, Adjacent Kos Hospital, 150 Feet Ring Road, Opp. Amin Marg, Juction, Rajkot 360001 • **Surat** C/o Axis Securities & Sales Limited, Centre Point, 106/a, First Floor, Ring Road, Surat 395002 • **Trivandrum** C/o Axis Securities & Sales Limited, Haji M. Bava Sahib Commercial Complex, TC25/2890(12), Ambujavilasam Road, Trivandrum 695001 • **Vadodra** C/o Axis Securities & Sales Limited, Chitarakash Complex, 1st Floor, 19, Punit Nagar, Old Padra Road, Vadodra 390007.

KARVY COMPUTERSHARE PRIVATE LIMITED INVESTOR SERVICE CENTERS

Agartala Jagannath Bari Road, Bidur Kottar, Choumani, Agartala 799001 • **Agra** Deepak Wasan Plaza, Behind Holiday Inn, Opp Megdoot Furnitures, Sanjay Place, Agra 282002 (U.P.) • **Ahmedabad** 201, Shail Building, Opp Madhusudan House, Near Navrangpura Telephone Exchange, Navrangpura, Ahmedabad 380006 • **Ajmer** 1-2, II Floor, Ajmer Tower, Kutchary Road, Ajmer 305001 • **Akola** Shop No-30, Ground Floor, Yamuna Tarang Complex, N H No 06, Murtizapur Road, Akola 444004 • **Aligarh** 1st Floor, Kumar Plaza, Aligarh 202001 Uttar Pradesh • **Allahabad** RSA Towers, 2nd Floor, Above Sony TV Showroom, 57, S P Marg, Civil Lines, Allahabad 211001 • **Alleppy** 2nd Floor, JP Towers Near West of Zilla Court Bridge, Mullakkal Alleppy 688011 • **Alwar** 101, Saurabh Towers Road No # 2, Bhagat Singh Circle Alwar 301001 • **Amaravathi** Shop No 13 & 27, First Floor Gulshan Plaza, Raj Peth, Badnera Road, Amaravathi 444605 • **Ambala** 6349, Nicholson Road, Adjacent Kos Hospital, Ambala Cantt, Ambala 133001 • **Amritsar** 72-A, Taylor's Road, Aga Heritage Gandhi Ground, Amritsar 143001 • **Anand** F-6, Chitrangana Complex, Opp. Motikaka Chawl, V V Nagar, Anand 388001 • **Ananthapur** # 15-149, 1st Floor, S R Towers, Opp. Lalithakala Parishat Subash Road, Anantapur 515001 • **Angul** Durga Shankar Road, Main Road, Infront of AXIS Bank Angul 759122 • **Ankleshwar** Shop No. FF 4 & 5, Shree Narmada Arcade, Old N H No 8, Opp. HDFC Bank, Ankleshwar 393001 • **Asansol** Hotal Askok, 2nd Floor 18, G T Road, Asansol 713301 • **Aurangabad** Shop No 214/215 Tapadiya City Centre, Nirala Bazar, Aurangabad 431001 • **Azamgarh** Below Central Bank of India, Sadawarti Chowk, Azamgarh 276001 • **Balasore** M S Das Street, Gopalgaon, Balasore 756001 • **Bangalore** No 51/25, 1st Floor, Surya Building, Ratna Avenue, Richmond Road, Bangalore 560025 • **Bankura** Ambika Market, Natunganj Bankura 722101 • **Bareilly** 1st Floor, 165, Civil Lines, Opposite Hotel Bareilly Palace, Near Rly Station Road, Bareilly 243001 • **Barhampore** (WB) 180, Netaji Road, Komal Gandhar Apartment, PO Khagra, City Berhampore Dist. Murshidabad, Barhampore 742103 • **Baroda** Piccadilly, Office # 5, First Floor, Opp. Adani Super Market, Jetapur Road, Vadodra 390007 Gujarat • **Begusarai** Hotel Diamond Surbhi Complex, Near I.O.C Township Gate, Kapasiya Chowk, Begusarai 851117 • **Belgaum** FK-1, Ambedkar Road, Opp Civil Hospital Belgaum 590001 • **Bellary** No 1 KHB Colony, Gandhinagar, Bellary 583101 • **Behrampur** (OR) amlingam Tank Road, Berhampur, Orissa 760002 • **Betul** 107, Hotel Utkarsh, Awasthi Complex, J H College Road, Civil Lines, Beetul 460001 • **Bhagalpur** 2nd Floor, Chandralok Complex, Ghantaghar, Radha Rani Sinha Road, Bhagalpur 812001 • **Bharuch** Ground Floor, Office No 6, Aditya Complex, Opp. Kasak Temple, Bharuch 392001 • **Bhatinda** 2048, 1st Floor, Opp. Canara Bank, The Mall Road, Bhatinda 151001 • **Bhavnagar** Surabhi Mall 301, 3rd Floor, Waghawadi Road, Bhavnagar 364001 • **Bhilai** No 138, New Civic Centre, Bhilai 490006 Dist Durg, Chattishgarh • **Bhilwara** 27-28, 1st Floor, Hira Panna Complex, Pur Road, Bhilwara 311001 • **Bhopal** Kay Kay Busniss Centre, 133 Zone, I M P Nagar, Bhopal 462021 • **Bhubaneswar** Plot No 104/105(P), Jaydev Vihar, Besides Hotel Pal Heights, Bhubaneswar 751013, Orissa • **Bikaner** 2nd Floor, Plot No 70 & 71, Panchshati Circle, Sardul Gunj Scheme, Bikaner 334003 • **Bilaspur** Shop No 201/202, V R Plaza, Link Road, Bilaspur 495001 • **Borivali** Karvy Stock Broking Pvt Ltd Ground Floor, Himanshu Bldg, Sodawala Lane, Lina Chandawarkar Road, Borivali West. - 400091 • **Bokaro** B-1, 1st Floor, Near Sona Chandi Jewellers, City Centre, Sector 4, Bokaro Steel, City 827004 (Jharkhand) • **Burdwan** 63 G T Road, Birhata, Halder Complex, 1st Floor, Burdwan 713101 • **Calicut** Sowbhagya Shopping Complex, Areyadathupalam Mavoor Road, Calicut 673004 • **Chandigarh** Sco-371-372, First Floor, Above HDFC Bank, Sector 35B Chandigarh 160022 • **Chandrapur** Shop No 5, Office No 2, 1st Floor, Routs Raghuvanshi Complex, Beside Azad Garden, Main Road, Chandrapur 442402 • **Chennai** Flat No F11, First Floor, Akshya Plaza, (Erstwhile Harris Road), Opp Chief City Metropolitan Court, # 108, Adhithanar Salai, Egmore, Chennai 600002 • **Chinsura** JC Ghosh Sarani Near Bus Stand Chinsura 712101 • **Cochin** Room No 2, IInd Floor, Jewel Arcade, (Above Oriental Insurance Ltd) Layam Road, Cochin 682011 • **Coimbatore** 29/1, 1st Floor, Chinthamani Nagar, Opp To Indian Overseas Bank, Nsr Road, Saibaba Colony, Coimbatore 641011 • **Coonoor** 76 Cammellia Terrace, Grays Hills, Coonoor 643101 • **Cuttack** Dargha Bazar, Opp Dargha Bazar Police Station, Buxibazar, Cuttack 753001 • **Deoria** 1st Floor, Shanti Niketan, Opp Zila Panchayat, Civil Lines Deoria 274001 • **Dalhousie** Karvy Stock Broking Pvt. Ltd., Mr.Baskar Malakar 033 - 22437863 - 69 / 90 / 89 19, R N Mukherjee Road, 2nd Floor, Dalhousie Kolkata - 700 001 • **Darbhanga** Ground Floor, Trade Point, Hassan Chowk, Lal Bagh, Darbanga 846004 • **Davangere** # 15/9, Sobagu Complex, 1st Floor, 2nd Main Road, P J Extension, Davangere 577002 Dehradun Kaulagarh Road, Near Sirmaur Marg, Above Reliance Webworld, Dehradun 248001 • **Dewas** 27 Rmo House, Station Road, Dewas 455001 • **Dhanbad** 208, New Market, 2nd Floor, Katras Road, Bank More, Dhanbad 826001 • **Dharwad** G7 & 8, Sri Banashankari Avenue Ramnagar, Opp Nttfb Road Dharwad 580001 • **Dhule** Ashoka Estate, Shop No 14/A, Upper Ground Floor, Sakri Road, Opp. Santoshi Mata Mandir, Dhulev 424002 • **Dindigul** No 9, Old No 4/B, New Aghraharam, Palani Road, Dindigul 624001 • **Durgapur** Old Dutta Automobiles Building 1st Floor, Nachan Road, Benachity, Durgapur 713213 • **Eluru** 23A-3-32, Gubbalavari Street, R R Pet, Eluru 534002 • **Erode** No 4, KMY Salai, Veerappan Traders Complex, Opp Erode Bus Stand, Sathy Road, Erode 638003 • **Faridabad** A-2B, 1st Floor, Nehru Ground, Neelam Bata Road, Nit, Faridabad 121001 • **Ferozpur** 2nd Floor, Malwal Road, Opp H M School, Ferozpur City 152002 • **Gandhidham** Office No 14, First Floor, Komal Complex, Plot No 305, Sector 12B, Nr Shivaji Park, Gandhidham 370201 • **Gandhinagar** 27, Suman Tower, Near Hotel Haveli, Sector No.11, Gandhinagar, Ahmedabad 382011 • **Gaya** 1st Floor, Lal Bhawan, Tower Chowk, Near Kiran Cinema, Gaya 823001 • **Ghaziabad** 1st Floor, C-7, Lohia Nagar, Ghaziabad 201001 • **Ghaziipur** Shubhra Hotel Complex, 2nd Floor, Mahaubagh, Ghaziipur 233001 • **Gonda** 1st Floor, Sri Krishna Talkies, Opp Dukhharan Nath Mandir, Station Road, Gonda 271003 • **Gondia** Shop No 9, Raj Laxmi Complex, aill Toly, Gondia 441614 • **Gorakhpur** Above V I P House Adjacent A D Girls Inter College, Bank Road, Gorakpur 273001 • **Gulbarga** No 23 Sri Giri Nilaya, Sharan Nagar, Tank Bund Road, Gulbarga 585103 • **Guntur** Door No 6-10-18, Sai House, 10 / 1, Arundelpet , Guntur 522002 • **Gurgaon** Shop No 18, Ground Floor, Sector 14, Opp AKD Tower, Near Huda Office, Gurgaon 122001 • **Guwahati** 54 Sagarika Bhawan R G Baruah Road, (AIDC Bus Stop) Guwahati 781024 • **Gwalior** Shindi Ki Chawani, Nadi Gate Pul, MLB Road, Gwalior 474001 • **Hajipur** Ramraja Complex, Kacheri Road, Near Canara Bank, Hajipur 844101 • **Haldwani** 4 Durga City Center, 1st Floor, Near MBPG College, Parao, Nainital Road, Haldwani 263139 Uttarakhand • **Haridwar** 8, Govind Puri, Opp LIC 2, Above Vijay Bank, Main Road, Ranipur More, Haridwar 249401 • **Hassan** St. Anthony's Complex, Ground Floor, H N Pura Road, Hassan 573201 • **Hazaribagh** C/o Hemlata Jain Kalibari Road, Hazaribagh 825301 • **Hissar** Sco 71, 1st Floor, Red Square Market, Hissar 125001 • **Hoshiarpur** 1st Floor, The Mall Tower, Opp Kapila Hospital, Sutheri Road, Near Maharaj Palace, Hoshiarpur 146001 • **Hubli** 8&9, Upper Ground Floor, C Block, Akshaya Park, Gokul Road Hubli 580030 • **Hyderabad** 8-2-596 Karvy Plaza, Avenue 4, Street No 1, Banjara Hills, Hyderabad 500034 • **Indore** LG 3, Bombay Trade Centre, Lower Ground Floor, Grand Hotel, Opp Bombay Hospital , Scheme No 54, Indore 452010 • **Jabalpur** 43, Naya Bazar, Opposite Shyam Talkies, Jabalpur (MP) 482001 • **Jaipur** S-16 A, 3rd Floor, Land Mark, Opposite Jaipur Club, Mahavir Marg, C- Scheme, Jaipur 302001 • **Jalandhar** Lower Ground Floor, Office No 3, Arora Prime Tower, Plot No 28, G T Road, Jalandhar 144004 • **Jalgaon** 148 Navi Peth, Opp Vijaya Bank Near, Bharat Dudhalay, Jalgaon 425001 • **Jalpaiguri** D B C Raod, Near Rupasree Cinema Hall, Beside Kalamandir, PO & Dist Jalapiguri 735101 • **Jammu** 29 D/C, Near Service Selection Commission Office, Gandhi Nagar, Jammu 180004 • **Jamnagar** 108 Madhav Plaza, Opp SBI Bank, Near Lal Bangalov, Jamnagar 361001 • **Jamshedpur** Kanchan Tower, 3rd Floor, Chhaganlal Dayalji @ Sons 3-S B Shop Area, (Near Traffic Signal) Main Road, Bistupur,

Jamshedpur 831001 • **Jaunpur** R N Complex, 1-1-9-G (In Front of Pathak Honda) Ummarpur Jaunpur 222002 • **Jhansi** 371/01, Narayan Plaza, Gwalior Road, Near Jeevan Shah Chauraha, Jhansi 284001 • **Jodhpur** 203, Modi Arcade, Chupasni Road, Jodhpur 342001 • **Jorhat** New Medical Store Complex, 3rd Floor, A T Road, Opp Chowk Bazar, Jorhat 785001 • **Junagadh** 124/125, Punit Shopping Center, Ranavat Chowk, Junagadh Gujarat 362001 • **Kanchipuram** New No 357, Old No 230 Gandhi Road, Next To IDBI Bank, Kanchipuram 631501 • **Kannur** 2nd Floor, Prabhat Complex, Fort Road, Kannur 689107 • **Kanpur** 15/46, Opp Muir Mills, Civil Lines, Kanpur 208001 • **Karaikudi** Gopi Arcade, 100 Feet Road, Karaikudi 630001 • **Karimnagar** H No 4-2-130/131, Above Union Bank, Jafri Road, Rajeev Chowk, Karimnagar 505001 • **Karnal** Sco 26, Kunjpura Road, Nehru Place, Karnal 132001 • **Karur** No6, Old No 1304 Thiru-Vi-Ka Road, Near G R Kalyan Mahal Karur 639001 • **Keonjhar** 2nd Floor, Maruti Arcade, Thanna Square, Keonjhar 758001 • **Kharagpur** Malancha Road, Beside UTI Bank, Kharagpur 721304 • **Kolhapur** 610 K Vardhaman Chambers, 2nd Lane, Shahupuri, Kolhapur 416001 • **Kolkata** 16 Jatin Bagchi Road, Kolkata 700029, (**Dalhousie**) 19, R N Mukherjee Road, 2nd Floor, Dalhousie, Kolkata 700 001 • **Kollam** Ground Floor, Vigneshwara Bhavan, Below Reliance Web World, Kadappakkada Kollam 691008 • **Kota** H No 29, First Floor, Near Lala Lajpat Rai Circle Shopping Centre, Kota, Rajasthan 324007 • **Kottayam** 1st Floor, CSI Ascension Church Complex, Kottayam 686001 • **Korba** 1st Floor, 35 Indira Complex, T P Nagar, Korba (CG) 495677 • **Krishnagar** 52 R N Tagore Road, High Street, Krishnagar, Nadia 741101 • **Kurnool** Shop No 43, 1st Floor S V Complex, Railway Station Road, Kurnool 518004 • **Lucknow** Usha Sadan, 24, Prem Nagar, Ashok Marg, Lucknow 226001 • **Ludhiana** SCO - 136, First Floor, Above Airtel Show Room, Feroze Gandhi Market, Ludhiana - 141 001. • **Malda** Sahistuli Under Ward No-6, English Bazar, Municipality, No-1 Govt Colony, Malda 732101 • **Madurai** Rakesh Towers, 30-C, Bye Pass Road, 1st Floor, Opp Nagappa Motors, Madurai 625010 • **Mangalore** Ground Floor, Mahendra Arcade, Kodial Bail, Mangalore 575003 • **Margao** 2nd Floor, Dalal Commercial Complex, Opp Hari Mandir, Pajifond, Margao-Goa 403601 • **Mathura** 3538-3540, Infront of BSA College, Gaushala Road, Mathura 281004 • **Meerut** 1st Floor, Medi Centre Complex, Opp ICICI Bank, Hapur Road, Meerut 250002 • **Mehsana** Ul-47, Appolo Enclave, Opp Simandhar Temple, Modhera Char Rasta Highway, Mehsana 384002 • **Mirzapur** Girja Sadan, Dankin Gunj Mirzapur 231001 • **Moga** Near Dharamshala Brat Ghar, Civil Line, Dutt Road, Moga 142001 • **Moradabad** Om Arcade, Parker Road, Above Syndicate Bank, Tari Khana Chowk, Moradabad 244001 • **Morena** Moti Palace, Near Ramjanki Mandir, Jiwasi Ganj, Morena 476001 • **Mumbai - (Fort)** DAS Chambers, Ground Floor, Opp BSE & Next to Corporation Bank, Dalal Street, Fort, Mumbai 400023, (**Borivali**) Ground Floor, Himanshu Bldg, Sodawala Lane, Lina Chandawarkar Road, Borivali (West), Mumbai 400091, (**Thane**) First Floor, Jeevan Chaya Bldg, Near Adidas Show Room, Ram Maruti Road, Thane (West), Mumbai 400601 • **Muzaffarpur** 1st Floor, Uma Market, Near Thana Gumti, Motijheel, Muzaffarpur, Bihar 842001 • **Mysore** L-350, Silver Tower, Clock Tower, Ashoka Road, Mysore 570001 • **Nadiad** 105 GF City Point, Near Paras Cinema, Nadiad 387001 • **Nagarkoil** 3A, South Car Street, Parfan Complex, Nr The Laxmi Villas Bank, Nagarkoil 629001 • **Nagpur** 1st Floor, Sadoday Arcade, WHC Road, Above Top N Town, Dharampeth, Nagpur 440001 • **Namakkal** 105/2, Arun Towers, Paramathi Street, Namakkal 637 001 • **Nanded** Shop No 1,2,3 & 4, First Floor, Opp Bank of India, Santkrupa Market, Gurudwara Road, Nanded 431602 • **Nasik** S-12, Second Floor, Suyojit Sankul, Sharanpur Road, Nasik 422002 • **Navsari** 1st Floor, Chinmay Arcade, Opp Sattapir, Tower Road, Navsari 396445 • **New Delhi** 2E/23, Jhandewalan Extn. New Delhi 110055 • **Nellore** 16/112, Pogathota Nellore 524001 • **Nizamabad** H No 4-9-55, 1st Floor, Uppala Rameshwara Complex, Jawahar Road, Nizamabad 503001 • **Noida** 307 Jaipuria Plaza, D 68 A, 2nd Floor, Opp Delhi Public School, Sector 26, Noida 201301 • **Palghat** 12/310, (No.20 & 21), Metro Complex, Head Post Office Road, Sultanpet, Palghat 678001 • **Panipat** 1st Floor, Krishna Tower, Near HDFC Bank, Opp Railway Road, G T Road, Panipat 132103 • **Panjim** City Business Centre, Coelho Pereira Building, Room Nos 18,19 & 20 Dada Vaidya Road, Panjim 403001 • **Patiala** Sco 27 D, Chhoti Baradari Patiala 147001 • **Patna** 3A, 3rd Floor, Anand Tower, Beside Chankya Cinema Hall, Exhibition Road, Patna 800001 • **Pathankot** 1st Floor, 9A, Improvement Trust Building, Near HDFC Bank, Patel Chowk, Pathankot 145001 • **Pollachi** S S Complex, New Scheme Road, Pollachi 642002 • **Pondicherry** First Floor No.7, Thiagarajar Street Pondicherry 605001 • **Porbandar** 3rd Floor, R D Complex, Opp Sahyog Hospital, M G Road, Porbandar 360575 • **Pudukottai** Sundaram Masilamani Towers, TS No 5476-5479, PM Road, Old Tirumayam Salai, Near Anna Statue, Jublie Arts, Pudukottai 622001 • **Pune** Srinath Plaza, C Wing, Office No 58 & 59, 3rd Floor, Dyaneshwar Paduka Chowk, Survy No 184/4, F C Road, Pune 411004 • **Puri** Ground Floor, VIP Road, Near PKDA Office, P S Puri, Puri 752001 • **Raipur** Room No TF 31, 3rd Floor, Millennium Plaza, Behind Indian Coffee House, G E Road, Raipur 492001 • **Rajahmundry** Dr No 6-1-4, First Floor, Rangachary Street, T Nagar, Rajahmundry 533101 • **Rajapalayam** Professional Couriers Building, 40/C (1), Hospital Road, Rajapalayam 626117 • **Rajkot** 104, Siddhi Vinayak Complex, Dr Yagnik Road, Opp Ramkrishna Ashram Rajkot 360001 • **Ranchi** Commerce Towers, 3rd Floor, Room No 307, Beside Mahabir Towers, Main Road, Ranchi 834001 • **Ratlam** 1Nagpal Bhavan, Freeganj Road, Tobatti, Ratlam 457001 • **Renukoot** Shop No 18, Near Complex Birla Market, Renukoot 231217 • **Rewa** 1st Floor, Angoori Building, Besides Allahabad Bank, TransUniversity Road, Civil Lines, Rewa 485001 • **Rohtak** 1st Floor, Ashoka Plaza, Delhi Road, Rohtak 124001 • **Roorkee** Shree Ashadeep Complex, 16 Civil Lines, Near Income Tax Office, Roorkee, Uttaranchal 247667 • **Rourkela** 1st Floor, Sandhu Complex, Kanchery Road, Udit Nagar, Rourkela 769012 • **Sagar** Above Poshak Garments, 5 Civil Lines, Opposite Income Tax Office, Sagar 470002 • **Saharanpur** 18 Mission Market, Court Road, Saharanpur 247001 Uttar Pradesh • **Salem** Old No 17, New No 49, Fort Main Road, First Floor, Shevapet, Salem 636002 • **Sambalpur** Quality Massion, 1st Floor, Above Bata Shoe, Shop/ Preeti Auto Combine, Nayapara, Sambalpur 768001 • **Satna** 1st Floor, K B Complex, Beside Bank of Maharashtra, Rewa Road, Satna 485001 • **Shaktinagar** 1st/A-375, V V Colony Dist Sonebhadra Shaktinagar 231222 • **Shivpuri** 1st Floor, M P R P Building, Near Bank of India, Shivpuri 473551 • **Shillong** Mani Bhawan, Thana Road, Lower Police Bazar, Shillong 739001 • **Shimla** Triveni Building, By Pas Chowk, Khallini, Shimla 171002 • **Shimoga** Uday Ravi Complex, LLR Road, Durgi Gudi, Shimoga 577201 • **Sikar** 1st Floor, Super Towers Behind Ram Mandir, Station Road, Sikar 332001 • **Silchar** 1st Floor, Chowchakra Complex, N N Dutta Road, Premtala Silchar 788001 • **Siliguri** Nanak Complex, Near Church Road, Sevoke Road, Siliguri 734001 • **Sitapur** 12/12-A Surya Complex, Arya Nagar, Opp Mal Godam, Sitapur 261001 • **Sivakasi** 363, Thiruthangal Road, Opp TNEB, Sivakasi 626123 • **Solan** Sahni Bhawan, Adjacent Anand Cinema Complex, The Mall Solan 173212, • **Solapur** Siddeshwar Securities, No 6, Vaman Road, Vijaypur Road, Vaman Nagar, Solapur 413004 • **Surat** G-6 Empire State Building, Near Parag House, Udhna Darwaja, Ring Road, Surat 395002 • **Sonepat** 205 R Model Town, Above Central Bank of India, Sonepat • **Sri Ganganagar** 35-E-Block, Opp Sheetla Mata Vatika, Sri Ganga Nagar 335001 • **Srikakulam** 4-1-28/1, Venkateshwara Colony Day & Night Junction, Srikakulam 532001 • **Sultanpur** Rama Shankar Complex, Civil Lines, Faizabad Road, Sultanpur 228001 • **Thanjavur** Nalliah Complex, No 70, Srinivasam Pillai Road, Thanjavur 613001 Thane Karvy Stock Broking Pvt Ltd First Floor, Jeevan Chaya Bldg, Near Adidas Show Room, Ram Maruti Road, Thana West - 400601 • **Theni Ramesh Murugan Complex, Near Sriram Theatre, Subban Chetty Street, Theni 625531 • Tezpur 1st Floor, Mayur Bhawan, Binraj Road, Tezpur 784001 • Thodupuzha First Floor, Pulimootil Pioneer Pala Road, Thodupuzha 685584 • Tirunelveli Jeney Building, 55/18, S N Road, Near Arvind Eye Hospital, Tirunelveli 627001 • Tirupur First Floor, 224 A, Selvakumar Departmental Stores, 1st Floor, Kamaraj Road, Opp To Cotton Market Complex, Tirupur 641604 • Tirupathi #330, Tilak Road, Near Four Pillar Mandapam, Tirupati 517501 • Tiruvalla 2nd Floor, Erinjery Complex, Near Kotak Securites, Ramanchira Tiruvalla 689107 • Trichur 2nd Floor, Brother's Complex, Near Dhana Laxmi Bank Head Office, Naikkannal Junction, Trichur 680001 • Trichy Sri Krishna Arcade, 1st Floor, 60 Thennur High Road, Trichy 620017 • Trivandrum 2nd Floor, Akshaya Towers, Above Jetairways, Sasthamangalam, Trivandrum 695010 • Tuticorin 4 B, A34, A37, Mangalmal, Mani Nagar, Opp Rajaji Park, Palayamkottai Road, Tuticorin 628003 • Udaipur 201-202, Madhav Chambers, Opp G P O Chetak Circle, Madhuban, Udaipur 313001 • Ujjain 101, Aastha Tower, 13/1, Dhanwantri Marg, Free Gunj Ujjain 456010 • Valsad Shop No 2, Phiroza Corner, Opp Next Showroom, Titthal Road, Valsad 396001 • Vapi Shop No 5, Phikhaji Residency, Opp DCB Bank, Vapi Silvassa Road, Vapi 396195 • Varanasi D-64/132, KA 1st Floor, Anant Complex, Sigra, Varanasi 221010 • Vellore No 1, M N R Arcade, Officer's Line, Krishna Nagar, Vellore 632001 • Vijayawada 39-10-7 Opp Municipal Water Tank, Labbipet, Vijayawada 520010 • Visakhapatnam 47-14-5/1 Eswar Paradise, Dwaraka Nagar, Main Road, Visakhapatnam 530016 • Vijayanagaram Soubhagya, 19-6-13/1, IInd Floor, Near SBI Fort Branch, Vizianagaram 535002 • Warangal 5-6-95, 1st Floor, Opp, B.Ed Collage, Lashkar Bazar, Chandra Complex, Hanmakonda, Warangal 500601 • Yamuna Nagar Jagdhari Road, Above UCO Bank, Near D AV Grils College, Yamuna Nagar 135 001.**

Axis Asset Management Company Limited (Investment Manager to Axis Mutual Fund)

Axis House, 1st Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025, India.

Tel 91 22 4325 5161 Fax 91 22 4325 5199 www.axismf.com

SCHEME INFORMATION DOCUMENT**AXIS TREASURY ADVANTAGE FUND****A n O p e n - e n d e d D e b t S c h e m e**

Continuous offer for Units at NAV based prices

Name of Mutual Fund	:	Axis Mutual Fund
Name of Asset Management Company	:	Axis Asset Management Company Limited
Name of Trustee Company	:	Axis Mutual Fund Trustee Limited
Addresses, Website of the entities	:	Axis House, 1 st Floor, Bombay Dyeing Mill Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 025 www.axismf.com

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations or the Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the Asset Management Company (AMC). The units being offered for public Subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the scheme that a prospective Investor ought to know before investing. Before investing, Investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

The Investors are advised to refer to the Statement of Additional Information (SAI) for details of Axis Mutual Fund, Tax and Legal issues and general information on www.axismf.com.

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

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated December 15, 2011.

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HIGHLIGHTS/SUMMARY OF THE SCHEME**Investment objective**

The investment objective is to provide optimal returns and liquidity to the investors by investing primarily in a mix of money market and short term debt instruments which results in a portfolio having marginally higher maturity as compared to a liquid fund at the same time maintaining a balance between safety and liquidity. However, there can be no assurance that the investment objective of the scheme will be achieved.

Liquidity

The Scheme offers Units for Subscription and Redemption at NAV based prices on all Business Days on an ongoing basis. Under normal circumstances the AMC shall dispatch the Redemption proceeds within 10 Business Days from date of receipt of request from the unit holder.

Benchmark

CRISIL Liquid Fund Index

Transparency/NAV Disclosure

The AMC will calculate and disclose the NAVs on all the Business Days. The NAV of the Scheme shall be published at least in two daily newspapers. The AMC shall update the NAV on its website (www.axismf.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 9.00 p.m. on every Business Day. If the NAVs are not available before the commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.

The AMC will disclose the portfolio of the Scheme within one month from the close of each half year (i.e. 31st March and 30th September) either by sending a complete statement to all the Unit holders or by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The portfolio statement will also be displayed on the website of the AMC and AMFI.

The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year.

Loads

Entry Load: Not Applicable

Exit Load: Nil

SEBI vide its circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder (AMFI registered Distributor) directly by the investor, based on the investor's assessment of various factors

including service rendered by the ARN Holder.

For more details on Load Structure, refer to the paragraph 'Load Structure'.

Minimum Application Amount

Retail Plan - Rs. 5,000 and in multiples of Re. 1/- thereafter
Institutional Plan – Rs. 1 crore and in multiples of Re. 1/- thereafter

Minimum Additional Purchase Amount

Retail Plan - Rs. 1000 and in multiples of Re. 1/- thereafter
Institutional Plan – Rs. 1 lac and in multiples of Re. 1/- thereafter

Minimum application amount is applicable at the time of creation of new folio and at the time of first investment in a plan.

I. INTRODUCTION

A. RISK FACTORS

i. Standard Risk Factors:

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- Axis Treasury Advantage Fund is only the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects and returns.
- The sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1 lakh made by it towards setting up the Fund.
- Axis Treasury Advantage Fund is not a guaranteed or assured return *Scheme*.

ii. Scheme Specific Risk Factors

The following are the risks associated with investment in fixed income securities:

Interest-Rate Risk: Fixed income securities such as government bonds, corporate bonds, Money Market Instruments and Derivatives run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices depends upon the coupon and maturity of the security. It also depends upon the yield level at which the security is being traded.

Re-investment Risk: Investments in fixed income securities carry re-investment risk as interest rates prevailing on the coupon payment or maturity dates may differ from the original coupon of the bond.

Basis Risk: The underlying benchmark of a floating rate security or a swap might become

less active or may cease to exist and thus may not be able to capture the exact interest rate movements, leading to loss of value of the portfolio.

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

Liquidity Risk: The liquidity of a bond may change, depending on market conditions leading to changes in the liquidity premium attached to the price of the bond. At the time of selling the security, the security can become illiquid, leading to loss in value of the portfolio.

Liquidity Risk on account of unlisted securities: The liquidity and valuation of the Schemes' investments due to their holdings of unlisted securities may be affected if they have to be sold prior to their target date of divestment. The unlisted security can go down in value before the divestment date and selling of these securities before the divestment date can lead to losses in the portfolio.

Credit Risk: This is the risk associated with the issuer of a debenture/bond or a Money Market Instrument defaulting on coupon payments or in paying back the principal amount on maturity. Even when there is no default, the price of a security may change with expected changes in the credit rating of the issuer. It is to be noted here that a Government Security is a sovereign security and is the safest. Corporate bonds carry a higher amount of credit risk than Government Securities. Within corporate bonds also there are different levels of safety and a bond rated higher by a particular rating agency is safer than a bond rated lower by the same rating agency.

Settlement Risk: Fixed income securities run the risk of settlement which can adversely affect the ability of the fund house to swiftly execute trading strategies which can lead to adverse movements in NAV

Risk Associated with Securitized Debt

The Scheme may invest in domestic securitized debt such as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). Asset Backed Securities (ABS) are securitized debts where the underlying assets are receivables arising from various loans including automobile loans, personal loans, loans against consumer durables, etc. Mortgage backed securities (MBS) are securitized debts where the underlying assets are receivables arising from loans backed by mortgage of residential / commercial properties.

At present in Indian market, following types of loans are securitized:

1. Auto Loans (cars / commercial vehicles /two wheelers)
2. Residential Mortgages or Housing Loans
3. Consumer Durable Loans
4. Personal Loans
5. Corporate Loans

In terms of specific risks attached to securitization, each asset class would have different underlying risks. Residential Mortgages generally have lower default rates than other asset classes, but repossession becomes difficult. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and

better compared to mortgages. Asset classes like personal loans, credit card receivables are unsecured and in an economic downturn may witness higher default. A corporate loan/receivable, depend upon the nature of the underlying security for the loan or the nature of the receivable and the risks correspondingly fluctuate.

The rating agencies define margins, over collateralisation and guarantees to bring risk in line with similar AAA rated securities. The factors typically analyzed for any pool are as follows:

- a. Assets securitized and Size of the loan: This indicates the kind of assets financed with the loan and the average ticket size of the loan. A very low ticket size might mean more costs in originating and servicing of the assets.
- b. Diversification: Diversification across geographical boundaries and ticket sizes might result in lower delinquency
- c. Loan to Value Ratio: Indicates how much % value of the asset is financed by borrower's own equity. The lower this value the better it is. This suggests that where the borrowers own contribution of the asset cost is high; the chances of default are lower.
- d. Average seasoning of the pool: This indicates whether borrowers have already displayed repayment discipline. The higher the number, the more superior it is. The other main risks pertaining to Securitised debt are as follows:

Prepayment Risk: This arises when the borrower pays off the loan sooner than expected. When interest rates decline, borrowers tend to pay off high interest loans with money borrowed at a lower interest rate, which shortens the average maturity of ABSs. However, there is some prepayment risk even if interest rates rise, such as when an owner pays off a mortgage when the house is sold or an auto loan is paid off when the car is sold.

Reinvestment Risk: Since prepayment risk increases when interest rates decline, this also introduces reinvestment risk, which is the risk that the principal can only be reinvested at a lower rate.

Risks associated with Derivatives Transactions

Credit Risk: The credit risk is the risk that the counter party will default in it's obligations and is generally small as in a Derivative transaction there is generally no exchange of the principal amount.

Interest rate risk: Derivatives carry the risk of adverse changes in the price due to change in interest rates.

Basis Risk: When a bond is hedged using a Derivative, the change in price of the bond and the change in price of the Derivative may not be fully correlated leading to basis risk in the portfolio.

Liquidity risk: During the life of the Derivative, the benchmark might become illiquid and might not be fully capturing the interest rate changes in the market, or the selling, unwinding prices might not reflect the underlying assets, rates and indices, leading to loss of value of the portfolio.

Model Risk: The risk of mis-pricing or improper valuation of Derivatives.

Trade Execution: Risk where the final execution price is different from the screen price leading to dilution in the spreads and hence impacting the profitability of the reverse arbitrage strategy.

Systemic Risk: For Derivatives, especially OTC ones the failure of one Counter Party can put the whole system at risk and the whole system can come to a halt.

Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the Investor. Execution of strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

The risks associated with the use of Derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

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

In respect of transaction in Units of the Scheme through BSE and / or NSE, allotment and redemption of Units on any Business Day will depend upon the order processing / settlement by BSE and / or NSE and their respective clearing corporations on which the Fund has no control.

Risk associated with Short Selling & Securities Lending

Securities Lending is a lending of securities through an approved intermediary to a borrower under an agreement for a specified period with the condition that the borrower will return equivalent securities of the same type or class at the end of the specified period along with the corporate benefits accruing on the securities borrowed. There are risks inherent in securities lending, including the risk of failure of the other party, in this case the approved intermediary to comply with the terms of the agreement. Such failure can result in a possible loss of rights to the collateral, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of corporate benefits accruing thereon.

Short-selling is the sale of shares or securities that the seller does not own at the time of trading. Instead, he borrows it from someone who already owns it. Later, the short seller buys back the stock/security he shorted and returns the stock/security to the lender to close out the loan. The inherent risks are Counterparty risk and liquidity risk of the stock/security being borrowed. The security being short sold might be illiquid or become illiquid and covering of the security might occur at a much higher price level than anticipated, leading to losses.

Risk Associated with investment in Foreign Securities

Subject to necessary approvals, the Scheme may also invest in overseas financial assets as permitted under the applicable regulations. The value of an investment in a foreign issuer's securities may depend on general global economic factors or specific economic and political factors relating to the country or countries in which the foreign issuer operates. To the extent the assets of the Scheme are invested in overseas financial assets, there may be risk associated with fluctuation in foreign exchange rates, restriction on repatriation of capital and earnings under the exchange control regulations and

transaction procedure in overseas market. The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls, political circumstances, bi-lateral conflicts or prevalent tax laws. Since the Scheme would invest only partially in foreign securities, there may not be readily available and widely accepted benchmarks to measure performance of such Scheme. To manage risks associated with foreign currency and interest rate exposure, the Fund may use derivatives for efficient portfolio management and hedging and portfolio rebalancing and in accordance with conditions as may be stipulated under the Regulations and by RBI from time to time.

Investment in foreign securities carries currency risk. Currency risk is a form of risk that arises from the change in price of one currency against other. The exchange risk associated with a foreign denominated instrument is a key element in foreign investment. This risk flows from differential monetary policy and growth in real productivity, which results in differential inflation rates. The risk arises because currencies may move in relation to each other.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme/Plan shall have a minimum of 20 Investors and no single Investor shall account for more than 25% of the corpus of the Scheme/Plan(s). The aforesaid conditions should be complied with in each calendar quarter on an average basis. In case the Scheme / Plan(s) does not have a minimum of 20 Investors on an ongoing basis for each calendar quarter, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme / Plan(s) shall be wound up and the units would be redeemed at Applicable NAV. If there is a breach of the 25% limit by any Investor over the quarter, a rebalancing period of one month would be allowed and thereafter the Investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic Redemption by the Mutual Fund on the Applicable NAV on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. SPECIAL CONSIDERATIONS, if any

- Prospective investors should study this Scheme Information Document and Statement of Additional Information carefully in its entirety and should not construe the contents hereof as advice relating to legal, taxation, financial, investment or any other matters and are advised to consult their legal, tax, financial and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, before making a decision to invest/redeem/hold Units.
- Neither this Scheme Information Document, Statement of Additional Information nor the Units have been registered in any jurisdiction. The distribution of this Scheme Information Document or Statement of Additional Information in certain jurisdictions may be restricted or totally prohibited to registration requirements and accordingly, persons who come into possession of this Scheme Information Document or Statement of Additional Information are required to inform themselves about and to observe any such restrictions and/ or legal compliance requirements.
- The AMC, Trustee or the Mutual Fund have not authorized any person to issue any advertisement or to give any information or to make any representations, either oral

or written, other than that contained in this Scheme Information Document or the Statement of Additional Information or as provided by the AMC in connection with this offering. Prospective Investors are advised not to rely upon any information or representation not incorporated in the Scheme Information Document or Statement of Additional Information or as provided by the AMC as having been authorized by the Mutual Fund, the AMC or the Trustee.

- Redemption due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any such tax consequences that may arise due to such Redemptions.
- The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise, in the event that the Scheme is wound up for the reasons and in the manner provided in 'Statement of Additional Information ('SAI')'.
- The tax benefits described in this Scheme Information Document and Statement of Additional Information are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India as on the date of this Scheme Information Document and the Unit holders should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Unit holder is advised to consult his / her own professional tax advisor.
- The Mutual Fund may disclose details of the investor's account and transactions there under to those intermediaries whose stamp appears on the application form or who have been designated as such by the investor. In addition, the Mutual Fund may disclose such details to the bankers, as may be necessary for the purpose of effecting payments to the investor. The Fund may also disclose such details to regulatory and statutory authorities/bodies as may be required or necessary.
- In case the AMC or its Sponsor or its Shareholders or their affiliates/associates or group companies make substantial investment, either directly or indirectly in the Scheme, Redemption of units by these entities may have an adverse impact on the performance of the Scheme. This may also affect the ability of the other Unit holders to redeem their units.
- As the liquidity of the Scheme's investments may sometimes be restricted by trading volumes and settlement periods, the time taken by the Fund for Redemption of Units may be significant in the event of an inordinately large number of Redemption Requests or of a restructuring of the Scheme's portfolio. In view of this, the Trustee has the right, in its sole discretion, to limit Redemptions under certain circumstances - please refer to the paragraph "Right to Limit Redemptions".
- Pursuant to the provisions of Prevention of Money Laundering Act, 2002, if after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, on failure to provide required documentation, information, etc. by the unit holder the AMC shall have absolute discretion to report such suspicious transactions to FIU-IND and / or to freeze the folios of the investor(s), reject any application(s)/redemptions / allotment of units.

D. DEFINITIONS

"AMC" or "Asset Management Company" or "Investment Manager"	Axis Asset Management Company Limited, incorporated under the provisions of the Companies Act, 1956 and approved by Securities and Exchange Board of India to act as the Asset Management Company for the scheme(s) of Axis Mutual Fund.
"Applicable NAV"	The NAV applicable for purchase or redemption or Switching of Units based on the time of the Business Day on which the application is time stamped.
"Book Closure"	The time during which the Asset Management Company would temporarily suspend Sale, redemption and Switching of Units.
"Business Day"	<p>A day other than:</p> <ul style="list-style-type: none"> (i) Saturday and Sunday; (ii) A day on which the banks in Mumbai and /or RBI are closed for business /clearing; (iii) A day on which the National Stock Exchange of India Limited and/or the Stock Exchange, Mumbai are closed; (iv) A day which is a public and /or bank Holiday at an Investor Service Centre/Official Point of Acceptance where the application is received; (v) A day on which Sale / Redemption / Switching of Units is suspended by the AMC; (vi) A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time. <p>Further, the day(s) on which the money markets are closed / not accessible, shall not be treated as Business Day(s).</p> <p>The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres/Official Points of Acceptance.</p>
"Business Hours"	Presently 9.30 a.m. to 5.30 p.m. on any Business Day or such other time as may be applicable from time to time.
"Custodian"	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996, which for the time being is Deutsche Bank AG.
"Depository"	Depository as defined in the Depositories Act, 1996 (22 of 1996).
"Derivative"	Derivative includes (i) a security derived from a debt instrument, share, loan whether secured or unsecured, risk instrument or contract for differences or any other form of security; (ii) a contract which derives its value

	from the prices, or index of prices, or underlying securities.
"Dividend"	Income distributed by the Mutual Fund on the Units.
"Exit Load"	Load on Redemption / Switch out of Units.
"FII"	Foreign Institutional Investor, registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
"Floating Rate Debt Instruments"	Floating rate debt instruments are debt securities issued by Central and / or State Government, corporates or PSUs with interest rates that are reset periodically. The periodicity of the interest reset could be daily, monthly, quarterly, half-yearly, annually or any other periodicity that may be mutually agreed with the issuer and the Fund. The interest on the instruments could also be in the nature of fixed basis points over the benchmark gilt yields.
"Foreign Securities"	ADRs / GDRs/ equity / debt securities of overseas companies listed on the recognized stock exchanges overseas/ or such other related securities as may be specified by SEBI and/or RBI from time to time.
"Gilts" or "Government Securities"	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.
"GOI"	Government of India
"Holiday"	Holiday means the day(s) on which the banks (including the Reserve Bank of India) are closed for business or clearing in Mumbai or their functioning is affected due to a strike / bandh call made at any part of the country or due to any other reason.
"Investment Management Agreement"	The agreement dated June 27, 2009 entered into between Axis Mutual Fund Trustee Limited and Axis Asset Management Company Limited, as amended from time to time.
"Investor Service Centres" or "ISCs"	Offices of Axis Asset Management Company Limited or such other centres / offices as may be designated by the AMC from time to time.
"Load"	<p>In the case of Redemption / Switch out of a Unit, the sum of money deducted from the Applicable NAV on the Redemption / Switch out (Exit Load) and in the case of Sale / Switch in of a Unit, a sum of money to be paid by the prospective investor on the Sale / Switch in of a Unit (Entry Load) in addition to the Applicable NAV.</p> <p>Presently, entry load cannot be charged by mutual fund schemes.</p>
"Micro SIP"	Systematic Investment Plans (SIPs) where aggregate of installments in a financial year i.e April to March does not exceed Rs. 50,000/- (per financial year per investor).

"Money Market Instruments"	Includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time.
"Mutual Fund" or "the Fund"	Axis Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882.
"Net Asset Value" or "NAV"	Net Asset Value per Unit of the Scheme, calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
"NRI"	A Non-Resident Indian or a Person of Indian Origin residing outside India.
"Official Points of Acceptance"	Places, as specified by AMC from time to time where application for Subscription / Redemption / Switch will be accepted on ongoing basis.
"Person of Indian Origin"	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in sub-clause (a) or (b).
"Rating"	Rating means an opinion regarding securities, expressed in the form of standard symbols or in any other standardized manner, assigned by a credit rating agency and used by the issuer of such securities, to comply with any requirement of the SEBI (Credit Rating Agencies) Regulations, 1999.
"RBI"	Reserve Bank of India, established under the Reserve Bank of India Act, 1934, (2 of 1934)
"Registrar and Transfer Agent" or "Registrar"	Karvy Computershare Pvt. Ltd., Hyderabad, currently acting as registrar to the Scheme, or any other Registrar appointed by the AMC from time to time.
"Redemption / Repurchase"	Redemption of Units of the Scheme as permitted.
"Regulatory Agency"	GOI, SEBI, RBI or any other authority or agency entitled to issue or give any directions, instructions or guidelines to the Mutual Fund
"Repo"	Sale/Repurchase of Securities with simultaneous agreement to repurchase / resell them at a later date.
"Statement of Additional Information" or "SAI"	The document issued by Axis Mutual Fund containing details of Axis Mutual Fund, its constitution, and certain tax, legal and general information. SAI is legally a part of the Scheme Information Document.
"Sale / Subscription"	Sale or allotment of Units to the Unit holder upon subscription by the Investor / applicant under the Scheme.
"Scheme"	Axis Treasury Advantage Fund
"Scheme Information Document"	This document issued by Axis Mutual Fund, offering for Subscription of Units of Axis Treasury Advantage Fund (including Options there under)
"SEBI"	Securities and Exchange Board of India, established

	under the Securities and Exchange Board of India Act, 1992.
"SEBI (MF) Regulations" or "Regulations"	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
"Short Selling"	Short selling means selling a stock which the seller does not own at the time of trade.
"Sponsor"	Axis Bank Limited
"Switch"	Redemption of a unit in any scheme (including the options therein) of the Mutual Fund against purchase of a unit in another scheme (including the options therein) of the Mutual Fund, subject to completion of Lock-in Period, if any.
"Stock Lending"	Lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio.
"Systematic Investment Plan" / "SIP"	A plan enabling investors to save and invest in the Scheme on a periodic basis submitting post dated cheques / payment instructions.
"Systematic Transfer Plan" / "STP"	Facility given to the Unit holders to transfer sums on periodic basis from one scheme to another schemes launched by the Mutual Fund from time to time by giving a single instruction.
"Deed of Trust"	The Deed of Trust dated June 27, 2009 made by and between Axis Bank Limited and Axis Mutual Fund Trustee Limited thereby establishing an irrevocable trust, called Axis Mutual Fund.
"Trustee" or "Trustee Company"	Axis Mutual Fund Trustee Limited incorporated under the provisions of the Companies Act, 1956 and approved by SEBI to act as the Trustee to the Schemes of the Mutual Fund.
"Unit"	The interest of the Unit holder which consists of each Unit representing one undivided share in the assets of the Scheme.
"Unit holder" or "Investor"	A person holding Units in Axis Treasury Advantage Fund.

INTERPRETATION

For all purposes of this Scheme Information Document, 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 Dollars 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 a non Business Day.

E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**It is confirmed that:**

- (i) The Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- (ii) All legal requirements connected with the launching of the scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- (iii) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed scheme.
- (iv) The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

Place: Mumbai
Date: December 15, 2011

Signed: Sd/-
Name : Miten Chawda
Designation: Head – Compliance &
Company Secretary

II. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

An Open-ended Debt Scheme

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

The investment objective is to provide optimal returns and liquidity to the investors by investing primarily in a mix of money market and short term debt instruments which results in a portfolio having marginally higher maturity as compared to a liquid fund at the same time maintaining a balance between safety and liquidity. However, there can be no assurance that the investment objective of the scheme will be achieved.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Under normal circumstances the asset allocation pattern will be:

Instruments	Indicative Allocation (% of net assets)		Risk Profile
	Minimum	Maximum	
Money Market & Debt instruments with maturity/average maturity/residual maturity/interest rate resets less than or equal to 1 year	70%	100%	Low
Debt instruments* with maturity/average maturity/residual maturity/interest rate resets greater than 1 year	0%	30%	Low to Medium

*Includes securitized debt(excluding foreign securitized debt) up to 30% of the net assets of the Scheme. The Scheme shall not invest in foreign securitized debt.

Investment in Derivatives – up to 50% of the net assets of the Scheme. Investment in derivatives shall be for hedging, portfolio balancing and such other purposes as maybe permitted from time to time.

The Scheme can invest up to 50% of net assets in Foreign Securities.

Pending deployment of the funds in securities in terms of investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of the Scheduled Commercial Banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, as may be amended from time to time.

The Scheme may engage in Short Selling of securities in accordance with the framework relating to Short Selling and securities lending and borrowing specified by SEBI. The Scheme shall not deploy more than 20% of its net assets in securities lending and not more than 5% of the net assets of the Scheme will be deployed in securities lending to any single counterparty.

The scheme retains the flexibility to invest across all the securities in the debt and Money Markets Instruments. The scheme may also invest in units of debt and liquid mutual fund schemes. The portfolio may hold cash depending on the market condition. The fund manager can use Derivative instruments to protect the downside risk.

The portfolio duration will undergo a change according to the expected movement in interest rates, liquidity conditions and other macro-economic factors. It is expected that the average maturity for the Fund will be up to 6 months depending on the interest rate view. However, this can undergo a change in case the market condition warrant and according to the fund manager's view. The Scheme may review the above pattern of investments based on views on interest rates and asset liability management needs. However, at all times the portfolio will adhere to the overall investment objectives of the scheme.

Subject to the SEBI Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute. These proportions can vary substantially depending upon the perception of the fund manager; the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the investment pattern will be for short term and for defensive considerations only. In case of deviation, the portfolio would be rebalanced within 3 months from the date of deviation. In case the same is not aligned to the above asset allocation pattern within 3 months, justification shall be provided to the Investment Review Committee and reasons for the same shall be recorded in writing. The Investment Review committee shall then decide on the course of action.

Axis Treasury Advantage Fund, an open ended debt scheme is a new scheme offered by Axis Mutual Fund and is not a minor modification of any other existing scheme/product of Axis Mutual Fund. Differentiation as follows:

Name of the existing scheme	Asset Allocation Pattern			Primary Investment Objective	Differentiation	AUM as on November 30, 2011 (Rs. In crores)	No. of Folios as on November 30, 2011
Axis Short Term Fund	Instruments	Indicative Allocation (% of net assets)		The scheme will endeavor to generate stable returns with a low risk strategy while maintaining liquidity through a portfolio comprising of debt and money market instruments. However, there can be no assurance that the investment objective of the scheme will be achieved.	Endeavor to maintain the modified duration in a range of 3months - 3 years depending on the interest rate view.	258.93	630
		Minimum	Maximum				
	Money market instruments and debt Instruments including government securities, corporate debt, securitized debt and other debt instruments with maturity/average maturity/residual maturity/interest rate resets less than or equal to 375 days or have put options within a period not exceeding 375 days.	30	100				
	Debt instruments including government securities, corporate debt, securitized debt and other debt instruments with maturity/average maturity/residual maturity/interest rate resets greater than 375 days	0	70				
Axis Income Saver				The Scheme seeks to generate regular income through investments in debt & money market instruments, along with capital appreciation through limited exposure to equity and equity related instruments. It also aims to manage risk through active asset allocation	Equity Exposure up to 35% of the net assets.	249.97	19858
	Instruments	Indicative Allocation (% of net assets)					
		Minimum	Maximum				
	Debt and money market instruments	65	99				
	Equity and Equity related instruments	1	35				

Axis Dynamic Bond Fund	Instruments	Indicative Allocation (% of net assets)		The Scheme will endeavor to generate optimal returns while maintaining liquidity through active management of a portfolio of debt and money market instruments.	Active duration management	64.06	563
		Minimum	Maximum				
	Debt instruments* including GSecs and corporate debt	0%	100%				
	Money market instruments	0%	100%				

D.Where will the scheme invest?

The corpus of the Scheme will be invested in Debt Instruments, Money Market Instruments and other permitted securities which will include but not limited to:

Collateralized Borrowing and Lending Obligations (CBLO)

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

Certificate of Deposit (CD) of scheduled commercial banks and development financial institutions

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

Commercial Paper (CP)

Commercial Paper (CP) is an unsecured negotiable money market instrument issued in the form of a promissory note, generally issued by the corporates, primary dealers and all India Financial Institutions as an alternative source of short term borrowings. CP is traded in secondary market and can be freely bought and sold before maturity.

Treasury Bill (T-Bill)

Treasury Bills (T-Bills) are issued by the Government of India to meet their short term borrowing requirements. T-Bills are issued for maturities of 14 days, 91 days, 182 days and 364 days.

Bill (bills of exchange/promissory notes of public sector and private sector corporate entities) Rediscounting

Repos

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

Securities created and issued by the Central and State Governments as may be permitted by RBI, securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills). State Government securities (popularly known as State Development Loans or SDLs) are issued by the respective State Government in co-ordination with the RBI.

Non convertible debentures and bonds

Non convertible debentures as well as bonds are securities issued by companies / institutions promoted / owned by the Central or State Governments and statutory bodies which may or may not carry a Central/State Government guarantee, Public and private sector banks, all India Financial Institutions and Private Sector Companies. These instruments may be secured or unsecured against the assets of the Company and generally issued to meet the short term and long term fund requirements.

The scheme may also invest in the non convertible part of convertible debt securities.

Floating rate debt instruments

Floating rate debt instruments are instruments issued by Central / state governments, corporates, PSUs, etc. with interest rates that are reset periodically.

Securitized Assets: Securitization is a structured finance process which involves pooling and repackaging of cashflow producing financial assets into securities that are then sold to investors. They are termed as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are backed by other assets such as credit card, automobile or consumer loan receivables, retail installment loans or participations in pools of leases. Credit support for these securities may be based on the underlying assets and/or provided through credit enhancements by a third party. MBS is an asset backed security whose cash flows are backed by the principal and interest payments of a set of mortgage loans. Such Mortgage could be either residential or commercial properties. ABS/MBS instrument reflect the undivided interest in the underlying assets and do not represent the obligation of the issuer of ABS/MBS or the originator of underlying receivables. Securitization often utilizes the services of SPV.

Pass through Certificate (PTC)

(Pay through or other Participation Certificates) represents beneficial interest in an underlying pool of cash flows. These cash flows represent dues against single or multiple loans originated by the sellers of these loans. These loans are given by banks or financial institutions to corporates. PTCs may be backed, but not exclusively, by receivables of personal loans, car loans, two wheeler loans and other assets subject to applicable regulations.

The following are certain additional disclosures w.r.t. investment in securitized debt:

1. How the risk profile of securitized debt fits into the risk appetite of the scheme

Securitized debt is a form of conversion of normally non-tradable loans to transferable securities. This is done by assigning the loans to a special purpose vehicle (a trust), which in turn issues Pass-Through-Certificates (PTCs). These PTCs are transferable securities with fixed income characteristics. The risk of investing in securitized debt is similar to investing in debt securities. However it differs in two respects.

Typically the liquidity of securitized debt is less than similar debt securities. For certain types of securitized debt (backed by mortgages, personal loans, credit card debt, etc.),

there is an additional pre-payment risk. Pre-payment risk refers to the possibility that loans are repaid before they are due, which may reduce returns if the re-investment rates are lower than initially envisaged.

Because of these additional risks, securitized debt typically offers higher yields than debt securities of similar credit rating and maturity. If the fund manager judges that the additional risks are suitably compensated by the higher returns, he may invest in securitized debt up to the limits specified in the asset allocation table above.

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

The originator is the person who has initially given the loan. The originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). An analysis of the originator is especially important in case of retail loans as this affects the credit quality and servicing of the PTC. The key risk is that of the underlying assets and not of the originator. For example, losses or performance of earlier issuances does not indicate quality of current series. However such past performance may be used as a guide to evaluate the loan standards, servicing capability and performance of the originator.

Originators may be: Banks, Non Banking Finance Companies, Housing Finance Companies, etc. The fund manager / credit analyst evaluates originators based on the following parameters

- Track record
- Willingness to pay, through credit enhancement facilities etc.
- Ability to pay
- Business risk assessment, wherein following factors are considered:
 - Outlook for the economy (domestic and global)
 - Outlook for the industry
 - Company specific factors

In addition a detailed review and assessment of rating rationale is done including interactions with the originator as well as the credit rating agency.

The following additional evaluation parameters are used as applicable for the originator / underlying issuer for pool loan and single loan securitization transactions:

- Default track record/ frequent alteration of redemption conditions / covenants
- High leverage ratios of the ultimate borrower (for single-sell downs) – both on a standalone basis as well on a consolidated level/ group level
- Higher proportion of reschedulement of underlying assets of the pool or loan, as the case may be
- Higher proportion of overdue assets of the pool or the underlying loan, as the case may be
- Poor reputation in market
- Insufficient track record of servicing of the pool or the loan, as the case may be.

3. Risk mitigation strategies for investments with each kind of originator

An analysis of the originator is especially important in case of retail loans as the size and reach affects the credit quality and servicing of the PTC. In addition, the quality of the collection process, infrastructure and follow-up mechanism; quality of MIS; and credit enhancement mechanism are key risk mitigants for the better originators / servicers.

In case of securitization involving single loans or a small pool of loans, the credit risk of the underlying borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk. The credit analyst looks at ageing (i.e. how long the loan has been with the originator before securitization) as one way of evaluating the performance potential of the PTC. Securitization transactions may include some risk mitigants (to reduce credit risk). These may include interest subvention (difference in interest rates on the underlying loans and the PTC serving as margin against defaults), overcollateralization (issue of PTCs of lesser value than the underlying loans, thus even if some loans default, the PTC continues to remain protected), presence of an equity / subordinate tranche (issue of PTCs of differing seniority when it comes to repayment - the senior tranches get paid before the junior tranche) and / or guarantees.

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

In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk.

The credit analyst looks at ageing (i.e. how long the loan has been with the originator before securitization) as one way of judging the performance potential of the PTC. Additional risk mitigants may include interest subvention, over collateralization, presence of an equity / subordinate tranche and / or guarantees. The credit analyst also uses analyses by credit rating agencies on the risk profile of the securitized debt.

Currently, the following parameters are used while evaluating investment decision relating to a pool securitization transaction. The Investment Review Committee may revise the parameters from time to time.

Characteristics/Type of Pool	Mortgage Loan	Commercial Vehicle and Construction Equipment	CAR	2 wheelers	Micro Finance Pools *	Personal Loans *	Single Sell Downs	Others
Approximate Average maturity (in Months)	Up to 10 years	Up to 3 years	Up to 3 years	Up to 3 years	NA	NA	Refer Note 1	Refer Note 2
Collateral margin (including cash, guarantees, excess interest spread, subordinate tranche)	>10%	>10%	>10%	>10%	NA	NA	"	"
Average Loan to Value Ratio	<90%	<80%	<80%	<80%	NA	NA	"	"
Average seasoning of the Pool	>3 months	>3 months	>3 months	>3 months	NA	NA	"	"
Maximum single exposure range	<1%	<1%	<1%	<1%	NA	NA	"	"
Average single exposure range %	<1%	<1%	<1%	<1%	NA	NA	"	"

* Currently, the Schemes will not invest in these types of securitized debt

Note 1: In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. The investment limits applicable to the underlying borrower are applied to the single loan sell-down.

2: Other investments will be decided on a case-to-case basis

The credit analyst may consider the following risk mitigating measures in his analysis of the securitized debt:

- Size of the loan
- Average original maturity of the pool
- Loan to Value Ratio
- Average seasoning of the pool
- Default rate distribution
- Geographical Distribution
- Credit enhancement facility
- Liquid facility
- Structure of the pool

5. Minimum retention period of the debt by originator prior to securitization

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements. In addition, RBI has proposed minimum holding period of between nine and twelve months for assets before they can be securitized. The minimum holding period depends on the tenor of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

6. Minimum retention percentage by originator of debts to be securitized

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements, including maximum exposure by the originator in the PTCs. In addition, RBI has proposed minimum retention requirement of between five and ten percent of the book value of the loans by the originator. The minimum retention requirement depends on the tenor and structure of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

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

The key risk is securitized debt relates to the underlying borrowers and not the originator. In a securitization transaction, the originator is the seller of the debt(s) and the fund is the buyer. However, the originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). As the originators may also invest in the scheme, the fund manager shall ensure that the investment decision is based on parameters as set by the Investment Review Committee (IRC) of the asset management company and IRC shall review the same at regular interval.

8. The resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt

The fund management team including the credit analyst has the experience to analyze securitized debt. In addition, credit research agencies provide analysis of individual instruments and pools. On an on-going basis (typically monthly) the servicer provides reports regarding the performance of the pool. These reports would form the base for ongoing evaluation where applicable. In addition, rating reports indicating rating changes would be monitored for changes in rating agency opinion of the credit risk.

When issued

When, as and if issued' (commonly known as "**when-issued**" (**WI**) **security**) refers to a security that has been authorized for issuance but not yet actually issued. WI trading takes place between the time a new issue is announced and the time it is actually issued. All "when issued" transactions are on an "if" basis, to be settled if and when the actual security is issued.

SEBI has on April 16, 2008 in principle allowed Mutual Funds to undertake 'When Issued (WI)' transactions in Central Government securities, at par with other market participants.

- Open Position in the 'WI' market are subject to the following limits:

Category	Reissued Security	Newly Issued Security
Non-PDs	Long Position, not exceeding 5 percent of the notified amount.	Long Position, not exceeding 5 percent of the notified amount.

Investments in Debt derivative instruments:

Interest Rate Swap - An Interest Rate Swap (IRS) is a financial contract between two parties exchanging or swapping a stream of interest payments for a "notional principal" amount on multiple occasions during a specified period. Such contracts generally involve exchange of a "fixed to floating" or "floating to fixed rate" of interest. Accordingly, on each payment date that occurs during the swap period, cash payments based on fixed/ floating and floating rates are made by the parties to one another.

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

Interest Rate Futures (as and when permitted):

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

Characteristics of Interest Rate Futures

1. Obligation to buy or sell a bond at a future date
2. Standardized contract.
3. Exchange traded
4. Physical settlement
5. Daily mark to market

Investment in Foreign Securities

The Scheme may also invest in suitable investment avenues in Foreign Securities in overseas financial markets for the purpose of diversification, commensurate with the Scheme objectives and subject to necessary stipulations by SEBI / RBI. Towards this end, the Mutual Fund may also appoint overseas investment advisors and other service providers, as and when permissible under the regulations.

The Scheme may invest in the following foreign securities in line with the guidelines stipulated by RBI/SEBI from time to time:

- Initial and follow on public offerings for listing at recognized stock exchanges overseas
- Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies
- Money Market Instruments rated not below investment grade
- Repos in the form of investment, where the counterparty is rated not below investment grade; repos shall not however, involve any borrowing of funds by the mutual funds
- Government Securities where the countries are rated not below investment grade
- Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities
- Short term deposits with banks overseas where the issuer is rated not below investment grade
- Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, or (b) unlisted overseas securities (not exceeding 10% of their net assets).

Note: The Scheme will not invest in foreign securitized debt.

As per SEBI Circular SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007, mutual funds can make overseas investments subject to a maximum of US \$300 million or such limits as may be prescribed by SEBI from time to time. Subject to the approval of RBI / SEBI, where required and conditions as may be prescribed by them, the Mutual Fund may open one or more foreign currency accounts abroad either directly, or through the custodian/sub-custodian, to facilitate investments and to enter into/deal in forward currency contracts, currency futures, interest rate futures / swaps, currency options for the purpose of hedging the risks of assets of a portfolio or for such purposes as maybe permitted from time to time. However, the use of such instruments shall be as permitted from time to time. All the requirement of the SEBI circular dated September 26, 2007 and any amendments thereto would be adhered to by the AMC for investment in foreign securities.

Investment in overseas securities shall be made in accordance with the requirements stipulated by SEBI and RBI from time to time.

Investment in Short Term Deposits

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

Investments in units of mutual fund schemes

The Scheme may invest in other schemes managed by the AMC or in the schemes of any other mutual funds in conformity with the investment objective of the Scheme and in terms of the prevailing SEBI (MF) Regulations.

The securities / instruments mentioned above and such other securities the Scheme is permitted to invest in could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity.

The securities may be acquired through initial public offering (IPOs), secondary market, private placement, rights offers, negotiated deals. Further investments in debentures, bonds and other fixed income securities will be in instruments which have been assigned investment grade rating by the Credit Rating Agency.

Investment in unrated debt instruments shall be subject to complying with the provisions of the Regulations and within the limit as specified in Schedule VII to the Regulations. Pursuant to SEBI Circular No. MFD/CIR/9/120/2000 dated November 24, 2000, the AMC may constitute committee(s) to approve proposals for investments in unrated debt instruments. The AMC Board and the Trustee shall approve the detailed parameters for such investments. However, in case any unrated debt security does not fall under the parameters, the prior approval of Board of AMC and Trustee shall be sought.

For applicable regulatory investment limits please refer paragraph "Investment Restrictions".

Details of various derivative strategies/examples of use of derivatives have been provided under the paragraph "Derivatives Strategy"

The Fund Manager reserves the right to invest in such securities as maybe permitted from time to time and which are in line with the investment objectives of the scheme.

E.WHAT ARE THE INVESTMENT STRATEGIES?

The risk-return profile of this fund positions it in between a liquid fund and short duration income fund. The portfolio strategy seeks to increase yield by having a marginally higher maturity and moderately higher credit risk as compared to a liquid fund at the same time maintaining a balance between safety and liquidity.

The portfolio construction will seek to play out the shape of the curve (overnight – 12 months, 1Year-3Year, steep/flat/inverted) and differentiated levels of risk premia offered by the market to different class of issuers. E.g yields for 1Year instrument issued by a bank, a NBFC, a manufacturing corporate, a broking company can differ by as high as 100-500 basis points even if all of them are rated equally by the credit rating agency.

Accordingly there is a trade-off in terms of their respective liquidity. In view of the Fund's objective of maximizing returns with maintaining high liquidity, the portfolio will be constructed with judicious mix of instruments issued by the universe of eligible issuers across the spectrum. Portfolio maturity (in months) is determined after analysing the macro-economic environment including future course of system liquidity, interest rates and inflation along with other considerations in the economy and markets.

The investment team of the AMC will carry out rigorous in depth credit evaluation of the money market and debt instruments proposed to be invested in. The credit evaluation will essentially be a bottom up approach and include a study of the operating environment of the issuer, the past track record as well as the future prospects of the issuer and the short term / long term financial health of the issuer.

The Fund is likely to have higher maturity than a liquid fund, which means the Fund may have higher allocation to 3-6 months instruments and also some allocation towards instruments with more than 1 year maturity. As a result, the Fund stands to expose to market risk which can get captured partially by "mark to market component" thereby inducing a potential daily volatility. Also, the Fund will have a mix of credits with a moderately higher credit risk as compared to a liquid fund. The Fund will always aim at controlling risk by carrying a rigorous credit evaluation of the instruments proposed to be invested in. The credit evaluation will be carried out on the basis of the parameters mentioned above. On a relative basis, the alpha to the portfolio will be generated by managing the interest rate risk across different asset classes and duration buckets, as compared to treading the credit curve.

Derivatives Strategy:

The Scheme may use Derivative instruments like interest rate swaps like Overnight Indexed Swaps ("OIS"), forward rate agreements, interest rate futures (as and when permitted) or such other Derivative instruments as may be permitted under the applicable regulations. Derivatives will be used for the purpose of hedging, and portfolio balancing or such other purpose as may be permitted under the regulations and Guidelines from time to time.

The Fund will be allowed to take exposure in interest rate swaps only on a non-leveraged basis. A swap will be undertaken only if there is an underlying asset in the portfolio. In terms of Circular No. MFD.BC.191/07.01.279/1999-2000 and MPD.BC.187/07.01.279/1999-2000 dated November 1, 1999 and July 7, 1999 respectively issued by RBI permitting participation by Mutual Funds in interest rate swaps and forward rate agreements, the Fund will use Derivative instruments for the purpose of hedging and portfolio balancing. The Fund may also use derivatives for such purposes as maybe permitted from time to time. Further, the guidelines issued by RBI from time to time for forward rate agreements and interest rate swaps and other derivative products would be adhered to by the Mutual Fund.

IRS and FRA do also have inherent credit and settlement risks. However, these risks are substantially reduced as they are limited to the interest streams and not the notional principal amounts.

Investments in Derivatives will be in accordance with the extant Regulations / guidelines. Presently Derivatives shall be used for hedging and / or portfolio balancing purposes, as permitted under the Regulations. The circumstances under which such transactions would be entered into would be when, for example using the IRS route it is possible to generate better returns / meet the objective of the Scheme at a lower cost. e.g. if

buying a 2 Yr Mibor based instrument and receiving the 2 Yr swap rate yields better return than the 2 Yr AAA corporate, the Scheme would endeavor to do that. Alternatively, the Scheme would also look to hedge existing fixed rate positions if the view on interest rates is that it would likely rise in the future.

The following information provides a basic idea as to the nature of the Derivative instruments proposed to be used by the Fund and the benefits and risks attached therewith. Please note that the examples have been given for illustration purposes only.

Using Overnight Indexed Swaps

In a rising interest rate scenario, the Scheme may enhance returns for the Investor by hedging the risk on its fixed interest paying assets by entering into an OIS contract where the Scheme agrees to pay a fixed interest rate on a specified notional amount, for a pre determined tenor and receives floating interest rate payments on the same notional amount. The fixed returns from the Scheme assets and the fixed interest payments to be made by the Scheme on account of the OIS transaction offset each other and the Scheme benefits on the floating interest payments that it receives. The Scheme may enter into an opposite position in case of a falling interest rate scenario, i.e. to hedge the floating rate assets in its portfolio the Scheme enters into an OIS transaction wherein it receives a fixed interest rate on a specified notional amount for a specified time period and pays a floating interest rate on the same notional amount. The floating interest payments that the Scheme receives on its floating rate securities and the floating interest payments that the Scheme has to pay on account of the OIS transaction offset each other and the Scheme benefits on the fixed interest payments that it receives in such a scenario.

Swap

Assume that the Scheme has a Rs. 20 crore floating rate investment linked to MIBOR (Mumbai Inter Bank Offered Rate). Hence, the Scheme is currently running an interest rate risk and stands to lose if the interest rate moves down. To hedge this interest rate risk, the Scheme can enter into a 6 month MIBOR swap. Through this swap, the Scheme will receive a fixed predetermined rate (assume 12%) and pays the "benchmark rate" (MIBOR), which is fixed by the NSE ("National Stock Exchange of India Limited") or any other agency such as Reuters. This swap would effectively lock-in the rate of 12% for the next 6 months, eliminating the daily interest rate risk. This transaction is usually routed through an intermediary who runs a book and matches deals between various counterparties. The steps will be as follows:

Assuming the swap is for Rs. 20 Crores for June 1, 2009 to December 1, 2009. The Scheme is a fixed rate receiver at 12% and the counterparty is a floating rate receiver at the overnight rate on a compounded basis (say NSE MIBOR).

On June 1, 2009 the Scheme and the counterparty will exchange only a contract of having entered this swap. This documentation would be as per International Swap Dealers Association ("ISDA") norms.

On a daily basis, the benchmark rate fixed by NSE will be tracked by them.

On December 1, 2009 they will calculate the following:

- The Scheme is entitled to receive interest on Rs. 20 Crores at 12% for 184 days i.e. Rs. 1.21 Crores, (this amount is known at the time the swap was concluded) and will pay the compounded benchmark rate.

- The counterparty is entitled to receive daily compounded call rate for 184 days & pay 12% fixed.
- On December 1, 2009, if the total interest on the daily overnight compounded benchmark rate is higher than Rs. 1.21 Crores, the Scheme will pay the difference to the counterparty. If the daily compounded benchmark rate is lower, then the counterparty will pay the Scheme the difference.
- Effectively the Scheme earns interest at the rate of 12% p.a. for six months without lending money for 6 months fixed, while the counterparty pays interest @ 12% p.a. for 6 months on Rs. 20 Crores, without borrowing for 6 months fixed.

The above example illustrates the use of Derivatives for hedging and optimizing the investment portfolio. Swaps have their own drawbacks like credit risk, settlement risk. However, these risks are substantially reduced as the amount involved is interest streams and not principal.

Forward Rate Agreement

Assume that on June 30, 2009, the 30 day commercial paper (CP) rate is 4% and the Scheme has an investment in a CP of face value Rs. 50 Crores, which is going to mature on July 31, 2009. If the interest rates are likely to remain stable or decline after July 31, 2009, and if the fund manager, who wants to re-deploy the maturity proceeds for 1 more month does not want to take the risk of interest rates going down, he can then enter into a following Forward Rate Agreement (FRA) say as on June 30, 2009:

He can receive 1 X 2 FRA on June 30, 2009 at 4.00% (FRA rate for 1 months lending in 1 months time) on the notional amount of Rs. 50 Crores, with a reference rate of 30 day CP benchmark. If the CP benchmark on the settlement date i.e. July 30, 2009 falls to 3.75%, then the Scheme receives the difference 4.00 – 3.75 i.e. 25 basis points on the notional amount Rs. 50 Crores.

Interest Rate Futures

Assume that the Fund holds an Indian ten year benchmark and the fund manager has a view that the yields will go up in the near future leading to decrease in value of the investment and subsequent decrease in Net Asset Value (NAV) of the fund. The fund house decides to use Interest Rate Futures to mitigate the risk of decline of Net Asset Value (NAV) of the fund.

12th October 2009

- The benchmark ten year paper 6.88 2009, is trading at INR 98.00 at a yield of 7.19%.
- December 2009 futures contract on the ten year notional 7% coupon bearing Government paper is trading at a yield of 7.29% at a price of INR 98.50.
- The mutual fund decides to hedge the exposure by taking a short position in December 2009 interest rate futures contract.

25th November 2009

- As expected by the fund manager the yield of the benchmark ten year paper has increased to 8% and the price has decreased to 92.70.
- The December 2009 futures contract is trading at a price of INR 93.17 indicating a yield of 8.05%

- The mutual fund unwinds the short position by buying the December 2009 futures contract. The transaction results in profit from the futures position, against the corresponding loss from the Government of India security position.

Certain risks are inherent to Derivative strategies viz. lack of opportunities, inability of Derivatives to correlate perfectly with the underlying and execution risks, whereby the rate seen on the screen may not be the rate at which the transaction is executed. For details of risk factors relating to use of Derivatives, the investors are advised to refer to Scheme Specific Risk Factors.

Portfolio Turnover:

The Scheme being an open-ended Scheme, it is expected that there would be a number of Subscriptions and Redemptions on a daily basis. Further, in the debt market, trading opportunities may arise due to changes in system liquidity, interest rate policy announced by RBI, shifts in the yield curve, credit rating changes or any other factors. In the opinion of the fund manager these opportunities can be played out to enhance the total return of the portfolio, which will result in increase in portfolio turnover. There may be an increase in transaction cost such as brokerage paid, if trading is done frequently. However, the cost would be negligible as compared to the total expenses of the Scheme. Frequent trading may increase the profits which will offset the increase in costs. The fund manager will endeavour to optimize portfolio turnover to maximize gains and minimize risks keeping in mind the cost associated with it. However, it is difficult to estimate with reasonable measure accuracy, the likely turnover in the portfolio of the Scheme. The Scheme has no specific target relating to portfolio turnover

Investment in overseas financial assets (foreign fixed income securities):

RBI vide its letter no. EC.CO.OID.MF/ 19.19.463/2001-2002 dated May 31, 2002 has given approval to mutual funds to invest in such securities subject to the conditions stated therein. SEBI through its Circular dated September 26, 2007 & such other circulars as issued by SEBI from time to time has permitted Mutual Funds to invest in Foreign Securities including foreign debt securities within the overall limit of US\$ 7 billion, subject to a maximum of US\$ 300 million per Mutual Fund. Further, the Mutual Funds can also invest in Exchange Traded Funds within an over all limit of US\$ 1 billion, subject to a maximum of US\$ 50 million per Mutual Fund.

It is the Investment Manager's belief that overseas securities offer new investment and portfolio diversification opportunities into multi-market and multi-currency products. However, such investments also entail additional risks. Such investment opportunities may be pursued by the Investment Manager provided they are considered appropriate in terms of the overall investment objectives of the Scheme. Since the Scheme would invest only partially in overseas securities, there may not be readily available and widely accepted benchmarks to measure the performance of the Scheme. To manage risks associated with foreign currency and interest rate exposure, the Fund may use Derivatives for efficient portfolio management and hedging as maybe permitted from time to time and in accordance with conditions as may be stipulated by SEBI/RBI from time to time.

Offshore investments will be made subject to any/all approvals/ conditions thereof as may be stipulated by SEBI/ RBI/ other Regulatory Agency. The Fund may, where necessary, appoint other intermediaries of repute as advisors, sub-custodians, etc. for managing and administering such investments. The appointment of such intermediaries shall be in accordance with the applicable requirements of SEBI and within the

permissible ceilings of expenses. The fees and expenses would illustratively include, besides the investment management fees, custody fees and costs, fees of appointed advisors and sub-managers, transaction costs, and overseas regulatory costs.

Under normal circumstances, the Scheme may invest maximum 50% of its net assets in Foreign Securities. However, the AMC with a view to protecting the interests of Investors may alter the exposure in Foreign Securities as deemed fit from time to time.

For applicable regulatory investment limits please refer paragraph "Investment Restrictions.

The Fund Manager reserves the right to invest in such securities as maybe permitted from time to time and which are in line with the investment objectives of the scheme.

Debt and Money Markets in India

The Indian debt market is today one of the largest in Asia and includes securities issued by the Government (Central & State Governments), public sector undertakings, other government bodies, financial institutions, banks and corporates. Government and public sector enterprises are the predominant borrowers in the markets. The major players in the Indian debt markets today are banks, financial institutions, mutual funds, insurance companies, primary dealers, trusts, pension funds and corporates. The Indian debt market is the largest segment of the Indian financial markets. The debt market comprises broadly two segments, viz. Government Securities market or G-Sec market and corporate debt market. The latter is further classified as market for PSU bonds and private sector bonds.

The Government Securities (G-Secs) market, with market capitalization of Rs. 22,14,424 cr as at April 2011 (State Govt securities – Rs 6,28,453 cr, Source: NSE), is the oldest and the largest component (77% share in market cap) of the Indian debt market in terms of market capitalization, outstanding securities and trading volumes. The G-Secs market plays a vital role in the Indian economy as it provides the benchmark for determining the level of interest rates in the country through the yields on the Government Securities which are referred to as the risk-free rate of return in any economy. Over the years, there have been new products introduced by the RBI like zero coupon bonds, floating rate bonds, inflation indexed bonds, etc.

The corporate bond market, in the sense of private corporate sector raising debt through public issuance in capital market, is only an insignificant part of the Indian Debt Market. The market capitalization of corporate debt market as on April 2011 is Rs.6,52,146 Cr (Source: NSE). A large part of the issuance in the non-Government debt market is currently on private placement basis.

The money markets in India essentially consist of the call money market (i.e. market for overnight and term money between banks and institutions), repo transactions (temporary sale with an agreement to buy back the securities at a future date at a specified price), commercial papers (CPs, short term unsecured promissory notes, generally issued by corporates), certificate of deposits (CDs, issued by banks) and Treasury Bills (issued by RBI). In a predominantly institutional market, the key money market players are banks, financial institutions, insurance companies, mutual funds, primary dealers and corporates. In money market, activity levels of the Government and nongovernment debt vary from time to time. Instruments that comprise a major portion of money market activity include but not limited to:

- Overnight Call
- Collateralised Borrowing & Lending Obligations (CBLO)

- Repo/Reverse Repo Agreement
- Treasury Bills
- Government securities with a residual maturity of < 1 year.
- Commercial Paper
- Certificate of Deposit

Apart from these, there are some other options available for short tenure investments that include MIBOR linked debentures with periodic exit options and other such instruments. Though not strictly classified as Money Market Instruments, PSU / DFI / Corporate paper with a residual maturity of < 1 year, are actively traded and offer a viable investment option.

The market has evolved in past 2-3 years in terms of risk premia attached to different class of issuers. Bank CDs have clearly emerged as popular asset class with increased acceptability in secondary market. PSU banks trade the tightest on the back of comfort from majority government holding. Highly rated manufacturing companies also command premium on account of limited supply. However, there has been increased activity in papers issued by private/foreign banks/NBFCs/companies in high-growth sector due to higher yields offered by them. Even though companies across these sectors might have been rated on a same scale, the difference in the yield on the papers for similar maturities reflects the perception of their respective credit profiles.

The following table gives approximate yields prevailing on December 14, 2011 on some of the instruments and further illustrates this point.

Instrument	Current Yield Range
CBLO	8.45-8.5%
Repo	8.50%
3 Months T bill	8.4%-8.45%
1 year T Bill	8.30-8.35%
10 Year G-Sec	8.45%-8.50%
3M PSU Bank CD	9.3%-9.4%
3m NBFC CP	9.7%-9.75%
3M Manufacturing CO CP	9.7%-9.75%
1Yr PSU Bank CD	9.65% - 9.70%
1 Yr NBFC CP	9.9%-10%
1 Yr Manufacturing CO CP	9.90% -10%
5 Yr AAA Institutional Bond	9.4% - 9.45%
10 Yr AAA Institutional Bond	9.35% - 9.4%

Source: Bloomberg

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

Risk Control:

Risk is an inherent part of the investment function. Effective risk management is critical to fund management for achieving financial soundness. Since investing requires disciplined

risk management, the AMC would incorporate adequate safeguards for controlling risks in the portfolio construction process. The risk control process involves reducing risks through portfolio diversification; The AMC believes that this diversification would help achieve the desired level of consistency in returns. The AMC aims to identify securities, which offer superior levels of yield at lower levels of risks. With the aim of controlling risks, rigorous in-depth credit evaluation of the securities proposed to be invested in will be carried out by the investment team of the AMC. Risk control would involve managing risk in order to keep it in line with the investment objective of the Scheme. AMC has implemented the Bloomberg Portfolio Order Management System as Front Office System (FOS) for this purpose. The system has incorporated all the investment restrictions as per SEBI guidelines and “soft” warning alerts at appropriate levels for preemptive monitoring. The system enables identifying & measuring the risk through various risk measurement tools like various risk ratios, average duration and analyzes the same and acts in a preventive manner.

INVESTMENT BY THE AMC IN THE SCHEME

Subject to the Regulations, the AMC may invest either directly or indirectly, in the Scheme during the Ongoing Offer Period. However, the AMC shall not charge any investment management fee on such investment in the Scheme.

F: FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the scheme, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

(i) Type of a scheme

(ii) Investment Objective

(iii) Terms of Issue

- Liquidity provisions such as listing, Repurchase, Redemption.
- Aggregate fees and expenses charged to the scheme.
- Any safety net or guarantee provided.

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustee shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unit holders is carried out unless:

- 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
- The Unit holders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any Exit Load.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE ?

CRISIL Liquid fund index

The scheme intends to invest in a portfolio of instruments (short term debt and money market instruments) which is best captured in CRISIL Liquid Fund Index. The constituents and weights of CRISIL Liquid Fund Index are as under:

Constituents	Applicable from October 17, 2011 Weights (%)
CBLO Return	25.00
CP Return	47.81
CD Return	27.19
Total	100

Hence, Crisil Liquid Fund Index being the most appropriate of the available benchmarks, is being used as a benchmark for Axis Treasury Advantage Fund.

The Trustee/AMC reserves the right to change the benchmark for the evaluation of the performance of the Scheme from time to time, keeping in mind the investment objective of the Scheme and the appropriateness of the benchmark, subject to SEBI guidelines and other prevalent guidelines.

H. WHO MANAGES THE SCHEME?

The Scheme will be managed by Mr. Ninad Deshpande and Mr.R. Sivakumar.

Name of Fund Manager	Age and Qualification	Experience of the Fund Manager in the last 10 years	Names of other schemes under his management
Mr. Ninad Deshpande	34 BE, MMS Finance	<p>Mr. Ninad Deshpande has over 10 years of experience in Treasury Management and Fixed Income Markets.</p> <ul style="list-style-type: none"> Fund Manager – Fixed Income, Axis Asset Management Co. Ltd.(June 2009 till date) Lead Portfolio Manager – Fixed Income, Goldman Sachs Asset Management India Pvt. Ltd(April 2008 till May 2009) AVP – Fixed Income, Franklin Templeton Asset Management India Pvt. Ltd.(April 2004 till April 2008) Deputy Manager- Treasury, Bank of Bahrain & Kuwait(March 2003 to April 2004) 	Axis Liquid Fund, Axis Short Term Fund and Axis Fixed Term Plan – Series 11 - 16 and Axis Dynamic Bond Fund (along with Mr. R. Sivakumar)

		<ul style="list-style-type: none"> Deputy Manager-Treasury, SBI DFHI Ltd. erstwhile SBI Gilts Ltd (June 2001 to March 2003) 	
Mr. R. Sivakumar	36 Bachelor of Technology, IIT, Madras PGDM, IIM, Ahmedabad)	<ul style="list-style-type: none"> Head – Fixed Income & Products, Axis Asset Management Co. Ltd. (September 02, 2010 – till date) Fund Manager – PMS, Axis Asset Management Co. Ltd. (August 2009 till September 01 2010) Chief Operating Officer, Fortis Investment Management (India) Pvt. Ltd. - previously known as ABN AMRO Asset Management (India) Private Limited (Last position held – Chief Operating Officer. Previous roles included Fund Manager – Fixed Income, VP – Product Development and Portfolio Management and Head – Structured Products.) (April 2004 – July 2009) Fund Manager – Fixed Income, Sundaram Asset Management Company Limited (January 2001 – March 2004) Research Analyst, Zurich Asset Management (India) Private Limited (December 1999 – December 2000) 	Axis Liquid Fund, Axis Short Term Fund, Axis Fixed Term Plan – Series 11 – 16 and Axis Dynamic Bond Fund (along with Mr. Ninad Deshpande), Axis Income Saver (along with Mr. Pankaj Murarka and Mr. Sudhanshu Asthana), Axis Triple Advantage Fund (along with Mr. Chandresh Nigam and Mr. Sudhanshu Asthana), Axis Hybrid Fund – Series 1, 2 and 3 (along with Mr. Jinesh Gopani) and Axis Capital Protection Oriented Fund – Series 1 and 2 (along with Mr. Sudhanshu Asthana)

Presently, the Trustee/AMC has not designated a dedicated Fund Manager for investment in Foreign Securities. However, it shall be ensured that there is a dedicated fund manager for investment in foreign securities as and when the fund makes investment in foreign securities.

I. WHAT ARE THE INVESTMENT RESTRICTIONS?

Pursuant to Regulations, specifically the Seventh schedule and amendments thereto, the following investment restrictions are currently applicable to the Scheme:

1. The Scheme shall not invest more than 15% of its NAV in debt instruments issued by a single issuer, which are rated not below investment grade by a credit rating agency authorized to carry out such activities under the SEBI Act, 1992. Such investment limit may be extended to 20% of the NAV of the Scheme with the prior approval of the Board of Trustee and the Board of AMC.

Provided that such limit shall not be applicable for investment in Government Securities and Money Market Instruments.

Provided that in case of investment in money market Instruments, the Scheme shall not invest more than 30% of its net assets in Money Market Instruments issued by a single issuer. The limit shall not be applicable to investment in CBLOs.

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

2. The Scheme shall not invest more than 10% of its NAV in un-rated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the Scheme.

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

3. The Scheme may invest in other schemes of the Mutual Fund or any other mutual fund (restricted to only debt and liquid funds) without charging any fees, provided the aggregate inter-scheme investment made by all the schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the Net Asset Value of the Mutual Fund.

4. The Scheme shall not make any investment in :
 - any unlisted security of an associate or group company of the sponsor; or
 - any security issued by way of private placement by an associate or group company of the sponsor; or
 - the listed securities of group companies of the sponsor which is in excess of 25% of the net assets.

5. The Mutual Fund shall get the securities purchased transferred in the name of the Fund on account of the concerned Scheme, wherever investments are intended to be of a long-term nature.

6. Transfer of investments from one scheme to another scheme in the same Mutual Fund is permitted provided:

- a) such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and

b) the securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfer has been made.

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

The Mutual Fund may engage in Short Selling of securities in accordance with the framework relating to Short Selling and securities lending and borrowing specified by SEBI.

The Mutual Fund may enter into Derivatives transactions in a recognized stock exchange, subject to the framework specified by SEBI.

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

8. The Scheme shall not make any investment in any fund of funds scheme.
9. Pending deployment of the funds of the Scheme in securities in terms of the investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007 as may be amended from time to time:

The Scheme will comply with the following guidelines/restrictions for parking of funds in short term deposits:

- i. "Short Term" for such parking of funds by the Scheme shall be treated as a period not exceeding 91 days. Such short-term deposits shall be held in the name of the Scheme.
- ii. The Scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustee.
- iii. Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
- iv. The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
- v. The Scheme shall not park funds in short term deposit of a bank which has invested in that Scheme.

However, the above provisions will not apply to term deposits placed as margins for trading in cash and Derivatives market.

10. The Scheme shall not advance any loans.
11. The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of Repurchase/Redemption of Unit or payment of interest and/or Dividend to the Unit holder.

The Fund shall not borrow more than 20% of the net assets of the individual Scheme and the duration of the borrowing shall not exceed a period of 6 months.

12. Further, SEBI vide its circular no. Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010 has prescribed the following investment restrictions w.r.t. investment in derivatives:

S. No.	Particulars								
1	The cumulative gross exposure through debt and derivative positions shall not exceed 100% of the net assets of the scheme. Cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure.								
2	The Scheme shall not write options or purchase instruments with embedded written options.								
3	The total exposure related to option premium paid shall not exceed 20% of the net assets of the scheme.								
4	<p>Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:</p> <ul style="list-style-type: none"> a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains. b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1. c. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged. d. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken. 								
5	Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.								
6	<p>Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:</p> <table border="1"> <thead> <tr> <th>Position</th><th>Exposure</th></tr> </thead> <tbody> <tr> <td>Long Future</td><td>Futures Price * Lot Size * Number of Contracts</td></tr> <tr> <td>Short Future</td><td>Futures Price * Lot Size * Number of Contracts</td></tr> <tr> <td>Option bought</td><td>Option Premium Paid * Lot Size * Number of Contracts.</td></tr> </tbody> </table>	Position	Exposure	Long Future	Futures Price * Lot Size * Number of Contracts	Short Future	Futures Price * Lot Size * Number of Contracts	Option bought	Option Premium Paid * Lot Size * Number of Contracts.
Position	Exposure								
Long Future	Futures Price * Lot Size * Number of Contracts								
Short Future	Futures Price * Lot Size * Number of Contracts								
Option bought	Option Premium Paid * Lot Size * Number of Contracts.								
7	The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional								

	principal in such cases shall not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions shall not exceed 10% of the net assets of the scheme.
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The Scheme will comply with the other Regulations applicable to the investments of Mutual Funds from time to time.

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

Apart from the Investment Restrictions prescribed under the Regulations, internal risk parameters for limiting exposure to a particular scrip or sector may be prescribed from time to time to respond to the dynamic market conditions and market opportunities.

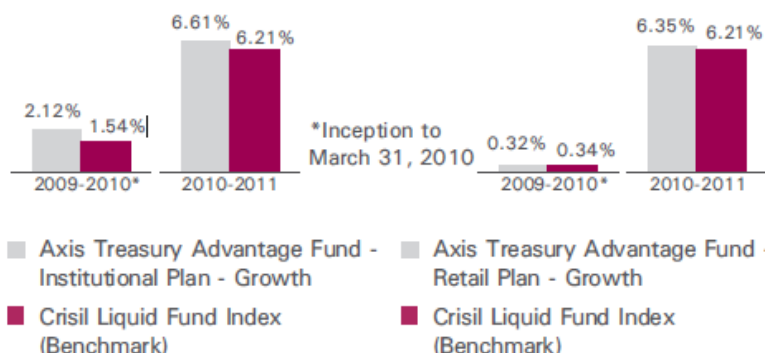
The AMC/Trustee may alter these above stated restrictions from time to time to the extent the Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its respective investment objective.

J. HOW HAS THE SCHEME PERFORMED?

Performance of the Scheme as at November 30, 2011 is as follows:

	Axis Treasury Advantage Fund - Institutional Plan		Axis Treasury Advantage Fund – Retail Plan	
Period	Scheme Returns	Benchmark Returns	Scheme Returns	Benchmark Returns
1 year	9.01%	8.08%	8.61%	8.08%
Since Inception	6.97%	6.13%	7.20%	6.85%

Absolute returns for the past two financial years



Date of Allotment - 9 October, 2009

Past performance may or may not be sustained in future. Returns are compounded annualized for period more than or equal to 1 year. Since inception returns are calculated on Rs. 1,000 invested at inception. Calculations are based on Growth Option NAVs. Since inception returns for Institutional Plan - Growth Option & Retail Plan - Growth Option are calculated from 9th October 2009 & 3rd March 2010 respectively. Retail Plan introduced on 2nd March 2010.

III. UNITS AND OFFER

This section provides details you need to know for investing in the Scheme.

A. NEW FUND OFFER (NFO)

New Fund Offer Period This is the period during which a new Scheme sells its unit to the Investors.	The New Fund Offer opened on October 8, 2009 and closed on October 8, 2009. The units under the Scheme were allotted on October 9, 2009.
New Fund Offer Price: This is the price per unit that the Investors have to pay to invest during the NFO.	Not Applicable
Minimum Amount for Application/Switch in during the NFO	Not Applicable
Minimum Target amount This is the minimum amount required to operate the Scheme and if this is not collected during the NFO period, then all the Investors would be refunded the amount invested without any return. However, if AMC fails to refund the amount within 6 weeks, interest as specified by SEBI (currently 15% p.a.) will be paid to the Investors from the expiry of six weeks from the date of closure of the Subscription period.	Not Applicable
Maximum Amount to be raised (if any) This is the maximum amount which can	Not Applicable

be collected during the NFO period, as decided by the AMC.																			
Plans / Options offered	<p>The Scheme offers the following Plans:</p> <p>1) Retail Plan 2) Institutional Plan</p> <p>Both plans will have a common portfolio.</p> <p>Each Plan offers the following options:</p> <ul style="list-style-type: none">• Growth option• Dividend option <table><tr><th>Options</th><th>Sub-options</th><th>Frequency of dividend</th><th>Record date</th></tr><tr><td>Growth</td><td>Nil</td><td>NA</td><td>NA</td></tr><tr><td rowspan="3">Dividend</td><td>Daily(Re-investment)</td><td>Daily (every business day)</td><td>Daily</td></tr><tr><td>Weekly (payout and Reinvest-ment)</td><td>Weekly</td><td>Every Monday*</td></tr><tr><td>Monthly (payout and reinvestment)</td><td>Monthly</td><td>25th of the month*</td></tr></table> <p>*Next Business day if such day happens to be a non-business day.</p> <p>The Trustee/AMC reserves the right to change the record date from time to time.</p> <p>If Dividend payable under Dividend Payout option (Weekly Option) is equal to or less than Rs. 25, 000/- then the Dividend would be compulsorily reinvested in the option of the Scheme.</p> <p>Where Dividend payable under Dividend Payout option (Monthly Option) is equal to or less than Rs. 500/- then the Dividend would be compulsorily reinvested in the option of the Scheme.</p> <p>The Investors should indicate plan/option for which Subscription is made by indicating the choice in the appropriate box provided for this purpose in the application form. In case of valid application received without any choice of plan/option/facility, the following default plan/option/facility will be considered;</p> <p>Default plan</p> <p>Default plan in case of fresh purchase</p>	Options	Sub-options	Frequency of dividend	Record date	Growth	Nil	NA	NA	Dividend	Daily(Re-investment)	Daily (every business day)	Daily	Weekly (payout and Reinvest-ment)	Weekly	Every Monday*	Monthly (payout and reinvestment)	Monthly	25 th of the month*
Options	Sub-options	Frequency of dividend	Record date																
Growth	Nil	NA	NA																
Dividend	Daily(Re-investment)	Daily (every business day)	Daily																
	Weekly (payout and Reinvest-ment)	Weekly	Every Monday*																
	Monthly (payout and reinvestment)	Monthly	25 th of the month*																

	<p>Where investment amount is Rs. 1 crore or more, the default plan will be institutional plan. Where investment amount is less than Rs. 1 crore, the default plan would be retail plan.</p> <p>Default plan in case of additional purchase</p> <p>Where investment amount is Rs. 1 lac or more, the default plan will be institutional plan. Where investment amount is less than Rs. 1 lac, the default plan would be retail plan.</p> <p>Default option</p> <p>Default Option – Growth</p> <p>Default dividend frequency – Daily Option</p> <p>Default between Payout & Reinvestment Option - Reinvestment</p> <p>Growth option</p> <p>Dividends will not be declared under this option. The income attributable to Units under this option will continue to remain invested in the Scheme and will be reflected in the NAV of Units under this option.</p> <p>Dividend option</p> <p>Under this option, Dividends will be declared (subject to deduction of tax at source, if any) at specified frequencies at the discretion of the Trustee, subject to availability of distributable surplus calculated in accordance with SEBI (MF) Regulations. On payment of Dividend, the NAV of the Unit under Dividend option will fall to the extent of the Dividend payout and applicable statutory levies, if any.</p> <p>It must be distinctly understood that the actual declaration of Dividend and frequency thereof is at the sole discretion of the Trustee. There is no assurance or guarantee to the Unit holders as to the rate of Dividend distribution nor that will the Dividend be paid regularly. The Trustee reserves the right to declare a Dividend at any other frequency in addition to the frequencies mentioned above.</p> <p>Dividend Payout Facility</p> <p>Under this facility, Dividend declared, if any, will be paid (subject to deduction of Dividend distribution tax and statutory levy, if any) to those Unit holder, whose names appear in the register of Unit holders on the notified record date.</p> <p>Dividend Reinvestment Facility</p> <p>Under this facility, the Dividend due and payable to the Unit holders will be compulsorily and without any further act by the Unit holder, reinvested in the respective Dividend option at a price based on the prevailing ex-Dividend Net Asset Value per Unit. The amount of Dividend re-invested will be net of tax deducted at source, wherever applicable. The Dividends so reinvested shall constitute a constructive payment of Dividends to the Unit holders and a constructive receipt of the same amount from each Unit holder for reinvestment in Units.</p>
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	On reinvestment of Dividends, the number of Units to the credit of Unit holder will increase to the extent of the Dividend reinvested divided by the Applicable NAV. There shall, however, be no Load on the Dividend so reinvested.
Dividend Policy	<p>Under the Dividend option, the Trustee will Endeavour to declare the Dividend as per the specified frequencies, subject to availability of distributable surplus calculated in accordance with SEBI Regulations. The actual declaration of Dividend and frequency will inter-alia, depend on availability of distributable surplus calculated in accordance with SEBI (MF) Regulations and the decisions of the Trustee shall be final in this regard. There is no assurance or guarantee to the Unit holder as to the rate of Dividend nor that the Dividend will be paid regularly.</p> <p>The AMC/Trustee reserves the right to change the frequency of declaration of Dividend or may provide for additional frequency for declaration of Dividend.</p> <p>Dividend Distribution Procedure In accordance with SEBI Circular no. SEBI/ IMD/ Cir No. 1/ 64057/06 dated April 4, 2006, the procedure for Dividend distribution would be as under:</p> <ol style="list-style-type: none"> 1. Quantum of Dividend and the record date will be fixed by the Trustee. Dividend so decided shall be paid, subject to availability of distributable surplus. 2. Within one calendar day of decision by the Trustee, the AMC shall issue notice to the public communicating the decision about the Dividend including the record date, 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. 3. Record date shall be the date, which will be considered for the purpose of determining the eligibility of Investors whose names appear on the register of Unit holder for receiving Dividends. The Record Date will be 5 calendar days from the date of issue of notice. 4. The notice will, in font size 10, bold, categorically state that pursuant to payment of Dividend, the NAV of the Scheme would fall to the extent of payout and statutory levy (if applicable). 5. The NAV will be adjusted to the extent of Dividend distribution and statutory levy, if any, at the close of Business Hours on record date. 6. Before the issue of such notice, no communication indicating the probable date of Dividend declaration in any manner whatsoever will be issued by Mutual Fund. <p>However, the requirement of giving notice shall not be applicable for Dividend options having frequency up to one month.</p>
Allotment	Not Applicable

Refund	Not Applicable
<p>Who can invest</p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the Scheme is suitable to your risk profile.</p>	<p>The following persons (subject to, wherever relevant, purchase of unit of Mutual Funds, being permitted under respective constitutions, and relevant statutory regulations) are eligible and may apply for Subscription to the Unit of the Scheme:</p> <ol style="list-style-type: none"> 1. Resident adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis; 2. Hindu Undivided Family (HUF) through Karta; 3. Minor through parent / legal guardian; 4. Partnership Firms; 5. Limited Liability Partnerships 6. Proprietorship in the name of the sole proprietor; 7. Companies, Bodies Corporate, Public Sector Undertakings (PSUs.), Association of Persons (AOP) or Bodies of Individuals (BOI) and societies registered under the Societies Registration Act, 1860(so long as the purchase of Unit is permitted under the respective constitutions; 8. Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions; 9. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as "Public Securities" as required) and Private trusts authorised to invest in mutual fund schemes under their trust deeds; 10. Non-Resident Indians (NRIs) / Persons of Indian origin (PIOs) residing abroad on repatriation basis or on non-repatriation basis; 11. Foreign Institutional Investors (FIIs) and their sub-accounts registered with SEBI on repatriation basis; 12. Army, Air Force, Navy and other para-military units and bodies created by such institutions; 13. Scientific and Industrial Research Organisations; 14. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / RBI 15. Provident/ Pension/ Gratuity Fund to the extent they are permitted; 16. Other schemes of Axis Mutual Fund or any other mutual fund subject to the conditions and limits prescribed by SEBI Regulations; 17. Trustee, AMC or Sponsor or their associates may subscribe to Units under the Scheme(s); 18. Such other person as maybe decided by the AMC from time to time.
Who cannot invest	<ol style="list-style-type: none"> 1. Any individual who is a foreign national or any other entity that is not an Indian resident under the Foreign Exchange Management Act, 1999 (FEMA Act) except where registered with SEBI as a FII or sub account of FII or otherwise explicitly permitted under FEMA Act/ by RBI/ by any other applicable authority. 2. Pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) can not invest in Mutual Funds. 3. NRIs residing in Non-Compliant Countries and Territories (NCCTs) as

	<p>determined by the Financial Action Task Force (FATF), from time to time.</p> <p>4. Such other persons as may be specified by AMC from time to time.</p>
Where can you submit the filled up applications.	Please refer the back cover page of the Scheme Information Document
How to Apply	Please refer to the SAI and Application form for the instructions.
Listing	Axis Treasury Advantage Fund is an open ended debt Scheme under which Sale and Repurchase will be made on a continuous basis and therefore listing on stock exchanges is not envisaged. However, the Trustee reserves the right to list the unit as and when open-end Schemes are permitted to be listed under the Regulations, and the Trustee considers it necessary in the interest of Unit holders of the Fund.
Special Products / facilities available during the NFO	Not Applicable
The policy regarding reissue of Repurchased units, including the maximum extent, the manner of reissue, the entity (the Scheme or the AMC) involved in the same.	Units once redeemed will be extinguished and will not be reissued.
Restrictions, if any, on the right to freely retain or dispose of units being offered.	<p>Pledge of Units</p> <p>The Units under the Scheme (subject to completion of Lockin Period, if any) may be offered as security by way of a pledge / charge in favour of scheduled banks, financial institutions, non-banking finance companies (NBFCs), or any other body. The AMC and / or the ISC will note and record such Pledged Units. The AMC shall mark a lien only upon receiving the duly completed form and documents as it may require. Disbursement of such loans will be at the entire discretion of the bank / financial institution / NBFC or any other body concerned and the Mutual Fund assumes no responsibility thereof.</p> <p>The Pledger will not be able to redeem Units that are pledged until the entity to which the Units are pledged provides written authorisation to the Mutual Fund that the pledge / lien charge may be removed. As long as Units are pledged, the Pledgee will have complete authority to redeem such Units. Dividends declared on Units under lien will be paid / re-invested to the credit of the Unit Holder and not the lien holder unless specified otherwise in the lien letter.</p> <p>Lien on Units</p> <p>On an ongoing basis, when existing and new Investors make Subscriptions, a lien on unit allotted will be created and such unit shall not be available for redemption until the payment proceeds are realised by the Scheme. In case a unit holder redeems unit soon after making purchases, the redemption cheque will not be dispatched until sufficient</p>

	<p>time has elapsed to provide reasonable assurance that cheques or drafts for unit purchased have been cleared.</p> <p>In case the cheque / draft is dishonoured by the bank, the transaction shall be reversed and the unit allotted earlier shall be cancelled, and a fresh Account Statement / Confirmation slip shall be dispatched to the Unit holder. For NRIs, the Scheme may mark a lien on unit in case documents which need to be submitted are not given in addition to the application form and before the submission of the redemption request. However, the AMC reserves the right to change operational guidelines for lien on unit from time to time.</p> <p>Right to Limit Redemptions</p> <p>The Trustee may, in the general interest of the Unit holders of the Scheme and when considered appropriate to do so based on unforeseen circumstances / unusual market conditions, limit the total number of Unit which may be redeemed on any Business Day to 5% of the total number of Unit then in issue under the Scheme and option(s) thereof or such other percentage as the Trustee may determine. Any Unit which consequently are not redeemed on a particular Business Day will be carried forward for Redemption to the next Business Day, in order of receipt. Redemptions so carried forward will be priced on the basis of the Applicable NAV (subject to the prevailing Load, if any) of the Business Day on which Redemption is made. Under such circumstances, to the extent multiple Redemption requests are received at the same time on a single Business Day, redemptions will be made on a prorate basis based on the size of each Redemption request, the balance amount being carried forward for Redemption to the next Business Day. In addition, the Trustee reserves the right, in its sole discretion, to limit redemptions with respect to any single account to an amount of Rs. 1,00,000/- in a single day.</p> <p>Also refer to the paragraph 'Suspension of Purchase and Redemption of Units' in the Statement of Additional Information.</p>
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B. ONGOING OFFER DETAILS

<p>Ongoing Offer Period</p> <p>This is the date from which the Scheme will reopen for Subscriptions/redemptions after the closure of the NFO period.</p>	<p>The Scheme has reopened for continuous subscription and redemption from October 12, 2009.</p>
<p>Ongoing price for Subscription (purchase)/Switch-in (from other schemes/Plans of the Mutual Fund) by Investors.</p> <p>This is the price you need to pay for purchase/Switch-in.</p>	<p>At the Applicable NAV</p>
<p>Ongoing price for redemption (sale) /Switch outs (to other schemes/Plans of the</p>	<p>At the Applicable NAV subject to prevailing Exit Load.</p>

<p>Mutual Fund) by Investors.</p> <p>This is the price you will receive for redemptions/Switch outs.</p>	<p>Ongoing price for redemption /Switch out (to other Schemes/Plans of the Mutual Fund) is price which a Unit holder will receive for redemption/Switch-outs. During the continuous offer of the Scheme, the Unit holder can redeem the Units at Applicable NAV, subject to payment of Exit Load, if any. It will be calculated as follows:</p> <p>Redemption Price = Applicable NAV*(1-Exit Load, if any) Example: If the Applicable NAV is Rs. 10, Exit Load is 2% then redemption price will be: = Rs. 10* (1-0.02) = Rs. 9.80</p> <p>Investors/Unit holders should note that the AMC/Trustee has right to modify existing Load structure and to introduce Loads subject to a maximum limits prescribed under the SEBI Regulations.</p> <p>Any change in Load structure will be effective on prospective basis and will not affect the existing Unit holder in any manner.</p> <p>However, the Mutual Fund will ensure that the Redemption Price will not be lower than 93% of the Applicable NAV provided that the difference between the Redemption Price and the Subscription /Purchase Price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time, which is currently 7% calculated on the Subscription/ Purchase Price. The Purchase Price shall be at applicable NAV.</p>
<p>Cut off timing for Subscriptions/ redemptions/ Switches</p> <p>This is the time before which your application (complete in all respects) should reach the Official Points of Acceptance.</p>	<p>Subscriptions/Purchases including Switch - ins: The following cut-off timings shall be observed by the Mutual Fund in respect of purchase of units of the Scheme, and the following NAVs shall be applied for such purchase:</p> <ol style="list-style-type: none"> 1. where the application is received upto 3.00 pm with a local cheque or demand draft payable at par at the place where it is received – closing NAV of the day of receipt of application; 2. where the application is received after 3.00 pm with a local cheque or demand draft payable at par at the place where it is received – closing NAV of the next Business Day ; and 3. where the application is received with an outstation cheque or demand draft which is not payable on par at the place where it is received –

	<p>closing NAV of day on which the cheque or demand draft is credited.</p> <p>4. In respect of purchase of units with amount equal to or more than Rs. 1 crore, irrespective of the time of receipt of application, the closing NAV of the day on which the funds are available for utilization shall be applicable.</p> <p>For allotment of units in respect of purchase in the scheme under pt (4) above, it shall be ensured that:</p> <ol style="list-style-type: none"> Application is received before the applicable cut-off time Funds for the entire amount of subscription/purchase as per the application are credited to the bank account of the scheme before the cutoff time. The funds are available for utilization before the cut-off time without availing any credit facility whether intra-day or otherwise, by the scheme. <p>For allotment of units in respect of switch-in to the scheme under Pt (4) above from other schemes, it shall be ensured that:</p> <ol style="list-style-type: none"> Application for switch-in is received before the applicable cut-off time. Funds for the entire amount of subscription/purchase as per the switch-in request are credited to the bank account of the scheme before the cut-off time. The funds are available for utilization before the cut-off time without availing any credit facility whether intra-day or otherwise, by the scheme. <p>Redemptions including Switch - outs: The following cut-off timings shall be observed by the Mutual Fund in respect of Repurchase of units:</p> <ol style="list-style-type: none"> where the application received upto 3.00 pm – closing NAV of the day of receipt of application; and an application received after 3.00 pm – closing NAV of the next Business Day. <p>The above mentioned cut off timing shall be applicable to transactions through the online trading platform.</p> <p>The Date of Acceptance will be reckoned as per the date & time; the transaction is entered in stock exchange's infrastructure for which a system</p>
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	generated confirmation slip will be issued to the investor.
Where can the applications for purchase/redemption Switches be submitted?	Refer Back Cover Page
Minimum amount for purchase/Redemption/Switches	<p>Minimum amount for purchase/Switch in Retail Plan - Rs. 5,000 and in multiples of Re 1/- thereafter Institutional Plan – Rs. 1 crore and in multiples of Re 1/- thereafter</p> <p>Minimum Additional Purchase Amount Retail Plan - Rs.1000 and in multiples of Re. 1/- thereafter Institutional Plan - Rs. 1 lac and in multiples of Re. 1/- thereafter</p> <p>Minimum Redemption Amount/Switch Out Minimum Redemption - Rs. 1000 or 1 Unit in respect of each Option. In case the Investor specifies the number of unit and amount the number of unit shall be considered for Redemption. In case the unit holder does not specify the number or amount, the request will not be processed.</p> <p>In case of Units held in dematerialized mode, the Unit Holder can give a request for Redemption only in number of Units. Request for subscriptions can be given only in amount. Depository participants of registered Depositories to process only redemption request of units held in demat form.</p> <p>Note:</p> <ul style="list-style-type: none"> For existing unit holders at the time of introduction of plans in the Scheme (who will be categorized as investors under the 'Institutional Plan') the enhanced minimum additional application amount under the 'Institutional Plan' will be applicable. In case plan is not mentioned then units will be allotted according to his additional application amount (subject to fulfillment of the minimum application amount criteria under the retail plan for the initial investment i.e. If amount is Rs.5000 and above but below Rs.1 Lakh – Retail Plan and If amount is Rs. 1 Lakh and above – Institutional Plan). Once the investor holds units in retail and institutional plan, he can make additional purchases in either plan subject to fulfillment of additional application amount criteria of the

	<p>desired plan(as stated in the application). In case he does not mention any plan, the units will be allotted according to his application amount. Application will be rejected where he does not fulfill the minimum additional application amount criteria of the desired plan.</p>
Minimum balance to be maintained and consequences of non maintenance.	<p>Currently, there is no minimum balance requirement. However, the AMC / Trustee may decide to introduce minimum balance requirements later, if they so deem fit. In such case, in the event of non-maintenance of minimum balance for any particular situations, the Unit may be compulsorily redeemed.</p> <p>In case balance in the account of the Unit holder does not cover the amount of Redemption request, then the Mutual Fund is authorized to redeem all the Unit in the folio and send the Redemption proceeds to the Unit holder.</p>
Special Products available	<p><u>Systematic Investment Purchase(SIP)</u></p> <p>Unit holder can enroll for the SIP facility by submitting duly completed Enrolment Form at the Official Point(s) of Acceptance. An Investor shall have the option of choosing any date of the Month as his SIP date other than 29th, 30th and 31st of a month. Minimum amount per SIP installment is Rs 1,000 and in multiples of Re. 1 thereafter. Minimum number of installments under SIP is 36. If the SIP period is not specified by the unit holder then the SIP enrolment will be deemed to be for perpetuity and processed accordingly.</p> <p>SIP through post-dated cheques</p> <p>The date of the first cheque shall be the same as the date of the application while the remaining cheques shall be post dated cheques which shall be dated uniformly. Investors can invest in SIP by providing post-dated cheques to Official Point(s) of Acceptance. An Investor is eligible to issue only one cheque for each month in the same SIP enrolment form. All SIP cheques should be of the same amount and same date option. Cheques should be drawn in favour of the Fund and "A/c Payee only". A Letter will be forwarded to the Investor on successful registration of SIP. The Post Dated cheques will be presented on the dates mentioned on the cheque and subject to realization of the cheque.</p> <p>SIP through Electronic Clearing System (ECS)/Direct Debit</p> <p>Investors / Unit holders may also enroll for SIP facility</p>

	<p>through Electronic Clearing Service (Debit Clearing) of the RBI or for SIP Direct Debit Facility available with specified Banks / Branches. In order to enroll for SIP ECS Debit facility or Direct Debit Facility, an Investor must fill-up the Application Form for SIP ECS/ Direct Debit facility.</p> <p>In case of SIP with payment mode as ECS/Direct Debit, Investors shall be required to submit a cancelled cheque or a photocopy of a cheque of the bank account for which the ECS/debit mandate is provided.</p> <p>All SIP cheques/payment instructions should be of the same amount and same date(excluding first cheque). However, there should be a gap of 30 days between first SIP Installment and the second installment in case of SIP started during ongoing offer.</p> <p>Investors will have the right to discontinue the SIP facility at any time by sending a written request to any of the Official Point(s) of Acceptance. Notice of such discontinuance should be received at least 30 days prior to the due date of the next debit. On receipt of such request, the SIP facility will be terminated. It is clarified that if the Fund fails to get the proceeds from three Installments out of a continuous series of Installments submitted at the time of initiating a SIP (Subject to a minimum under SIP i.e. 36 months), the SIP is deemed as discontinued.</p> <p>Units will be allotted at the Applicable NAV of the respective dates on which the investments are sought to be made. In case the date falls on a Holiday or falls during a Book Closure period, the immediate next Business Day will be considered for this purpose</p> <p>An extension of an existing SIP will be treated as a new SIP on the date of such application, and all the above conditions need to be met with. The Load structure prevailing at the time of submission of the SIP application (whether fresh or extension) will apply for all the Installments indicated in such application.</p> <p>The AMC has the authority to make available SIP by way of a salary savings scheme for a group of employees through an arrangement with their employers.</p> <p>For applicable Load on Purchases through SIP, please refer paragraph 'Load Structure' given in the document.</p>
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	<p>The AMC reserves the right to change / modify Load structure and other terms and conditions under the SIP prospectively at a future date. Please refer to the SIP Enrolment Form for terms & conditions before enrolment.</p> <p>Micro Systematic Investment Plan</p> <p>Systematic Investment Plans (SIPs) where aggregate of installments in a financial year i.e. April to March does not exceed Rs. 50,000/- (per financial year per investor).</p> <p>The Unit holders will have the facility of Micro SIP under the current SIP facility. The key features of the facility are as under:</p> <ol style="list-style-type: none"> 1. Minimum amount per SIP installment is Rs. 100/- and in multiples of Re. 1 thereafter. 2. The minimum redemption amount will be Rs. 300/-. 3. Where the Mutual Fund fails to get the proceeds from six Installments out of a continuous series of Installments submitted at the time of initiating a SIP (Subject to a minimum under SIP i.e. 36 months), the SIP may be discontinued by the AMC. 4. All other features / guidelines of Systematic Investment Plan with reference to Standing Instruction / Direct Debit will be equally applicable for a Micro SIP. <p>Investors with PAN are not eligible for simplified KYC procedure for Micro SIP investments – details of which have been provided in the Statement of Additional Information.</p> <p>For details, investors are requested to refer to the Micro SIP application form.</p> <p>Purchase / Redemption of units through Stock Exchange Infrastructure</p> <p>Investors can subscribe to the Units of Axis Mutual Fund through the mutual fund trading platforms of the Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE") – with NSDL and CDSL as depositories for such units of the mutual fund.</p> <p>NSE has introduced Mutual Fund Service System</p>
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	<p>(MFSS) Platform and BSE has introduced BSE StAR MF Platform.</p> <p>The following are the salient features of the new facility introduced:</p> <ol style="list-style-type: none"> 1. The facility i.e. purchase/redemption/SIP (Systematic Investment Plan) is available for both existing and new investors. Switch Facility is not available. 2. The Investors will be eligible to purchase/redeem units of the Scheme. 3. Maximum subscription: The investors can purchase units of the above listed schemes by using NSE MFSS/ BSE StAR platform for transaction value less than Rs. 1 Crore. 4. List of additional Official Point of Acceptance The following shall be the additional Official Point of Acceptance of Transactions for the Scheme: All trading members of BSE & NSE who are registered with AMFI as Mutual Fund Advisors and also registered with BSE & NSE as Participants ("AMFI registered stock exchange brokers") will be eligible to offer this facility to investors and shall be treated as official point of acceptance. Units of mutual fund schemes shall be permitted to be transacted through clearing members of the registered Stock Exchanges. Clearing members and Depository participants will be considered as Official Points of Acceptance (OPA) of Axis Mutual Fund and conditions stipulated in SEBI Circular No. SEBI /IMD / CIR No.11/183204/2009 dated November 13, 2009 for stock brokers viz. AMFI /NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund, shall be applicable for such Clearing members and Depository participants as well. 5. The units of the Scheme are not listed on BSE & NSE and the same cannot be traded on the Stock Exchange. The window for purchase/redemption of units on BSE StAR & NSE MFSS will be available between 9 a.m. and 3 p.m. or such other timings as may be decided. 6. Investors shall hold the units in dematerialized form
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	<p>only.</p> <p>7. Investors will be able to purchase/redeem units in the Scheme in the following manner:</p> <p>(i) Investors shall receive redemption amount (if units are redeemed) and units (if units are purchased) through broker/ clearing member's pool account. Axis Asset Management Company Limited (the "AMC")/Axis Mutual Fund (the "Mutual Fund") shall pay proceeds to the broker/clearing member (in case of redemption) and broker/clearing member in turn to the respective investor and similarly units shall be credited by the AMC/ Mutual Fund into broker/clearing member's pool account (in case of purchase) and broker/clearing member in turn shall credit the units to the respective investor's demat account.</p> <p>(ii) Payment of redemption proceeds to the broker/clearing members by AMC/Mutual Fund shall discharge AMC/Mutual Fund of its obligation of payment to individual investor. Similarly, in case of purchase of units, crediting units into broker/clearing member pool account shall discharge AMC/Mutual Fund of its obligation to allot units to individual investor.</p> <p>8. Applications for purchase/redemption of units which are incomplete /invalid are liable to be rejected.</p> <p>9. For all the transactions done through these platforms, separate Folio. No. shall be allotted to the existing and the new investors. The bank a/c number, address, nomination details etc. shall be the same as per the Demat account of the investor. In case of non-financial requests/applications such as change of address, change of bank details, etc. investors should approach the respective Depository Participant(s).</p> <p>10. Investors will have to comply with Know Your Customer (KYC) norms as prescribed by BSE/NSE/CDSL/ NSDL and Axis Mutual Fund to participate in this facility.</p> <p>11. Investors should get in touch with Investor Service Centres (ISCs) of Axis Mutual Fund for further details.</p>
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	<p><u>Systematic Transfer Plan</u></p> <p>This facility will be available to the investors only during the Ongoing Offer period.</p> <p>Investors can opt for the Systematic Transfer Plan by investing a lumpsum amount in one scheme of the fund and providing a standing instruction to transfer sums at regular intervals [Weekly option (every Wednesday), Fortnightly (every alternative Wednesday), Monthly (on specified dates i.e. 1st, 7th, 10th, 15th, 25th of every month) into any other scheme (as maybe permitted by the Scheme Information Document of the respective schemes) of Axis Mutual Fund. Investors could also opt for STP from an existing account by quoting their account / folio number. The investors would have to opt for a minimum of 6 transfers of Rs. 1000 in any of the frequencies.</p> <p>A minimum period of 7 days shall be required for registration under STP.</p> <p>Units will be allotted/redeemed at the applicable NAV of the respective dates of the Scheme on which such investments/withdrawals are sought from the Scheme.</p> <p>The AMC reserves the right to introduce STPs at any other frequencies or on any other dates as the AMC may feel appropriate from time to time. In the event that such a day is a Holiday, the transfer would be affected on the next Business Day.</p> <p>The STP may be terminated on a written notice of 7 days by a Unit holder of the Scheme and it will terminate automatically if all Units are liquidated or withdrawn from the account or upon the Funds' receipt of notification of death or incapacity of the Unit holder.</p> <p>Further, in case of a last STP, where the balance amount is less than the STP amount, the entire amount will be transferred to the transferee scheme.</p> <p><u>Switching Options</u></p> <p>(a) Inter - Scheme Switching option</p> <p>Unit holders under the Scheme have the option to Switch part or all of their Unit holdings in the Scheme to any other Scheme offered by the Mutual Fund from time to time. The Mutual Fund also provides the Investors the flexibility to Switch their investments from any other scheme(s) / plan (s) offered by the Mutual</p>
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	<p>Fund to this Scheme. This option will be useful to Unit holders who wish to alter the allocation of their investment among the scheme(s) / plan(s) of the Mutual Fund in order to meet their changed investment needs.</p> <p>The Switch will be effected by way of a Redemption of Units from the Scheme at Applicable NAV, subject to Exit Load, if any and reinvestment of the Redemption proceeds into another Scheme offered by the Mutual Fund at Applicable NAV and accordingly the Switch must comply with the Redemption rules of the Switch out Scheme and the Subscription rules of the Switch in Scheme.</p> <p>Auto switch facility</p> <p>Investors will have an auto - switch facility from Axis Treasury Advantage Fund to the other schemes of Axis Mutual Fund during the New Fund Offer period of such schemes (unless otherwise prohibited under the scheme information document of the other schemes). With this facility, the investors will be able to invest in Axis Treasury Advantage Fund with an instruction to switch the units to the other schemes on the last day of the new fund offer. However, Axis Asset Management Co. Ltd. reserves the right to extend or limit the said facility on such terms and conditions as may be decided from time to time.</p> <p>For details, investors are requested to refer to the Auto switch Key Information Memorandum cum application form.</p> <p>All other features / guidelines of the switch facility will be equally applicable for the above stated Auto switch facility.</p> <p>Automatic Switch of Redemption proceeds on Maturity (Auto Maturity Switch) from other close ended schemes of Axis Mutual Fund</p> <p>The Mutual Fund provides the investors the flexibility to switch their redemption proceeds receivable on maturity of its close ended schemes (subject to the scheme information document of the close ended schemes) to Axis Treasury Advantage Fund – Daily Dividend Option. Investor can choose to avail of this facility only at the time of making the application to subscribe to the units of the close ended scheme. To make the switch effective, investor needs to hold all the units till maturity of the close ended scheme. The switch shall be subject to the applicable terms and conditions of both the switch-out scheme and</p>
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	<p>switch-in scheme as regards the minimum number of Units that may be redeemed or issued, Exit / Entry Load etc.</p> <p>However, investor shall have an option to alter his preference from auto maturity switch to Payout Option by submitting a written request, at any time during the tenure of the close ended scheme, not later than 7 working days from the maturity of the close ended scheme.</p> <p>This Auto switch facility shall be affected by way of a Redemption of Units from the close ended Scheme on its maturity and investment of the Redemption proceeds in Axis Treasury Advantage Fund on the date of maturity (or the next business day if date of maturity is a non-business day).</p> <p>For details, please contact any of the ISCs of Axis Mutual Fund.</p> <p>(b) Intra -Scheme Switching plan/option Unit holders under the Scheme have the option to Switch their Units holding from one plan/option to another plan/option (i.e. Retail to Institutional, Growth to Dividend and vice-a-versa). The Switches would be done at the Applicable NAV based prices and the difference between the NAVs of the two plans/options will be reflected in the number of Units allotted.</p> <p>Switching shall be subject to the applicable "Cut off time and Applicable NAV" stated elsewhere in the Scheme Information Document. In case of "Switch" transactions from one scheme to another, the allocation shall be in line with Redemption payouts.</p> <p><u>Transaction on Fax.</u> In order to facilitate quick processing of transaction and / or instruction of investment of investor the AMC/ Trustee/ Mutual Fund may (at its sole discretion and without being obliged in any manner to do so and without being responsible and/ or liable in any manner whatsoever) accept and process any application, supporting documents and / or instructions submitted by an investor / Unit holder by facsimile (Fax Submission) and the investor / Unit holder voluntarily and with full knowledge takes and assumes any and all risk associated therewith. The AMC / Trustee/ Mutual Fund shall have no obligation to check or verify the authenticity or accuracy of Fax Submission purporting to have been sent by the investor and may act thereon as if same has been duly given by the investor. In all cases the investor will</p>
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	<p>have to immediately submit the original documents/ instruction to AMC/ Mutual Fund.</p> <p><u>Online Transactions</u></p> <p>Axis Mutual Fund will allow Transactions including by way of Lumpsum Purchase/ Redemption / Switch of Units by electronic mode through the AMC web –site. The Subscription proceeds, when invested through this mode, are by way of direct debits to the designated bank through payment gateway. The Redemption proceeds, (subject to deduction of tax at source, if any) through this mode, are directly credited to the bank account of the Investors who have an account at the designated banks with whom the AMC has made arrangements from time to time or through NEFT/RTGS or through cheque/Payorder/Demand draft issuance. The AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.</p> <p>Investment amount through this facility may be restricted by the AMC from time to time in line with prudent risk management requirements and to protect the overall interest of the Investors.</p> <p>For details of the facility, investors are requested to refer to the website of the AMC.</p> <p><u>Easy Call Facility</u></p> <p>All individual investors in the scheme applying on “Sole” or “Anyone or Survivor” basis in their own capacity shall be eligible to avail of Easy Call facilities for permitted transactions inter alia on the following terms and conditions: “Terms and Conditions” mean the terms and conditions set out below by which the Facility shall be used/availed by the Investor/s and shall include all modifications and supplements made by AMC thereto from time to time.</p> <p>Axis Mutual Fund will allow transactions including by way of Lumpsum Purchase/ Redemption / Switch of Units over phone. Initial Investment has to be through the physical mode wherein he has to sign a one time debit mandate for bank accounts pertaining to designated banks with which the AMC may have an arrangement. This facility is extended to the bank with which the Fund would have an arrangement from time to time. Investment amount may be restricted by the AMC from time to time in line with prudent risk management requirements and to</p>
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	<p>protect the overall interest of the Investors. Investor will be allowed transactions over phone after 30 days from the date of submission of one time mandate. Investor will not be permitted to avail the Easy call facility for Redemptions/Switch transactions if bank mandate is changed with in last 15 days. AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.</p> <p>The AMC has a right to ask such information (Key Information) from the available data of the Investor/s before allowing him access to avail the Facility. If for any reason, the AMC is not satisfied with the replies of the Investor/s, the AMC has at its sole discretion the right of refusing access without assigning any reasons to the Investor/s.</p> <p>It is clarified that the Facility is only with a view to accommodate /facilitate the Investor/s and offered at the sole discretion of the AMC. The AMC is not bound and/or obliged in any way to give access to Facility to Investor/s.</p> <p>The Investor/s shall check his/her account records carefully and promptly. If the Investor/s believes that there has been a mistake in any transaction using the Facility, or that unauthorized transaction has been effected, the Investor/s shall notify the AMC immediately. If the Investor/s defaults in intimating the discrepancies in the statement within a period of fifteen days of receipt of the statements, he waives all his rights to raise the same in favour of the AMC, unless the discrepancy /error is apparent on the face of it. By opting for the facility the Investor/s hereby irrevocably authorizes and instructs the AMC to act as his /her agent and to do all such acts as AMC may find necessary to provide the Facility.</p> <p>The Investor/s shall at all times be bound by any modifications and/or variations made to these Terms and Conditions by the AMC at their sole discretion and without notice to them.</p> <p>The Investor/s agrees and confirms that the AMC has the right to ask the Investor/s for an oral or written confirmation of any transaction request using the Facility and/or any additional information regarding the Account of the Investor/s.</p> <p>The Investor/s agrees and confirms that the AMC may at its sole discretion suspend the Facility in whole or in part at any time without prior notice.</p>
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	<p>The Investor/s shall not assign any right or interest or delegate any obligation arising herein.</p> <p>The Investor/s shall take responsibility for all the transactions conducted by using the Facility and will abide by the record of transactions generated by the AMC. Further, the Investor/s confirms that such records generated by the AMC shall be conclusive proof and binding for all purposes and may be used as evidence in any proceedings and unconditionally waives all objections in this behalf.</p> <p>The Investor/s agrees that use of the Facility will be deemed acceptance of the Terms and Conditions and the Investor/s will unequivocally be bound by these Terms and Conditions. The Investor agrees that all calls received shall be eligible for same day NAV subject to necessary formalities to be complied by the AMC in case of transaction through Easy Call Facility on or before the uniform cut off time.</p> <p>Requests like change in bank mandate, change of nomination, change in mode of holding, change of address or such other requests as the AMC may decide from time to time will not be permitted using the Easy Call facility.</p> <p>INDEMNITIES IN FAVOUR OF THE AMC: The Investor/s shall not hold the AMC liable for the following:</p> <ol style="list-style-type: none"> 1) For any transaction using the Facilities carried out in good faith by the AMC on instructions of the Investor/s. 2) For the unauthorized usage/unauthorized transactions conducted by using the Facility. 3) For any loss or damage incurred or suffered by the Investor/s due to any error, defect, failure or interruption in the provision of the Facility arising from or caused by any reason whatsoever. 4) For any negligence / mistake or misconduct by the Investor/s. 5) For any breach or non-compliance by the Investor/s of the rules/terms and conditions stated in this Document. 6) For accepting instructions given by any one of the Investor/s in case of joint account/s having mode of operations as "Either or Survivor" or "anyone or survivor". 7) For not verifying the identity of the person giving the telephone instructions in the Investor/s name. 8) For not carrying out any such instructions where the AMC has reason to believe (which
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	<p>decision of the AMC the Investor/s shall not question or dispute) that the instructions given are not genuine or are otherwise improper, unclear, vague or raise a doubt.</p> <p>9) For carrying out a transaction after such reasonable verification as the AMC may deem fit regarding the identity of the Investor/s</p> <p>10) In case of error in NAV communication.</p> <p>11) For accepting instructions given by any one of the Investor/s or his / her authorized person.</p> <p>MISCELLANEOUS:</p> <p>1) The Investor/s agrees and understands that while this Facility is being introduced without any charges being levied; in case charges are to be levied on a future date he agrees to pay such charges and nonpayment in such an event can lead to termination of these services.</p> <p>2) Any dispute arising out of or in connection with these Terms and Conditions, will be referred to the arbitration of a sole arbitrator to be appointed by the AMC, in accordance with the Arbitration & Conciliation Act, 1996.</p> <p>3) These Terms and Conditions are subject to applicable SEBI (Mutual Funds) Regulations, 1996 as amended from time to time and includes Guidelines, Circular press release or Notification that may be issued.</p> <p>Easy SMS Facility (mobile transaction facility)</p> <p>This facility is available for individual investors (registration process to be completed by the investor to avail this facility). For details of the registration process, please contact our Investor Service Centres/website of the AMC.</p> <p>All individual investors applying on "Sole" or "Anyone or Survivor" basis in their own capacity shall be eligible to avail the facility for permitted transactions i.e. for lump sum purchase, redemption and switch transactions on the below mentioned terms and conditions: "Terms and Conditions" mean the terms and conditions set out below by which the Facility shall be used/availed by the Investors and shall include all modifications and supplements made by AMC thereto from time to time.</p> <p>Initial Investment has to be through the physical</p>
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	<p>mode wherein the Investor has to sign a one time debit mandate for bank accounts pertaining to designated banks with which the AMC may have an arrangement. This facility is extended to the bank with which the Fund would have an arrangement from time to time. Transaction amount may be restricted by the AMC from time to time in line with prudent risk management requirements and to protect the overall interest of the Investors. Investor will be allowed transactions over SMS after 30 days from the date of submission of one time mandate. Investor will not be permitted to avail the facility for Redemptions/Switch transactions if bank mandate is changed within last 15 days. AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.</p> <p>The AMC has a right to ask such information (Key Information) from the available data of the Investors before allowing him access to avail the Facility. If for any reason, the AMC is not satisfied with the replies of the Investors, the AMC has at its sole discretion the right of refusing access without assigning any reasons to the Investors.</p> <p>This facility can be availed only through the registered mobile number of the Investor.</p> <p>It is clarified that the Facility is only with a view to accommodate /facilitate the Investors and offered at the sole discretion of the AMC. The AMC is not bound and/or obliged in any way to give access to Facility to Investors. The Investors shall check his/her account records carefully and promptly. If the Investors believe that there has been a mistake in any transaction using the Facility, or that unauthorized transaction has been effected, the Investors shall notify the AMC immediately. If the Investors defaults in intimating the discrepancies in the statement within a period of fifteen days of receipt of the statements, he waives all his rights to raise the same in favour of the AMC, unless the discrepancy /error is apparent on the face of it. By opting for the facility the Investors hereby irrevocably authorizes and instructs the AMC to act as his /her agent and to do all such acts as AMC may find necessary to provide the Facility.</p> <p>The Investors shall at all times be bound by any modifications and/or variations made to these Terms and Conditions by the AMC at their sole discretion and without notice to them.</p> <p>The Investor agrees and confirms that the AMC has</p>
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	<p>the right to ask the Investor for an oral or written confirmation of any transaction request using the Facility and/or any additional information regarding the Account of the Investor. The Investor agrees and confirms that the AMC may at its sole discretion suspend the Facility in whole or in part at any time without prior notice. The Investor shall not assign any right or interest or delegate any obligation arising herein. The Investor shall take responsibility for all the transactions conducted by using the Facility and will abide by the record of transactions generated by the AMC. Further, the Investor confirms that such records generated by the AMC shall be conclusive proof and binding for all purposes and may be used as evidence in any proceedings and unconditionally waives all objections in this behalf.</p> <p>The Investor agrees that use of the Facility will be deemed acceptance of the Terms and Conditions and the Investor will unequivocally be bound by these Terms and Conditions. The Investor agrees that all transactions received shall be eligible for same day NAV subject to necessary formalities to be complied by the AMC in case of transaction through the facility on or before the uniform cut off time.</p> <p>Requests like change in bank mandate, change of nomination, change in mode of holding, change of address or such other requests as the AMC may decide from time to time will not be permitted using the facility.</p> <p>Investors should SMS HELP PURCHASE/REDEMPTION/SWITCH to 9212010033 in order to avail the facility post registration. The procedure for availing the facility will be communicated to the investor. Alternatively, the investor can also get in touch with the Investor Service Centres of the AMC.</p> <p>Karvy, Registrar & Transfer Agents to Axis Mutual Fund having its office at Unit: Axis Mutual Fund Karvy Plaza, No. 8-2-596 Street No. 1, Banjara Hills Hyderabad - 500 034 will be the official point of acceptance for such transactions received for Axis Mutual Fund schemes.</p> <p>INDEMNITIES IN FAVOUR OF THE AMC: The Investor/s shall not hold the AMC liable for the following:</p> <ol style="list-style-type: none"> 1. For any transaction using the Facilities carried out in good faith by the AMC on instructions of the Investor/s. 2. For the unauthorized usage/unauthorized transactions conducted by using the Facility.
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	<ol style="list-style-type: none"> 3. For any loss or damage incurred or suffered by the Investor/s due to any error, defect, failure or interruption in the provision of the Facility arising from or caused by any reason whatsoever. 4. For any negligence / mistake or misconduct by the Investor/s. 5. For any breach or non-compliance by the Investor/s of the rules/terms and conditions stated herein. 6. For accepting instructions given by any one of the Investor/s in case of joint account/s having mode of operations as "Either or Survivor" or "anyone or survivor". 7. For not verifying the identity of the person giving the SMS instructions (provided it is through the mobile number registered with the AMC). 8. For not carrying out any such instructions where the AMC has reason to believe (which decision of the AMC the Investor/s shall not question or dispute) that the instructions given are not genuine or are otherwise improper, unclear, vague or raise a doubt. 9. For carrying out a transaction after such reasonable verification as the AMC may deem fit regarding the identity of the Investor/s 10. In case of error in NAV communication. 11. For accepting instructions given by any one of the Investor/s or his / her authorized person. <p><u>Application via electronic mode:</u></p> <p>Subject to the Investor fulfilling certain terms and conditions stipulated by the AMC as under, Axis Asset Management Company Limited, Axis Mutual Fund or any other agent or representative of the AMC, Mutual Fund, the Registrar & Transfer Agents may accept transactions through any electronic mode including fax/web/ electronic transactions as permitted by SEBI or other regulatory authorities :</p> <ol style="list-style-type: none"> a) The acceptance of the fax/web/electronic transactions will be solely at the risk of the transmitter of the fax/web/ electronic transactions and the Recipient shall not in any way be liable or responsible for any loss, damage caused to the transmitter directly or indirectly, as a result of the transmitter sending or purporting to send such transactions. b) The recipient will also not be liable in the case
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	<p>where the transaction sent or purported to be sent is not processed on account of the fact that it was not received by the Recipient.</p> <p>c) The transmitter's request to the Recipient to act on any fax/web/electronic transmission is for the transmitter's convenience and the Recipient is not obliged or bound to act on the same.</p> <p>d) The transmitter acknowledges that fax/web/electronic transactions is not a secure means of giving instructions/ transactions requests and that the transmitter is aware of the risks involved including those arising out of such transmission.</p> <p>e) The transmitter authorizes the recipient to accept and act on any fax/web/ electronic transmission which the recipient believes in good faith to be given by the transmitter and the recipient shall be entitled to treat any such fax/web/ electronic transaction as if the same was given to the recipient under the transmitter's original signature.</p> <p>f) The transmitter agrees that security procedures adopted by the recipient may include signature verification, telephone call backs which may be recorded by tape recording device and the transmitter consents to such recording and agrees to cooperate with the recipient to enable confirmation of such fax/web/ electronic transaction requests.</p> <p>g) The transmitter accepts that the fax/web/ electronic transactions, where applicable shall not be considered until time stamped as a valid transaction request in the Scheme in line with the Regulations.</p> <p>In consideration of the recipient from time to time accepting and at its sole discretion acting on any fax/ web/electronic transaction request received / purporting to be received from the transmitter, the transmitter agrees to indemnify and keep indemnified the AMC, Directors, employees, agents, representatives of the AMC, Axis Mutual Fund and Trustee from and against all actions, claims, demands, liabilities, obligations, losses, damages, costs and expenses of whatever nature (whether actual or contingent) directly or indirectly suffered or incurred, sustained by or threatened against the indemnified parties whatsoever arising from or in</p>
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	<p>connection with or any way relating to the indemnified parties in good faith accepting and acting on fax/web/ electronic transaction requests including relying upon such fax/ electronic transaction requests purporting to come from the Transmitter even though it may not come from the Transmitter.</p> <p>The AMC reserves the right to discontinue the facility (ies) at any point of time.</p>
Accounts Statements	<ul style="list-style-type: none"> On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted by way of e-mail and/or SMS within 5 business days from the date of receipt of transaction request will be sent to the Unit Holders registered e-mail address and/or mobile number. For those Unit holders who have provided an e-mail address, the AMC will send the account statement/confirmation by e-mail. Unit holders will be required to download and print the documents after receiving e-mail from the Mutual Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties. The Unit holder may request for a physical account statement by writing/calling the AMC/ISC/Registrar. 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. On allotment, the AMC will send an allotment advice to the investor. <p>Annual Account Statement:</p> <ul style="list-style-type: none"> The Mutual Fund shall provide the Account Statement to the Unit holders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement, The account statements in such cases may be

	<p>generated and issued along with the Portfolio Statement or Annual Report of the Scheme.</p> <p>Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.</p> <p>In the event the account has more than one registered holder, the first named Unit holder shall receive the account statements.</p> <p>The AMC shall issue Unit certificates within 5 business days from the date of receipt of request where the applicant so desires.</p> <p>Consolidated Account Statement</p> <p>Consolidated account statement for each calendar month shall be issued, on or before tenth day of succeeding month, 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, to all the investors in whose folios transaction has taken place during that month. The AMC shall ensure that a consolidated account statement 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.</p> <p>The AMC shall identify common investors across fund houses by their permanent account number for the purposes of sending consolidated account statement. 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. In the event the account has more than one registered holder, the first named Unit Holder shall receive the Account Statement. The word transaction will include purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan and systematic transfer plan.</p> <p>The AMC will endeavor to send statement of accounts by e-mail where the Investor has provided the e-mail id. The statement of holding of the beneficiary account holder for units held in demat will be sent by the respective Depository Participants periodically. Additionally, the AMC may at its</p>
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	<p>discretion send Account Statements individually to the investors.</p> <p>Option to hold Units in dematerialized (demat) form</p> <p>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.</p> <p>Investors desirous of having the Units of the Scheme in dematerialized form should contact the ISCs of the AMC/Registrar.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>Demat option shall not be offered for SIP transactions.</p> <p>For details, Investors may contact any of the Investor Service Centres of the AMC.</p>
Dividend	<p>The Dividend warrants/cheque/demand draft shall be dispatched to the Unit holders within 30 days of</p>

	<p>the date of declaration of the Dividend.</p> <p>The Dividend proceeds will be paid by way of ECS / EFT / NEFT / RTGS / Direct credits/ any other electronic manner if sufficient banking details are available with the Mutual Fund for the Investor.</p> <p>In case of specific request for Dividend by warrants/cheques/demand drafts or unavailability of sufficient details with the Mutual Fund, the Dividend will be paid by warrant/cheques/demand drafts and payments will be made in favour of the Unit holder (registered holder of the Units or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Mutual Fund (please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI).</p>
Redemption	<p>How to Redeem</p> <p>A Transaction Slip can be used by the Unit Holder to request for Redemption. The requisite details should be entered in the Transaction Slip and submitted at an ISC/Official Point of Acceptance. Transaction Slips can be obtained from any of the ISCs/Official Points of Acceptance. Investor can also place redemption through Telephone using Easy Call facility or may redeem Online through the AMC's website subject to the terms and conditions as maybe stipulated from time to time.</p> <p>Procedure for payment of redemption.</p> <p>1. Resident Investors</p> <p>Redemption proceeds will be paid to the investor through Real Time Gross Settlement (RTGS), NEFT, Direct Credit, Cheque or Demand Draft.</p> <ul style="list-style-type: none"> a) If investor has provided IFSC code in the application form, by default redemption proceeds shall be to be credited to Investor's account through RTGS/NEFT. b) If Investor has neither provided IFSC code nor the NEFT code but have a bank account with Banks with whom the Fund would has an arrangement for Direct Credit from time to time, the proceeds will be paid through direct credit. c) Incase if investor bank account does not fall in the above a to b categories, redemption

	<p>proceeds will be paid by cheques/demand drafts, marked "Account Payee only" and drawn in the name of the sole holder / first-named holder (as determined by the records of the Registrar).</p> <p>The bank name and bank account number, as specified in the Registrar's records, will be mentioned in the cheque/demand draft. The cheque will be payable at par at all bank branch or specific cities. If the Unit Holder resides in any other city, he will be paid by a demand draft payable at the city of his residence and the demand draft charges shall be borne by the AMC (please refer SAI for details).</p> <p>The redemption proceeds will be sent by courier or (if the addressee city is not serviced by the courier) by registered post/UCP. The dispatch for the purpose of delivery through the courier / postal department, as the case may be, shall be treated as delivery to the investor. The AMC / Registrar are not responsible for any delayed delivery or non-delivery or any consequences thereof, if the dispatch has been made correctly as stated in this paragraph.</p> <p>The AMC reserves the right to change the sequence of payment from (a) to (c) without any prior notice</p> <p>For Unit holders who have given specific request for Cheque/Demand Draft Redemption proceeds will be paid by cheque/demand drafts and payments will be made in favour of the Unit holder with bank account number furnished to the Mutual Fund</p> <p>(Please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI). Redemption cheques will be sent to the Unit holder's address.</p> <p>The Mutual Fund will endeavor to dispatch the redemption proceeds within 10 Business Days from the date of Redemption. If the payment is not made within the period stipulated in the Regulations, the Unit Holder shall be paid interest @15% p.a. or as specified by SEBI for the delayed period and the interest shall be borne by the AMC.</p> <p>The Trustee, at its discretion at a later date, may choose to alter or add other modes of payment.</p>
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	<p>2. Non-Resident Investors For NRIs, Redemption proceeds will be remitted depending upon the source of investment as follows:</p> <p>(i) Repatriation basis When Units have been purchased through remittance in foreign exchange from abroad or by cheque / draft issued from proceeds of the Unit Holder's FCNR deposit or from funds held in the Unit Holder's Non Resident (External) account kept in India, The proceeds can also be sent to his Indian address for crediting to his NRE / FCNR / non-resident (Ordinary) account, if desired by the Unit Holder.</p> <p>(ii) Non-Repatriation basis When Units have been purchased from funds held in the Unit Holder's non-resident (Ordinary) account, the proceeds will be sent to the Unit Holder's Indian address for crediting to the Unit Holder's non-resident (Ordinary) account.</p> <p>For FIs, the designated branch of the authorized dealer may allow remittance of net sale / maturity proceeds (after payment of taxes) or credit the amount to the Foreign Currency account or Non-resident Rupee account of the FI maintained in accordance with the approval granted to it by the RBI.</p> <p>The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations, while converting the rupee amount in foreign exchange in the case of transactions with NRIs / FIs. The Fund may make other arrangements for effecting payment of redemption proceeds in future.</p> <p>Effect of Redemptions The number of Units held by the Unit Holder in his / her / its folio will stand reduced by the number of Units Redeemed. Units once redeemed will be extinguished and will not be re-issued.</p> <p>The normal processing time may not be applicable in situations where such details are not provided by investors/Unit holders. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques and/or any delay/loss in transit.</p> <p>Unclaimed Redemptions and Dividends As per circular no. MFD / CIR / 9 / 120 / 2000, dated November 24, 2000 issued by SEBI, the unclaimed Redemption and dividend amounts shall be deployed by the Fund in money market instruments</p>
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	<p>only. The unclaimed Redemption and dividend amounts shall be deployed 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. The circular also specifies that investors who claim these amounts during a period of three years from the due date shall be paid at the prevailing NAV. Thus, 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. In terms of the circular, the onus is on the AMC to make a continuous effort to remind investors through letters to take their unclaimed amounts. The details of such unclaimed amounts shall be disclosed in the annual report sent to the Unit Holders.</p> <p>AMC reserves the right to provide the facility of redeeming Units of the Scheme through an alternative mechanism including but not limited to online transactions on the Internet, as may be decided by the AMC from time to time. The alternative mechanism may also include electronic means of communication such as redeeming Units online through the AMC Website or any other website, etc. The alternative mechanisms would be applicable to only those investors who opt for the same in writing and/or subject to investor fulfilling such conditions as AMC may specify from time to time.</p> <p>Signature mismatches If the AMC / Registrar finds a signature mismatch, while processing the redemption/ switch out request, then the AMC/ Registrar reserves the right to process the redemption only on the basis of supporting documents confirming the identity of the investors. List of such documents would be notified by AMC from time to time on its website.</p> <p>Important Note: All applicants for Purchase of Units /Redemption of Units must provide a bank name, bank account number, branch address, and account type in the Application Form.</p>
Delay in payment of Redemption / Repurchase proceeds	The AMC shall be liable to pay interest to the Unit holders at 15% or such other rate as may be prescribed by SEBI from time to time, in case the Redemption / Repurchase proceeds are not made within 10 Business Days of the date of Redemption / Repurchase. However, the AMC will not be liable to pay any interest or compensation or any amount

	otherwise, in case the AMC / Trustee is required to obtain from the Investor / Unit holders verification of identity or such other details relating to Subscription for Units under any applicable law or as may be requested by a Regulatory Agency or any government authority, which may result in delay in processing the application.
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C. PERIODIC DISCLOSURES

<p>Net Asset Value</p> <p>This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p>	<p>The AMC will calculate and disclose the NAV of the Scheme on all the Business Days. The NAV of the Scheme and purchase/Redemption price shall be published at least in two daily newspapers on daily basis in accordance with the SEBI Regulations. The AMC shall update the NAVs on the website of the AMC (www.axismf.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 9.00 p.m. on every Business Day. If the NAVs are not available before the commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.</p> <p>Information regarding NAV can be obtained by the Unit holders / Investors by calling or visiting the nearest ISC.</p>
<p>Half yearly Disclosures: Portfolio / Financial Results</p> <p>This is a list of securities where the corpus of the Scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p>The Mutual Fund shall publish a complete statement of the Scheme portfolio and the unaudited financial results, within one month from the close of each half year (i.e. 31st March and 30th September), by way of an advertisement at least, in one National English daily and one regional newspaper in the language of the region where the head office of the Mutual Fund is located.</p> <p>The Mutual Fund may opt to send the portfolio to all Unit holders in lieu of the advertisement (if applicable).</p> <p>The Portfolio Statement will also be displayed on the website of the AMC and AMFI.</p>
<p>Half Yearly Results</p>	<p>The Mutual Fund and AMC shall before the expiry of one month from the close of each half year i.e. 31st March and on 30th September, publish its unaudited financial results in one national English daily newspaper and in a regional newspaper published in the language of the region where the Head Office of the Mutual Fund is situated.</p>

	The unaudited financial results will also be displayed on the website of the AMC and AMFI.		
Annual Report	<p>The Scheme wise annual report or an abridged summary thereof shall be mailed (emailed, where e mail id is provided unless otherwise required)) to all Unit holders not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year) and full annual report shall be available for inspection at the Head Office of the Mutual Fund and a copy shall be made available to the Unit holders on request on payment of nominal fees, if any. Scheme wise annual report shall also be displayed on the website of the Mutual Fund (www.axismf.com) and Association of Mutual Funds in India (www.amfiindia.com).</p> <p>Mailing of Annual Report or Abridged Summary The Scheme wise annual report or an abridged summary hereinafter shall be sent by AMC/Mutual Fund as under:</p> <ul style="list-style-type: none"> (i) by e-mail to the Unit holders whose e-mail address is available with the Fund, (ii) in physical form to the Unit holders whose email address is not available with the Fund and/or to those Unit holders who have opted / requested for the same. <p>The physical copy of the scheme wise annual report or abridged summary shall be made available to the investors at the registered office of the AMC. A link of the scheme annual report or abridged summary shall be displayed prominently on the website of the Mutual Fund.</p>		
Associate Transactions	Please refer to Statement of Additional Information (SAI).		
Taxation			
		Resident Investors	Mutual Fund
The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.	Tax on Dividend	Nil	Dividend Distribution Tax (DDT) Individual / HUF - 13.519% Others - 32.445%*

	Capital Gains: Long Term Short Term	10%/20% Income tax rate applicable to the Unit holders as per their income slabs.	Nil Nil
	<ol style="list-style-type: none"> 1. Axis Mutual Fund is a Mutual Fund registered with the Securities & Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from income tax in accordance with the provisions of Section 10(23D) of the Income-tax Act, 1961 (the Act). 2. On Income Distribution, if any, made by the Mutual Fund, additional income-tax is payable under section 115R of the Act, in the case of its schemes (other than equity-oriented funds and a money market mutual fund or a liquid fund). The additional income-tax on distribution of income to an individual / Hindu Undivided family (HUF) shall be payable by the Mutual fund at the rate of 13.519%* and at the rate of 32.445%* on distribution of income to any other investor. <p>* including applicable surcharge, education cess and secondary and higher education cess.</p>		
	For further details on taxation please refer to the clause on Taxation in the SAI		
Investor services	<p>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" (toll-free number) or 4325 5100 (at local call rate for enquiring at AMC ISC's) or email – 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.</p> <p>Any complaints should be addressed to Mr. Milind Vengurlekar who has been appointed as the Investor Relations Officer and can be contacted at:</p> <p>Address : Axis House, 1st Floor, Bombay Dyeing Mill Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 025</p>		

	<p>Phone no.: 022 43254138/4123</p> <p>For any grievances with respect to transactions through BSE StAR and / or NSE MFSS, the investors / Unit Holders should approach either the stock broker or the investor grievance cell of the respective stock exchange.</p>
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D. COMPUTATION OF NAV

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

The Net Assets Value (NAV) of the Units under the Scheme shall be calculated as shown below:

$$\text{NAV (Rs.)} = \frac{\text{Market or Fair Value of Scheme's Investments} + \text{Current Assets including Accrued Income} - \text{Current Liabilities and Provisions}}{\text{No. of Units outstanding under Scheme on the Valuation Day}}$$

The NAV shall be calculated up to four decimal places. However the AMC reserves the right to declare the NAVs up to additional decimal places as it deems appropriate. Separate NAV will be calculated and disclosed for each Option. The NAVs of the Growth Option and the Dividend Option will be different after the declaration of the first Dividend.

The AMC will calculate and disclose the NAV of the Scheme on all the Business Days.

IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the Schemes.

A. NEW FUND OFFER (NFO) EXPENSES

These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees paid marketing and advertising, Registrar & Transfer Agents expenses, printing and stationary, bank charges etc.

In accordance with the provisions of SEBI Circular no. SEBI/ IMD/CIR No. 1/64057/06 dated April 04, 2006 and SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009, the NFO expenses shall be borne by the AMC/Sponsor.

B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the Scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:

The AMC has estimated that upto 2.25% of the daily average net assets of the Scheme will be charged to the Scheme as expenses. For the actual current expenses being charged, the Investor should refer to the website of the AMC.

Particulars	% of Net Assets	
	Retail Plan	Institutional Plan
Investment Management & Advisory Fee	1.25	1.25
Service Tax on Investment Management & Advisory Fee	0.13	0.13
Custodial Fees	0.05	0.05
Registrar & Transfer Agent Fees including cost related to providing accounts statement, Dividend/Redemption cheques/warrants etc.	0.10	0.10
Marketing & Selling Expenses including Agents Commission and statutory advertisement	0.37	0.27
Brokerage & Transaction Cost pertaining to the distribution of units	-	-
Audit Fees / Fees and expenses of trustee	0.10	0.10
Costs related to Investor communications	0.15	0.15
Costs of fund transfer from location to location	-	-
Other Expenses*	0.10	0.10
Total Recurring Expenses	2.25	2.15

*Any other expenses which are directly attributable to the Scheme, maybe charged with the approval of the Trustee within the overall limits as specified in the Regulations except those expenses which are specifically prohibited.

These estimates have been made in good faith as per the information available to and estimates made by the Investment Manager and are subject to change inter-se or in total subject to prevailing Regulations. The AMC may incur actual expenses which may be more or less than those estimated above under any head and/or in total. Type of expenses charged shall be as per the SEBI Regulations.

The AMC will charge the Scheme such actual expenses incurred, subject to the statutory limit prescribed in the Regulations.

The recurring expenses of the Scheme(including the Investment Management and Advisory Fees) shall be as per the limits prescribed under the SEBI (MF) Regulations. These are as follows:

On the first Rs. 100 crores of the average weekly net assets - 2.25%

On the next Rs. 300 crores of the average weekly net assets - 2.00%

On the next Rs. 300 crores of the average weekly net assets – 1.75%

On the balance of the assets - 1.50%

The AMC may charge the Mutual Fund with investment and advisory fee as prescribed in the SEBI (MF) Regulations from time to time and as permitted by the Investment Management Agreement. Presently, the SEBI (MF) Regulations permit fees as follows:

i) 1.25% of the weekly average net assets outstanding in each accounting year for the Scheme concerned as long as the net assets do not exceed Rs.100 crore, and

ii) 1% of the excess amount over Rs.100 crore, where net assets so calculated exceed Rs.100 crore.

The total expenses of the Scheme(s) including the investment management and advisory fee shall not exceed the limit stated in Regulation 52(6) of the SEBI (MF) Regulations.

Any expenditure in excess of the SEBI regulatory limits shall be borne by the AMC or by the Trustee or the Sponsor.

The current expense ratios will be updated on the AMC website viz. www.axismf.com within two working days mentioning the effective date of the change.

C. LOAD STRUCTURE

Load is an amount which is presently paid by the investor to redeem the Units from the Scheme. This amount is used by the AMC to pay commission to the distributors and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, investors may refer to the website of the AMC (www.axismf.com) or may call at **1800 3000 3300** or you can contact your distributor.

SEBI vide its circular No. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes.

Type of Load	Load chargeable (as %age of NAV)
Entry Load	NA
Exit Load	Nil

Units issued on reinvestment of Dividends shall not be subject to any Load, if any.

The above mentioned load structure shall be equally applicable to the special products such as STP, switches, etc. offered by the AMC.

Of the Exit Load or CDSC charged to the Investor, a maximum of 1% of the Redemption proceeds can be maintained in a separate account which can be used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Any balance is to be credited to the Scheme immediately.

The Investor is requested to check the prevailing Load structure of the Scheme before investing.

For any change in Load structure AMC will issue an addendum and display it on the website/Investor Service Centres.

Under the Scheme, the AMC/Trustee reserves the right to change / modify the Load structure if it so deems fit in the interest of smooth and efficient functioning of the Mutual Fund. The AMC/Trustee reserves the right to introduce / modify the Load depending upon the circumstances prevailing at that time subject to maximum limits as prescribed under the Regulations.

The Redemption Price however, will not be lower than 93% of the NAV. Any imposition or enhancement of Load in future shall be applicable on prospective investments only. The difference between the Redemption price and Sale price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time which is presently 7% calculated on the Sale Price.

At the time of changing the Load Structure:

1. An Addendum detailing the changes will be attached to Scheme Information Document (s) and Key Information Memorandum. The addendum may be circulated to all the distributors / brokers so that the same can be attached to all Scheme Information Documents and Key Information Memoranda already in stock.
2. The addendum will be displayed on the website of the AMC and arrangements will be made to display the addendum in the form of a notice in all the Investor Service Centres and distributors / brokers office.
3. The introduction of the Exit Load/ CDSC alongwith the details may be stamped in the acknowledgement slip issued to the Investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such Load/CDSC
4. A public notice shall be given in respect of such changes 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.
5. Any other measure which the Mutual Fund may consider necessary.

The Trustee/AMC reserves the right to change the load structure subject to the limits prescribed under the Regulations. Any change in Load structure shall be only on a prospective basis i.e. Any such changes would be chargeable only for Redemptions from prospective purchases(applying first in first out basis).

Transaction charge:

In terms of SEBI circular no. CIR/ IMD/ DF/ 13/ 2011 dated August 22, 2011, as amended from time to time, Transaction Charge per subscription of Rs.10, 000/- and above shall be charged from the investors and shall be payable to the distributors/ brokers (who have opted in for charging the transaction charge) in respect of applications routed through distributor/ broker relating to Purchases / subscription / new inflows only (lump sum and SIP), subject to the following:

- For Existing / New investors: Rs.100 / Rs.150 as applicable per subscription of Rs. 10,000/- and above
- Transaction charge for SIP shall be applicable only if the total commitment through SIP amounts to Rs.10,000/- and above. In such cases the transaction charge would be recovered in maximum 4 successful installments.
- There shall be no transaction charge on subscription below Rs.10,000/-.
- There shall be no transaction charges on direct investments.

The requirement of minimum application amount shall not be applicable if the investment amount falls below the minimum amount required due to deduction of transaction charges from the subscription amount.

The Transaction Charge as mentioned above shall be deducted by the AMC from the subscription amount of the Unit Holder and paid to the distributor and the balance shall be invested in the Scheme. The statement of account shall clearly state that the net

investment as gross subscription less transaction charge and give the number of units allotted against the net investment.'

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Not applicable

V. RIGHTS OF UNIT HOLDERS

Please refer to SAI for details.

VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

This section shall contain the details of penalties, pending litigation, and action taken by SEBI and other regulatory and Govt. Agencies.

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed.

Not Applicable

2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.

Reserve Bank of India has levied penalty of Rs. Fifteen lacs on Axis Bank Ltd. in April 2011 for inadequacies seen in adherence to guidelines on derivatives transactions. The penalty of Rs. Fifteen lacs has been paid by Axis Bank Ltd. on May 5, 2011 to Reserve Bank of India.

3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.

Nil

4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.

Nil

5. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustee/Trustee Company which SEBI has specifically advised to

be disclosed in the Scheme Information Document, or which has been notified by any other Regulatory Agency, shall be disclosed.

Nil

The Scheme under this Scheme Information Document was approved by the Trustee Company on September 05, 2009. The Trustee has ensured that the Scheme is a new product offered by Axis Mutual Fund and is not a minor modification of its existing schemes.

Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

for and on behalf of
Axis Asset Management Company Limited

Sd/-

Rajiv Anand
Managing Director &
Chief Executive Officer

Date: December 15, 2011
Place: Mumbai

OFFICIAL POINTS OF ACCEPTANCE FOR ONGOING TRANSACTION

AXIS AMC OFFICE ADDRESSES

Ahmedabad Ground Floor, Shop No 4, Megha House, Opp. Kotak Bank, Mithakali Law Garden Road, Ellisbridge, Ahmedabad 380006 • **Bhopal** C/o Axis Securities & Sales Limited, Akansha Building, 1st Floor, Opposite Navbharat Press Complex, Zone -1, M. P. Nagar, Bhopal - 462 011 • **Bhubaneswar** C/o Axis Securities & Sales Limited, Axis Mutual Fund, Agrani Press, Mallick commercial complex 1st floor, Block BPN A/69, Kharvela Nagar, Bhubaneswar-751001 • **Bangalore** Embassy Square, Building No. 148, Unit No 306, 3rd Floor, Infantry Road, Bangalore 560001 • **Chandigarh** 1st Floor, Sco No 147-48, Sec 9c, Chandigarh 160017 • **Chennai** 5th Floor, Maalavika Center, 144 - 145 New No 60, Kodambakkam High Road, Nungambakkam, Chennai 600034 • **Dehradun** C/O Axis Bank Ltd, 74, Rajpura Road, IIPM Tower, Dehradun, (U.K.), 248001. • **Kochi** C/o Axis Securities & Sales Limited, Door No 1053-B1, Rani Tower, 1st Floor, Chittoor Road, Ernakulam, Kochi 682018 • **Coimbatore** C/o Axis Securities & Sales Limited, Door No 1437, Red Rose Chambers, 2nd Floor, Trichy Road, Coimbatore 641018 • **Guwahati** C/o Axis Securities & Sales Limited, 3rd Floor, Sarojini Commercial Complex, Opposite Ayakar Bhavan, Christian Basti, G.S. Road, Guwahati 781005 • **Hyderabad** 2nd Floor, Nerella House, Panjagutta, Hyderabad 500082 • **Indore** C/o Axis Securities & Sales Limited, 201, 2nd Floor, Silver Sanchora Castle, 8/2 R.N.T. Marg, Indore 452 003, India • **Jaipur** 305, 3rd Floor, Ganpati Plaza, M I Road, Jaipur 302001 • **Kanpur** 210, 2nd Floor, Kan Chambers, Civil Lines, Kanpur 208001 • **Kolkata** 3 - F, 3rd Floor, Shristi, 12 Hochiminh Sarani, Kolkata 700071 • **Lucknow** Unit No 5, 6 & 7, Halwasiya's Commerce House, 2nd Floor, Habibullah Estate, 11, M.G. Marg, Hazratganj, Lucknow 226001 • **Ludhiana** Axis Asset Management Co. Ltd., SCO - 28, First Floor, Feroz Gandhi Market, Ludhiana - 141001 • **Mumbai** Axis House, 1st Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025, India • **Mangalore** C/o Axis Securities & Sales Limited, Somayaji House, Door No 15-7-330/56, 5th Floor, Bunts Hostel Road, Mangalore 575003 • **Nagpur** Shop No.4 Suraj Palace Plot No. 69 Hill Road Near Ravinagar Square Ramnagar Nagpur 440033. • **Nasik** C/o Axis Securities & Sales Limited, Office No. 19/22, Gr. Floor, Suyojit Modern Point, Opposite Police Parade Ground, Sharanpur Road, Nasik 422002 • **New Delhi** 702-705, 7th Floor, Narain Manzil, Barakhamba Road, Connaught Place, New Delhi • **Panjim** C/o Axis Securities & Sales Limited, 103, 1st Floor, Unitech City Centre, M.G. Road, Panjim 403001 • **Patna** DG-11, Dumraon Place, Frazer Road, Patna - 800 001 • **Pune** 927, 204-205, 2nd Floor, Sanas Memories Apartment, Fergusson College Road, Shivaji Nagar, Pune 411004 • **Raipur** C/o Axis Securities & Sales Limited, Parthivi Pacific, Tatibandh, GE Road, Raipur 492 099. • **Rajkot** C/o Axis Securities & Sales Limited, 2nd Floor, Solitaire Building, 150 Feet Ring Road, Opp. Amin Marg, Junction, Rajkot 360001 • **Ranchi** C/O Axis Securities & Sales Ltd., Prashanti, 2nd Floor, Lalja Hirji Road, O. C. Compound, Ranchi - 834001. • **Surat** C/o Axis Securities & Sales Limited, Centre Point, 106/a, First Floor, Ring Road, Surat 395002 • **Trivandrum** C/o Axis Securities & Sales Limited, Haji M. Bava Sahib Commercial Complex, TC25/2890(12), Ambujavilasam Road, Trivandrum 695001 • **Vadodara** C/o Axis Securities & Sales Limited, Chitarakash Complex, 1st Floor, 19, Punit Nagar, Old Padra Road, Vadodara 390007.

KARVY COMPUTERSHARE PRIVATE LIMITED INVESTOR SERVICE CENTERS

Agartala Jagannath Bari Road, BidurKottar, Choumani, Agartala 799001 • **Agra** Deepak Wasan Plaza, Behind Holiday Inn, OppMegdootFurnitures, Sanjay Place, Agra 282002 (U.P) • **Ahmedabad** 201,Shail Building, OppMadhusudhan House, Near Navrangpura Telephone Exchange, Navrangpura, Ahmedabad 380006 • **Ajmer** 1-2, II Floor, Ajmer Tower, Kutchary Road, Ajmer 305001 • **Akola** Shop No-30, Ground Floor, Yamuna Tarang Complex, N H No 06, Murtizapur Road, Akola 444004 • **Aligarh** 1st Floor, Kumar Plaza, Aligarh 202001 Uttar Pradesh • **Allahabad** RSA Towers, 2nd Floor, Above Sony TV Showroom, 57, S P Marg, Civil Lines, Allahabad 211001 • **Alleppy** 2nd Floor, JP Towers Near West of Zilla Court Bridge, MullakkalAlleppy 688011 • **Alwar**101, Saurabh Towers Road No # 2, Bhagat Singh Circle Alwar 301001 • **Amaravathi** Shop No 13 & 27, First Floor Gulshan Plaza, Raj Peth, BadneraRoad, Amaravathi 444605 • **Ambala** 6349, Nicholson Road, Adjacent Kos Hospital, AmbalaCantt, Ambala 133001 • **Amritsar** 72-A, Taylor's Road, Aga Heritage Gandhi Ground, Amritsar 143001 • **Anand** F-6, Chitrangana Complex, Opp. MotikakaChawl, V V Nagar, Anand 388001 • **Ananthapur** # 15-149, 1st Floor, S R Towers, Opp. LalithakalaParishatSubash Road, Anantapur515001 • **Angul**Durga Shankar Road, Main Road, Infront of AXIS Bank Angul 759122 • **Ankleshwar** Shop No. FF 4 & 5, Shree Narmada Arcade, Old N H No 8, Opp. HDFC Bank,Ankleshwar 393001 • **Asansol** HotalAskok, 2nd Floor 18, G T Road, Asansol 713301 • **Aurangabad** Shop No 214/215 Tapadiya City Centre, Nirala Bazar, Aurangabad 431001 • **Azamgarh** Below Central Bank of India, SadawartiChowk, Azamgarh 276001 • **Balasore**M S Das Street, Gopalgaon, Balasore 756001 • **Bangalore** No 51/25, 1st Floor, Surya Building,Ratna Avenue, Richmond Road, Bangalore 560025 • **Bankura** Ambika Market, NatunganjBankura 722101 • **Bareilly** 1st Floor, 165, Civil Lines, Opposite Hotel Bareilly Palace, Near RlyStation Road, Bareilly 243001 • **Barhampore(WB)** Thakur Market Complex, 72, Naya Sarak Road,Gorabazar, PO. Berhampore DIST. Murshidabad Barhampore -742101 • **Baroda** Piccadilly,Office # 5, First Floor, Opp. Adani Super Market, Jetalpur Road, Vadodara 390007 Gujarat • **Begusarai** Hotel Diamond Surbhi Complex, Near I.O.C Township Gate, KapasiyaChowk,Begusarai851117 • **Belgaum** FK-1, Ambedkar Road, Opp Civil Hospital Belgaum 590001 • **Bellary** No 1 KHB Colony, Gandhinagar, Bellary 583101 • **Behrampur** (OR) Ramlingam Tank Road,Berhampur, Orissa 760002 • **Betul**107, Hotel Utkarsh, Awasthi Complex, J H College Road, Civil Lines, Beetul 460001 • **Bhagalpur** 2nd Floor, Chandralok Complex, Ghantaghar, Radha Rani Sinha Road, Bhagalpur 812001 • **Bharuch** 147-148, Aditya Complex Near Kasak Circle Bharuch - 392 002 • **Bhatinda** 2048, 1st Floor, Opp. Canara Bank, The Mall Road,Bhatinda 151001 • **Bhavnagar** Surabhi Mall 301, 3rd Floor, Waghawadi Road, Bhavnagar 364001 • **Bhilai**No138, New Civic Centre, Bhilai 490006 DistDurg, Chattishgarh • **Bhilwara** 27-28, 1st Floor, HiraPanna Complex, Pur Road, Bhilwara 311001 • **Bhopal** Kay KayBusniss Centre, 133 Zone, I M P Nagar, Bhopal 462021 • **Bhubaneswar** Plot No 104/105(P), JaydevVihar,Besides Hotel Pal Heights, Bhubaneswar 751013, Orissa • **Bikaner** 2nd Floor, Plot No 70 & 71, Panchshati Circle, SardulGunj Scheme, Bikaner 334003 • **Bilaspur**Shop No 201/202, V RPlaza, Link Road, Bilaspur 495001 • **Bokaro**B-1, 1st Floor, Near SonaChandiJewellers, City Centre, Sector 4, Bokaro Steel, City 827004 (Jharkhand) • **Burdwan** 63 G T Road, Birhata, HalderComplex, 1st Floor, Burdwan 713101 • **Calicut** Sowbhagya Shopping Complex, Areyadathupalam Mavoor Road, Calicut 673004 • **Chandigarh** Sco-371-372, First Floor, Above HDFC Bank,Sector 35B Chandigarh 160022 • **Chandrapur** Shop No 5, Office No 2, 1st Floor, Routs Raghuvanshi Complex, Beside Azad Garden, Main Road, Chandrapur 442402 • **Chennai** Flat No F11,First Floor, Akshya Plaza, (Erstwhile Harris Road), Opp Chief City Metropolitan Court, # 108, AdhithanarSalai, Egmore, Chennai 600002 • **Chinsura** JC GhoshSarani Near Bus Stand Chinsura712101 • **Coimbatore** 29/1, 1st Floor, Chinthamani Nagar, Opp To Indian Overseas Bank, Nsr Road, Saibaba Colony, Coimbatore 641011 • **Coonoor** 76 Cammellia Terrace, Grays Hills,Coonoor 643101 • **Cuttack** Dargha Bazar, OppDargha Bazar Police Station, Buxibazar, Cuttack 753001 • **Deoria**

1st Floor, Shanti Niketan, OppZilaPanchayat, Civil Lines Deoria 274001 • **Darbhanga** Ground Floor, Trade Point, Hassan Chowk, LalBagh, Darbanga 846004 • **Davangere** # 15/9, Sobagu Complex, 1st Floor, 2nd Main Road, P J Extension, Davangere 577002 • **Dehradun** Kaulagarh Road, Near Sirmaur Marg, Above Reliance Webworld, Dehradun 248001 • **Dewas** 27 Rmo House, Station Road, Dewas 455001 • **Dhanbad** 208, New Market, 2nd Floor, Katras Road, Bank More, Dhanbad 826001 • **Dharwad** G7 & 8, Sri Banashankari Avenue Ramnagar, OppNttfpb Road Dharward 580001 • **Dhule** Ashoka Estate, Shop No 14/A, Upper GroundFloor, Sakri Road, Opp. Santoshi Mata Mandir, Dhulev424002 • **Dindigul** No 9, Old No 4/B, New Agraharam, Palani Road, Dindigul 624001 • **Durgapur** Old Dutta Automobiles Building 1stFloor, Nachan Road, Benachity, Durgapur 713213 • **Eluru** 23A-3-32, Gubbalavari Street, R R Pet, Eluru 534002 • **Erode** No 4, KMY Salai, Veerappan Traders Complex, Opp Erode Bus Stand, Sathy Road, Erode 638003 • **Faridabad** A-2B, 1st Floor, Nehru Ground, Neelam Bata Road, Nit, Faridabad 121001 • **Ferozpur** 2nd Floor, Malwal Road, Opp H M School, Ferozpur City 152002 • **Gandhidham** 104 Dhiraj Chambers B/H Gandhidham Nagar Palika Opp. Hotel Venus Sector – 9 Gandhidham – 370201 • **Gandhinagar** 27, Suman Tower, Near Hotel Haveli, Sector No.11, Gandhinagar, Ahmedbad 382011 • **Gaya** 1st Floor, LalBhawan, Tower Chowk, Near Kiran Cinema, Gaya 823001 • **Ghaziabad** 1st Floor, C-7, Lohia Nagar, Ghaziabad 201001 • **Ghazipur** Shubhra Hotel Complex, 2nd Floor, Mahaubagh, Ghazipur 233001 • **Gonda** 1st Floor, Sri Krishna Talkies, OppDukhharanNathMandir, Station Road, Gonda 271003 • **Gondia** Shop No 9, RajLaxmi Complex, Rail Toly, Gondia 441614 • **Gorakhpur** Above V I P House Ajdacent A D Girls Inter College, Bank Road, Gorakpur 273001 • **Gulbarga** CTS No. 2913, First Floor, Asian Tower Next To Hotel Aditya, Jagat Station Main Road Gulbarga 585105 • **Guntur** Door No 6-10-18, Sai House, 10 / 1, Arundelpet , Guntur 522002 • **Gurgaon** Shop No 18, Ground Floor, Sector 14, Opp AKD Tower, Near HudaOffice, Gurgaon 122001 • **Guwahati** 54 Sagarika Bhawan R G Baruah Road, (AIDC Bus Stop) Guwahati 781024 • **Gwalior** Shindi Ki Chawani, Nadi Gate Pul, MLB Road, Gwalior 474001 • **Hajipur** Ramraja Complex, Kacheri Road, Near Canara Bank, Hajipur 844101 • **Haldwani** 4 Durga City Center, 1st Floor, Near MBPG College, Parao, Nainital Road, Haldwani 263139 Uttarakhand • **Haridwar** 8, GovindPuri, Opp LIC 2, Above Vijay Bank, Main Road, Ranipur More, Haridwar 249401 • **Hassan** St. Anthony's Complex, Ground Floor, H N Pura Road, Hassan 573201 • **Hazaribagh** C/o Hemlata Jain Kalibari Road, Hazaribagh 825301 • **Hissar** Sco 71, 1st Floor, Red Square Market, Hissar 125001 • **Hoshiarpur** 1st Floor, The Mall Tower, Opp Kapila Hospital, Sutheri Road, Near Maharaj Palace, Hoshiarpur 146001 • **Hubli** 8&9, Upper Ground Floor, C Block, Akshaya Park, Gokul Road Hubli 580030 • **Hyderabad** 8-2-596 Karvy Plaza, Avenue 4, Street No 1, Banjara Hills, Hyderabad 500034 • **Indore** LG 3, Bombay Trade Centre, Lower Ground Floor, Grand Hotel, Opp Bombay Hospital , Scheme No 54, Indore 452010 • **Jabalpur** 43, Naya Bazar, Opposite Shyam Talkies, Jabalpur (MP) 482001 • **Jaipur** S-16 A, 3rd Floor, Land Mark, Opposite Jaipur Club, MahavirMarg, C- Scheme, Jaipur 302001 • **Jalandhar** Lower Ground Floor, Office No 3, Arora Prime Tower, Plot No 28, G T Road, Jalandhar 144004 • **Jalgaon** 148 NaviPeth, OppVijaya Bank Near, Bharat Dudhalay, Jalgaon 425001 • **Jalpaiguri** D B C Raod, Near Rupasree Cinema Hall, Beside Kalamandir, PO & DistJalapiguri 735101 • **Jammu** 29 D/C, Near Service Selection Commission Office, Gandhi Nagar, Jammu 180004 • **Jamnagar** 108 Madhav Plaza, Opp SBI Bank, Near LalBangalow, Jamnagar 361001 • **Jamshedpur** Kanchan Tower, 3rd Floor, ChhaganlalDayalji @ Sons 3-S B Shop Area, (Near Traffic Signal) Main Road, Bistupur, Jamshedpur 831001 • **Jaunpur** R N Complex, 1-1-9-G (In Front of Pathak Honda) UmmapurJaunpur 222002 • **Jhansi** 371/01, Narayan Plaza, Gwalior Road, NearJeevan Shah Chauraha, Jhansi 284001 • **Jodhpur** 203, Modi Arcade, Chupasni Road, Jodhpur 342001 • **Jorhat** New Medical Store Complex, 3rd Floor, A T Road, OppChowk Bazar, Jorhat 785001 • **Junagadh** 124/125, Punit Shopping Center, RanavatChowk, Junagadh Gujarat 362001 • **Kanchipuram** New No 357, Old No 230 Gandhi Road, Next To IDBI Bank, Kanchipuram 631501 • **Kannur** 2nd Floor, Prabhat Complex, Fort Road, Kannur 689107 • **Kanpur** 15/46, Opp Muir Mills, Civil Lines, Kanpur 208001 • **Karaikudi** Gopi Arcade, 100 Feet Road, Karaikudi 630001 • **Karimnagar** H No 4-2-

130/131, Above Union Bank, Jafri Road, Rajeev Chowk, Karimnagar 505001 • **Karnal** Sco 26, Kunjpura Road, Nehru Place, Karnal 132001 • **Karur** No 6, OldNo 1304 Thiru-Vi-Ka Road, Near G R KalyanMahalKarur 639001 • **Keonjhar** 2nd Floor, Maruti Arcade, ThannaSquare, Keonjhar 758001 • **Kharagpur** Malancha Road, Beside UTI Bank, Kharagpur 721304 • **Kochi** Room No 2, IInd Floor, Jewel Arcade, (Above Oriental Insurance Ltd) Layam Road, Cochin 682011 • **Kolhapur** 605/1/4 E Ward, Near Sultane Chambers, Shahupuri 2nd Lane Kolhapur 416001 • **Kolkata** 166A, Rash Behari Avenue Kolkata 700029, (**Dalhousie**) 19, R N Mukherjee Road, 2nd Floor, Dalhousie, Kolkata 700001 • **Kollam** Ground Floor, Vigneshwara Bhavan, Below Reliance Web World, Kadapakkada Kollam 691008 • **Kota** H No 29, First Floor, Near Lala Lajpat Rai Circle Shopping Centre, Kota, Rajasthan 324007 • **Kottayam** 1st Floor, CSI Ascension Church Complex, Kottayam 686001 • **Korba** 1st Floor, 35 Indira Complex, T P Nagar, Korba (CG) 495677 • **Krishnagar** 52 R N Tagore Road, High Street, Krishnagar, Nadia 741101 • **Kurnool** Shop No 43, 1st Floor S V Complex, Railway Station Road, Kurnool 518004 • **Lucknow** Usha Sadan, 24, Prem Nagar, Ashok Marg, Lucknow 226001 • **Ludhiana** SCO - 136, First Floor, Above Airtel Show Room, Feroze Gandhi Market, Ludhiana – 141 001. • **Malda** Sahistuli Under Ward No-6, English Bazar, Municipality, No-1 Govt Colony, Malda 732101 • **Madurai** Rakesh Towers, 30-C, Bye Pass Road, 1st Floor, Opp Nagappa Motors, Madurai 625010 • **Mangalore** Ground Floor, Mahendra Arcade, Kodial Bail, Mangalore 575003 • **Margao** 2nd Floor, Dalal Commercial Complex, Opp Hari Mandir, Pajifond, Margao-Goa 403601 • **Mathura** 3538-3540, Infront of BSA College, Gaushala Road, Mathura 281004 • **Meerut** 1st Floor, Medi Centre Complex, Opp ICICI Bank, Hapur Road, Meerut 250002 • **Mehsana** UI-47, Appolo Enclave, Opp Simandhar Temple, Modhera Char Rasta Highway, Mehsana 384002 • **Mirzapur** Girja Sadan, Dankin Gunj Mirzapur 231001 • **Moga** Near Dharamshala Brat Ghar, Civil Line, Dutt Road, Moga 142001 • **Moradabad** Om Arcade, Parker Road, Above Syndicate Bank, Tari Khana Chowk, Moradabad 244001 • **Morena** Moti Palace, Near Ramjan ki Mandir, Jiwaji Ganj, Morena 476001 • **Mumbai - (Fort)** DAS Chambers, Ground Floor, Opp BSE & Next to Corporation Bank, Dalal Street, Fort, Mumbai 400023, (**Borivali**) Ground Floor, Himanshu Bldg, Sodawala Lane, Lina Chandawarkar Road, Borivali (West), Mumbai 400091, (**Thane**) First Floor, Jeevan Chaya Bldg, Near Adidas Show Room, Ram Maruti Road, Thane (West), Mumbai 400601 • **Muzaffarpur** 1st Floor, Uma Market, Near Thana Gumti, Motijheel, Muzaffarpur, Bihar 842001 • **Mysore** L-350, Silver Tower, Clock Tower, Ashoka Road, Mysore 570001 • **Nadiad** 105 GF City Point, Near Paras Cinema, Nadiad 387001 • **Nagarkoil** 3A, South Car Street, Parfan Complex, Nr The Laxmi Villas Bank, Nagarcoil 629001 • **Nagpur** 1st Floor, Sadoday Arcade, WHC Road, Above Top N Town, Dharampeth, Nagpur 440001 • **Namakkal** 105/2, Arun Towers, Paramathi Street, Namakkal 637 001 • **Nanded** Shop No 1,2,3 & 4, First Floor, Opp Bank of India, Santkrupa Market, Gurudwara Road, Nanded 431602 • **Nasik** S-12, Second Floor, Suyojit Sankul, Sharanpur Road, Nasik 422002 • **Navsari** 1st Floor, Chinmay Arcade, Opp Sattapir, Tower Road, Navsari 396445 • **New Delhi** 305, 3rd Floor New Delhi House, Bara Khamba Road Connaught Place New Delhi-110 001 • **Nellore** 207, II Floor, Kaizen Heights 16/2/230, Sunday Market Pogathota Nellore 524001 • **Nizamabad** H No 4-9-55, 1st Floor, Uppala Rameshwara Complex, Jawahar Road, Nizamabad 503001 • **Noida** 307 Jaipuria Plaza, D 68 A, 2nd Floor, Opp Delhi Public School, Sector 26, Noida 201301 • **Palghat** 12/310, (No.20 & 21), Metro Complex, Head Post Office Road, Sultanpet, Palghat 678001 • **Panipat** 1st Floor, Krishna Tower, Near HDFC Bank, Opp Railway Road, G T Road, Panipat 132103 • **Panjim** City Business Centre, Coelho Pereira Building, Room Nos 18,19 & 20 Dada Vaidya Road, Panjim 403001 • **Patiala** Sco 27 D, Chhoti Baradari Patiala 147001 • **Patna** 3A, 3rd Floor, Anand Tower, Beside Chankya Cinema Hall, Exhibition Road, Patna 800001 • **Pathankot** 1st Floor, 9A, Improvement Trust Building, Near HDFC Bank, Patel Chowk, Pathankot 145001 • **Pollachi** S S Complex, New Scheme Road, Pollachi 642002 • **Pondicherry** First Floor No.7, Thiayagaraja Street Pondicherry 605001 • **Porbandar** 3rd Floor, R D Complex, Opp Sahyog Hospital, M G Road, Porbandar 360575 • **Pudukottai** Sundaram Masilamani Towers, TS No 5476-5479, PM Road, Old Tirumayam Salai, Near Anna Statue, Jublie

Arts, Pudukottai 622001 • **Pune** Srinath Plaza, C Wing, Office No 58 & 59, 3rd Floor, DyaneshwarPadukaChowk, Survy No 184/4, F C Road, Pune 411004 • **Puri**GroundFloor, VIP Road, Near PKDA Office, P S Puri, Puri 752001 • **Raipur** Room No TF 31, 3rd Floor, Millennium Plaza, Behind Indian Coffee House, G E Road, Raipur 492001 • **Rajahmundry** Dr No 61-4, First Floor, Rangachary Street, T Nagar, Rajahmundry 533101 • **Rajapalayam**Professional Couriers Building, 40/C (1), Hospital Road, Rajapalayam 626117 • **Rajkot** 104, Siddhi VinayakComplex, DrYagnik Road, OppRamkrishna Ashram Rajkot 360001 • **Ranchi** Commerce Towers, 3rd Floor, Room No 307, Beside Mahabir Towers, Main Road, Ranchi 834001 • **Ratlam**1NagpalBhavan, Freeganj Road, Tobatti, Ratlam 457001 • **Renukoot**Shop No 18, Near Complex Birla Market, Renukoot 231217 • **Rewa**1st Floor, Angoori Building, Besides Allahabad Bank,Trans University Road, Civil Lines, Rewa 485001 • **Rohtak**1st Floor, Ashoka Plaza, Delhi Road, Rohtak 124001 • **Roorkee**Shree Ashadeep Complex, 16 Civil Lines, Near Income Tax Office,Roorkee, Uttaranchal 247667 • **Rourkela** 1st Floor, Sandhu Complex, Kanchery Road, Udit Nagar, Rourkela 769012 • **Sagar**Above Poshak Garments, 5 Civil Lines, Opposite Income TaxOffice, Sagar 470002 • **Saharanpur** 18 Mission Market, Court Road, Saharanpur 247001 Uttar Pradesh • **Salem** Old No 17, New No 49, Fort Main Road, First Floor, Shevapet, Salem 636002 • **Sambalpur**Quality Massion, 1st Floor, Above Bata Shoe, Shop/ Preeti Auto Combine, Nayapara, Sambalpur 768001 • **Satna** 1st Floor, Gopal Complex, Near BusstandRewa Road Satna (M.P) -485 001 • **Shaktinagar** 1st/A-375, V V Colony Dist Sonebhadra Shaktinagar 231222 • **Shivpuri**1st Floor, M P R P Building, Near Bank of India, Shivpuri 473551 • **Shillong** ManiBhawan, Thana Road, Lower Police Bazar, Shillong 739001 • **Shimla** Triveni Building, By Pas Chowk, Khallini, Shimla 171002 • **Shimoga**Uday Ravi Complex, LLR Road, DurgiGudi, Shimoga577201 • **Sikar** 1st Floor, Super Towers Behind Ram Mandir, Station Road, Sikar 332001 • **Silchar** 1st Floor, Chowchakra Complex, N NDutta Road, PremtalaSilchar 788001 • **Siliguri** NanakComplex, Near Church Road, Sevoke Road, Siliguri 734001 • **Sitapur**12/12-A Surya Complex, Arya Nagar, Opp Mal Godam, Sitapur 261001 • **Sivakasi** 363, Thiruthangal Road, Opp TNEB,Sivakasi 626123 • **Solan** SahniBhawan, Adjacent Anand Cinema Complex, The Mall Solan 173212, • **Solapur**SiddeshwarSecurities, No 6, Vaman Road, Vijaypur Road, Vaman Nagar,Solapur 413004 • **Surat**G-6 Empire State Building, Near Parag House, UdhnaDarwaja, Ring Road, Surat 395002 • **Sonepat** 205 R Model Town, Above Central Bank of India, Sonepat • **SriGanganagar** 35-E-Block, OppSheetla Mata Vatika, Sri Ganga Nagar 335001 • **Srikakulam**4-1-28/1, Venkateshwara Colony Day & Night Junction, Srikakulam 532001 • **Sultanpur** RamaShankar Complex, Civil Lines, Faizabad Road, Sultanpur 228001 • **Thanjavur**Nalliah Complex, No 70, SrinivasamPillai Road, Thanjavur 613001 • **Theni** Ramesh Murugan Complex, Near Sriram Theatre, Subban Chetty Street, Theni 625531 • **Tezpur** 1st Floor, MayurBhawan, Binraj Road, Tezpur 784001 • **Thodupuzha** First Floor, Pulimoottil Pioneer Pala Road, Thodupuzha685584 • **Tirunelveli** Jeney Building, 55/18, S N Road, Near Arvind Eye Hospital, Tirunelveli 627001 • **Tirupur** rFirst Floor, 224 A, Selvakumar Departmental Stores, 1st Floor, Kamaraj Road,Opp To Cotton Market Complex, Tirupur 641604 • **Tirupathi** #330, Tilak Road, Near Four PillerMandapam, Tirupati 517501 • **Tiruvalla** 2nd Floor, Erinjery Complex, Near KotakSecurites,RamanchiraTiruvalla 689107 • **Trichur** 2nd Floor, Brother's Complex, Near DhanaLaxmi Bank Head Office, Naikkanal Junction, Trichur 680001 • **Trichy**S ri Krishna Arcade, 1st Floor, 60Thennur High Road, Trichy 620017 • **Trivandrum** 2nd Floor, Akshaya Towers, Above Jetairways, Sasthamangalam, Trivandrum 695010 • **Tuticorin**4 B, A34, A37, Mangalmal, Mani Nagar,OppRajaji Park, Palayamkottai Road, Tuticorin 628003 • **Udaipur** 201-202, Madhav Chambers, Opp G P O Chetak Circle, Madhuban, Udaipur 313001 • **Ujjain** 101, Aastha Tower, 13/1,DhanwantriMarg, Free Gunj Ujjain 456010 • **Valsad** Shop No 2, Phiroza Corner, Opp Next Showroom, Tithal Road, Valsad 396001 • **Vapi** Shop No 5, Phikhaji Residency, Opp DCB Bank,Vapi Silvassa Road, Vapi 396195 • **Varanasi** D-64/132, KA 1st Floor, Anant Complex, Sigra, Varanasi 221010 • **Vellore** No 1, M N R Arcade, Officer's Line, Krishna Nagar, Vellore 632001 • **Vijayawada** 39-10-7 Opp Municipal Water Tank, Labbipet, Vijayawada 520010 • **Visakhapatnam** 47-14-5/1 Eswar Paradise, Dwaraka Nagar, Main Road,

Visakhapatnam 530016 • **Vijayanagaram** Soubhagya, 19-6-13/1, IInd Floor, Near SBI Fort Branch, Vizianagaram
535002 • **Warangal** 5-6-95, 1st Floor, Opp, B.Ed Collage, Lashkar Bazar, Chandra Complex, Hanmakonda, Warangal
500601 • **Yamuna Nagar** Jagdhari Road, Above UCO Bank, Near D A V Grils College, Yamuna Nagar 135 001.

Axis Asset Management Company Limited (Investment Manager to Axis Mutual Fund)

Axis House, 1st Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025, India.

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WEB www.axismf.com



SCHEME INFORMATION DOCUMENT**AXIS EQUITY FUND****An Open-ended Growth Scheme**

Continuous offer for Units at NAV based prices

Name of Mutual Fund	:	Axis Mutual Fund
Name of Asset Management Company	:	Axis Asset Management Company Limited
Name of Trustee Company	:	Axis Mutual Fund Trustee Limited
Addresses, Website of the entities	:	Axis House, 1 st Floor, Bombay Dyeing Mill Compound, Pandurang Budhkar Marg, Worli Mumbai – 400 025 www.axismf.com

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations or the Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the Asset Management Company (AMC). The Units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Axis Mutual Fund, Tax and Legal issues and general information on www.axismf.com.

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

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated June 30, 2011.

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HIGHLIGHTS/SUMMARY OF THE SCHEME

Investment objective

To achieve long term capital appreciation by investing in a diversified portfolio predominantly consisting of equity and equity related securities including derivatives. However, there can be no assurance that the investment objective of the Scheme will be achieved.

Liquidity

The Scheme offers Units for Subscription and Redemption at NAV based prices on all Business Days on an ongoing basis. Under normal circumstances the AMC shall dispatch the redemption proceeds within 10 business days from date of receipt of request from the Unit holder.

Benchmark

S&P CNX Nifty

Transparency/NAV Disclosure

The AMC will calculate and disclose the NAVs on all Business Days. The NAV of the Scheme shall be published at least in two daily newspapers. The AMC shall update the NAVs on its website (www.axismf.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 9.00 p.m. on every Business Day. If the NAVs are not available before the commencement of business hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.

The AMC will disclose the portfolio of the Scheme within one month from the close of each half year (i.e. 31st March and 30th September) either by sending a complete statement to all the Unit holders or by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The portfolio statement will also be displayed on the website of the AMC and AMFI.

The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year.

Minimum Application Amount

Rs. 5,000 in multiples of Re. 1/- thereafter

Minimum Additional Purchase Amount

Rs.100 and in multiples of Re. 1/- thereafter

Minimum application amount is applicable only at the time of creation of new folio.

Loads

Entry Load: Not Applicable

Exit Load: an Exit Load of 1% is payable if Units are redeemed / switched-out within 1 year from the date of allotment.

SEBI vide its circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder (AMFI registered Distributor) directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

For more details on Load Structure, please refer paragraph "Load Structure".

I. INTRODUCTION

A. RISK FACTORS

(i) Standard Risk Factors:

- Investment in mutual fund units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- Axis Equity Fund is the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects and returns.
- The sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1 lakh made by it towards setting up the Fund.
- Axis Equity Fund is not a guaranteed or assured return *scheme*.

(ii) Scheme Specific Risk Factors

Risks associated with investments in equities

- Equity and equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme portfolio would result at times, in potential losses to the Scheme, should there be a subsequent decline in the value of securities held in the Scheme portfolio. Also, the value of the Scheme investments may be affected by interest rates, currency exchange rates, changes in law/policies of the government, taxation laws and political, economic or other developments which may have an adverse bearing on individual Securities, a specific sector or all sectors.
- Investments in equity and equity related securities involve a degree of risk and investors should not invest in the equity Schemes unless they can afford to take the risk of losing their investment.
- Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed

on the exchanges or offer other exit options to the investors, including put options. The AMC may choose to invest in unlisted securities that offer attractive yields within the regulatory limit. This may however increase the risk of the portfolio. Additionally, the liquidity and valuation of the Scheme investments due to its holdings of unlisted securities may be affected if they have to be sold prior to the target date of disinvestment.

Risks associated with investments in Fixed Income Securities

Interest-Rate Risk: Fixed income securities such as government bonds, corporate bonds, and money market instruments and derivatives run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices depends upon the coupon and maturity of the security. It also depends upon the yield level at which the security is being traded.

Re-investment Risk: Investments in fixed income securities carry re-investment risk as interest rates prevailing on the coupon payment or maturity dates may differ from the original coupon of the bond.

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

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

Liquidity Risk: The liquidity of a bond may change, depending on market conditions leading to changes in the liquidity premium attached to the price of the bond. At the time of selling the security, the security can become illiquid, leading to loss in value of the portfolio.

Credit Risk: This is the risk associated with the issuer of a debenture/bond or a money market instrument defaulting on coupon payments or in paying back the principal amount on maturity. Even when there is no default, the price of a security may change with expected changes in the credit rating of the issuer. It is to be noted here that a Government Security is a sovereign security and is the safest. Corporate bonds carry a higher amount of credit risk than Government securities. Within corporate bonds also there are different levels of safety and a bond rated higher by a particular rating agency is safer than a bond rated lower by the same rating agency.

Liquidity Risk on account of unlisted securities: The liquidity and valuation of the Scheme investments due to their holdings of unlisted securities may be affected if they have to be sold prior to their target date of divestment. The unlisted security can go down in value before the divestment date and selling of these securities before the divestment date can lead to losses in the portfolio.

Settlement Risk: Fixed income securities run the risk of settlement which can adversely

affect the ability of the fund house to swiftly execute trading strategies which can lead to adverse movements in NAV

Risk Associated with Securitized Debt

The Scheme may invest in domestic securitized debt such as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are securitized debts where the underlying assets are receivables arising from various loans including automobile loans, personal loans, loans against consumer durables, etc. MBS are securitized debts where the underlying assets are receivables arising from loans backed by mortgage of residential / commercial properties.

At present in Indian market, following types of loans are securitized:

1. Auto Loans (cars / commercial vehicles /two wheelers)
2. Residential Mortgages or Housing Loans
3. Consumer Durable Loans
4. Personal Loans
5. Corporate Loans

In terms of specific risks attached to securitization, each asset class would have different underlying risks. Residential Mortgages generally have lower default rates than other asset classes, but repossession becomes difficult. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Asset classes like personal loans, credit card receivables are unsecured and in an economic downturn may witness higher default. A corporate loan/receivable, depend upon the nature of the underlying security for the loan or the nature of the receivable and the risks correspondingly fluctuate.

The rating agencies define margins, over collateralisation and guarantees to bring risk in line with similar AAA rated securities. The factors typically analyzed for any pool are as follows:

a. Assets securitized and Size of the loan: This indicates the kind of assets financed with the loan and the average ticket size of the loan. A very low ticket size might mean more costs in originating and servicing of the assets.

b. Diversification: Diversification across geographical boundaries and ticket sizes might result in lower delinquency

c. Loan to Value Ratio: Indicates how much % value of the asset is financed by borrower's own equity. The lower this value the better it is. This suggests that where the borrowers own contribution of the asset cost is high; the chances of default are lower.

d. Average seasoning of the pool: This indicates whether borrowers have already displayed repayment discipline. The higher the number, the more superior it is. The other main risks pertaining to Securitised debt are as follows:

Prepayment Risk: This arises when the borrower pays off the loan sooner than expected. When interest rates decline, borrowers tend to pay off high interest loans with money borrowed at a lower interest rate, which shortens the average maturity of ABSs. However, there is some prepayment risk even if interest rates rise, such as when an owner pays off a mortgage when the house is sold or an auto loan is paid off when the car is sold.

Reinvestment Risk: Since prepayment risk increases when interest rates decline, this also introduces reinvestment risk, which is the risk that the principal can only be reinvested at a lower rate.

Risks associated with investments in derivatives

- The Scheme may invest in derivative products in accordance with and to the extent permitted under the Regulations and by RBI. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Trading in derivatives carries a high degree of risk although they are traded at a relatively small amount of margin which provides the possibility of great profit or loss in comparison with the principal investment amount. Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme.
- The derivatives market in India is nascent and does not have the volumes that may be seen in other developed markets, which may result in volatility to the values.
- Investment in derivatives also requires the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme.
- The Scheme may face execution risk, whereby the rates seen on the screen may not be the rate at which the ultimate execution of the derivative transaction takes place.
- The Scheme may find it difficult or impossible to execute derivative transactions in certain circumstances. For example, when there are insufficient bids or suspension of trading due to price limit or circuit breakers, the Scheme may face a liquidity issue.
- The options buyer's risk is limited to the premium paid, while the risk of an options writer is unlimited. However the gains of an options writer are limited to the premiums earned.
- The exchange may impose restrictions on exercise of options and may also restrict the exercise of options at certain times in specified circumstances and this could impact the value of the portfolio.
- The writer of a put option bears the risk of loss if the value of the underlying asset declines below the exercise price. The writer of a call option bears a risk of loss if the value of the underlying asset increases above the exercise price.
- Investments in index futures face the same risk as the investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks.

- The Scheme bears a risk that it may not be able to correctly forecast future market trends or the value of assets, indices or other financial or economic factors in establishing derivative positions for the Scheme.
- The risk of loss in trading futures contracts can be substantial, because of the low margin deposits required, the extremely high degree of leverage involved in futures pricing and the potential high volatility of the futures markets.
- There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. The counter party may default on a transaction before settlement and therefore, the Scheme is compelled to negotiate with another counterparty at the then prevailing (possibly unfavourable) market price.
- Derivatives also carry a market liquidity risk where the derivatives cannot be sold (unwound) at prices that reflect the underlying assets, rates and indices.
- Where derivatives are used for hedging, such use may involve a basis risk where the instrument used as a hedge does not match the movement in the instrument/underlying asset being hedged. The risk may be inter-related also e.g. interest rate movements can affect equity prices, which could influence specific issuer/industry assets.
- Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor.
- Execution of investment strategies depends upon the ability of the fund manager(s) to identify such opportunities which may not be available at all times. Identification and execution of the strategies to be pursued by the fund manager(s) involve uncertainty and decision of fund manager(s) may not always be profitable. No assurance can be given that the fund manager(s) will be able to identify or execute such strategies.
- The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

The following are certain additional risks involved with use of fixed income derivatives:

Interest rate risk: Derivatives carry the risk of adverse changes in the price due to change in interest rates.

Liquidity risk: During the life of the derivative, the benchmark might become illiquid and might not be fully capturing the interest rate changes in the market, or the selling, unwinding prices might not reflect the underlying assets, rates and indices, leading to loss of value of the portfolio.

Risks associated with investing in foreign securities/overseas investments/offshore securities

- Subject to necessary approvals and within the investment objectives of the Scheme, the Scheme may invest in overseas markets which carry risks related to fluctuations in the foreign exchange rates, the nature of the securities market of the country, repatriation of capital due to exchange controls and political circumstances.
- Since the Scheme would invest only partially in foreign securities, there may not be readily available and widely accepted benchmarks to measure performance of such Scheme. To manage risks associated with foreign currency and interest rate exposure, the Fund may use derivatives for efficient portfolio management and hedging and portfolio rebalancing and in accordance with conditions as may be stipulated under the Regulations and by RBI from time to time.
- Investment in Foreign Securities involves a currency risk. To the extent that the assets of the Scheme will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.

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

In respect of transaction in Units of the Scheme through BSE and / or NSE, allotment and redemption of Units on any Business Day will depend upon the order processing / settlement by BSE and / or NSE and their respective clearing corporations on which the Fund has no control.

Risks associated with Securities lending

The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of another party, to comply with the terms of agreement entered into between the lenders of securities i.e. any scheme and the approved intermediary/counterparty. Such failure to comply can result in the possible loss of rights in the collateral put up by the borrower of the securities, the inability of the approved intermediary/counterparty to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary. The Fund may not be able to sell such lent securities and this can lead to temporary illiquidity.

Risks associated with Short Selling

The Scheme may enter into short selling transactions, subject to SEBI and RBI Regulations. Short positions carry the risk of losing money and these losses may grow unlimited theoretically if the price of the stock increases without any limit. This may result in major loss to the Scheme. At times, the participants may not be able to cover their short positions, if the price increases substantially. If numbers of short sellers try to cover their position simultaneously, it may lead to disorderly trading in the stock and thereby can briskly escalate the price even further making it difficult or impossible to liquidate short position quickly at reasonable prices. In addition, short selling also carries the risk of

inability to borrow the security by the participants thereby requiring the participants to purchase the securities sold short to cover the position even at unreasonable prices.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme/Plan shall have a minimum of 20 Investors and no single Investor shall account for more than 25% of the corpus of the Scheme/Plan(s). The aforesaid conditions should be complied with in each calendar quarter on an average basis. In case the Scheme / Plan(s) does not have a minimum of 20 Investors on an ongoing basis for each calendar quarter, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme / Plan(s) shall be wound up and the units would be redeemed at Applicable NAV. If there is a breach of the 25% limit by any Investor over the quarter, a rebalancing period of one month would be allowed and thereafter the Investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic Redemption by the Mutual Fund on the Applicable NAV on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. SPECIAL CONSIDERATIONS, if any

- Prospective investors should study this Scheme Information Document and Statement of Additional Information carefully in its entirety and should not construe the contents hereof as advice relating to legal, taxation, financial, investment or any other matters and are advised to consult their legal, tax, financial and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, before making a decision to invest/redeem/hold Units.
- Neither this Scheme Information Document, Statement of Additional Information nor the Units have been registered in any jurisdiction. The distribution of this Scheme Information Document or Statement of Additional Information in certain jurisdictions may be restricted or totally prohibited to registration requirements and accordingly, persons who come into possession of this Scheme Information Document or Statement of Additional Information are required to inform themselves about and to observe any such restrictions and/ or legal compliance requirements.
- The AMC, Trustee or the Mutual Fund have not authorized any person to issue any advertisement or to give any information or to make any representations, either oral or written, other than that contained in this Scheme Information Document or the Statement of Additional Information or as is provided by the AMC in connection with this offering. Prospective investors are advised not to rely upon any information or representation not incorporated in the Scheme Information Document or Statement of Additional Information or provided by the AMC as having been authorized by the Mutual Fund, the AMC or the Trustee.
- Redemption due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustee, AMC,

Mutual Fund, their directors or their employees shall not be liable for any such tax consequences that may arise due to such redemptions.

- The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise, in the event that the Scheme is wound up for the reasons and in the manner provided in 'Statement of Additional Information ('SAI')'.
- The tax benefits described in this Scheme Information Document and Statement of Additional Information are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India as on the date of this Scheme Information Document and the Unit holders should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Unit holder is advised to consult his / her own professional tax advisor.
- The Mutual Fund may disclose details of the investor's account and transactions thereunder to those intermediaries whose stamp appears on the application form or who have been designated as such by the investor. In addition, the Mutual Fund may disclose such details to the bankers, as may be necessary for the purpose of effecting payments to the investor. The Fund may also disclose such details to regulatory and statutory authorities/bodies as may be required or necessary.
- In case the AMC or its Sponsor or its Shareholders or their affiliates/associates or group companies make substantial investment, either directly or indirectly in the Scheme redemption of Units by these entities may have an adverse impact on the performance of the Scheme. This may also affect the ability of the other Unit holders to redeem their Units.
- As the liquidity of the Scheme investments may sometimes be restricted by trading volumes and settlement periods, the time taken by the Fund for Redemption of Units may be significant in the event of an inordinately large number of Redemption Requests or of a restructuring of the Scheme portfolio. In view of this, the Trustee has the right, in its sole discretion, to limit redemptions under certain circumstances - please refer to the paragraph "Right to Limit Redemptions".
- Pursuant to the provisions of Prevention of Money Laundering Act, 2002, if after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, on failure to provide required documentation, information, etc. by the Unit holder the AMC shall have absolute discretion to report such suspicious transactions to FIU-IND and / or to freeze the folios of the investor(s), reject any application(s) / allotment of Units.
- Investor Protection: The Scheme is designed to support longer- term investment and active trading is discouraged. Short term or excessive trading into and out of the Scheme may affect its performance by disrupting portfolio management strategies and by increasing expenses. The Fund and the distributors may refuse to accept applications for Purchase, especially where transactions are deemed disruptive,

particularly from market timers or investors who, in their opinion, have a pattern of short term or excessive trading or whose trading has been or may be disruptive for the Scheme.

If in the opinion of the AMC, a Unit holder is indulging in short term or excessive trading as above, it shall, under powers delegated by the Trustee, have absolute discretion to reject any application, prevent further transaction by the Unit holder or redeem the Units held by the Unit holder at any time prior to the expiry of 30 Business Days from the date of the application.

D. DEFINITIONS

"AMC" or "Asset Management Company" or "Investment Manager"	Axis Asset Management Company Limited, incorporated under the provisions of the Companies Act, 1956 and approved by Securities and Exchange Board of India to act as the Asset Management Company for the scheme(s) of Axis Mutual Fund.
"Applicable NAV"	The NAV applicable for purchase or redemption or Switching of Units based on the time of the Business Day on which the application is time stamped.
"Book Closure"	The time during which the Asset Management Company would temporarily suspend Sale, redemption and Switching of Units.
"Business Day"	<p>A day other than:</p> <ul style="list-style-type: none"> (i) Saturday and Sunday; (ii) A day on which the banks in Mumbai and/or RBI are closed for business /clearing; (iii) A day on which the National Stock Exchange of India Limited and / or the Stock Exchange, Mumbai are closed; (iv) A day which is a public and /or bank Holiday at an Investor Service Centre/Official Point of Acceptance where the application is received; (v) A day on which Sale / Redemption / Switching of Units is suspended by the AMC; (vi) A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time. <p>The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres/Official Points of Acceptance.</p>
"Business Hours"	Presently 9.30 a.m. to 5.30 p.m. on any Business Day or such other time as may be applicable from time to time.
"Custodian"	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996,

	which for the time being is Deutsche Bank AG.
"Depository"	Depository as defined in the Depositories Act, 1996 (22 of 1996).
"Derivative"	Derivative includes (i) a security derived from a debt instrument, share, loan whether secured or unsecured, risk instrument or contract for differences or any other form of security; (ii) a contract which derives its value from the prices, or index of prices, or underlying securities.
"Dividend"	Income distributed by the Mutual Fund on the Units.
"Equity Related Instruments"	"Equity Related Instruments" includes convertible bonds and debentures, convertible preference shares, warrants carrying the right to obtain equity shares, equity derivatives and any other like instrument.
"FI"	Foreign Institutional Investor, registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
"Floating Rate Debt Instruments"	Floating rate debt instruments are debt securities issued by Central and / or State Government, corporates or PSUs with interest rates that are reset periodically. The periodicity of the interest reset could be daily, monthly, quarterly, half-yearly, annually or any other periodicity that may be mutually agreed with the issuer and the Fund. The interest on the instruments could also be in the nature of fixed basis points over the benchmark gilt yields.
"Foreign Securities"	ADRs / GDRs/ equity / debt securities of overseas companies listed on the recognized stock exchanges overseas or other securities as may be specified and permitted by SEBI and/or RBI from time to time.
"Gilts" or "Government Securities"	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.
"GOI"	Government of India
"Holiday"	Holiday means the day(s) on which the banks (including the Reserve Bank of India) are closed for business or clearing in Mumbai or their functioning is affected due to a strike / bandh call made at any part of the country or due to any other reason.
"Investment Management Agreement"	The agreement dated June 27, 2009 entered into between Axis Mutual Fund Trustee Limited and Axis Asset Management Company Limited, as amended from time to time.
"Investor Service Centres" or "ISCs"	Offices of Axis Asset Management Company Limited or such other centres / offices as may be

	designated by the AMC from time to time.
"Load"	<p>In the case of Redemption / Switch out of a Unit, the sum of money deducted from the Applicable NAV on the Redemption / Switch out (Exit Load) and in the case of Sale / Switch in of a Unit, a sum of money to be paid by the prospective investor on the Sale / Switch in of a Unit (Entry Load) in addition to the Applicable NAV.</p> <p>Presently, entry load cannot be charged by mutual fund schemes.</p>
"Money Market Instruments"	Includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time.
"Mutual Fund" or "the Fund"	Axis Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882.
"Net Asset Value" or "NAV"	Net Asset Value per Unit of the Scheme, calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
"NRI"	A Non-Resident Indian or a Person of Indian Origin residing outside India.
"Official Points of Acceptance"	Places, as specified by AMC from time to time where application for Subscription / Redemption / Switch will be accepted on ongoing basis.
"Person of Indian Origin"	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in sub-clause (a) or (b).
"Rating"	Rating means an opinion regarding securities, expressed in the form of standard symbols or in any other standardized manner, assigned by a credit rating agency and used by the issuer of such securities, to comply with any requirement of the SEBI (Credit Rating Agencies) Regulations, 1999.
"RBI"	Reserve Bank of India, established under the Reserve Bank of India Act, 1934, (2 of 1934)
"Registrar and Transfer Agent" or "Registrar"	Karvy Computershare Pvt. Ltd., Hyderabad, currently acting as registrar to the Scheme, or any other Registrar appointed by the AMC from time to time.
"Redemption / Repurchase"	Redemption of Units of the Scheme as permitted.
"Regulatory Agency"	GOI, SEBI, RBI or any other authority or agency entitled to issue or give any directions, instructions or guidelines to the Mutual Fund
"Repo"	Sale/Purchase of Securities with simultaneous

	agreement to repurchase / resell them at a later date.
"Statement of Additional Information" or "SAI"	The document issued by Axis Mutual Fund containing details of Axis Mutual Fund, its constitution, and certain tax, legal and general information. SAI is legally a part of the Scheme Information Document.
"Sale / Subscription"	Sale or allotment of Units to the Unit holder upon subscription by the Investor / applicant under the Scheme.
"Scheme"	Axis Equity Fund
"Scheme Information Document"	This document issued by Axis Mutual Fund, offering for Subscription of Units of Axis Equity Fund (including Options thereunder)
"SEBI"	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992.
"SEBI (MF) Regulations" or "Regulations"	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
"Short Selling"	Short selling means selling a stock which the seller does not own at the time of trade.
"Sponsor"	Axis Bank Limited
"Switch"	Redemption of a Unit in any Scheme (including the Plans / options therein) of the Mutual Fund against purchase of a Unit in another Scheme (including the Plans /options therein) of the Mutual Fund, subject to completion of Lock-in Period, if any.
"Stock Lending"	Lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio.
"Systematic Investment Plan" / "SIP"	A plan enabling investors to save and invest in the Scheme on a periodic basis submitting post dated cheques / payment instructions.
"Systematic Withdrawal Plan" / "SWP"	Facility given to the Unit holders to withdraw a specified sum of money each month/quarter from his investment in the Scheme.
"Trust Deed"	The Trust Deed dated June 27, 2009 made by and between Axis Bank Limited and Axis Mutual Fund Trustee Limited thereby establishing an irrevocable trust, called Axis Mutual Fund.
"Trustee" or "Trustee Company"	Axis Mutual Fund Trustee Limited incorporated under the provisions of the Companies Act, 1956 and approved by SEBI to act as the trustee to the Scheme of the Mutual Fund.
"Unit"	The interest of the Unit holder which consists of each Unit representing one undivided share in the assets of the Scheme.
"Unit holder" or "Investor"	A person holding Units in Axis Equity Fund.

INTERPRETATION

For all purposes of this Scheme Information Document, 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 Dollars 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 a non Business Day.

E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**It is confirmed that:**

- (i) The Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- (ii) All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- (iii) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed Scheme.
- (iv) The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

Place: Mumbai
Date: June 30, 2011

Signed: Sd/-
Name : Miten Chawda
Designation: Head – Compliance &
Company Secretary

II. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

An Open-ended Growth Scheme

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

To achieve long term capital appreciation by investing in a diversified portfolio predominantly consisting of equity and equity related securities including derivatives. However, there can be no assurance that the investment objective of the Scheme will be achieved.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Under normal circumstances, the asset allocation pattern will be:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Minimum	Maximum	High/Medium/Low
Equity and Equity Related Instruments#	80	100	High
Debt and Money Market Instruments*#	0	20	Low to Medium

Including derivatives instruments to the extent of 100% of the Net Assets as permitted vide SEBI Circular no. DNPd/Cir 29/2005 dated September 14, 2005 and SEBI Circular No. DNPd/Cir-30/2006 dated January 20, 2006 and SEBI circular No. SEBI/DNPd/Cir-31/2006 dated September 22, 2006. The Scheme may use derivatives for such purposes as maybe permitted by the Regulations, including for the purpose of hedging and portfolio balancing, based on the opportunities available and subject to guidelines issued by SEBI from time to time. The Scheme may also use fixed income derivative instruments subject to the guidelines as maybe issued by SEBI and RBI and for such purposes as maybe permitted from time to time.

*Investment in Securitised debt (excluding foreign securitized debt), if undertaken, would not exceed 20% of the net assets of the Scheme.

Investment in Foreign Securities

The Scheme may seek investment opportunities in foreign securities including ADRs / GDRs / Foreign equity and debt securities subject to SEBI (MF) Regulations. Such Investment shall not exceed 40% of the net assets of the Scheme.

Investment in Short Term Deposits

Pending deployment of the funds in securities in terms of investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of the Scheduled Commercial Banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, as may be amended from time to time.

Stock Lending by the Fund

The scheme shall adhere to the following limits should it engage in Stock Lending.

1. Not more than 25% of the net assets of the Scheme can generally be deployed in Stock Lending.
2. Not more than 5% of the net assets of the Scheme can generally be deployed in Stock Lending to any single counter party.

Short Selling by the Fund

The Fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.

The Scheme retains the flexibility to invest across all the securities in the equity, debt and Money Markets Instruments and mutual fund units. The portfolio may hold cash depending on the market condition.

Subject to the Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute. These proportions can vary substantially depending upon the perception of the fund manager; the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the investment pattern will be for short term and for defensive considerations only. In the event of deviations, the fund manager will endeavour to carry out rebalancing within 30 Business Days. Where the portfolio is not rebalanced within 30 Business Days, justification for the same shall be placed before the Investment Review Committee and reasons for the same shall be recorded in writing. The Investment Review committee shall then decide on the course of action. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.

Axis Equity Fund, an open ended Growth Scheme is a new scheme offered by Axis Mutual Fund and is not a minor modification of any other existing scheme/product of Axis Mutual Fund. Differentiation as follows:

Name of the existing scheme	Asset Allocation Pattern			Primary Investment Objective	Differentiation	AUM as on May 31, 2011 (Rs. In crores)	No. of Folios as on May 31, 2011
Axis Tax Saver				The investment objective of the Scheme is to generate income and long-term capital appreciation from a diversified portfolio of predominantly equity and equity-related Securities. However, there can be no assurance that the investment objective of the Scheme will be achieved.	Equity Linked Savings Scheme with a lock-in period of 3 years from the date of allotment/investment	110.43	33888
	Instruments	Indicative Allocation (% of net assets)					
		Minimum	Maximum				
	Equity and Equity related securities	80	100				
	Debt and Money Market Instruments	0	20				
Axis Midcap Fund	Instruments	Indicative Allocation (% of net assets)		To achieve long term capital appreciation by investing predominantly in equity & equity related instruments of mid size companies. The focus of the fund would be to invest in relatively larger companies within this category.	Seeks to build a portfolio comprising primarily of equity and equity related securities of Midcap companies.	156.32	13453
		Minimum	Maximum				
	Equity and Equity Related Instruments of Midcap companies# of which: Larger midcap Companies – 75% – 100% Smaller mid-cap Companies – 0 – 25%	80	100				
	Equity and Equity Related Instruments of Non mid-cap Companies#	0	20				
	Debt and Money Market Instruments*#	0	20				

D.Where will the Scheme invest?

The corpus of the Scheme will be invested in Equity & Equity Related Instruments, Debt Instruments, Money Market Instruments and other permitted securities which will include but not limited to:

Equity and Equity Related Instruments:

1. Equity share is a security that represents ownership interest in a company.

2. Equity Related Instruments are securities which give the holder of the security right to receive Equity Shares on pre agreed terms. It includes convertible bonds, convertible debentures, equity warrants, convertible preference shares, etc.
3. Equity Derivatives are financial instruments, generally traded on an exchange, the price of which is directly dependent upon (i.e., "derived from") the value of equity shares or equity indices. Derivatives involve the trading of rights or obligations based on the underlying, but do not directly transfer property.
4. Foreign equity and Equity Related Instrument as may be permitted by SEBI/RBI from time to time.
5. Equity Derivatives:

Futures:

Futures are exchange-traded contracts to sell or buy financial instruments for future delivery at an agreed price. There is an agreement to buy or sell a specified quantity of financial instrument on a designated future date at a price agreed upon by the buyer and seller at the time of entering into a contract. To make trading possible, the exchange specifies certain standardized features of the contract. A futures contract involves an obligation on both the parties to fulfill the terms of the contract.

SEBI has permitted futures contracts on indices and individual stocks with maturity of 1 month, 2 months and 3 months on a rolling basis. The futures contracts are settled on last Thursday (or immediately preceding trading day if Thursday is a trading holiday) of each month. The final settlement price is the closing price of the underlying stock(s)/index.

Options:

Option is a contract which provides the buyer of the option (also called holder) the right, without the obligation, to buy or sell a specified asset at the agreed price on or upto a particular date. For acquiring this privilege, the buyer pays premium (fee) to the seller. The seller on the other hand has the obligation to buy or sell specified asset at the agreed price and for this obligation he receives premium. The premium is determined considering number of factors such as the market price of the underlying asset/security, number of days to expiry, risk free rate of return, strike price of the option and the volatility of the underlying asset. Option contracts are of two types viz:

Call Option - The option that gives the buyer the right but not the obligation to buy specified quantity of the underlying asset at the strike price is a call option. The buyer of the call option (known as the holder of call option) can call upon the seller of the option (writer of the option) and buy from him the underlying asset at the agreed price at any time on or before the expiry of the option.

The seller (writer of the option) on the other hand has the obligation to sell the underlying asset if the buyer of the call option decides to exercise his option to buy.

Put Option - The option that gives the buyer the right but not the obligation to sell is called put option. A Put option gives the holder (buyer) the right to sell specified quantity of the underlying asset at the strike price. The seller of the put option (one who is short Put) however, has the obligation to buy the underlying asset at the strike price if the buyer decides to exercise his option to sell.

There are two kind of options based on the date of exercise of right. The first is the European Option which can be exercised only on the maturity date. The second is the American Option which can be exercised on or before the maturity date.

Debt Instruments & Money Market Instruments

Collateralized Borrowing and Lending Obligations (CBLO)

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

Certificate of Deposit (CD) of scheduled commercial banks and development financial institutions

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

Commercial Paper (CP)

Commercial Paper (CP) is an unsecured negotiable money market instrument issued in the form of a promissory note, generally issued by the corporates, primary dealers and all India Financial Institutions as an alternative source of short term borrowings. CP is traded in secondary market and can be freely bought and sold before maturity.

Treasury Bill (T-Bill)

Treasury Bills (T-Bills) are issued by the Government of India to meet their short term borrowing requirements. T-Bills are issued for maturities of 14 days, 91 days, 182 days and 364 days.

Bill (bills of exchange/promissory notes of public sector and private sector corporate entities) Rediscounting

Repos

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

Securities created and issued by the Central and State Governments as may be permitted by RBI, securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills). State Government securities (popularly known as State Development Loans or SDLs) are issued by the respective State Government in co-ordination with the RBI.

Non convertible debentures and bonds

Non convertible debentures as well as bonds are securities issued by companies / institutions promoted / owned by the Central or State Governments and statutory bodies which may or may not carry a Central/State Government guarantee, Public and private sector banks, all India Financial Institutions and Private Sector Companies. These instruments may be secured or unsecured against the assets of the Company and generally issued to meet the short term and long term fund requirements.

The scheme may also invest in the non convertible part of convertible debt securities.

Floating rate debt instruments

Floating rate debt instruments are instruments issued by Central / state governments, corporates, PSUs, etc. with interest rates that are reset periodically.

Securitized Assets: Securitization is a structured finance process which involves pooling and repackaging of cashflow producing financial assets into securities that are then sold to investors. They are termed as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are backed by other assets such as credit card, automobile or consumer loan receivables, retail installment loans or participations in pools of leases. Credit support for these securities may be based on the underlying assets and/or provided through credit enhancements by a third party. MBS is an asset backed security whose cash flows are backed by the principal and interest payments of a set of mortgage loans. Such Mortgage could be either residential or commercial properties. ABS/MBS instrument reflect the undivided interest in the underlying assets and do not represent the obligation of the issuer of ABS/MBS or the originator of underlying receivables. Securitization often utilizes the services of SPV.

Pass through Certificate (PTC) (Pay through or other Participation Certificates) represents beneficial interest in an underlying pool of cash flows. These cash flows represent dues against single or multiple loans originated by the sellers of these loans. These loans are given by banks or financial institutions to corporates. PTCs may be backed, but not exclusively, by receivables of personal loans, car loans, two wheeler loans and other assets subject to applicable regulations.

The following are certain additional disclosures w.r.t. investment in securitized debt:

1. How the risk profile of securitized debt fits into the risk appetite of the scheme

Securitized debt is a form of conversion of normally non-tradable loans to transferable securities. This is done by assigning the loans to a special purpose vehicle (a trust), which in turn issues Pass-Through-Certificates (PTCs). These PTCs are transferable securities with fixed income characteristics. The risk of investing in securitized debt is similar to investing in debt securities. However it differs in two respects.

Typically the liquidity of securitized debt is less than similar debt securities. For certain types of securitized debt (backed by mortgages, personal loans, credit card debt, etc.), there is an additional pre-payment risk. Pre-payment risk refers to the possibility that loans are repaid before they are due, which may reduce returns if the re-investment rates are lower than initially envisaged.

Because of these additional risks, securitized debt typically offers higher yields than debt securities of similar credit rating and maturity. If the fund manager judges that the additional risks are suitably compensated by the higher returns, he may invest in securitized debt up to the limits specified in the asset allocation table above.

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

The originator is the person who has initially given the loan. The originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). An analysis of the originator is especially important in case of retail loans as this affects the credit quality and servicing of the PTC. The key risk is that of the underlying assets and not of the originator. For example, losses or performance of earlier issuances does not indicate quality of current series. However such past performance may be used as a guide to evaluate the loan standards, servicing capability and performance of the originator.

Originators may be: Banks, Non Banking Finance Companies, Housing Finance Companies, etc. The fund manager / credit analyst evaluates originators based on the following parameters

- Track record
- Willingness to pay, through credit enhancement facilities etc.
- Ability to pay
- Business risk assessment, wherein following factors are considered:
 - Outlook for the economy (domestic and global)
 - Outlook for the industry
 - Company specific factors

In addition a detailed review and assessment of rating rationale is done including interactions with the originator as well as the credit rating agency.

The following additional evaluation parameters are used as applicable for the originator / underlying issuer for pool loan and single loan securitization transactions:

- Default track record/ frequent alteration of redemption conditions / covenants
- High leverage ratios of the ultimate borrower (for single-sell downs) – both on a standalone basis as well on a consolidated level/ group level
- Higher proportion of reschedulement of underlying assets of the pool or loan, as the case may be
- Higher proportion of overdue assets of the pool or the underlying loan, as the case may be
- Poor reputation in market
- Insufficient track record of servicing of the pool or the loan, as the case may be.

3. Risk mitigation strategies for investments with each kind of originator

An analysis of the originator is especially important in case of retail loans as the size and reach affects the credit quality and servicing of the PTC. In addition, the quality of the collection process, infrastructure and follow-up mechanism; quality of MIS; and credit enhancement mechanism are key risk mitigants for the better originators / servicers.

In case of securitization involving single loans or a small pool of loans, the credit risk of the underlying borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk. The credit analyst looks at ageing (i.e. how long the loan has been with the originator before securitization) as one way of evaluating the performance potential of the PTC. Securitization transactions may include some risk mitigants (to reduce credit risk). These may include interest subvention (difference in interest rates on the underlying loans and the PTC serving as margin against defaults), overcollateralization (issue of PTCs of lesser value than the underlying loans, thus even if some loans default, the PTC continues to remain

protected), presence of an equity / subordinate tranche (issue of PTCs of differing seniority when it comes to repayment - the senior tranches get paid before the junior tranche) and / or guarantees.

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

In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk.

The credit analyst looks at ageing (i.e. how long the loan has been with the originator before securitization) as one way of judging the performance potential of the PTC. Additional risk mitigants may include interest subvention, over collateralization, presence of an equity / subordinate tranche and / or guarantees. The credit analyst also uses analyses by credit rating agencies on the risk profile of the securitized debt.

Currently, the following parameters are used while evaluating investment decision relating to a pool securitization transaction. The Investment Review Committee may revise the parameters from time to time.

Characteristics/Type of Pool	Mortgage Loan	Commercial Vehicle and Construction Equipment	CAR	2 wheelers	Micro Finance Pools *	Personal Loans *	Single Sell Downs	Others
Approximate Average maturity (in Months)	Up to 10 years	Up to 3 years	Up to 3 years	Up to 3 years	NA	NA	Refer Note 1	Refer Note 2
Collateral margin (including cash, guarantees, excess interest spread, subordinate tranche)	>10%	>10%	>10%	>10%	NA	NA	"	"
Average Loan to Value Ratio	<90%	<80%	<80%	<80%	NA	NA	"	"
Average seasoning of the Pool	>3 months	>3 months	>3 months	>3 months	NA	NA	"	"
Maximum single exposure range	<1%	<1%	<1%	<1%	NA	NA	"	"
Average single exposure range %	<1%	<1%	<1%	<1%	NA	NA	"	"

* Currently, the Schemes will not invest in these types of securitized debt

Note 1: In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. The investment limits applicable to the underlying borrower are applied to the single loan sell-down.

2: Other investments will be decided on a case-to-case basis

The credit analyst may consider the following risk mitigating measures in his analysis of the securitized debt:

- Size of the loan
- Average original maturity of the pool
- Loan to Value Ratio
- Average seasoning of the pool
- Default rate distribution
- Geographical Distribution
- Credit enhancement facility
- Liquid facility
- Structure of the pool

5. Minimum retention period of the debt by originator prior to securitization

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements. In addition, RBI has proposed minimum holding period of between nine and twelve months for assets before they can be securitized. The minimum holding period depends on the tenor of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

6. Minimum retention percentage by originator of debts to be securitized

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements, including maximum exposure by the originator in the PTCs. In addition, RBI has proposed minimum retention requirement of between five and ten percent of the book value of the loans by the originator. The minimum retention requirement depends on the tenor and structure of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

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

The key risk is securitized debt relates to the underlying borrowers and not the originator. In a securitization transaction, the originator is the seller of the debt(s) and the fund is the buyer. However, the originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). As the originators may also invest in the scheme, the fund manager shall ensure that the investment decision is based on parameters as set by the Investment Review Committee (IRC) of the asset management company and IRC shall review the same at regular interval.

8. The resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt

The fund management team including the credit analyst has the experience to analyze securitized debt. In addition, credit research agencies provide analysis of individual instruments and pools. On an on-going basis (typically monthly) the servicer provides reports regarding the performance of the pool. These reports would form the base for

ongoing evaluation where applicable. In addition, rating reports indicating rating changes would be monitored for changes in rating agency opinion of the credit risk.

When issued

When, as and if issued' (commonly known as "**when-issued**" (**WI**) **security**) refers to a security that has been authorized for issuance but not yet actually issued. WI trading takes place between the time a new issue is announced and the time it is actually issued. All "when issued" transactions are on an "if" basis, to be settled if and when the actual security is issued.

SEBI has on April 16, 2008 in principle allowed Mutual Funds to undertake 'When Issued (WI)' transactions in Central Government securities, at par with other market participants.

- Open Position in the 'WI' market are subject to the following limits:

Category	Reissued Security	Newly Issued Security
Non-PDs	Long Position, not exceeding 5 percent of the notified amount.	Long Position, not exceeding 5 percent of the notified amount.

Debt derivative instruments:

Interest Rate Swap - An Interest Rate Swap (IRS) is a financial contract between two parties exchanging or swapping a stream of interest payments for a "notional principal" amount on multiple occasions during a specified period. Such contracts generally involve exchange of a "fixed to floating" or "floating to fixed rate" of interest. Accordingly, on each payment date that occurs during the swap period, cash payments based on fixed/ floating and floating rates are made by the parties to one another.

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

Interest Rate Futures (as and when permitted):

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

Characteristics of Interest Rate Futures

1. Obligation to buy or sell a bond at a future date
2. Standardized contract.
3. Exchange traded
4. Physical settlement
5. Daily mark to market

Investment in foreign securities

The Scheme may also invest in suitable investment avenues in foreign securities in overseas financial markets for the purpose of diversification, commensurate with the Scheme objectives and subject to necessary stipulations by SEBI / RBI. Towards this end, the Mutual Fund may also appoint overseas investment advisors and other service providers, to the extent permissible under the Regulations.

The Scheme may, with the approval of SEBI / RBI, where required invest in:

- ADRs (American Depositary Receipts)/ GDRs (Global Depositary Receipts) issued by Indian or foreign companies
- Equity of overseas companies listed on recognized stock exchanges overseas
- Initial and follow on public offerings for listing at recognized stock exchanges overseas
- Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies
- Money market instruments rated not below investment grade
- Repos in the form of investment, where the counterparty is rated not below investment grade; repos shall not however, involve any borrowing of funds by the mutual funds
- Government securities where the countries are rated not below investment grade
- Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities
- Short term deposits with banks overseas where the issuer is rated not below investment grade
- Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, or (b) unlisted overseas securities (not exceeding 10% of their net assets).

Note: The Scheme will not invest in foreign securitized debt.

As per SEBI Circular SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007, mutual funds can make overseas investments subject to a maximum of US \$300 million or such limits as may be prescribed by SEBI from time to time. Subject to the approval of RBI / SEBI and conditions as may be prescribed by them, the Mutual Fund may open one or more foreign currency accounts abroad either directly, or through the custodian/sub-custodian, to facilitate investments and to enter into/deal in forward currency contracts, currency futures, interest rate futures / swaps, currency options for the purpose of hedging the risks of assets of a portfolio or for its efficient management. However, the use of such instruments shall be as permitted from time to time. All the requirement of the SEBI circular dated September 26, 2007, would be adhered to by the AMC for investment in foreign securities.

Investment in overseas securities shall be made in accordance with the requirements stipulated by SEBI and RBI from time to time.

Investments in units of mutual fund schemes

The Scheme may invest in other schemes managed by the AMC or in the schemes of any other mutual funds in conformity with the investment objective of the Scheme and in terms of the prevailing SEBI (MF) Regulations.

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

The securities / instruments mentioned above and such other securities the Scheme is permitted to invest in could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity.

The securities may be acquired through initial public offering (IPOs), secondary market, private placement, rights offers, negotiated deals. Further investments in debentures, bonds and other fixed income securities will be in instruments which have been assigned investment grade rating by the Credit Rating Agency.

Investment in unrated debt instruments shall be subject to complying with the provisions of Regulations and within the limit as specified in Schedule VII to the Regulations. Pursuant to SEBI Circular No. MFD/CIR/9/120/2000 dated November 24, 2000, the AMC may constitute committee(s) to approve proposals for investments in unrated debt instruments. The AMC Board and the Trustee shall approve the detailed parameters for such investments. However, in case any unrated debt security does not fall under the parameters, the prior approval of Board of AMC and Trustee shall be sought.

For applicable regulatory investment limits please refer paragraph "Investment Restrictions.

Details of various derivative instruments along with derivative strategies have been provided under the section "Derivatives Strategy"

The Fund Manager may invest in any other security as maybe permitted from time to time and which are in line with the investment objectives of the Scheme.

E.WHAT ARE THE INVESTMENT STRATEGIES

The Fund will **Actively Manage** a diversified portfolio of strong growth companies with sustainable business models, whilst **Managing Risk**.

The portfolios will be built utilising a bottom-up stock selection process, focusing on appreciation potential of individual stocks from a fundamental perspective. The AMC employs a 'Fair value' based research process to analyse the appreciation potential of each stock in its universe (Fair value is a measure of the intrinsic worth of a company). The universe of stocks is carefully selected to include companies having robust business models and enjoying sustainable competitive advantages as compared to their competitors. The Fund will have the flexibility to invest across the market capitalization spectrum.

The Funds's portfolio will be managed actively, with an objective to provide to the investor, a diversified portfolio of strong growth companies, reflecting our most attractive investment ideas, at all points in time.

The Fund by utilizing a holistic risk management strategy will endeavour to manage risks associated with investing in equity markets. The Fund has identified the following risks and designed risk management strategies, which are embedded in the investment process to manage these risks:

- i) Quality risk – Risk of investing in unsustainable/weak companies

- ii) Price risk - Risk of overpaying for a company
- iii) Liquidity risk- High impact cost of entry and exit
- iv) Volatility risk -Volatility in price due to company or portfolio specific factors
- v) Event risk - Price risk due to a company/sector specific or market event

PORTFOLIO TURNOVER

The Scheme is an open-ended scheme. It is expected that there would be a number of subscriptions and redemptions on a daily basis. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio.

There may be an increase in transaction cost such as brokerage paid, if trading is done frequently. However, the cost would be negligible as compared to the total expenses of the Scheme. Frequent trading may increase the profits which will offset the increase in costs. The fund manager will endeavor to optimize portfolio turnover to maximize gains and minimize risks keeping in mind the cost associated with it. However, it is difficult to estimate with reasonable accuracy, the likely turnover in the portfolio of the Scheme. The Scheme has no specific target relating to portfolio turnover

RISK CONTROL

Risk is an inherent part of the investment function. Effective Risk Management is critical to Fund Management for achieving financial soundness. Investments by the Scheme shall be made as per the investment objectives of the Scheme and provisions of the Regulations.

Risk control would include managing risk in order to keep it in line with the investment objective of the Scheme. The AMC has incorporated adequate safeguards to manage risk in the portfolio construction process. The risk control process involves identifying & measuring the risk through various Risk Measurement Tools. Further, the AMC has implemented the Bloomberg Portfolio Management System as Front Office System (FOS) for managing risk. The system has inbuilt feature which enables the Fund Manager calculate various risk ratios and analyze the same.

The AMC has experienced investment professionals to help limit investment universe to carefully selected high quality businesses. The fund manager would also consider hedging the portfolios in case of predictable events with uncertain outcomes.

The Scheme would invest in a diversified portfolio of equity and equity related securities which would help alleviate the sector/market capitalization related concentration risk.

DERIVATIVES STRATEGY

The Scheme may invest in various derivative instruments which are permissible under the applicable regulations. Such investments shall be subject to the investment objective and strategy of the Scheme and the internal limits if any, as laid down from time to time. These include but are not limited to futures (both stock and index) and options (stock and index).

Derivatives are financial contracts of pre-determined fixed duration, like stock futures/options and index futures and options, whose values are derived from the value

of an underlying primary financial instrument such as: interest rates, exchange rates, commodities, and equities.

Derivatives can be either exchange traded or can be over the counter (OTC). Exchange traded derivatives are listed and traded on stock exchanges whereas OTC derivative transactions are generally structured between two counterparties.

The objectives of the various strategies include hedge stock / portfolio against market gyrations.

The risks associated with derivatives are similar to those associated with underlying investments. The additional risks of using derivative strategies could be on account of:

- Illiquidity;
- Potential mis - pricing of the Futures/Options;
- Lack of opportunity
- Inability of derivatives to correlate perfectly with the underlying (Indices, Assets, Exchange Rates);
- Cost of hedge can be higher than adverse impact of market movements;
- An exposure to derivatives in excess of the hedging requirements can lead to losses;
- An exposure to derivatives can also limit the profits from a genuine investment transaction.
- The prices which are seen on the screen need not be the same at which execution will take place.

For detailed risks associated with use of derivatives, please refer paragraph "Scheme Specific Risk Factors"

Concepts and Examples of derivatives which maybe used by the fund manager:

Futures

Futures (Index & Stocks) are forward contracts traded on the exchanges & have been introduced both by BSE and NSE. Generally futures of 1 month (near month), 2 months (next month) and 3 months (far month) are presently traded on these exchanges. These futures expire on the last working Thursday of the respective months.

Illustration with Index Futures

In case the Nifty near month future contract is trading at say, Rs. 3,510, and the fund manager has a view that it will depreciate going forward; the Scheme can initiate a sale transaction of Nifty futures at Rs. 3,510 without holding a portfolio of equity stocks or any other underlying long equity position. Once the price falls to Rs. 3,400 after say, 20 days, the Scheme can initiate a square-up transaction by buying the said futures and book a profit of Rs. 110.

Correspondingly, if the fund manager has a positive view he can initiate a long position in the index / stock futures without an underlying cash/ cash equivalent subject to the extant regulations.

There are futures based on stock indices as mentioned above as also futures based on individual stocks. The profitability of index /stock future as compared to an individual security will inter-alia depend upon:

- The carrying cost,
- The interest available on surplus funds, and
- The transaction cost.

Example of a typical future trade and the associated costs

Particulars	Index Future	Actual Purchase of Stocks
Index at the beginning of the month	3500	3500
Price of 1 month future	3510	
A. Execution cost: Carry and other index future costs	10	
B. Brokerage cost: Assumed at	7.02	8.75
0.2% of Index Future		
0.25% for spot Stocks		
C. Gains on surplus fund: (Assumed 8% p.a. return on 85% of the money left after paying 15% margin) $(8\% \times 3500 \times 85\% \times 30 \text{ days} / 365)$	19.56	0
Total Cost (A+B-C)	-2.54	8.75

Some strategies that employ stock /index futures and their objectives:

(a) Arbitrage

(1) Selling spot and buying future: In case the Scheme holds the stock of a company "A" at say Rs. 100 while in the futures market it trades at a discount to the spot price say at Rs. 98, then the Scheme may sell the stock and buy the futures.

On the date of expiry of the stock future, the Scheme may reverse the transactions (i.e. buying at spot & selling futures) and earn a risk-free Rs. 2 (2% absolute) on its holdings without any dilution of the view of the fund manager on the underlying stock.

Further, the Scheme can still benefit from any movement of the price in the upward direction, i.e. if on the date of expiry of the futures, the stock trades at Rs. 110 which would be the price of the futures too, the Scheme will have a benefit of Rs 10 whereby the Scheme gets the 10% upside movement together with the 2% benefit on the arbitrage and thus getting a total return of 12%. The corresponding return in case of holding the stock would have been 10%.

Note: The same strategy can be replicated with a basket of Nifty- 50 stocks (Synthetic Nifty) and the Nifty future index.

(2) Buying spot and selling future: Where the stock of a company "A" is trading in the spot market at Rs. 100 while it trades at Rs. 102 in the futures market, then the Scheme may buy the stock at spot and sell in the futures market thereby earning Rs. 2.

Buying the stock in cash market and selling the futures results into a hedge where the Scheme has locked in a spread and is not affected by the price movement of cash market and futures market. The arbitrage position can be continued till expiry of the future contracts when there is a convergence between the cash market and the futures

market. This convergence enables the Scheme to generate the arbitrage return locked in earlier.

(b) Buying/ Selling Stock future:

When the Scheme wants to initiate a long position in a stock whose spot price is at say, Rs.100 and futures is at 98, then the Scheme may just buy the futures contract instead of the spot thereby benefiting from a lower cost.

In case the Scheme has a bearish view on a stock which is trading in the spot market at Rs.98 and the futures market at say Rs. 100, the Scheme may subject to regulations, initiate a short position in the futures contract. In case the prices align with the view and the price depreciates to say Rs. 90, the Scheme can square up the short position thereby earning a profit of Rs.10 vis a vis a fall in stock price of Rs 8.

(c) Hedging:

The Scheme may use exchange-traded derivatives to hedge the equity portfolio. Both index and stock futures and options may be used to hedge the stocks in the portfolio.

(d) Alpha Strategy:

The Scheme will seek to generate alpha by superior stock selection and removing market risks by selling appropriate index. For example, one can seek to generate positive alpha by buying a bank stock and selling Bank Nifty future.

Execution of these strategies depends upon the ability of the fund manager to identify and execute based on such opportunities. These involve significant uncertainties and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

Option Contracts (Stock and Index)

An Option gives the buyer the right, but not the obligation, to buy (call) or sell (put) a stock at an agreed-upon price during a certain period of time or on a specific date.

Options are used to manage risk or as an investment to generate income. The price at which underlying security is contracted to be purchased or sold is called the Strike Price. Options that can be exercised on or before the expiration date are called American Options while, Options that can be exercised only on the expiration date are called European Options.

Options Risk / Return Pay-off Table

	Stock / Index Options	Buy Call	Sell Call	Buy Put	Sell Put
1	View on underlying	Positive	Negative	Negative	Positive
2	Premium	Pay	Receive	Pay	Receive
3	Risk Potential	Limited to premium paid	Unlimited	Limited to premium paid	Unlimited
4	Return Potential	Unlimited	Premium Received	Unlimited	Premium Received

Option contracts are of two types - Call and Put.

Call Option: A call option gives the buyer, the right to buy specified quantity of the underlying asset at the set strike price on or before expiration date and the seller (writer) of call option however, has the obligation to sell the underlying asset if the buyer of the call option decides to exercise the option to buy.

Put Option: A put option gives the buyer the right to sell specified quantity of the underlying asset at the set strike price on or before expiration date and the seller (writer) of put option however, has the obligation to buy the underlying asset if the buyer of the put option decides to exercise his option to sell.

Index Options / Stock Options

Index options / Stock options are termed to be an efficient way of buying / selling an index/stock compared to buying / selling a portfolio of physical shares representing an index for ease of execution and settlement. The participation can be done by buying / selling either Index futures or by buying a call/put option.

The risk are also different when index /stock futures are bought/sold vis-a-vis index/stocks options as in case of an index future there is a mark to market variation and the risk is much higher as compared to buying an option, where the risk is limited to the extent of premium paid.

The illustration below explains how one can gain using Index call / put option. These same principles of profit / loss in an Index option apply in toto to that for a stock option.

Call Option

Suppose an investor buys a Call option on 1 lot of CNX Nifty (Lot Size: 50 units)

- Nifty index (European option).
- Nifty 1 Lot Size: 50 units
- Spot Price (S): 3500
- Strike Price (x): 3550 (Out-of-Money Call Option)
- Premium: 100

Total Amount paid by the investor as premium $[50 \times 100] = 5000$

There are two possibilities i.e. either the index moves up over the strike price or remains below the strike price.

Case 1- The index goes up

- An investor sells the Nifty Option described above before expiry:

Suppose the Nifty index moves up to 3600 in the spot market and the premium has moved to Rs 200 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1 Nifty call option as the option now is In the Money.

His gains are as follows:

- Nifty Spot: 3600
- Current Premium: Rs.200
- Premium paid: Rs.100
- Net Gain: $\text{Rs.}200 - \text{Rs.}100 = \text{Rs.}100$ per unit
- Total gain on 1 lot of Nifty (50 units) = $\text{Rs.}5000$ (50×100)

In this case the premium of Rs.200 has an intrinsic value of Rs.50 per unit and the remaining Rs.150 is the time value of the option.

- An investor exercises the Nifty Option at expiry

Suppose the Nifty index moves up to 3700 in the spot market on the expiry day and the investor decides to reverse his position in the market by exercising the Nifty call option as the option now is in The Money.

His gains are as follows:

- Nifty Spot: 3700
- Premium paid: Rs.100
- Exercise Price: 3550
- Receivable on exercise: $3700 - 3550 = 150$
- Total Gain: Rs.2500 $\{(150 - 100) \times 50\}$

In this case the realised gain is only the intrinsic value, which is Rs.50, and there is no time value.

Case 2 - The Nifty index moves to any level below 3550

Then the investor does not gain anything but on the other hand his loss is limited to the premium paid:

Net Loss is Rs.5000 (Loss is capped to the extent of Premium Paid)

(Rs 100 Premium paid * Lot Size: 50 units).

Put Option

Suppose an investor buys a Put option on 1 lot of CNX Nifty.

- Nifty 1 Lot Size: 50 units
- Spot Price (S): 3500
- Strike Price (x): 3450 (Out-of-Money Put Option)
- Premium: 30
- Total Amount paid by the investor as premium $[50 \times 30] = 1500$

There are two possibilities i.e. either the index moves over the strike price or moves below the strike price.

Let us analyze these scenarios.

Case 1 - The index goes down

- An investor sells the Nifty Option before expiry:

Suppose the Nifty index moves down to 3400 in the spot market and the premium has moved to Rs. 80 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1 Nifty Put Option as the option now is In The Money. His gains are as follows:

- Nifty Spot: 3400
- Premium paid: Rs.30
- Net Gain: $\text{Rs.}80 - \text{Rs.}30 = \text{Rs.}50$ per unit
- Total gain on 1 lot of Nifty (50 units) = Rs.2500 (50×50)

In this case the premium of Rs.80 has an intrinsic value of Rs.50 per unit and the remaining Rs.30 is the time value of the option.

An investor exercises the Nifty Option at expiry (It is an European Option)

Suppose the Nifty index moves down to 3400 in the spot market on the expiry day and the investor decides to reverse his position in the market by exercising the Nifty Put Option as the option now is In The Money.

His gains are as follows:

- Nifty Spot: 3400
- Premium paid: Rs.30

- Exercise Price: 3450
- Gain on exercise: $3450 - 3400 = 50$
- Total Gain: Rs.1000 $\{(50 - 30) \times 50\}$

In this case the realised amount is only the intrinsic value, which is Rs.50, and there is no time value in this case.

Case 2 - If the Nifty index stays over the strike price which is 3450, in the spot market then the investor does not gain anything but on the other hand his loss is limited to the premium paid.

- Nifty Spot: > 3450
- Net Loss Rs.1500 (Loss is capped to the extent of Premium Paid)
(Rs 30 Premium paid * Lot Size: 50 units).

Investment in Fixed Income Derivative Instruments:

The Scheme may use Derivative instruments like interest rate swaps like overnight indexed swaps (OIS), forward rate agreements, interest rate futures (as and when permitted) or such other Derivative instruments as may be permitted under the applicable regulations. Derivatives will be used for the purpose of hedging, and portfolio balancing or such other purpose as may be permitted under the regulations and Guidelines from time to time.

The Fund will be allowed to take exposure in interest rate swaps only on a non-leveraged basis. A swap will be undertaken only if there is an underlying asset in the portfolio. In terms of Circular No. MFD.BC.191/07.01.279/1999-2000 and MPD.BC.187/07.01.279/1999-2000 dated November 1, 1999 and July 7, 1999 respectively issued by RBI permitting participation by Mutual Funds in interest rate swaps and forward rate agreements, the Fund will use Derivative instruments for the purpose of hedging and portfolio balancing. The Fund may also use derivatives for such purposes as maybe permitted from time to time. Further, the guidelines issued by RBI from time to time for forward rate agreements and interest rate swaps and other derivative products would be adhered to by the Mutual Fund.

IRS and FRAs do also have inherent credit and settlement risks. However, these risks are substantially reduced as they are limited to the interest streams and not the notional principal amounts.

Investments in Derivatives will be in accordance with the extant SEBI regulations / guidelines. Presently Derivatives shall be used for hedging and / or portfolio balancing purposes, as permitted under the Regulations. The circumstances under which such transactions would be entered into would be when, for example using the IRS route it is possible to generate better returns / meet the objective of the Scheme at a lower cost. e.g. if buying a 2 Yr Mibor based instrument and receiving the 2 Yr swap rate yields better return than the 2 Yr AAA corporate, the Scheme would endeavor to do that. Alternatively, the Scheme would also look to hedge existing fixed rate positions if the view on interest rates is that it would likely rise in the future.

The following information provides a basic idea as to the nature of the Derivative instruments proposed to be used by the Fund and the benefits and risks attached therewith. Please note that the examples have been given for illustration purposes only.

Using Overnight Indexed Swaps

In a rising interest rate scenario, the Scheme may enhance returns for the Investor by hedging the risk on its fixed interest paying assets by entering into an OIS contract where the Scheme agrees to pay a fixed interest rate on a specified notional amount, for a pre determined tenor and receives floating interest rate payments on the same notional amount. The fixed returns from the Scheme assets and the fixed interest payments to be made by the Scheme on account of the OIS transaction offset each other and the Scheme benefits on the floating interest payments that it receives. The Scheme may enter into an opposite position in case of a falling interest rate scenario, i.e. to hedge the floating rate assets in its portfolio the Scheme enters into an OIS transaction wherein it receives a fixed interest rate on a specified notional amount for a specified time period and pays a floating interest rate on the same notional amount. The floating interest payments that the Scheme receives on its floating rate securities and the floating interest payments that the Scheme has to pay on account of the OIS transaction offset each other and the Scheme benefits on the fixed interest payments that it receives in such a scenario.

Swap

Assume that the Scheme has a Rs. 20 crore floating rate investment linked to MIBOR (Mumbai Inter Bank Offered Rate). Hence, the Scheme is currently running an interest rate risk and stands to lose if the interest rate moves down. To hedge this interest rate risk, the Scheme can enter into a 6 month MIBOR swap. Through this swap, the Scheme will receive a fixed predetermined rate (assume 12%) and pays the “benchmark rate” (MIBOR), which is fixed by the NationNSE or any other agency such as Reuters. This swap would effectively lock-in the rate of 12% for the next 6 months, eliminating the daily interest rate risk. This transaction is usually routed through an intermediary who runs a book and matches deals between various counterparties. The steps will be as follows:

Assuming the swap is for Rs. 20 Crores for June 1, 2009 to December 1, 2009. The Scheme is a fixed rate receiver at 12% and the counterparty is a floating rate receiver at the overnight rate on a compounded basis (say NSE MIBOR).

On June 1, 2009 the Scheme and the counterparty will exchange only a contract of having entered this swap. This documentation would be as per International Swap Dealers Association (ISDA) norms.

On a daily basis, the benchmark rate fixed by NSE will be tracked by them.

On December 1, 2009 they will calculate the following:

- The Scheme is entitled to receive interest on Rs. 20 Crores at 12% for 184 days i.e. Rs. 1.21 Crores, (this amount is known at the time the swap was concluded) and will pay the compounded benchmark rate.
- The counterparty is entitled to receive daily compounded call rate for 184 days & pay 12% fixed.
- On December 1, 2009, if the total interest on the daily overnight compounded benchmark rate is higher than Rs. 1.21 Crores, the Scheme will pay the difference to the counterparty. If the daily compounded benchmark rate is lower, then the counterparty will pay the Scheme the difference.
- Effectively the Scheme earns interest at the rate of 12% p.a. for six months without lending money for 6 months fixed, while the counterparty pays interest @ 12% p.a. for 6 months on Rs. 20 Crores, without borrowing for 6 months fixed.

The above example illustrates the use of Derivatives for hedging and optimizing the investment portfolio. Swaps have their own drawbacks like credit risk, settlement risk. However, these risks are substantially reduced as the amount involved is interest streams and not principal.

Forward Rate Agreement

Assume that on June 30, 2009, the 30 day commercial paper (CP) rate is 4% and the Scheme has an investment in a CP of face value Rs. 50 Crores, which is going to mature on July 31, 2009. If the interest rates are likely to remain stable or decline after July 31, 2009, and if the fund manager, who wants to re-deploy the maturity proceeds for 1 more month does not want to take the risk of interest rates going down, he can then enter into a following Forward Rate Agreement (FRA) say as on June 30, 2009:

He can receive 1 X 2 FRA on June 30, 2009 at 4.00% (FRA rate for 1 months lending in 1 months time) on the notional amount of Rs. 50 Crores, with a reference rate of 30 day CP benchmark. If the CP benchmark on the settlement date i.e. July 30, 2009 falls to 3.75%, then the Scheme receives the difference 4.00 – 3.75 i.e. 25 basis points on the notional amount Rs. 50 Crores.

Interest Rate Futures

Assume that the Fund holds an Indian ten year benchmark and the fund manager has a view that the yields will go up in the near future leading to decrease in value of the investment and subsequent decrease in Net Asset Value of the fund. The fund house decides to use Interest Rate Futures to mitigate the risk of decline of Net Asset Value of the fund.

12th October 2009

- The benchmark ten year paper 6.88 2009, is trading at INR 98.00 at a yield of 7.19%.
- December 2009 futures contract on the ten year notional 7% coupon bearing Government paper is trading at a yield of 7.29% at a price of INR 98.50.
- The mutual fund decides to hedge the exposure by taking a short position in December 2009 interest rate futures contract.

25th November 2009

- As expected by the fund manager the yield of the benchmark ten year paper has increased to 8% and the price has decreased to 92.70.
- The December 2009 futures contract is trading at a price of INR 93.17 indicating a yield of 8.05%
- The mutual fund unwinds the short position by buying the December 2009 futures contract. The transaction results in profit from the futures position, against the corresponding loss from the Government of India security position.

For details of risk factors relating to use of Derivatives, the investors are advised to refer to Scheme Specific Risk Factors.

F: FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the Scheme, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

(i) Type of a Scheme

(ii) Investment Objective

(iii) Terms of Issue

- o Liquidity provisions such as listing, Repurchase, Redemption.
- o Aggregate fees and expenses charged to the Scheme.
- Any safety or guarantee net provided:

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustee shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unit holders is carried out unless:

- 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
- The Unit holders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE ?

The Scheme performance would be benchmarked against S&P CNX Nifty Index. The S&P CNX Nifty is a well diversified index accounting for 24 sectors of the economy. It is the most popular and widely followed benchmark to track the performance of the equity market in India. Being a diversified index, it is consistent with the investment objective of the Scheme.

It also covers majority of the sectors where the portfolio might be constructed by the fund manager.

The Trustee may change the benchmark in future if a benchmark better suited to the investment objective of the Scheme is available.

H. WHO MANAGES THE SCHEME?

Name of Fund Manager	Ages and Qualification	Experience of the Fund Manager	Names of other schemes under his management
Mr. Chandresh Nigam	43 B. Tech, Post Graduate	Mr. Chandresh Nigam has over 20 years of experience in the equity markets.	Axis Tax Saver Fund (along with Mr. Jinesh Nigam) and Axis

	Diploma in Management(IIM Calcutta)	<ul style="list-style-type: none"> • Head – Investments, Axis Asset Management Co. Ltd.(From April 01, 2010 till date) • Head – Equity, Axis Asset Management Co. Ltd.(From July 2009 till March 2010) • Advisor, TCG Advisory Services Pvt. Ltd. (From January 2005 till June 2009) • Fund Manager, Prudential ICICI Asset Management Company Ltd.(From July 2003 till January 2005) • Fund Manager, Zurich Asset Management Company (I) Pvt. Ltd. (From April 1993 till June 2003) 	Triple Advantage Fund (along with Mr. R. Sivakumar and Mr. Sudhanshu Asthana).
Mr. Pankaj Murarka	35 B. Com, ACA	<ul style="list-style-type: none"> • Fund Manager - Equity, Axis Asset Management Co. Ltd.(November 3, 2009 till date) • Principal Officer, Pipal Capital Management Private Limited (April 2009 - November 2009) • Portfolio Manager, DSP Merrill Lynch Ltd (June 2006 – March 2009) • Head of Research & Fund Manager, Rare Enterprises (June 2004- June 2006) • Equity Sales, Motilal Oswal Securities Ltd. (April 2003 – May 2004) • Fund Management & Research, UTI Asset Management Company Ltd.(February 1998 to January 2003) 	Axis Midcap Fund (along with Mr. Jinesh Gopani) and Axis Income Saver (along with Mr. R. Sivakumar and Mr. Sudhanshu Asthana)

The Fixed Income Fund Managers of the Mutual Fund will be involved in management of the Debt Component of the Scheme. Further, presently the Trustee/AMC has not designated a dedicated Fund Manager for investment in Foreign Securities. However, it shall be ensured that there is a dedicated fund manager for investment in foreign securities as and when the fund makes investment in foreign securities.

I. WHAT ARE THE INVESTMENT RESTRICTIONS?

Pursuant to Regulations, specifically the Seventh Schedule and amendments thereto, the following investment restrictions are currently applicable to the Scheme:

1. The Scheme shall not invest more than 10 per cent of its NAV in the equity shares or equity related instruments of any company
2. The Scheme shall not invest more than 5% of its NAV in the unlisted equity shares or equity related instruments
3. The Mutual Fund under all its Scheme(s) shall not own more than ten per cent of any company's paid up capital carrying voting rights.
4. The Scheme shall not invest more than 15% of its NAV in debt instruments issued by a single issuer, which are rated not below investment grade by a credit rating agency authorized to carry out such activities under the SEBI Act, 1992. Such investment limit may be extended to 20% of the NAV of the Scheme with the prior approval of the Trustee and the Board of AMC.

Such limit shall not be applicable for investment in Government Securities and money market instruments.

In case of investment in money market instruments, the Scheme shall not invest more than 30% of its net assets in Money Market Instruments issued by a single issuer. The limit shall not be applicable to investment in CBLOs.

Investments within such limit can be made in the mortgaged backed securitised debt, which are rated not below investment grade by a credit rating agency, registered with SEBI.

5. The Scheme shall not invest more than 10% of its NAV in un-rated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the Scheme. All such investments shall be made with the prior approval of the Trustee and Board of AMC.
6. The Scheme may invest in other schemes of the Mutual Fund or any other mutual fund without charging any fees, provided the aggregate inter-scheme investment made by all the schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the Net Asset Value of the Fund.
7. The Scheme shall not make any investment in :
 - a) any unlisted security of an associate or group company of the sponsor; or
 - b) any security issued by way of private placement by an associate or group company of the sponsor; or
 - c) the listed securities of group companies of the sponsor which is in excess of 25% of the net assets; or
8. The Mutual Fund shall get the securities purchased transferred in the name of the Fund on account of the concerned Scheme, wherever investments are intended to be of a long-term nature.
9. Transfer of investments from one scheme to another scheme in the same Mutual Fund is permitted provided:
 - a. such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and
 - b. the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.
10. The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities:

Provided that the Mutual Fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.

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

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

11. The Scheme shall not make any investment in any fund of funds scheme.
12. The Scheme will comply with the following restrictions for trading in exchange traded derivatives, as specified by SEBI vide its circular DNPd/Cir-29/2005 dated September 14, 2005, Circular DNPd/Cir-30/2006 dated January 20, 2006 and Circular DNPd/Cir-31/2006 dated September 22, 2006:

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

- a. The Mutual Fund position limit in all index options contracts on a particular underlying index shall be Rs. 500 crores or 15% of the total open interest of the market in index options, whichever is higher, per stock exchange.
- b. This limit would be applicable on open positions in all options contracts on a particular underlying index.

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

- a. The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be Rs.500 crores or 15% of the total open interest of the market in index futures, whichever is higher, per stock exchange.
- b. This limit would be applicable on open positions in all futures contracts on a particular underlying index.

iii. Additional position limit for hedging

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

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

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

The Mutual Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts, is defined in the following manner:-

- a. For stocks having applicable market-wide position limit ('MWPL') of Rs. 500 crores or more, the combined futures and options position limit shall be 20% of applicable MWPL or Rs. 300 crores, whichever is lower and within which stock futures position cannot exceed 10% of applicable MWPL or Rs. 150 crores, whichever is lower.
- b. For stocks having applicable MWPL less than Rs. 500 crores, the combined futures and options position limit would be 20% of applicable MWPL and futures position cannot exceed 20% of applicable MWPL or Rs. 50 crores whichever is lower.

v. Position limit for each scheme of a Mutual Fund

The scheme-wise position limit / disclosure requirements shall be:

- a. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a Mutual Fund shall not exceed the higher of 1% of the free float market capitalization (in terms of number of shares)
or
5% of the open interest in the derivative contract on a particular underlying stock (in terms of number of contracts).
- b. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
- c. For index based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

- 13 Pending deployment of the funds of the Scheme in securities in terms of the investment objective of the Scheme, the AMC may park the Funds of the Scheme in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007 as may be amended from time to time:

The Scheme will comply with the following guidelines/restrictions for parking of funds in short term deposits:

- i. "Short Term" for such parking of funds by the Scheme shall be treated as a period not exceeding 91 days. Such short-term deposits shall be held in the name of the Scheme.
- ii. The Scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustee.
- iii. Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
- iv. The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
- v. The Scheme shall not park funds in short term deposit of a bank which has invested in that Scheme.

However, the above provisions will not apply to term deposits placed as margins for trading in cash and derivatives market.

- 14 The Scheme shall not advance any loans.

- 15 The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of repurchase/redemption of Units or payment of interest and/or dividend to the Unit holders.

Provided that the Fund shall not borrow more than 20% of the net assets of the individual Scheme and the duration of the borrowing shall not exceed a period of 6 month The Scheme will comply with the other Regulations applicable to the investments of Mutual Funds from time to time.

16. Further, SEBI vide its circular no. Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010 has prescribed the following investment restrictions w.r.t. investment in derivatives:

1	The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the scheme. Cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure.								
2	The Scheme shall not write options or purchase instruments with embedded written options.								
3	The total exposure related to option premium paid shall not exceed 20% of the net assets of the scheme.								
4	<p>Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:</p> <ol style="list-style-type: none"> Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken. 								
5	Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.								
6	<p>Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:</p> <table border="1"> <thead> <tr> <th>Position</th><th>Exposure</th></tr> </thead> <tbody> <tr> <td>Long Future</td><td>Futures Price * Lot Size * Number of Contracts</td></tr> <tr> <td>Short Future</td><td>Futures Price * Lot Size * Number of Contracts</td></tr> <tr> <td>Option bought</td><td>Option Premium Paid * Lot Size * Number of Contracts.</td></tr> </tbody> </table>	Position	Exposure	Long Future	Futures Price * Lot Size * Number of Contracts	Short Future	Futures Price * Lot Size * Number of Contracts	Option bought	Option Premium Paid * Lot Size * Number of Contracts.
Position	Exposure								
Long Future	Futures Price * Lot Size * Number of Contracts								
Short Future	Futures Price * Lot Size * Number of Contracts								
Option bought	Option Premium Paid * Lot Size * Number of Contracts.								
7	The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases shall not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions shall not exceed 10% of the net assets of the scheme.								

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

Apart from the Investment Restrictions prescribed under the Regulations, internal risk parameters for limiting exposure to a particular scrip or sector may be prescribed from time to time to respond to the dynamic market conditions and market opportunities.

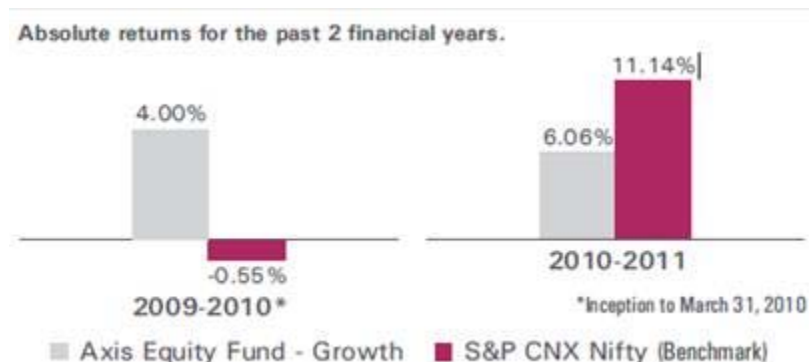
The AMC/Trustee may alter these above stated restrictions from time to time to the extent the Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its respective investment objective.

J. HOW HAS THE SCHEME PERFORMED?

Performance of the Scheme as at May 31, 2011 is as follows:

Period	Axis Equity Fund	S&P CNX Nifty
1 Year	4.26%	9.32%
Since Inception	5.44%	3.79%

Absolute returns for the last two financial years



Date of allotment – January 5, 2010

Past performance may or may not be sustained in future. Returns are absolute for period less than 1 year and compounded annualized for period more than or equal to 1 year. Since inception returns are calculated on Rs. 10 invested at inception. Calculations are based on Growth Option NAVs.

K. Investments by the AMC

Subject to the Regulations, the AMC may invest either directly or indirectly, in the Scheme during Ongoing Offer Period. However, the AMC shall not charge any investment management fee on such investment in the Scheme.

III. UNITS AND OFFER

This section provides details you need to know for investing in the Scheme.

A. NEW FUND OFFER (NFO)

<p>New Fund Offer Period</p> <p>This is the period during which a new scheme sells its Units to the investors.</p>	<p>The New Fund Offer opened on November 11, 2009 and closed on December 8, 2009. The units under the Scheme were allotted on January 5, 2010.</p>
<p>New Fund Offer Price:</p> <p>This is the price per Unit that the investors have to pay to invest during the NFO.</p>	<p>Not Applicable</p>
<p>Minimum Amount for Application /Switch in in the NFO</p>	<p>Not Applicable</p>
<p>Minimum Target amount</p> <p>This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return. However, if AMC fails to refund the amount within 6 weeks, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of six weeks from the date of closure of the subscription period.</p>	<p>Not Applicable</p>
<p>Maximum amount to be raised (if any)</p>	<p>Not Applicable</p>
<p>Plans / Options offered</p>	<p>Plans: Nil</p> <p>The Scheme offers the following options:</p> <p>a) Growth Option</p> <p>b) Dividend Option.</p> <ol style="list-style-type: none"> 1. Dividend Payout Facility 2. Dividend Reinvestment Facility <p>a) Growth Option</p> <p>Dividends will not be declared under this Option. The income attributable to Units under this Option will</p>

	<p>continue to remain invested in the Scheme and will be reflected in the Net Asset Value of Units under this Option.</p> <p>b) Dividend Option Under this Option, dividends will be declared at the discretion of the Trustee, subject to availability of distributable surplus calculated in accordance with SEBI (MF) Regulations. On payment of dividend, the NAV of the units under Dividend option will fall to the extent of the dividend payout and applicable statutory levies, if any.</p> <p>It must be distinctly understood that the actual declaration of dividend and frequency thereof is at the sole discretion of Board of Directors of the Trustee Company. There is no assurance or guarantee to the Unit holders as to the rate of dividend distribution nor that the dividend will be paid regularly.</p> <p><u>Dividend Payout Facility</u> Under this facility, dividend declared, if any, will be paid (subject to deduction of dividend distribution tax and statutory levy, if any) to those Unit holders, whose names appear in the register of Unit holders on the notified record date.</p> <p><u>Dividend Reinvestment Facility</u> Under this facility, the dividend due and payable to the Unit holders will be compulsorily and without any further act by the Unit holder, reinvested in the Dividend option at a price based on the prevailing ex-dividend Net Asset Value per Unit. The amount of dividend re-invested will be net of tax deducted at source, wherever applicable. The dividends so reinvested shall constitute a constructive payment of dividends to the Unit holders and a constructive receipt of the same amount from each Unit holder for reinvestment in Units.</p> <p>On reinvestment of dividends, the number of Units to the credit of Unit holder will increase to the extent of the dividend reinvested divided by the Applicable NAV. There shall, however, be no Load on the dividend so reinvested.</p> <p>Default Option The investor must clearly specify his choice of option/facility. In the absence of such clear instruction, it will be assumed that the investor has opted for 'default' option / facility and the application will be processed accordingly. The default option / facility are:</p>
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	<p>Default Option: Growth (between Growth and Dividend)</p> <p>Default Facility: Dividend Reinvestment facility (between Dividend Reinvestment and Dividend Payout facility)</p>
Dividend Policy	<p>Under the Dividend option, the Trustee will have the discretion to declare the dividend, subject to availability of distributable surplus calculated in accordance with the Regulations. The actual declaration of dividend and frequency will inter-alia, depend on availability of distributable surplus calculated in accordance with SEBI (MF) Regulations and the decisions of the Trustee shall be final in this regard. There is no assurance or guarantee to the Unit holders as to the rate of dividend nor that the dividend will be paid regularly.</p> <p>The AMC/Trustee reserves the right to change the frequency of declaration of dividend or may provide for additional frequency for declaration of dividend.</p> <p>Dividend Distribution Procedure</p> <p>In accordance with SEBI Circular no. SEBI/ IMD/ Cir No. 1/ 64057/06 dated April 4, 2006, the procedure for Dividend distribution would be as under:</p> <ol style="list-style-type: none"> 1. Quantum of dividend and the record date will be fixed by the Trustee. Dividend so decided shall be paid, subject to availability of distributable surplus. 2. Within one calendar day of decision by the Trustee, the AMC shall issue notice to the public communicating the decision about the dividend including the record date, 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. 3. Record date shall be the date, which will be considered for the purpose of determining the eligibility of investors whose names appear on the register of Unit holders for receiving dividends. The Record Date will be 5 calendar days from the date of issue of notice. 4. The notice will, in font size 10, bold, categorically state that pursuant to payment of dividend, the NAV of the Scheme would fall to the extent of payout and statutory levy (if applicable). 5. The NAV will be adjusted to the extent of dividend

	<p>distribution and statutory levy, if any, at the close of business hours on record date.</p> <p>6. Before the issue of such notice, no communication indicating the probable date of dividend declaration in any manner whatsoever will be issued by Mutual Fund.</p>
Allotment	Not Applicable
Refund	Not Applicable
<p>Who can invest</p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.</p>	<p>The following persons (subject to, wherever relevant, purchase of Units of mutual funds, being permitted under respective constitutions, and relevant statutory regulations) are eligible and may apply for Subscription to the Units of the Scheme:</p> <ol style="list-style-type: none"> 1. Resident adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis; 2. Hindu Undivided Family (HUF) through Karta; 3. Minor through parent / legal guardian; 4. Partnership Firms; 5. Proprietorship in the name of the sole proprietor; 6. Companies, Bodies Corporate, Public Sector Undertakings (PSUs.), Association of Persons (AOP) or Bodies of Individuals (BOI) and societies registered under the Societies Registration Act, 1860(so long as the purchase of Units is permitted under the respective constitutions); 7. Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions; 8. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as "Public Securities" as required) and Private trusts authorised to invest in mutual fund schemes under their trust deeds; 9. Non-Resident Indians (NRIs) / Persons of Indian origin (PIOs) residing abroad on repatriation basis or on non-repatriation basis; 10. Foreign Institutional Investors (FIIs) and their sub-accounts registered with SEBI on repatriation basis; 11. Army, Air Force, Navy and other para-military units and bodies created by such institutions;

	<p>12. Scientific and Industrial Research Organisations;</p> <p>13. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / RBI;</p> <p>14. Provident/ Pension/ Gratuity Fund to the extent they are permitted;</p> <p>15. Other schemes of Axis Mutual Fund or any other mutual fund subject to the conditions and limits prescribed by the Regulations;</p> <p>16. The Trustee, AMC or Sponsor or their associates may subscribe to Units under the Scheme;</p> <p>17. . Such other person as maybe decided by the AMC from time to time.</p>
Who cannot invest	<p>1. Any individual who is a foreign national or any other entity that is not an Indian resident under the Foreign Exchange Management Act, 1999 (FEMA Act) except where registered with SEBI as a FII or sub account of FII or otherwise explicitly permitted under FEMA Act/ by RBI/ by any other applicable authority.</p> <p>2. Pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) can not invest in Mutual Funds.</p> <p>3. NRIs residing in Non-Compliant Countries and Territories (NCCTs) as determined by the Financial Action Task Force (FATF), from time to time.</p> <p>4. Such other persons as may be specified by AMC from time to time.</p>
Where can you submit the filled up applications.	_Not Applicable
How to Apply	Please refer to the SAI and Application form for the instructions.
Listing	The Scheme is an open ended growth Scheme under which Sale and Repurchase will be made on a continuous basis and therefore listing on stock exchanges is not envisaged. However, the Trustee reserves the right to list the Units as and when open-end Schemes are permitted to be listed under the Regulations, and the Trustee considers it necessary in the interest of Unit holders of the Fund.
Special Products / facilities available during the NFO	Not Applicable
The policy regarding reissue of repurchased Units, including the maximum extent, the manner of	Units once redeemed will be extinguished and will not be reissued.

reissue, the entity (the scheme or the AMC) involved in the same.	
Restrictions, if any, on the right to freely retain or dispose of Units being offered.	<p>Pledge of Units</p> <p>The Unit under the Scheme (subject to completion of Lockin Period, if any) may be offered as security by way of a pledge / charge in favour of scheduled banks, financial institutions, non-banking finance companies (NBFCs), or any other body. The AMC and / or the ISC will note and record such Pledged Units. The AMC shall mark a lien only upon receiving the duly completed form and documents as it may require. Disbursement of such loans will be at the entire discretion of the bank / financial institution / NBFC or any other body concerned and the Mutual Fund assumes no responsibility thereof.</p> <p>The Pledger will not be able to redeem Units that are pledged until the entity to which the Units are pledged provides written authorisation to the Mutual Fund that the pledge / lien charge may be removed. As long as Units are pledged, the Pledgee will have complete authority to redeem such Units. Dividends declared on Units under lien will be paid / re-invested to the credit of the Unit Holder and not the lien holder unless specified otherwise in the lien letter.</p> <p>Lien on Units</p> <p>On an ongoing basis, when existing and new Investors make Subscriptions, a lien on Units allotted will be created and such unit shall not be available for redemption until the payment proceeds are realised by the Scheme. In case a unit holder redeems units soon after making purchases, the redemption cheque will not be dispatched until sufficient time has elapsed to provide reasonable assurance that cheques or drafts for Units purchased have been cleared.</p> <p>In case the cheque / draft is dishonoured by the bank, the transaction shall be reversed and the Units allotted earlier shall be cancelled, and a fresh Account Statement / Confirmation slip shall be dispatched to the Unit holder. For NRIs, the Scheme may mark a lien on Units in case documents which need to be submitted are not given in addition to the application form and before the submission of the redemption request. However, the AMC reserves the right to change operational guidelines for lien on Units from time to time.</p> <p>Right to Limit Redemptions</p>

	<p>The Trustee may, in the general interest of the Unit holders of the Scheme and when considered appropriate to do so based on unforeseen circumstances / unusual market conditions, limit the total number of Units which may be redeemed on any Business Day to 5% of the total number of Units then in issue under the Scheme and option(s) thereof or such other percentage as the Trustee may determine. Any Unit which consequently are not redeemed on a particular Business Day will be carried forward for Redemption to the next Business Day, in order of receipt. Redemptions so carried forward will be priced on the basis of the Applicable NAV (subject to the prevailing Load, if any) of the Business Day on which Redemption is made. Under such circumstances, to the extent multiple Redemption requests are received at the same time on a single Business Day, redemptions will be made on a prorata basis based on the size of each Redemption request, the balance amount being carried forward for Redemption to the next Business Day. In addition, the Trustee reserves the right, in its sole discretion, to limit redemptions with respect to any single account to an amount of Rs. 1,00,000/- in a single day.</p> <p>Also refer to the paragraph 'Suspension of Purchase and Redemption of Units' in the Statement of Additional Information.</p>
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B. ONGOING OFFER DETAILS

<p>Ongoing Offer Period</p> <p>This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period.</p>	<p>The Scheme has reopened for continuous subscription and redemption from January 7, 2010.</p>
<p>Ongoing price for subscription (purchase)/switch-in (from other schemes/plans of the mutual fund) by investors.</p> <p>This is the price you need to pay for purchase/switch-in.</p>	<p>At the Applicable NAV</p>
<p>Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors.</p> <p>This is the price you will receive for redemptions/switch outs.</p>	<p>At the Applicable NAV subject to prevailing Exit Load.</p> <p>Ongoing price for redemption /Switch out (to other Schemes/Plans of the Mutual Fund) is price which a Unit holder will receive for redemption/Switch-outs. During the continuous offer of the Scheme, the Unit holder can redeem the Units at Applicable NAV, subject to payment of Exit Load, if any. It will be calculated as follows:</p>

	<p>Redemption Price = Applicable NAV*(1-Exit Load, if any) Example: If the Applicable NAV is Rs. 10, Exit Load is 2% then redemption price will be: = Rs. 10* (1-0.02) = Rs. 9.80</p> <p>Investors/Unit holders should note that the AMC/Trustee has right to modify existing Load structure and to introduce Loads subject to a maximum limits prescribed under the Regulations.</p> <p>Any change in Load structure will be effective on prospective basis and will not affect the existing Unit holder in any manner.</p> <p>However, the Mutual Fund will ensure that the Redemption Price will not be lower than 93% of the Applicable NAV provided that the difference between the Redemption Price and the Subscription /Purchase Price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time, which is currently 7% calculated on the Subscription/ Purchase Price. The Purchase Price shall be at applicable NAV.</p>
<p>Cut off timing for subscriptions/ redemptions/ switches</p> <p>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p>Subscriptions/Purchases including Switch - ins: The following cut-off timings shall be observed by the Mutual Fund in respect of purchase of Units of the Scheme, and the following NAVs shall be applied for such purchase:</p> <ol style="list-style-type: none"> 1. where the application is received upto 3.00 pm with a local cheque or demand draft payable at par at the place where it is received – closing NAV of the day of receipt of application; 2. where the application is received after 3.00 pm with a local cheque or demand draft payable at par at the place where it is received – closing NAV of the next Business Day ; and 3. where the application is received with an outstation cheque or demand draft which is not payable on par at the place where it is received – closing NAV of day on which the cheque or demand draft is credited. <p>Redemptions including Switch - outs: The following cut-off timings shall be observed by the Mutual Fund in respect of Repurchase of Units:</p> <ol style="list-style-type: none"> 1. where the application received upto 3.00 pm – closing NAV of the day of receipt of application; and

	<p>2. an application received after 3.00 pm – closing NAV of the next Business Day.</p> <p>The above mentioned cut off timing shall be applicable to transactions through the online trading platform.</p> <p>The Date of Acceptance will be reckoned as per the date & time; the transaction is entered in stock exchange's infrastructure for which a system generated confirmation slip will be issued to the investor.</p>
Where can the applications for purchase/redemption switches be submitted?	Refer Back Cover Page
Minimum amount for purchase/redemption/switches	<p>Minimum amount for purchase/Switch in</p> <p>Rs. 5,000 in multiples of Re 1/- thereafter</p> <p>Minimum Additional Purchase Amount</p> <p>Rs.100 and in multiples of Re. 1/- thereafter</p> <p>Minimum Redemption Amount/Switch Out</p> <p>Minimum Redemption - Rs. 1000 or 100 Units in respect of each Option. In case the Investor specifies the number of Units and amount the number of units shall be considered for Redemption. In case the unit holder does not specify the number or amount, the request will not be processed.</p> <p>In case of Units held in dematerialized mode, the Unit Holder can give a request for Redemption only in number of Units. Request for subscriptions can be given only in amount. Depository participants of registered Depositories to process only redemption request of units held in demat form.</p>
Minimum balance to be maintained and consequences of non maintenance.	<p>Currently, there is no minimum balance requirement. However, the AMC / Trustee may decide to introduce minimum balance requirements later, if they so deem fit. In such case, in the event of non-maintenance of minimum balance for any particular situations, the Units may be compulsorily redeemed.</p> <p>In case balance in the account of the Unit holder does not cover the amount of Redemption request, then the Mutual Fund is authorized to redeem all the Units in the folio and send the Redemption proceeds to the Unit</p>

	holder.
Special Products available	<p>Systematic Investment Purchase(SIP)</p> <p>Unit holder can enroll for the SIP facility by submitting duly completed Enrolment Form at the Official Point(s) of Acceptance. An Investor shall have the option of choosing any date of the Month as his SIP date other than 29th, 30th or 31st of a month. Minimum amount per SIP installment is Rs 1,000 and in multiples of Re. 1 thereafter. Minimum number of installments under SIP is 36. If the SIP period is not specified by the unit holder then the SIP enrolment will be deemed to be for perpetuity and processed accordingly.</p> <p>SIP through post-dated cheques</p> <p>The date of the first cheque shall be the same as the date of the application while the remaining cheques shall be post dated cheques which shall be dated uniformly. Investors can invest in SIP by providing post-dated cheques to Official Point(s) of Acceptance. An Investor is eligible to issue only one cheque for each month in the same SIP enrolment form. All SIP cheques should be of the same amount and same date option. Cheques should be drawn in favour of the Fund and "A/c Payee only". A Letter will be forwarded to the Investor on successful registration of SIP. The Post Dated cheques will be presented on the dates mentioned on the cheque and subject to realization of the cheque.</p> <p>SIP through Electronic Clearing System (ECS)/Direct Debit</p> <p>Investors / Unit holders may also enroll for SIP facility through Electronic Clearing Service (Debit Clearing) of the RBI or for SIP Direct Debit Facility available with specified Banks / Branches. In order to enroll for SIP ECS Debit facility or Direct Debit Facility, an Investor must fill-up the Application Form for SIP ECS/ Direct Debit facility.</p> <p>In case of SIP with payment mode as ECS/Direct Debit/Standing Instructions, Investors shall be required to submit a cancelled cheque or a photocopy of a cheque of the bank account for which the ECS/debit mandate is provided with first installment through cheque. The Systematic Investment Plan facility will also be available through standing instructions/direct debit given by the investor (with all payment installments being made through standing instructions/direct debit). However, the SIP facility with direct debit will be available through selected distributors/Banks. The Asset Management Company reserves the right to add/modify/delete from the list of distributors/banks</p>

	<p>through whom such facility will be available to the investors.</p> <p>All SIP cheques/payment instructions should be of the same amount and same date(excluding first cheque). However, there should be a gap of 30 days between first SIP Installment and the second installment in case of SIP started during ongoing offer.</p> <p>Investors will have the right to discontinue the SIP facility at any time by sending a written request to any of the Official Point(s) of Acceptance. Notice of such discontinuance should be received at least 30 days prior to the due date of the next debit. On receipt of such request, the SIP facility will be terminated. It is clarified that if the Fund fails to get the proceeds from three Installments out of a continuous series of Installments submitted at the time of initiating a SIP (Subject to a minimum under SIP i.e. 36 months), the SIP is deemed as discontinued.</p> <p>Investors can avail of the SIP facility during the NFO period as well. However, in such a case the SIP must be through the ECS or Direct Debit. The first investment in SIP during the NFO shall be through a cheque only.</p> <p>Units will be allotted at the Applicable NAV of the respective dates on which the investments are sought to be made. In case the date falls on a Holiday or falls during a Book Closure period, the immediate next Business Day will be considered for this purpose</p> <p>An extension of an existing SIP will be treated as a new SIP on the date of such application, and all the above conditions need to be met with. The Load structure prevailing at the time of submission of the SIP application (whether fresh or extension) will apply for all the Installments indicated in such application.</p> <p>The installment after the NFO period should be dated after the date of declaration of first NAV. Any payments intended for the interim period will not be processed and will be treated void.</p> <p>The AMC has the authority to make available SIP by way of a salary savings scheme for a group of employees through an arrangement with their employers.</p> <p>For applicable Load on Purchases through SIP, please refer paragraph 'Load Structure' given in the document.</p> <p>The AMC reserves the right to change / modify Load</p>
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	<p>structure and other terms and conditions under the SIP prospectively at a future date. Please refer to the SIP Enrolment Form for terms & conditions before enrolment.</p> <p>Purchase/Redemption of units through Stock Exchange Infrastructure</p> <p>Investors can subscribe to the Units of Axis Mutual Fund through the mutual fund trading platforms of the Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE") – with NSDL and CDSL as depositories for such units of the mutual fund.</p> <p>NSE has introduced Mutual Fund Service System (MFSS) Platform and BSE has introduced BSE StAR MF Platform.</p> <p>The following are the salient features of the new facility introduced:</p> <ol style="list-style-type: none"> 1. The facility i.e. purchase/redemption/SIP (Systematic Investment Plan) is available for both existing and new investors. Switch Facility is not available. 2. The Investors will be eligible to purchase/redeem units of the scheme. 3. Maximum subscription: <p>The investors can purchase units of the above listed schemes by using NSE MFSS/ BSE StAR platform for transaction value less than Rs. 1 Crore.</p> 4. List of additional Official Point of Acceptance <p>The following shall be the additional Official Point of Acceptance of Transactions for the Scheme:</p> <p>All trading members of BSE & NSE who are registered with AMFI as Mutual Fund Advisors and also registered with BSE & NSE as Participants ("AMFI registered stock exchange brokers") will be eligible to offer this facility to investors and shall be treated as official point of acceptance.</p> <p>Units of mutual fund schemes shall be permitted to be transacted through clearing members of the registered Stock Exchanges.</p> <p>Clearing members and Depository participants will be considered as Official Points of Acceptance (OPA) of Axis Mutual Fund and conditions stipulated in SEBI Circular No. SEBI /IMD / CIR No.11/183204/2009 dated</p>
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	<p>November 13, 2009 for stock brokers viz. AMFI /NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund, shall be applicable for such Clearing members and Depository participants as well.</p> <p>5. The units of the Scheme are not listed on BSE & NSE and the same cannot be traded on the Stock Exchange. The window for purchase/redemption of units on BSE StAR & NSE MFSS will be available between 9 a.m. and 3 p.m. or such other timings as may be decided.</p> <p>6. Investors shall hold the units in dematerialized form only.</p> <p>7. Investors will be able to purchase/redeem units in the scheme in the following manner:</p> <p>(i) Investors shall receive redemption amount (if units are redeemed) and units (if units are purchased) through broker/ clearing member's pool account. Axis Asset Management Company Limited (the "AMC")/Axis Mutual Fund (the "Mutual Fund") shall pay proceeds to the broker/clearing member (in case of redemption) and broker/clearing member in turn to the respective investor and similarly units shall be credited by the AMC/ Mutual Fund into broker/clearing member's pool account (in case of purchase) and broker/clearing member in turn shall credit the units to the respective investor's demat account.</p> <p>(ii) Payment of redemption proceeds to the broker/clearing members by AMC/Mutual Fund shall discharge AMC/Mutual Fund of its obligation of payment to individual investor. Similarly, in case of purchase of units, crediting units into broker/clearing member pool account shall discharge AMC/Mutual Fund of its obligation to allot units to individual investor.</p> <p>8. Applications for purchase/redemption of units which are incomplete /invalid are liable to be rejected.</p> <p>9. For all the transactions done through these platforms, separate Folio. No. shall be allotted to the existing and the new investors. The bank a/c number, address, nomination details etc. shall be the same as per the Demat account of the investor. In case of non-financial requests/applications such as change of address, change of bank details, etc.</p>
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investors should approach the respective Depository Participant(s).

10. Investors will have to comply with Know Your Customer (KYC) norms as prescribed by BSE/NSE/CDSL/ NSDL and Axis Mutual Fund to participate in this facility.

11. Investors should get in touch with Investor Service Centres (ISCs) of Axis Mutual Fund for further details.

Systematic Withdrawal Plan (SWP)

Existing Unitholders have the benefit of availing the choice of SWP on pre-specified dates. The SWP allows the Unitholder to withdraw a specified sum of money each month/quarter from his investments in the Scheme.

The amount thus withdrawn by redemption will be converted into Units at Applicable NAV based prices and the number of Units so arrived at will be subtracted from the Units balance to the credit of that Unitholder.

Unitholders may start the facility/change the amount of withdrawals or the period of withdrawals by giving a 15 days written intimation/notice. The SWP may be terminated by a Unitholder by giving 15 days written intimation/notice and it will terminate automatically if all the Units are liquidated or withdrawn from the account or the holdings fall below the SWP installment amount.

There are two options available under SWP viz-Monthly option and quarterly option, the details of which are given below:

	Monthly Option	Quarterly Option
Minimum value of SWP	Rs. 1,000	
Additional amount in multiples of	Re.1	
Dates of SWP Installment	1/5/10/15/25*	
Minimum No of SWP	Six	Four

* In the event that such a day is a holiday, the withdrawals would be affected on the next business day.

Contingent Deferred Sales Charge (CDSC)/Exit Load, if any, is applicable to SWP.

The AMC reserves the right to accept SWP applications

	<p>of different amounts, dates and frequency.</p> <p>Unitholders can enroll themselves for the facility by submitting the duly completed Systematic Withdrawal enrolment Form at any of the Investor Service Centres(ISCs)/Official Points of Acceptance(OPAs). The AMC / Trustee reserve the right to change / modify the terms and conditions under the SWP prospectively at a future date.</p> <p>Switching Options</p> <p>(a) Inter - Scheme Switching option</p> <p>Unit holders under the Scheme have the option to Switch part or all of their Unit holdings in the Scheme to any other scheme offered by the Mutual Fund from time to time. The Mutual Fund also provides the Investors the flexibility to Switch their investments from any other scheme(s) / plan (s) offered by the Mutual Fund to this Scheme. This option will be useful to Unit holders who wish to alter the allocation of their investment among the scheme(s) / plan(s) of the Mutual Fund in order to meet their changed investment needs.</p> <p>The Switch will be effected by way of a Redemption of Units from the Scheme at Applicable NAV, subject to Exit Load, if any and reinvestment of the Redemption proceeds into another scheme offered by the Mutual Fund at Applicable NAV and accordingly the Switch must comply with the Redemption rules of switch out Scheme and the Subscription rules of the switch in scheme. However, no load will be charged for switches between equity schemes.</p> <p>(b) Intra -Scheme Switching option</p> <p>Unit holders under the Scheme have the option to Switch their Unit holdings from one option to another option (i.e. Growth to Dividend and vice-a-versa). The Switches would be done at the Applicable NAV based prices and the difference between the NAVs of the two options will be reflected in the number of Units allotted.</p> <p>Switching shall be subject to the applicable "Cut off time and Applicable NAV" stated elsewhere in the Scheme Information Document.</p> <p>In case of "Switch" transactions from one scheme to another, the allocation shall be in line with Redemption payouts.</p> <p>Transaction on Fax.</p>
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	<p>In order to facilitate quick processing of transaction and / or instruction of investment of Investor the AMC/ Trustee/ Mutual Fund may (at its sole discretion and without being obliged in any manner to do so and without being responsible and/ or liable in any manner whatsoever) accept and process any application, supporting documents and / or instructions submitted by an Investor / Unit holder by facsimile (Fax Submission) and the Investor / Unit holder voluntarily and with full knowledge takes and assumes any and all risk associated therewith. The AMC / Trustee/ Mutual Fund shall have no obligation to check or verify the authenticity or accuracy of Fax Submission purporting to have been sent by the Investor and may act thereon as if same has been duly given by the Investor. In all cases the Investor will have to immediately submit the original documents/ instruction to AMC/ Mutual Fund.</p> <p>Online Transactions</p> <p>Axis Mutual Fund will allow Transactions including by way of Lumpsum Purchase/ Redemption / Switch of Units by electronic mode through the AMC web -site. The Subscription proceeds, when invested through this mode, are by way of direct debits to the designated bank through payment gateway. The Redemption proceeds, (subject to deduction of tax at source, if any) through this mode, are directly credited to the bank account of the Investors who have an account at the designated banks with whom the AMC has made arrangements from time to time or through NEFT/RTGS or through cheque/Payorder/Demand draft issuance. The AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.</p> <p>Investment amount through this facility may be restricted by the AMC from time to time in line with prudent risk management requirements and to protect the overall interest of the Investors.</p> <p>For details of the facility, investors are requested to refer to the website of the AMC.</p> <p>Easy Call Facility</p> <p>All individual investors in the scheme applying on "Sole" or "Anyone or Survivor" basis in their own capacity shall be eligible to avail of Easy Call facilities for permitted transactions inter alia on the following terms and conditions: "Terms and Conditions" mean the terms and conditions set out below by which the Facility shall be</p>
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	<p>used/availed by the Investor/s and shall include all modifications and supplements made by AMC thereto from time to time.</p> <p>Axis Mutual Fund will allow transactions including by way of Lumpsum Purchase/ Redemption / Switch of Units over phone. Initial Investment has to be through the physical mode wherein he has to sign a one time debit mandate for bank accounts pertaining to designated banks with which the AMC may have an arrangement. This facility is extended to the bank with which the Fund would have an arrangement from time to time. Investment amount may be restricted by the AMC from time to time in line with prudent risk management requirements and to protect the overall interest of the Investors. Investor will be allowed transactions over phone after 30 days from the date of submission of one time mandate. Investor will not be permitted to avail the Easy call facility for Redemptions/Switch transactions if bank mandate is changed with in last 15 days. AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.</p> <p>The AMC has a right to ask such information (Key Information) from the available data of the Investor/s before allowing him access to avail the Facility. If for any reason, the AMC is not satisfied with the replies of the Investor/s, the AMC has at its sole discretion the right of refusing access without assigning any reasons to the Investor/s.</p> <p>It is clarified that the Facility is only with a view to accommodate /facilitate the Investor/s and offered at the sole discretion of the AMC. The AMC is not bound and/or obliged in any way to give access to Facility to Investor/s.</p> <p>The Investor/s shall check his/her account records carefully and promptly. If the Investor/s believes that there has been a mistake in any transaction using the Facility, or that unauthorized transaction has been effected, the Investor/s shall notify the AMC immediately. If the Investor/s defaults in intimating the discrepancies in the statement within a period of fifteen days of receipt of the statements, he waives all his rights to raise the same in favour of the AMC, unless the discrepancy /error is apparent on the face of it. By opting for the facility the Investor/s hereby irrevocably authorizes and instructs the AMC to act as his /her agent and to do all such acts as AMC may find necessary to provide the Facility.</p> <p>The Investor/s shall at all times be bound by any</p>
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	<p>modifications and/or variations made to these Terms and Conditions by the AMC at their sole discretion and without notice to them.</p> <p>The Investor/s agrees and confirms that the AMC has the right to ask the Investor/s for an oral or written confirmation of any transaction request using the Facility and/or any additional information regarding the Account of the Investor/s.</p> <p>The Investor/s agrees and confirms that the AMC may at its sole discretion suspend the Facility in whole or in part at any time without prior notice.</p> <p>The Investor/s shall not assign any right or interest or delegate any obligation arising herein.</p> <p>The Investor/s shall take responsibility for all the transactions conducted by using the Facility and will abide by the record of transactions generated by the AMC. Further, the Investor/s confirms that such records generated by the AMC shall be conclusive proof and binding for all purposes and may be used as evidence in any proceedings and unconditionally waives all objections in this behalf.</p> <p>The Investor/s agrees that use of the Facility will be deemed acceptance of the Terms and Conditions and the Investor/s will unequivocally be bound by these Terms and Conditions. The Investor agrees that all calls received shall be eligible for same day NAV subject to necessary formalities to be complied by the AMC in case of transaction through Easy Call Facility on or before the uniform cut off time.</p> <p>Requests like change in bank mandate, change of nomination, change in mode of holding, change of address or such other requests as the AMC may decide from time to time will not be permitted using the Easy Call facility.</p> <p>INDEMNITIES IN FAVOUR OF THE AMC: The Investor/s shall not hold the AMC liable for the following:</p> <ol style="list-style-type: none"> 1) For any transaction using the Facilities carried out in good faith by the AMC on instructions of the Investor/s. 2) For the unauthorized usage/unauthorized transactions conducted by using the Facility. 3) For any loss or damage incurred or suffered by the Investor/s due to any error, defect, failure or interruption in the provision of the Facility arising
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	<p>from or caused by any reason whatsoever.</p> <ol style="list-style-type: none"> 4) For any negligence / mistake or misconduct by the Investor/s. 5) For any breach or non-compliance by the Investor/s of the rules/terms and conditions stated in this Document. 6) For accepting instructions given by any one of the Investor/s in case of joint account/s having mode of operations as "Either or Survivor" or "anyone or survivor". 7) For not verifying the identity of the person giving the telephone instructions in the Investor/s name. 8) For not carrying out any such instructions where the AMC has reason to believe (which decision of the AMC the Investor/s shall not question or dispute) that the instructions given are not genuine or are otherwise improper, unclear, vague or raise a doubt. 9) For carrying out a transaction after such reasonable verification as the AMC may deem fit regarding the identity of the Investor/s 10) In case of error in NAV communication. 11) For accepting instructions given by any one of the Investor/s or his / her authorized person. <p>MISCELLANEOUS:</p> <ol style="list-style-type: none"> 1) The Investor/s agrees and understands that while this Facility is being introduced without any charges being levied; in case charges are to be levied on a future date he agrees to pay such charges and nonpayment in such an event can lead to termination of these services. 2) Any dispute arising out of or in connection with these Terms and Conditions, will be referred to the arbitration of a sole arbitrator to be appointed by the AMC, in accordance with the Arbitration & Conciliation Act, 1996. 3) These Terms and Conditions are subject to applicable SEBI (Mutual Funds) Regulations, 1996 as amended from time to time and includes Guidelines, Circular press release or Notification that may be issued. <p>Application via electronic mode:</p> <p>Subject to the Investor fulfilling certain terms and conditions stipulated by the AMC as under, Axis Asset Management Company Limited, Axis Mutual Fund or any other agent or representative of the AMC, Mutual Fund,</p>
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	<p>the Registrar & Transfer Agents may accept transactions through any electronic mode including fax/web/ electronic transactions as permitted by SEBI or other regulatory authorities :</p> <ol style="list-style-type: none"> a) The acceptance of the fax/web/electronic transactions will be solely at the risk of the transmitter of the fax/web/ electronic transactions and the Recipient shall not in any way be liable or responsible for any loss, damage caused to the transmitter directly or indirectly, as a result of the transmitter sending or purporting to send such transactions. b) The recipient will also not be liable in the case where the transaction sent or purported to be sent is not processed on account of the fact that it was not received by the Recipient. c) The transmitter's request to the Recipient to act on any fax/web/electronic transmission is for the transmitter's convenience and the Recipient is not obliged or bound to act on the same. d) The transmitter acknowledges that fax/web/electronic transactions is not a secure means of giving instructions/ transactions requests and that the transmitter is aware of the risks involved including those arising out of such transmission. e) The transmitter authorizes the recipient to accept and act on any fax/web/ electronic transmission which the recipient believes in good faith to be given by the transmitter and the recipient shall be entitled to treat any such fax/web/ electronic transaction as if the same was given to the recipient under the transmitter's original signature. f) The transmitter agrees that security procedures adopted by the recipient may include signature verification, telephone call backs which may be recorded by tape recording device and the transmitter consents to such recording and agrees to cooperate with the recipient to enable confirmation of such fax/web/ electronic transaction requests. g) The transmitter accepts that the fax/web/ electronic transactions, where applicable shall not be considered until time stamped as a valid transaction request in the Scheme in line with the
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	<p>Regulations.</p> <p>In consideration of the recipient from time to time accepting and at its sole discretion acting on any fax/web/electronic transaction request received / purporting to be received from the transmitter, the transmitter agrees to indemnify and keep indemnified the AMC, Directors, employees, agents, representatives of the AMC, Axis Mutual Fund and Trustee from and against all actions, claims, demands, liabilities, obligations, losses, damages, costs and expenses of whatever nature (whether actual or contingent) directly or indirectly suffered or incurred, sustained by or threatened against the indemnified parties whatsoever arising from or in connection with or any way relating to the indemnified parties in good faith accepting and acting on fax/web/ electronic transaction requests including relying upon such fax/ electronic transaction requests purporting to come from the Transmitter even though it may not come from the Transmitter.</p> <p>The AMC reserves the right to discontinue the facility at any point of time.</p>
Accounts Statements	<p>For normal transactions (other than SIP/SWP) during ongoing sales and repurchase:</p> <ul style="list-style-type: none"> • The Account Statement reflecting the new or additional subscription as well as redemption / switch of Units shall be dispatched to the Unit holder within 5 days from the date of receipt of request from the Unit holder. • 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." • For those Unit holders who have provided an e-mail address, the AMC will send the account statement by e-mail. • Unit holders will be required to download and print the documents after receiving e-mail from the Mutual Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties. • The Unit holder may request for a physical account

	<p>statement by writing/calling the AMC/ISC/Registrar.</p> <p>For SIP/SWP transactions;</p> <ul style="list-style-type: none"> • Account Statement for SIP/SWP will be despatched once every quarter ending March, June, September and December within 10 working days of the end of the respective quarter. • A soft copy of the Account Statement shall be mailed to the investors under SIP/SWP to their e-mail address on a monthly basis, if so mandated. • However, the first Account Statement under SIP/SWP shall be issued within 10 working days of the initial investment/transfer/withdrawal. • In case of specific request received from investors, Mutual Funds shall provide the account statement (SIP/SWP) to the investors within 5 working days from the receipt of such request without any charges. <p>Annual Account Statement:</p> <ul style="list-style-type: none"> • The Mutual Fund shall provide the Account Statement to the Unit holders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement, • The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme. <p>Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.</p> <p>For normal transactions as stated above, in the event the account has more than one registered holder, the first named Unit holder shall receive the account statements.</p> <p>The AMC shall issue Unit certificates within 5 business days from the date of receipt of request where the applicant so desires.</p>
Dividend	<p>The Dividend warrants/cheque/demand draft shall be dispatched to the Unit holders within 30 days of the date of declaration of the Dividend.</p> <p>The Dividend proceeds will be paid by way of ECS / EFT / NEFT / RTGS / Direct credits/ any other electronic manner if sufficient banking account details are available with Mutual Fund for Investor.</p>

	<p>In case of specific request for Dividend by warrants/cheques/demand drafts or unavailability of sufficient details with the Mutual Fund, the Dividend will be paid by warrant/cheques/demand drafts and payments will be made in favour of the Unit holder (registered holder of the Units or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Mutual Fund (please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI).</p>
Redemption	<p>How to Redeem</p> <p>A Transaction Slip can be used by the Unit Holder to request for Redemption. The requisite details should be entered in the Transaction Slip and submitted at an ISC/Official Point of Acceptance. Transaction Slips can be obtained from any of the ISCs/Official Points of Acceptance. Investor can also place redemption through Telephone using Easy Call facility or may redeem Online through the AMC's website subject to the terms and conditions as maybe stipulated from time to time.</p> <p>Procedure for payment of redemption.</p> <p>1. Resident Investors</p> <p>Redemption proceeds will be paid to the investor through Real Time Gross Settlement (RTGS), NEFT, Direct Credit, Cheque or Demand Draft.</p> <ul style="list-style-type: none"> a) If investor had provided IFSC code in the application form, by default redemption proceeds shall be to be credited to Investor's account through RTGS/NEFT. b) If Investor has neither provided RTGS code nor the NEFT code but have a bank account with Banks with whom the Fund would has an arrangement for Direct Credit from time to time, the proceeds will be paid through direct credit. c) Incase if investor bank account does not fall in the above a to b categories, redemption proceeds will be paid by cheques/demand drafts, marked "Account Payee only" and drawn in the name of the sole holder / first-named holder (as determined by the records of the Registrar). <p>The bank name and bank account number, as</p>

	<p>specified in the Registrar's records, will be mentioned in the cheque/demand draft. The cheque will be payable at par at all bank branch or specific cities. If the Unit Holder resides in any other city, he will be paid by a demand draft payable at the city of his residence and the demand draft charges shall be borne by the AMC (please refer SAI for details).</p> <p>The redemption proceeds will be sent by courier or (if the addressee city is not serviced by the courier) by registered post/UCP. The dispatch for the purpose of delivery through the courier / postal department, as the case may be, shall be treated as delivery to the investor. The AMC / Registrar are not responsible for any delayed delivery or non-delivery or any consequences thereof, if the dispatch has been made correctly as stated in this paragraph.</p> <p>The AMC reserves the right to change the sequence of payment from (a) to (c) without any prior notice</p> <p>For Unit holders who have given specific request for Cheque/Demand Draft Redemption proceeds will be paid by cheque/demand drafts and payments will be made in favour of the Unit holder with bank account number furnished to the Mutual Fund</p> <p>(Please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI). Redemption cheques will be sent to the Unit holder's address.</p> <p>The Mutual Fund will endeavor to dispatch the redemption proceeds within 10 Business Days from the date of Redemption. If the payment is not made within the period stipulated in the Regulations, the Unit Holder shall be paid interest @15% p.a. or as specified by SEBI for the delayed period and the interest shall be borne by the AMC.</p> <p>The Trustee, at its discretion at a later date, may choose to alter or add other modes of payment.</p> <p>2. Non-Resident Investors</p> <p>For NRIs, Redemption proceeds will be remitted depending upon the source of investment as follows:</p> <p>(i) Repatriation basis</p>
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	<p>When Units have been purchased through remittance in foreign exchange from abroad or by cheque / draft issued from proceeds of the Unit Holder's FCNR deposit or from funds held in the Unit Holder's Non Resident (External) account kept in India. The proceeds can also be sent to his Indian address for crediting to his NRE / FCNR / non-resident (Ordinary) account, if desired by the Unit Holder.</p> <p>(ii) Non-Repatriation basis</p> <p>When Units have been purchased from funds held in the Unit Holder's non-resident (Ordinary) account, the proceeds will be sent to the Unit Holder's Indian address for crediting to the Unit Holder's non-resident (Ordinary) account.</p> <p>For FII's, the designated branch of the authorized dealer may allow remittance of net sale / maturity proceeds (after payment of taxes) or credit the amount to the Foreign Currency account or Non-resident Rupee account of the FII maintained in accordance with the approval granted to it by the RBI. The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations, while converting the rupee amount in foreign exchange in the case of transactions with NRIs / FII's. The Fund may make other arrangements for effecting payment of redemption proceeds in future.</p> <p>Effect of Redemptions</p> <p>The number of Units held by the Unit Holder in his / her / its folio will stand reduced by the number of Units Redeemed. Units once redeemed will be extinguished and will not be re-issued.</p> <p>The normal processing time may not be applicable in situations where such details are not provided by investors/Unit holders. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques and/or any delay/loss in transit.</p> <p>Unclaimed Redemptions and Dividends</p> <p>As per circular no. MFD / CIR / 9 / 120 / 2000, dated November 24, 2000 issued by SEBI, the unclaimed Redemption and dividend amounts shall be deployed by the Fund in money market instruments only. The unclaimed Redemption and dividend amounts shall be deployed 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. The circular also specifies that</p>
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	<p>investors who claim these amounts during a period of three years from the due date shall be paid at the prevailing NAV. Thus, 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. In terms of the circular, the onus is on the AMC to make a continuous effort to remind investors through letters to take their unclaimed amounts. The details of such unclaimed amounts shall be disclosed in the annual report sent to the Unit Holders.</p> <p>AMC reserves the right to provide the facility of redeeming Units of the Scheme through an alternative mechanism including but not limited to online transactions on the Internet, as may be decided by the AMC from time to time. The alternative mechanism may also include electronic means of communication such as redeeming Units online through the AMC Website or any other website etc. The alternative mechanisms would be applicable to only those investors who opt for the same in writing and/or subject to investor fulfilling such conditions as AMC may specify from time to time.</p> <p>Signature mismatches If the AMC / Registrar finds a signature mismatch, while processing the redemption/ switch out request, then the AMC/ Registrar reserves the right to process the redemption only on the basis of supporting documents confirming the identity of the investors. List of such documents would be notified by AMC from time to time on its website.</p> <p>Important Note: All applicants for Purchase of Units /Redemption of Units must provide a bank name, bank account number, branch address, and account type in the Application Form.</p>
<p>Delay in payment of redemption / repurchase proceeds</p>	<p>The AMC shall be liable to pay interest to the Unit holders at 15% or such other rate as may be prescribed by SEBI from time to time, in case the Redemption / Repurchase proceeds are not made within 10 Business Days of the date of Redemption / Repurchase. However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC / Trustee is required to obtain from the Investor / Unit holders verification of identity or such other details relating to Subscription for Units under any applicable law or as may be requested by a Regulatory Agency or any government authority, which may result in delay in processing the application.</p>

C. PERIODIC DISCLOSURES

<p>Net Asset Value</p> <p>This is the value per Unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your Unit balance.</p>	<p>The AMC will calculate and disclose the NAV of the Scheme on all the Business Days. The NAV of the Scheme and purchase/Redemption price shall be published at least in two daily newspapers on daily basis in accordance with the Regulations. The AMC shall update the NAVs on the website of the AMC (www.axismf.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 9.00 p.m. on every Business Day. If the NAVs are not available before the commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.</p> <p>Information regarding NAV can be obtained by the Unit holders / Investors by calling or visiting the nearest ISC.</p>
<p>Half yearly Disclosures: Portfolio / Financial Results</p> <p>This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p>The Mutual Fund shall publish a complete statement of the Scheme portfolio and the unaudited financial results, within one month from the close of each half year (i.e. 31st March and 30th September), by way of an advertisement at least, in one National English daily and one regional newspaper in the language of the region where the head office of the Mutual Fund is located.</p> <p>The Mutual Fund may opt to send the portfolio to all Unit holders in lieu of the advertisement (if applicable).</p> <p>The Portfolio Statement will also be displayed on the website of the AMC and AMFI.</p>
<p>Half Yearly Results</p>	<p>The Mutual Fund and AMC shall before the expiry of one month from the close of each half year i.e. 31st March and on 30th September, publish its unaudited financial results in one national English daily newspaper and in a regional newspaper published in the language of the region where the Head Office of the Mutual Fund is situated.</p> <p>The unaudited financial results will also be displayed on the website of the AMC and AMFI.</p>
<p>Annual Report</p>	<p>The Scheme wise annual report or an abridged summary thereof shall be mailed (emailed, where e mail id is provided unless otherwise required) to all Unit holders not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year) and full annual report shall be available for inspection at the Head Office of the Mutual Fund and a copy shall be made available to the Unit holders on request on payment of nominal fees, if any. Scheme wise</p>

	annual report shall also be displayed on the website of the AMC (www.axismf.com) and Association of Mutual Funds in India (www.amfiindia.com).		
Associate Transactions	Please refer to Statement of Additional Information (SAI).		
Taxation The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.			
		Resident Investors	Mutual Fund
	Tax on Dividend	Nil	Nil
	Capital Gains: Long Term	Nil	Nil
	Short Term	15% (plus applicable surcharge and education cess)	Nil
	The scheme will attract securities transaction tax (STT) at 0.25% on the redemption value.		
	The Scheme being an equity oriented scheme, no additional tax under section 115R of the income tax, 1961 is payable on income distribution, if any, made by the scheme.		
	For further details on taxation please refer to the clause on Taxation in the SAI		
Investor services	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 " (toll-free number) or 4325 5100 (at local call rate for enquiring at AMC ISC's) or email – 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 st Floor, Bombay Dyeing Mill Compound, Pandurang Budhkar Marg, Worli,		

	<p>Mumbai – 400 025 Phone no.: 022 43254138/4123</p> <p>For any grievances with respect to transactions through BSE StAR and / or NSE MFSS, the investors / Unit Holders should approach either the stock broker or the investor grievance cell of the respective stock exchange.</p>
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D. COMPUTATION OF NAV

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

The Net Assets Value (NAV) of the Units under the Scheme shall be calculated as shown below:

$$\text{NAV (Rs.)} = \frac{\text{Market or Fair Value of Scheme + including Accrued Investments} + \text{Current Assets Income} - \text{Current Liabilities and Provisions}}{\text{No. of Units outstanding under Scheme on the Valuation Day}}$$

The NAV shall be calculated up to two decimal places. However the AMC reserves the right to declare the NAVs up to additional decimal places as it deems appropriate. Separate NAV will be calculated and disclosed for each Option. The NAVs of the Growth Option and the Dividend Option will be different after the declaration of the first Dividend.

The AMC will calculate and disclose the NAV of the Scheme on all the Business Days.

IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the scheme.

A. NEW FUND OFFER (NFO) EXPENSES

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

In accordance with the provisions of SEBI Circular no. SEBI/ IMD/CIR No. 1/64057/06 dated April 04, 2006 and SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009, the Scheme, being an open-ended scheme, the NFO expenses shall be borne by the AMC/Sponsor.

B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the Scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:

The AMC has estimated that up to 2.50% of the daily average net assets of the Scheme will be charged to the Scheme as expenses. For the actual current expenses being charged, the Investor should refer to the website of the AMC.

Particulars	% of Net Assets
Investment Management & Advisory Fee	1.25
Service tax on Investment Management & Advisory Fee	0.12
Custodial Fees	0.05
Registrar & Transfer Agent Fees including cost related to providing accounts statement, Dividend/Redemption cheques/warrants etc.	0.10
Marketing & Selling Expenses including Agents Commission and statutory advertisement	0.75
Brokerage & Transaction Cost pertaining to the distribution of units	-
Audit Fees / Fees and expenses of the Trustee	0.10
Costs related to Investor communications	0.08
Costs of fund transfer from location to location	-
Other Expenses*	0.05
Total Recurring Expenses	2.50

*Any other expenses which are directly attributable to the Scheme, maybe charged with the approval of the Trustee within the overall limits as specified in the Regulations except those expenses which are specifically prohibited.

These estimates have been made in good faith as per the information available to and estimates made by the Investment Manager and are subject to change inter-se or in total subject to prevailing Regulations. The AMC may incur actual expenses which may be more or less than those estimated above under any head and/or in total. Type of expenses charged shall be as per the Regulations.

The AMC will charge the Scheme such actual expenses incurred, subject to the statutory limit prescribed in the Regulations.

The recurring expenses of the Scheme (including the Investment Management and Advisory Fees) shall be as per the limits prescribed under the SEBI (MF) Regulations. These are as follows:

On the first Rs. 100 crores of the average weekly net assets - 2.50%

On the next Rs. 300 crores of the average weekly net assets - 2.25%

On the next Rs. 300 crores of the average weekly net assets – 2.00%

On the balance of the assets - 1.75%

The AMC may charge the Mutual Fund with investment and advisory fee as prescribed in the SEBI (MF) Regulations from time to time and as permitted by the Investment Management Agreement. Presently, the SEBI (MF) Regulations permit fees as follows:

- i) 1.25% of the weekly average net assets outstanding in each accounting year for the Scheme concerned as long as the net assets do not exceed Rs.100 crore, and
- ii) 1% of the excess amount over Rs.100 crore, where net assets so calculated exceed Rs.100 crore.

The total expenses of the Scheme(s) including the investment management and advisory fee shall not exceed the limit stated in Regulation 52(6) of the SEBI (MF) Regulations.

Any expenditure in excess of the SEBI regulatory limits shall be borne by the AMC or by the Trustee or the Sponsor.

The current expense ratios will be updated on the AMC website viz. www.axismf.com within two working days mentioning the effective date of the change.

C. LOAD STRUCTURE

Load is an amount which is presently paid by the Investor to redeem the Units from the Scheme. This amount is used by the AMC to pay commission to the distributors and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, Investors may refer to the website of the AMC (www.axismf.com) or may call at **1800 3000 3300** or you can contact your distributor.

SEBI vide its circular No. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes.

Type of Load	Load chargeable (as %age of NAV)
Entry Load	NA
Exit Load	1% if redeemed within 1 year from date of allotment.

Units issued on reinvestment of Dividends shall not be subject to Load.

The above mentioned load structure shall be equally applicable to the special products such as SIP, switches, etc. offered by the AMC. However, for switches between equity schemes, no load will be charged by the AMC. Further, for switches between the Growth and Dividend Option, no load will be charged by the scheme.

Of the Exit Load or CDSC charged to the Investor, a maximum of 1% of the Redemption proceeds can be maintained in a separate account which can be used by the AMC to pay commissions to the distributor and to take care of other marketing

and selling expenses. Any balance is to be credited to the Scheme immediately.

The Investor is requested to check the prevailing Load structure of the Scheme before investing.

For any change in Load structure AMC will issue an addendum and display it on the website/Investor Service Centres.

Under the Scheme, the AMC/Trustee reserves the right to change / modify the Load structure if it so deems fit in the interest of smooth and efficient functioning of the Mutual Fund. The AMC/Trustee reserves the right to introduce / modify the Load depending upon the circumstances prevailing at that time subject to maximum limits as prescribed under the Regulations.

The Redemption Price however, will not be lower than 93% of the NAV. Any imposition or enhancement of Load in future shall be applicable on prospective investments only. The difference between the Redemption price and Sale price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time which is presently 7% calculated on the Sale Price.

At the time of changing the Load Structure:

1. An Addendum detailing the changes will be attached to Scheme Information Document (s) and Key Information Memorandum. The addendum may be circulated to all the distributors / brokers so that the same can be attached to all Scheme Information Documents and Key Information Memoranda already in stock.
2. The addendum will be displayed on the website of the AMC and arrangements will be made to display the addendum in the form of a notice in all the Investor Service Centres and distributors / brokers' office.
3. The introduction of the Exit Load/ CDSC along with the details may be stamped in the acknowledgement slip issued to the Investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such Load/CDSC.
4. A public notice shall be given in respect of such changes 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.
5. Any other measure which the Mutual Fund may consider necessary.

Any change in Load structure shall be only on a prospective basis i.e. any such changes would be chargeable only for Redemptions from prospective purchases (applying first in first out basis).

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Not applicable

V. RIGHTS OF UNIT HOLDERS

Please refer to SAI for details.

VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

This section shall contain the details of penalties, pending litigation, and action taken by SEBI and other regulatory and Govt. Agencies.

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed.

Not Applicable

2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.

Reserve Bank of India has levied penalty of Rs. Fifteen lacs on Axis Bank Ltd. in April 2011 for inadequacies seen in adherence to guidelines on derivatives transactions. The penalty of Rs. Fifteen lacs has been paid by Axis Bank Ltd. on May 5, 2011 to Reserve Bank of India.

3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and rules and regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.

Nil

4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.

Nil

5. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustee/Trustee Company which SEBI has specifically advised to

be disclosed in the Scheme Information Document, or which has been notified by any other Regulatory Agency, shall be disclosed.

Nil

The Scheme under this Scheme Information Document was approved by the Trustee Company by passing a circular resolution on September 05, 2009. The Trustee has ensured that the Scheme is a new product offered by Axis Mutual Fund and is not a minor modification of its existing schemes.

Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

**for and on behalf of
Axis Asset Management Company Limited**

**Rajiv Anand
Managing Director &
Chief Executive Officer**

**Date: June 30, 2011
Place: Mumbai**

OFFICIAL POINTS OF ACCEPTANCE FOR ONGOING TRANSACTIONS

Ahmedabad Ground Floor, Shop No 4, Megha House, Opp. Kotak Bank, Mithakali Law Garden Road, Ellisbridge, Ahmedabad 380006 • **Bhopal** C/o Axis Securities & Sales Limited, Akansha Building, 1st Floor, Opposite Navbharat Press Complex, Zone -1, M. P. Nagar, Bhopal - 462 011 • **Bhubaneswar** C/o Axis Securities & Sales Limited, Axis Mutual Fund, Agrani Press, Mallick commercial complex 1st floor, Block BPN A/69, Khavela Nagar, Bhubaneswar-751001 • **Bangalore** Embassy Square, Building No. 148, Unit No 306, 3rd Floor, Infantry Road, Bangalore 560001 • **Chandigarh** 1st Floor, ScoNo 147-48, Sec 9c, Chandigarh 160017 • **Chennai** 5th Floor, Maalavika Center, 144 - 145 New No 60, Kodambakkam High Road, Nungambakkam, Chennai 600034 • **Kochi** C/o Axis Securities & Sales Limited, Door No 1053-B1, Rani Tower, 1st Floor, Chittoor Road, Ernakulam, Kochi 682018 • **Coimbatore** C/o Axis Securities & Sales Limited, Door No 1437, Red Rose Chambers, 2nd Floor, Trichy Road, Coimbatore 641018 • **Guwahati** C/o Axis Securities & Sales Limited, 3rd Floor, Sarojini Commercial Complex, Opposite Ayakar Bhavan, Christian Basti, G.S.Road, Guwahati 781005 • **Hyderabad** 2nd Floor, Nerella House, Panjagutta, Hyderabad 500082 • **Indore** C/o Axis Securities & Sales Limited, 201, 2nd Floor, Silver Sanchora Castle, 8/2 R.N.T. Marg, Indore 452 003, India • **Jaipur** 305, 3rd Floor, Ganpati Plaza, M I Road, Jaipur 302001 • **Jamshedpur** C/o Axis Securities & Sales Limited, Shatabdi Tower, 1 SNP Area, Sakchi, Jamshedpur 831001 • **Kanpur** 210, 2nd Floor, Kan Chambers, Civil Lines, Kanpur 208001 • **Kolkata** 3 - F, 3rd Floor, Shristi, 12 Hochiminh Sarani, Kolkata 700071 • **Lucknow** Unit No 5, 6 & 7, Halwasiya's Commerce House, 2nd Floor, Habibullah Estate, 11, M.G.Marg, Hazratganj, Lucknow 226001 • **Ludhiana** Axis Asset Management Co. Ltd., SCO - 28, First Floor, Feroz Gandhi Market, Ludhiana - 141001 • **Mumbai** Axis House, 1st Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025, India • **Mangalore** C/o Axis Securities & Sales Limited, Somayaji House, Door No 15-7-330/56, 5th Floor, Bunts Hostel Road, Mangalore 575003 • **Nagpur** C/o Axis Securities & Sales Limited, Sitarang Smriti, 2nd Floor, West High Court Road, Dharampeth, Nagpur 440010 • **Nasik** C/o Axis Securities & Sales Limited, Office No. 19/22, Gr. Floor, Suyojit Modern Point, Opposite Police Parade Ground, Sharanpur Road, Nasik 422002 • **New Delhi** 702-705, 7th Floor, Narain Manzil, Barakhamba Road, Connaught Place, New Delhi • **Panaji** C/o Axis Securities & Sales Limited, 103, 1st Floor, Unitech City Centre, M.G.Road, Panjim 403001 • **Patna** DG-11, Dumraon Place, Frazier Road, Patna - 800 001 • **Pune** 927, 204-205, 2nd Floor, Sanas Memories Apartment, Fergusson College Road, Shivaji Nagar, Pune 411004 • **Raipur** C/o Axis Securities & Sales Limited, Parthivi Pacific, Tatibandh, GE Road, Raipur 492 099. • **Rajkot** C/o Axis Securities & Sales Limited, 2nd Floor, Adjacent Kos Hospital, 150 Feet Ring Road, Opp. Amin Marg, Juction, Rajkot 360001 • **Surat** C/o Axis Securities & Sales Limited, Centre Point, 106/a, First Floor, Ring Road, Surat 395002 • **Trivandrum** C/o Axis Securities & Sales Limited, Haji M. Bava Sahib Commercial Complex, TC25/2890(12), Ambujavilasam Road, Trivandrum 695001 • **Vadodra** C/o Axis Securities & Sales Limited, Chitarakash Complex, 1st Floor, 19, Punit Nagar, Old Padra Road, Vadodra 390007.

KARVY COMPUTERSHARE PRIVATE LIMITED INVESTOR SERVICE CENTERS

Agartala Jagannath Bari Road, Bidur Kottar, Choumani, Agartala 799001 • **Agra** Deepak Wasan Plaza, Behind Holiday Inn, Opp Megdoot Furnitures, Sanjay Place, Agra 282002 (U.P.) • **Ahmedabad** 201, Shail Building, Opp Madhusudan House, Near Navrangpura Telephone Exchange, Navrangpura, Ahmedabad 380006 • **Ajmer** 1-2, II Floor, Ajmer Tower, Kutchary Road, Ajmer 305001 • **Akola** Shop No-30, Ground Floor, Yamuna Tarang Complex, N H No 06, Murtizapur Road, Akola 444004 • **Aligarh** 1st Floor, Kumar Plaza, Aligarh 202001 Uttar Pradesh • **Allahabad** RSA Towers, 2nd Floor, Above Sony TV Showroom, 57, S P Marg, Civil Lines, Allahabad 211001 • **Alleppy** 2nd Floor, JP Towers Near West of Zilla Court Bridge, Mullakkal Alleppy 688011 • **Alwar** 101, Saurabh Towers Road No # 2, Bhagat Singh Circle Alwar 301001 • **Amaravathi** Shop No 13 & 27, First Floor Gulshan Plaza, Raj Peth, Badnera Road, Amaravathi 444605 • **Ambala** 6349, Nicholson Road, Adjacent Kos Hospital, Ambala Cantt, Ambala 133001 • **Amritsar** 72-A, Taylor's Road, Aga Heritage Gandhi Ground, Amritsar 143001 • **Anand** F-6, Chitrangana Complex, Opp. Motikaka Chawl, V V Nagar, Anand 388001 • **Ananthapur** # 15-149, 1st Floor, S R Towers, Opp. Lalithakala Parishat Subash Road, Anantapur 515001 • **Angul** Durga Shankar Road, Main Road, Infront of AXIS Bank Angul 759122 • **Ankleshwar** Shop No. FF 4 & 5, Shree Narmada Arcade, Old N H No 8, Opp. HDFC Bank, Ankleshwar 393001 • **Asansol** Hotal Askok, 2nd Floor 18, G T Road, Asansol 713301 • **Aurangabad** Shop No 214/215 Tapadiya City Centre, Nirala Bazar, Aurangabad 431001 • **Azamgarh** Below Central Bank of India, Sadawarti Chowk, Azamgarh 276001 • **Balasore** M S Das Street, Gopalgaon, Balasore 756001 • **Bangalore** No 51/25, 1st Floor, Surya Building, Ratna Avenue, Richmond Road, Bangalore 560025 • **Bankura** Ambika Market, Natunganj Bankura 722101 • **Bareilly** 1st Floor, 165, Civil Lines, Opposite Hotel Bareilly Palace, Near Rly Station Road, Bareilly 243001 • **Barhampore** (WB) 180, Netaji Road, Komal Gandhar Apartment, PO Khagra, City Berhampore Dist. Murshidabad, Barhampore 742103 • **Baroda** Piccadilly, Office # 5, First Floor, Opp. Adani Super Market, Jetapur Road, Vadodra 390007 Gujarat • **Begusarai** Hotel Diamond Surbhi Complex, Near I.O.C Township Gate, Kapasiya Chowk, Begusarai 851117 • **Belgaum** FK-1, Ambedkar Road, Opp Civil Hospital Belgaum 590001 • **Bellary** No 1 KHB Colony, Gandhinagar, Bellary 583101 • **Behrampur** (OR) amlingam Tank Road, Berhampur, Orissa 760002 • **Betul** 107, Hotel Utkarsh, Awasthi Complex, J H College Road, Civil Lines, Beetul 460001 • **Bhagalpur** 2nd Floor, Chandralok Complex, Ghantaghar, Radha Rani Sinha Road, Bhagalpur 812001 • **Bharuch** Ground Floor, Office No 6, Aditya Complex, Opp. Kasak Temple, Bharuch 392001 • **Bhatinda** 2048, 1st Floor, Opp. Canara Bank, The Mall Road, Bhatinda 151001 • **Bhavnagar** Surabhi Mall 301, 3rd Floor, Waghawadi Road, Bhavnagar 364001 • **Bhilai** No 138, New Civic Centre, Bhilai 490006 Dist Durg, Chattishgarh • **Bhilwara** 27-28, 1st Floor, Hira Panna Complex, Pur Road, Bhilwara 311001 • **Bhopal** Kay Kay Busniss Centre, 133 Zone, I M P Nagar, Bhopal 462021 • **Bhubaneswar** Plot No 104/105(P), Jaydev Vihar, Besides Hotel Pal Heights, Bhubaneswar 751013, Orissa • **Bikaner** 2nd Floor, Plot No 70 & 71, Panchshati Circle, Sardul Gunj Scheme, Bikaner 334003 • **Bilaspur** Shop No 201/202, V R Plaza, Link Road, Bilaspur 495001 • **Borivali** Karvy Stock Broking Pvt Ltd Ground Floor, Himanshu Bldg, Sodawala Lane, Lina Chandawarkar Road, Borivali West. - 400091 • **Bokaro** B-1, 1st Floor, Near Sona Chandi Jewellers, City Centre, Sector 4, Bokaro Steel, City 827004 (Jharkhand) • **Burdwan** 63 G T Road, Birhata, Halder Complex, 1st Floor, Burdwan 713101 • **Calicut** Sowbhagya Shopping Complex, Areyadathupalam Mavoor Road, Calicut 673004 • **Chandigarh** Sco-371-372, First Floor, Above HDFC Bank, Sector 35B Chandigarh 160022 • **Chandrapur** Shop No 5, Office No 2, 1st Floor, Routs Raghuvanshi Complex, Beside Azad Garden, Main Road, Chandrapur 442402 • **Chennai** Flat No F11, First Floor, Akshya Plaza, (Erstwhile Harris Road), Opp Chief City Metropolitan Court, # 108, Adhithanar Salai, Egmore, Chennai 600002 • **Chinsura** JC Ghosh Sarani Near Bus Stand Chinsura 712101 • **Cochin** Room No 2, IIInd Floor, Jewel Arcade, (Above Oriental Insurance Ltd) Layam Road, Cochin 682011 • **Coimbatore** 29/1, 1st Floor, Chinthamani Nagar, Opp To Indian Overseas Bank, Nsr Road, Saibaba Colony, Coimbatore 641011 • **Coonoor** 76 Cammellia Terrace, Grays Hills, Coonoor 643101 • **Cuttack** Dargha Bazar, Opp Dargha Bazar Police Station, Buxibazar, Cuttack 753001 • **Deoria** 1st Floor, Shanti Niketan, Opp Zila Panchayat, Civil Lines Deoria 274001 • **Dalhousie** Karvy Stock Broking Pvt. Ltd., Mr.Baskar Malakar 033 - 22437863 - 69 / 90 / 89 19, R N Mukherjee Road, 2nd Floor, Dalhousie Kolkata - 700 001 • **Darbhanga** Ground Floor, Trade Point, Hassan Chowk, Lal Bagh, Darbanga 846004 • **Davangere** # 15/9, Sobagu Complex, 1st Floor, 2nd Main Road, P J Extension, Davangere 577002 Dehradun Kaulagarh Road, Near Sirmaur Marg, Above Reliance Webworld, Dehradun 248001 • **Dewas** 27 Rmo House, Station Road, Dewas 455001 • **Dhanbad** 208, New Market, 2nd Floor, Katras Road, Bank More, Dhanbad 826001 • **Dharwad** G7 & 8, Sri Banashankari Avenue Ramnagar, Opp Nttfb Road Dharwad 580001 • **Dhule** Ashoka Estate, Shop No 14/A, Upper Ground Floor, Sakri Road, Opp. Santoshi Mata Mandir, Dhulev 424002 • **Dindigul** No 9, Old No 4/B, New Aghraharam, Palani Road, Dindigul 624001 • **Durgapur** Old Dutta Automobiles Building 1st Floor, Nachan Road, Benachity, Durgapur 713213 • **Eluru** 23A-3-32, Gubbalavari Street, R R Pet, Eluru 534002 • **Erode** No 4, KMY Salai, Veerappan Traders Complex, Opp Erode Bus Stand, Sathy Road, Erode 638003 • **Faridabad** A-2B, 1st Floor, Nehru Ground, Neelam Bata Road, Nit, Faridabad 121001 • **Ferozpur** 2nd Floor, Malwal Road, Opp H M School, Ferozpur City 152002 • **Gandhidham** Office No 14, First Floor, Komal Complex, Plot No 305, Sector 12B, Nr Shivaji Park, Gandhidham 370201 • **Gandhinagar** 27, Suman Tower, Near Hotel Haveli, Sector No.11, Gandhinagar, Ahmedabad 382011 • **Gaya** 1st Floor, Lal Bhawan, Tower Chowk, Near Kiran Cinema, Gaya 823001 • **Ghaziabad** 1st Floor, C-7, Lohia Nagar, Ghaziabad 201001 • **Ghaziipur** Shubhra Hotel Complex, 2nd Floor, Mahaubagh, Ghaziipur 233001 • **Gonda** 1st Floor, Sri Krishna Talkies, Opp Dukhharan Nath Mandir, Station Road, Gonda 271003 • **Gondia** Shop No 9, Raj Laxmi Complex, aill Toly, Gondia 441614 • **Gorakhpur** Above V I P House Adjacent A D Girls Inter College, Bank Road, Gorakpur 273001 • **Gulbarga** No 23 Sri Giri Nilaya, Sharan Nagar, Tank Bund Road, Gulbarga 585103 • **Guntur** Door No 6-10-18, Sai House, 10 / 1, Arundelpet , Guntur 522002 • **Gurgaon** Shop No 18, Ground Floor, Sector 14, Opp AKD Tower, Near Huda Office, Gurgaon 122001 • **Guwahati** 54 Sagarika Bhawan R G Baruah Road, (AIDC Bus Stop) Guwahati 781024 • **Gwalior** Shindi Ki Chawani, Nadi Gate Pul, MLB Road, Gwalior 474001 • **Hajipur** Ramraja Complex, Kacheri Road, Near Canara Bank, Hajipur 844101 • **Haldwani** 4 Durga City Center, 1st Floor, Near MBPG College, Parao, Nainital Road, Haldwani 263139 Uttarakhand • **Haridwar** 8, Govind Puri, Opp LIC 2, Above Vijay Bank, Main Road, Ranipur More, Haridwar 249401 • **Hassan** St. Anthony's Complex, Ground Floor, H N Pura Road, Hassan 573201 • **Hazaribagh** C/o Hemlata Jain Kalibari Road, Hazaribagh 825301 • **Hissar** Sco 71, 1st Floor, Red Square Market, Hissar 125001 • **Hoshiarpur** 1st Floor, The Mall Tower, Opp Kapila Hospital, Sutheri Road, Near Maharaj Palace, Hoshiarpur 146001 • **Hubli** 8&9, Upper Ground Floor, C Block, Akshaya Park, Gokul Road Hubli 580030 • **Hyderabad** 8-2-596 Karvy Plaza, Avenue 4, Street No 1, Banjara Hills, Hyderabad 500034 • **Indore** LG 3, Bombay Trade Centre, Lower Ground Floor, Grand Hotel, Opp Bombay Hospital , Scheme No 54, Indore 452010 • **Jabalpur** 43, Naya Bazar, Opposite Shyam Talkies, Jabalpur (MP) 482001 • **Jaipur** S-16 A, 3rd Floor, Land Mark, Opposite Jaipur Club, Mahavir Marg, C- Scheme, Jaipur 302001 • **Jalandhar** Lower Ground Floor, Office No 3, Arora Prime Tower, Plot No 28, G T Road, Jalandhar 144004 • **Jalgaon** 148 Navi Peth, Opp Vijaya Bank Near, Bharat Dudhalay, Jalgaon 425001 • **Jalpaiguri** D B C Raod, Near Rupasree Cinema Hall, Beside Kalamandir, PO & Dist Jalapiguri 735101 • **Jammu** 29 D/C, Near Service Selection Commission Office, Gandhi Nagar, Jammu 180004 • **Jamnagar** 108 Madhav Plaza, Opp SBI Bank, Near Lal Bangalov, Jamnagar 361001 • **Jamshedpur** Kanchan Tower, 3rd Floor, Chhaganlal Dayalji @ Sons 3-S B Shop Area, (Near Traffic Signal) Main Road, Bistupur,

Jamshedpur 831001 • **Jaunpur** R N Complex, 1-1-9-G (In Front of Pathak Honda) Ummarpur Jaunpur 222002 • **Jhansi** 371/01, Narayan Plaza, Gwalior Road, Near Jeevan Shah Chauraha, Jhansi 284001 • **Jodhpur** 203, Modi Arcade, Chupasni Road, Jodhpur 342001 • **Jorhat** New Medical Store Complex, 3rd Floor, A T Road, Opp Chowk Bazar, Jorhat 785001 • **Junagadh** 124/125, Punit Shopping Center, Ranavat Chowk, Junagadh Gujarat 362001 • **Kanchipuram** New No 357, Old No 230 Gandhi Road, Next To IDBI Bank, Kanchipuram 631501 • **Kannur** 2nd Floor, Prabhat Complex, Fort Road, Kannur 689107 • **Kanpur** 15/46, Opp Muir Mills, Civil Lines, Kanpur 208001 • **Karaikudi** Gopi Arcade, 100 Feet Road, Karaikudi 630001 • **Karimnagar** H No 4-2-130/131, Above Union Bank, Jafri Road, Rajeev Chowk, Karimnagar 505001 • **Karnal** Sco 26, Kunjpura Road, Nehru Place, Karnal 132001 • **Karur** No6, Old No 1304 Thiru-Vi-Ka Road, Near G R Kalyan Mahal Karur 639001 • **Keonjhar** 2nd Floor, Maruti Arcade, Thanna Square, Keonjhar 758001 • **Kharagpur** Malancha Road, Beside UTI Bank, Kharagpur 721304 • **Kolhapur** 610 K Vardhaman Chambers, 2nd Lane, Shahupuri, Kolhapur 416001 • **Kolkata** 16 Jatin Bagchi Road, Kolkata 700029, (**Dalhousie**) 19, R N Mukherjee Road, 2nd Floor, Dalhousie, Kolkata 700 001 • **Kollam** Ground Floor, Vigneshwara Bhavan, Below Reliance Web World, Kadappakkada Kollam 691008 • **Kota** H No 29, First Floor, Near Lala Lajpat Rai Circle Shopping Centre, Kota, Rajasthan 324007 • **Kottayam** 1st Floor, CSI Ascension Church Complex, Kottayam 686001 • **Korba** 1st Floor, 35 Indira Complex, T P Nagar, Korba (CG) 495677 • **Krishnagar** 52 R N Tagore Road, High Street, Krishnagar, Nadia 741101 • **Kurnool** Shop No 43, 1st Floor S V Complex, Railway Station Road, Kurnool 518004 • **Lucknow** Usha Sadan, 24, Prem Nagar, Ashok Marg, Lucknow 226001 • **Ludhiana** SCO - 136, First Floor, Above Airtel Show Room, Feroze Gandhi Market, Ludhiana - 141 001. • **Malda** Sahistuli Under Ward No-6, English Bazar, Municipality, No-1 Govt Colony, Malda 732101 • **Madurai** Rakesh Towers, 30-C, Bye Pass Road, 1st Floor, Opp Nagappa Motors, Madurai 625010 • **Mangalore** Ground Floor, Mahendra Arcade, Kodial Bail, Mangalore 575003 • **Margao** 2nd Floor, Dalal Commercial Complex, Opp Hari Mandir, Pajifond, Margao-Goa 403601 • **Mathura** 3538-3540, Infront of BSA College, Gaushala Road, Mathura 281004 • **Meerut** 1st Floor, Medi Centre Complex, Opp ICICI Bank, Hapur Road, Meerut 250002 • **Mehsana** Ul-47, Appolo Enclave, Opp Simandhar Temple, Modhera Char Rasta Highway, Mehsana 384002 • **Mirzapur** Girja Sadan, Dankin Gunj Mirzapur 231001 • **Moga** Near Dharamshala Brat Ghar, Civil Line, Dutt Road, Moga 142001 • **Moradabad** Om Arcade, Parker Road, Above Syndicate Bank, Tari Khana Chowk, Moradabad 244001 • **Morena** Moti Palace, Near Ramjanki Mandir, Jiwaaji Ganj, Morena 476001 • **Mumbai - (Fort)** DAS Chambers, Ground Floor, Opp BSE & Next to Corporation Bank, Dalal Street, Fort, Mumbai 400023, (**Borivali**) Ground Floor, Himanshu Bldg, Sodawala Lane, Lina Chandawarkar Road, Borivali (West), Mumbai 400091, (**Thane**) First Floor, Jeevan Chaya Bldg, Near Adidas Show Room, Ram Maruti Road, Thane (West), Mumbai 400601 • **Muzaffarpur** 1st Floor, Uma Market, Near Thana Gumti, Motijheel, Muzaffarpur, Bihar 842001 • **Mysore** L-350, Silver Tower, Clock Tower, Ashoka Road, Mysore 570001 • **Nadiad** 105 GF City Point, Near Paras Cinema, Nadiad 387001 • **Nagarkoil** 3A, South Car Street, Parfan Complex, Nr The Laxmi Villas Bank, Nagarkoil 629001 • **Nagpur** 1st Floor, Sadoday Arcade, WHC Road, Above Top N Town, Dharampeth, Nagpur 440001 • **Namakkal** 105/2, Arun Towers, Paramathi Street, Namakkal 637 001 • **Nanded** Shop No 1,2,3 & 4, First Floor, Opp Bank of India, Santkrupa Market, Gurudwara Road, Nanded 431602 • **Nasik** S-12, Second Floor, Suyojit Sankul, Sharanpur Road, Nasik 422002 • **Navsari** 1st Floor, Chinmay Arcade, Opp Sattapir, Tower Road, Navsari 396445 • **New Delhi** 2E/23, Jhandewalan Extn. New Delhi 110055 • **Nellore** 16/112, Pogathota Nellore 524001 • **Nizamabad** H No 4-9-55, 1st Floor, Uppala Rameshwara Complex, Jawahar Road, Nizamabad 503001 • **Noida** 307 Jaipuria Plaza, D 68 A, 2nd Floor, Opp Delhi Public School, Sector 26, Noida 201301 • **Palghat** 12/310, (No.20 & 21), Metro Complex, Head Post Office Road, Sultanpet, Palghat 678001 • **Panipat** 1st Floor, Krishna Tower, Near HDFC Bank, Opp Railway Road, G T Road, Panipat 132103 • **Panjim** City Business Centre, Coelho Pereira Building, Room Nos 18,19 & 20 Dada Vaidya Road, Panjim 403001 • **Patiala** Sco 27 D, Chhoti Baradari Patiala 147001 • **Patna** 3A, 3rd Floor, Anand Tower, Beside Chankya Cinema Hall, Exhibition Road, Patna 800001 • **Pathankot** 1st Floor, 9A, Improvement Trust Building, Near HDFC Bank, Patel Chowk, Pathankot 145001 • **Pollachi** S S Complex, New Scheme Road, Pollachi 642002 • **Pondicherry** First Floor No.7, Thiayagaraja Street Pondicherry 605001 • **Porbandar** 3rd Floor, R D Complex, Opp Sahyog Hospital, M G Road, Porbandar 360575 • **Pudukottai** Sundaram Masilamani Towers, TS No 5476-5479, PM Road, Old Tirumayam Salai, Near Anna Statue, Jublie Arts, Pudukottai 622001 • **Pune** Srinath Plaza, C Wing, Office No 58 & 59, 3rd Floor, Dyaneshwar Paduka Chowk, Survy No 184/4, F C Road, Pune 411004 • **Puri** Ground Floor, VIP Road, Near PKDA Office, P S Puri, Puri 752001 • **Raipur** Room No TF 31, 3rd Floor, Millennium Plaza, Behind Indian Coffee House, G E Road, Raipur 492001 • **Rajahmundry** Dr No 6-1-4, First Floor, Rangachary Street, T Nagar, Rajahmundry 533101 • **Rajapalayam** Professional Couriers Building, 40/C (1), Hospital Road, Rajapalayam 626117 • **Rajkot** 104, Siddhi Vinayak Complex, Dr Yagnik Road, Opp Ramkrishna Ashram Rajkot 360001 • **Ranchi** Commerce Towers, 3rd Floor, Room No 307, Beside Mahabir Towers, Main Road, Ranchi 834001 • **Ratlam** 1Nagpal Bhavan, Freeganj Road, Tobatti, Ratlam 457001 • **Renukoot** Shop No 18, Near Complex Birla Market, Renukoot 231217 • **Rewa** 1st Floor, Angoori Building, Besides Allahabad Bank, TransUniversity Road, Civil Lines, Rewa 485001 • **Rohtak** 1st Floor, Ashoka Plaza, Delhi Road, Rohtak 124001 • **Roorkee** Shree Ashadeep Complex, 16 Civil Lines, Near Income Tax Office, Roorkee, Uttaranchal 247667 • **Rourkela** 1st Floor, Sandhu Complex, Kanchery Road, Udit Nagar, Rourkela 769012 • **Sagar** Above Poshak Garments, 5 Civil Lines, Opposite Income Tax Office, Sagar 470002 • **Saharanpur** 18 Mission Market, Court Road, Saharanpur 247001 Uttar Pradesh • **Salem** Old No 17, New No 49, Fort Main Road, First Floor, Shevapet, Salem 636002 • **Sambalpur** Quality Massion, 1st Floor, Above Bata Shoe, Shop/ Preeti Auto Combine, Nayapara, Sambalpur 768001 • **Satna** 1st Floor, K B Complex, Beside Bank of Maharashtra, Rewa Road, Satna 485001 • **Shaktinagar** 1st/A-375, V V Colony Dist Sonebhadra Shaktinagar 231222 • **Shivpuri** 1st Floor, M P R P Building, Near Bank of India, Shivpuri 473551 • **Shillong** Mani Bhawan, Thana Road, Lower Police Bazar, Shillong 739001 • **Shimla** Triveni Building, By Pas Chowk, Khallini, Shimla 171002 • **Shimoga** Uday Ravi Complex, LLR Road, Durgi Gudi, Shimoga 577201 • **Sikar** 1st Floor, Super Towers Behind Ram Mandir, Station Road, Sikar 332001 • **Silchar** 1st Floor, Chowchakra Complex, N N Dutta Road, Premtala Silchar 788001 • **Siliguri** Nanak Complex, Near Church Road, Sevoke Road, Siliguri 734001 • **Sitapur** 12/12-A Surya Complex, Arya Nagar, Opp Mal Godam, Sitapur 261001 • **Sivakasi** 363, Thiruthangal Road, Opp TNEB, Sivakasi 626123 • **Solan** Sahni Bhawan, Adjacent Anand Cinema Complex, The Mall Solan 173212, • **Solapur** Siddeshwar Securities, No 6, Vaman Road, Vijaypur Road, Vaman Nagar, Solapur 413004 • **Surat** G-6 Empire State Building, Near Parag House, Udhna Darwaja, Ring Road, Surat 395002 • **Sonepat** 205 R Model Town, Above Central Bank of India, Sonepat • **Sri Ganganagar** 35-E-Block, Opp Sheetla Mata Vatika, Sri Ganga Nagar 335001 • **Srikakulam** 4-1-28/1, Venkateshwara Colony Day & Night Junction, Srikakulam 532001 • **Sultanpur** Rama Shankar Complex, Civil Lines, Faizabad Road, Sultanpur 228001 • **Thanjavur** Nalliah Complex, No 70, Srinivasam Pillai Road, Thanjavur 613001 Thane Karvy Stock Broking Pvt Ltd First Floor, Jeevan Chaya Bldg, Near Adidas Show Room, Ram Maruti Road, Thana West - 400601 • **Theni Ramesh Murugan Complex, Near Sriram Theatre, Subban Chetty Street, Theni 625531 • Tezpur 1st Floor, Mayur Bhawan, Binraj Road, Tezpur 784001 • Thodupuzha First Floor, Pulimoottil Pioneer Pala Road, Thodupuzha 685584 • Tirunelveli Jeney Building, 55/18, S N Road, Near Arvind Eye Hospital, Tirunelveli 627001 • Tirupur First Floor, 224 A, Selvakumar Departmental Stores, 1st Floor, Kamaraj Road, Opp To Cotton Market Complex, Tirupur 641604 • Tirupathi #330, Tilak Road, Near Four Pillar Mandapam, Tirupati 517501 • Tiruvalla 2nd Floor, Erinjery Complex, Near Kotak Securites, Ramanchira Tiruvalla 689107 • Trichur 2nd Floor, Brother's Complex, Near Dhana Laxmi Bank Head Office, Naikkannal Junction, Trichur 680001 • Trichy Sri Krishna Arcade, 1st Floor, 60 Thennur High Road, Trichy 620017 • Trivandrum 2nd Floor, Akshaya Towers, Above Jetairways, Sasthamangalam, Trivandrum 695010 • Tuticorin 4 B, A34, A37, Mangalmal, Mani Nagar, Opp Rajaji Park, Palayamkottai Road, Tuticorin 628003 • Udaipur 201-202, Madhav Chambers, Opp G P O Chetak Circle, Madhuban, Udaipur 313001 • Ujjain 101, Aastha Tower, 13/1, Dhanwantri Marg, Free Gunj Ujjain 456010 • Valsad Shop No 2, Phiroza Corner, Opp Next Showroom, Titthal Road, Valsad 396001 • Vapi Shop No 5, Phikhaji Residency, Opp DCB Bank, Vapi Silvassa Road, Vapi 396195 • Varanasi D-64/132, KA 1st Floor, Anant Complex, Sigra, Varanasi 221010 • Vellore No 1, M N R Arcade, Officer's Line, Krishna Nagar, Vellore 632001 • Vijayawada 39-10-7 Opp Municipal Water Tank, Labbipet, Vijayawada 520010 • Visakhapatnam 47-14-5/1 Eswar Paradise, Dwaraka Nagar, Main Road, Visakhapatnam 530016 • Vijayanagaram Soubhagya, 19-6-13/1, IInd Floor, Near SBI Fort Branch, Vizianagaram 535002 • Warangal 5-6-95, 1st Floor, Opp, B.Ed Collage, Lashkar Bazar, Chandra Complex, Hanmakonda, Warangal 500601 • Yamuna Nagar Jagdhari Road, Above UCO Bank, Near D AV Grils College, Yamuna Nagar 135 001.**

Axis Asset Management Company Limited (Investment Manager to Axis Mutual Fund)

Axis House, 1st Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025, India.

Tel 91 22 4325 5161 Fax 91 22 4325 5199 www.axismf.com

SCHEME INFORMATION DOCUMENT**AXIS TAX SAVER FUND****An Open-ended equity-linked savings Scheme**

Continuous offer for Units at NAV based prices

Name of Mutual Fund : Axis Mutual Fund
Name of Asset Management Company : Axis Asset Management Company Limited
Name of Trustee Company : Axis Mutual Fund Trustee Limited
Addresses, Website of the entities : Axis House, 1st Floor, Bombay Dyeing Mill Compound,
Pandurang Budhkar Marg, Worli, Mumbai – 400 025
www.axismf.com

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations or the Regulations) as amended till date and Equity Linked Savings Scheme, 2005 (issued by the Department of Economic Affairs, Ministry of Finance, Government of India vide Notification No 226/2005 dated November 3, 2005 and amended vide notification dated December 13, 2005), and filed with SEBI, along with a Due Diligence Certificate from the Asset Management Company (AMC). The units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

As per the Equity Linked Savings Scheme, 2005 the investments under the Scheme shall be locked in for a period of three years from the date of allotment of respective units.

The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Axis Mutual Fund, Tax and Legal issues and general information on www.axismf.com.

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

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated June 30, 2011

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HIGHLIGHTS/SUMMARY OF THE SCHEME

Investment objective

The investment objective of the Scheme is to generate income and long-term capital appreciation from a diversified portfolio of predominantly equity and equity-related Securities. However, there can be no assurance that the investment objective of the Scheme will be achieved.

Liquidity

The Scheme will offer Units for Purchase at NAV-related prices on every Business Day on an ongoing basis. Redemption of Units including units issued under dividend reinvestment option can be made only after a period of three years (lock-in period) from the date of allotment of Units proposed to be redeemed. The first repurchase price will be published/declared only after 1 year from the date of first allotment under the Scheme and thereafter on every business day. Under normal circumstances the AMC shall dispatch the redemption proceeds within 10 business days from date of receipt of request from the Unit holder.

Benchmark

BSE-200 Index

Transparency/NAV Disclosure

The AMC will calculate and disclose the NAVs on all Business Days. The NAV of the Scheme shall be published at least in two daily newspapers. The AMC shall update the NAVs on its website (www.axismf.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 9.00 p.m. on every Business Day. If the NAVs are not available before the commencement of business hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.

The AMC will disclose the portfolio of the Scheme within one month from the close of each half year (i.e. 31st March and 30th September) either by sending a complete statement to all the Unit holders or by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The portfolio statement will also be displayed on the website of the AMC and AMFI.

The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year.

Loads

Entry Load: Not Applicable

Exit Load: Nil

SEBI vide its circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder (AMFI registered

Distributor) directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

For more details on Load Structure, refer to the paragraph 'Load Structure'.

Minimum Application Amount and Additional Application Amount

Rs. 500 and in multiples of Rs. 500

Minimum additional application amount is Rs. 500 per application and in multiples of Rs 500) thereafter. Where Purchase of Units is through SIP, the minimum instalment amount is Rs. 500 and in multiples of Rs. 500.

Lock-in period

Redemption of Units can be made only after a period of three years (lock-in period) from the date of allotment of Units proposed to be redeemed as prescribed in the ELSS.

The Trustee reserves the right to change the lock-in period prospectively from time to time, in the event of amendment(s) to the ELSS with respect to the lock-in period.

I. INTRODUCTION

A. RISK FACTORS

Standard Risk Factors:

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the scheme invests fluctuates, the value of your investment in the scheme may go up or down.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the scheme.
- Axis Tax Saver Fund is only the name of the scheme and does not in any manner indicate either the quality of the scheme or its future prospects and returns.
- The sponsor is not responsible or liable for any loss resulting from the operation of the scheme beyond the initial contribution of Rs. 1 lac made by it towards setting up the Fund.
- The present scheme is not a guaranteed or assured return *scheme*.

Scheme Specific Risk Factors

By virtue of requirements under the ELSS, Units issued under Axis Tax Saver Fund including the units issued under dividend reinvestment option will not be redeemed until the expiry of 3 (three) years from the date of their allotment. The ability of an investor to realise returns on investments in Axis Tax Saver Fund is consequently restricted for the first three years. Redemption will be made prior to the expiry of the aforesaid 3 (three) years period only in the event of the death of a Unit Holder, subject to the Units having been held for a period of 1 (one) year from the date of their allotment.

Risks associated with investing in equities

- Equity and equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. Settlement periods may be extended

significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme portfolio would result at times, in potential losses to the Scheme, should there be a subsequent decline in the value of securities held in the Scheme portfolio. Also, the value of the Scheme investments may be affected by interest rates, currency exchange rates, changes in law/policies of the government, taxation laws and political, economic or other developments which may have an adverse bearing on individual Securities, a specific sector or all sectors.

- Investments in equity and equity related securities involve a degree of risk and investors should not invest in the equity Schemes unless they can afford to take the risk of losing their investment.
- Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed on the exchanges or offer other exit options to the investors, including put options. The AMC may choose to invest in unlisted securities that offer attractive yields within the regulatory limit. This may however increase the risk of the portfolio. Additionally, the liquidity and valuation of the Scheme investments due to its holdings of unlisted securities may be affected if they have to be sold prior to the target date of disinvestment.

Risks associated with investment in Fixed Income Securities

Interest-Rate Risk: Fixed income securities such as government bonds, corporate bonds, and money market instruments and derivatives run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices depends upon the coupon and maturity of the security. It also depends upon the yield level at which the security is being traded.

Re-investment Risk: Investments in fixed income securities carry re-investment risk as interest rates prevailing on the coupon payment or maturity dates may differ from the original coupon of the bond.

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

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

Liquidity Risk: The liquidity of a bond may change, depending on market conditions leading to changes in the liquidity premium attached to the price of the bond. At the time of selling the security, the security can become illiquid, leading to loss in value of the portfolio.

Credit Risk: This is the risk associated with the issuer of a debenture/bond or a money market instrument defaulting on coupon payments or in paying back the principal

amount on maturity. Even when there is no default, the price of a security may change with expected changes in the credit rating of the issuer. It is to be noted here that a Government Security is a sovereign security and is the safest. Corporate bonds carry a higher amount of credit risk than Government securities. Within corporate bonds also there are different levels of safety and a bond rated higher by a particular rating agency is safer than a bond rated lower by the same rating agency.

Liquidity Risk on account of unlisted securities: The liquidity and valuation of the Scheme investments due to their holdings of unlisted securities may be affected if they have to be sold prior to their target date of divestment. The unlisted security can go down in value before the divestment date and selling of these securities before the divestment date can lead to losses in the portfolio.

Settlement Risk: Fixed income securities run the risk of settlement which can adversely affect the ability of the fund house to swiftly execute trading strategies which can lead to adverse movements in NAV.

Risk Associated with Securitized Debt

The Scheme may invest in domestic securitized debt such as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are securitized debts where the underlying assets are receivables arising from various loans including automobile loans, personal loans, loans against consumer durables, etc. MBS are securitized debts where the underlying assets are receivables arising from loans backed by mortgage of residential / commercial properties.

At present in Indian market, following types of loans are securitized:

1. Auto Loans (cars / commercial vehicles /two wheelers)
2. Residential Mortgages or Housing Loans
3. Consumer Durable Loans
4. Personal Loans
5. Corporate Loans

In terms of specific risks attached to securitization, each asset class would have different underlying risks. Residential Mortgages generally have lower default rates than other asset classes, but repossession becomes difficult. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Asset classes like personal loans, credit card receivables are unsecured and in an economic downturn may witness higher default. A corporate loan/receivable, depend upon the nature of the underlying security for the loan or the nature of the receivable and the risks correspondingly fluctuate.

The rating agencies define margins, over collateralisation and guarantees to bring risk in line with similar AAA rated securities. The factors typically analyzed for any pool are as follows:

a. Assets securitized and Size of the loan: This indicates the kind of assets financed with the loan and the average ticket size of the loan. A very low ticket size might mean more costs in originating and servicing of the assets.

b. Diversification: Diversification across geographical boundaries and ticket sizes might result in lower delinquency

c. Loan to Value Ratio: Indicates how much % value of the asset is financed by

borrower's own equity. The lower this value the better it is. This suggests that where the borrowers own contribution of the asset cost is high; the chances of default are lower.

d. Average seasoning of the pool: This indicates whether borrowers have already displayed repayment discipline. The higher the number, the more superior it is. The other main risks pertaining to Securitised debt are as follows:

Prepayment Risk: This arises when the borrower pays off the loan sooner than expected. When interest rates decline, borrowers tend to pay off high interest loans with money borrowed at a lower interest rate, which shortens the average maturity of ABSs. However, there is some prepayment risk even if interest rates rise, such as when an owner pays off a mortgage when the house is sold or an auto loan is paid off when the car is sold.

Reinvestment Risk: Since prepayment risk increases when interest rates decline, this also introduces reinvestment risk, which is the risk that the principal can only be reinvested at a lower rate.

Risks associated with investments in derivatives

The Mutual Fund may enter into derivatives transactions subject to Regulations and the ELSS Rules. The Scheme shall invest in Derivatives only when permitted under the ELSS Rules.

- Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Trading in derivatives carries a high degree of risk although they are traded at a relatively small amount of margin which provides the possibility of great profit or loss in comparison with the principal investment amount. Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme.
- The derivatives market in India is nascent and does not have the volumes that may be seen in other developed markets, which may result in volatility to the values.
- Investment in derivatives also requires the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme.
- The Scheme may face execution risk, whereby the rates seen on the screen may not be the rate at which the ultimate execution of the derivative transaction takes place.
- The Scheme may find it difficult or impossible to execute derivative transactions in certain circumstances. For example, when there are insufficient bids or suspension of trading due to price limit or circuit breakers, the Scheme may face a liquidity issue.

- The options buyer's risk is limited to the premium paid, while the risk of an options writer is unlimited. However the gains of an options writer are limited to the premiums earned.
- The exchange may impose restrictions on exercise of options and may also restrict the exercise of options at certain times in specified circumstances and this could impact the value of the portfolio.
- The writer of a put option bears the risk of loss if the value of the underlying asset declines below the exercise price. The writer of a call option bears a risk of loss if the value of the underlying asset increases above the exercise price.
- Investments in index futures face the same risk as the investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks.
- The Scheme bears a risk that it may not be able to correctly forecast future market trends or the value of assets, indices or other financial or economic factors in establishing derivative positions for the Scheme.
- The risk of loss in trading futures contracts can be substantial, because of the low margin deposits required, the extremely high degree of leverage involved in futures pricing and the potential high volatility of the futures markets.
- There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. The counter party may default on a transaction before settlement and therefore, the Scheme is compelled to negotiate with another counterparty at the then prevailing (possibly unfavourable) market price.
- Derivatives also carry a market liquidity risk where the derivatives cannot be sold (unwound) at prices that reflect the underlying assets, rates and indices.
- Where derivatives are used for hedging, such use may involve a basis risk where the instrument used as a hedge does not match the movement in the instrument/underlying asset being hedged. The risk may be inter-related also e.g. interest rate movements can affect equity prices, which could influence specific issuer/industry assets.
- Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor.
- Execution of investment strategies depends upon the ability of the fund manager(s) to identify such opportunities which may not be available at all times. Identification and execution of the strategies to be pursued by the fund manager(s) involve uncertainty and decision of fund manager(s) may not always be profitable. No assurance can be given that the fund manager(s) will be able to identify or execute such strategies.

- The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

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

In respect of transaction in Units of the Scheme through BSE and / or NSE, allotment and redemption of Units on any Business Day will depend upon the order processing / settlement by BSE and / or NSE and their respective clearing corporations on which the Fund has no control.

Risks associated with investing in foreign securities/overseas investments/offshore securities

Subject to rules in this behalf including ELSS Rules, and subject to relevant regulatory approvals, the Scheme may also invest in permitted foreign securities. The Scheme shall invest in Foreign Securities only when permitted under the ELSS Rules.

- Subject to necessary approvals and within the investment objectives of the Scheme, the Scheme may invest in overseas markets which carry risks related to fluctuations in the foreign exchange rates, the nature of the securities market of the country, repatriation of capital due to exchange controls and political circumstances.
- Since the Scheme would invest only partially in foreign securities, there may not be readily available and widely accepted benchmarks to measure performance of such Scheme. To manage risks associated with foreign currency and interest [rate exposure, the Fund may use derivatives for efficient portfolio management and hedging and portfolio rebalancing and in accordance with conditions as may be stipulated under the Regulations and by RBI from time to time.
- Investment in Foreign Securities involves a currency risk. To the extent that the assets of the Scheme will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.

Risks associated with Securities lending

The securities forming assets of the Scheme may be lent only if permitted under and in line with the prevailing securities lending and borrowing mechanism and ELSS Rules.

The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of another party, to comply with the terms of agreement entered into between the lenders of securities i.e. any scheme and the approved intermediary/counterparty. Such failure to comply can result in the possible loss of rights in the collateral put up by the borrower of the securities, the inability of the approved intermediary/counterparty to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary. The Fund may not be able to sell such lent securities and this can lead to temporary illiquidity.

Risks associated with Short Selling

The Scheme may enter into short selling transactions, subject to SEBI and RBI Regulations and as and when permitted under the ELSS Guidelines. Short positions carry the risk of losing money and these losses may grow unlimited theoretically if the price of the stock increases without any limit. This may result in major loss to the Scheme. At times, the participants may not be able to cover their short positions, if the price increases substantially. If numbers of short sellers try to cover their position simultaneously, it may lead to disorderly trading in the stock and thereby can briskly escalate the price even further making it difficult or impossible to liquidate short position quickly at reasonable prices. In addition, short selling also carries the risk of inability to borrow the security by the participants thereby requiring the participants to purchase the securities sold short to cover the position even at unreasonable prices.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme/Plan shall have a minimum of 20 Investors and no single Investor shall account for more than 25% of the corpus of the Scheme/Plan(s). The aforesaid conditions should be complied with in each calendar quarter on an average basis. In case the Scheme / Plan(s) does not have a minimum of 20 Investors on an ongoing basis for each calendar quarter, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme / Plan(s) shall be wound up and the units would be redeemed at Applicable NAV. If there is a breach of the 25% limit by any Investor over the quarter, a rebalancing period of one month would be allowed and thereafter the Investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic Redemption by the Mutual Fund on the Applicable NAV on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. SPECIAL CONSIDERATIONS

- Prospective investors should study this Scheme Information Document and Statement of Additional Information carefully in its entirety and should not construe the contents hereof as advice relating to legal, taxation, financial, investment or any other matters and are advised to consult their legal, tax, financial and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, before making a decision to invest/redeem/hold Units.
- Neither this Scheme Information Document, Statement of Additional Information nor the Units have been registered in any jurisdiction. The distribution of this Scheme Information Document or Statement of Additional Information in certain jurisdictions may be restricted or totally prohibited to registration requirements and accordingly, persons who come into possession of this Scheme Information Document or Statement of Additional Information are required to inform themselves about and to observe any such restrictions and/ or legal compliance requirements.
- The AMC, Trustee or the Mutual Fund have not authorized any person to issue any advertisement or to give any information or to make any representations, either oral or written, other than that contained in this Scheme Information Document or the Statement of Additional Information or as is provided by the AMC in

connection with this offering. Prospective investors are advised not to rely upon any information or representation not incorporated in the Scheme Information Document or Statement of Additional Information or provided by the AMC as having been authorized by the Mutual Fund, the AMC or the Trustee.

- Redemption due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any such tax consequences that may arise due to such redemptions.
- The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise, in the event that the Scheme is wound up for the reasons and in the manner provided in 'Statement of Additional Information ('SAI')'.
- The Scheme has been framed in accordance with the ELSS Rules and other prevailing laws. The tax benefits described in this Scheme Information Document and Statement of Additional Information are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India as on the date of this Scheme Information Document and the Unit holders should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Unit holder is advised to consult his / her own professional tax advisor.
- The Mutual Fund may disclose details of the investor's account and transactions thereunder to those intermediaries whose stamp appears on the application form or who have been designated as such by the investor. In addition, the Mutual Fund may disclose such details to the bankers, as may be necessary for the purpose of effecting payments to the investor. The Fund may also disclose such details to regulatory and statutory authorities/bodies as may be required or necessary.
- In case the AMC or its Sponsor or its Shareholders or their affiliates/associates or group companies make substantial investment, either directly or indirectly in the Scheme redemption of Units by these entities may have an adverse impact on the performance of the Scheme. This may also affect the ability of the other Unit holders to redeem their Units.
- As the liquidity of the Scheme investments may sometimes be restricted by trading volumes and settlement periods, the time taken by the Fund for Redemption of Units may be significant in the event of an inordinately large number of Redemption Requests (subject to lock in) or of a restructuring of the Scheme portfolio. In view of this, the Trustee has the right, in its sole discretion, to limit redemptions under certain circumstances - please refer to the paragraph "Right to Limit Redemptions".
- Pursuant to the provisions of Prevention of Money Laundering Act, 2002, if after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, on failure to provide required documentation, information, etc. by the Unit holder the AMC shall have absolute discretion to report such suspicious transactions to FIU-IND and / or to freeze the folios of the investor(s), reject any application(s) / allotment of Units.

- Investor Protection: The Scheme is designed to support longer- term investment and active trading is discouraged. Short term or excessive trading into and out of the Scheme may affect its performance by disrupting portfolio management strategies and by increasing expenses. The Fund and the distributors may refuse to accept applications for Purchase, especially where transactions are deemed disruptive, particularly from market timers or investors who, in their opinion, have a pattern of short term or excessive trading or whose trading has been or may be disruptive for the Scheme.

If in the opinion of the AMC, a Unit holder is indulging in short term or excessive trading as above, it shall, under powers delegated by the Trustee, have absolute discretion to reject any application, prevent further transaction by the Unit holder or redeem the Units held by the Unit holder at any time prior to the expiry of 30 Business Days from the date of the application.

D. DEFINITIONS

"AMC" or "Asset Management Company" or "Investment Manager"	Axis Asset Management Company Limited, incorporated under the provisions of the Companies Act, 1956 and approved by Securities and Exchange Board of India to act as the Asset Management Company for the scheme(s) of Axis Mutual Fund.
"Applicable NAV"	The NAV applicable for purchase or redemption or Switching of Units based on the time of the Business Day on which the application is time stamped.
Assessee	A Unit Holder who is (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, and as defined under the ELSS.
"Book Closure"	The time during which the Asset Management Company would temporarily suspend Sale, redemption and Switching of Units.
"Business Day"	<p>A day other than:</p> <ul style="list-style-type: none"> (i) Saturday and Sunday; (ii) A day on which the banks in Mumbai and/or RBI are closed for business /clearing; (iii) A day on which the National Stock Exchange of India Limited and / or the Stock Exchange, Mumbai are closed; (iv) A day which is a public and /or bank Holiday at an Investor Service Centre/Official Point of Acceptance where the application is received; (v) A day on which Sale / Redemption / Switching of Units is suspended by the AMC; (vi) A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time. <p>The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres/Official Points of Acceptance.</p>

"Business Hours"	Presently 9.30 a.m. to 5.30 p.m. on any Business Day or such other time as may be applicable from time to time.
"Custodian"	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996, which for the time being is Deutsche Bank AG.
"Depository"	Depository as defined in the Depositories Act, 1996 (22 of 1996).
"Dividend"	Income distributed by the Mutual Fund on the Units.
"ELSS" or "ELSS Guidelines" or "ELSS Rules"	Equity Linked Savings Scheme, 2005, as notified by the Ministry of Finance (Department of Economic Affairs) vide notification dated 03 November, 2005 and amended vide notification dated 13 December, 2005.
"FII"	Foreign Institutional Investor, registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
"Floating Rate Debt Instruments"	Floating rate debt instruments are debt securities issued by Central and / or State Government, corporates or PSUs with interest rates that are reset periodically. The periodicity of the interest reset could be daily, monthly, quarterly, half-yearly, annually or any other periodicity that may be mutually agreed with the issuer and the Fund. The interest on the instruments could also be in the nature of fixed basis points over the benchmark gilt yields.
"Gilts" or "Government Securities"	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.
"GOI"	Government of India
"Holiday"	Holiday means the day(s) on which the banks (including the Reserve Bank of India) are closed for business or clearing in Mumbai or their functioning is affected due to a strike / bandh call made at any part of the country or due to any other reason.
"Investment Management Agreement"	The agreement dated June 27, 2009 entered into between Axis Mutual Fund Trustee Limited and Axis Asset Management Company Limited, as amended from time to time.
"Investor Service Centres" or "ISCs"	Offices of Axis Asset Management Company Limited or such other centres / offices as may be designated by the AMC from time to time.
"Load"	<p>In the case of Redemption / Switch out of a Unit, the sum of money deducted from the Applicable NAV on the Redemption / Switch out (Exit Load) and in the case of Sale / Switch in of a Unit, a sum of money to be paid by the prospective investor on the Sale / Switch in of a Unit (Entry Load) in addition to the Applicable NAV.</p> <p>Presently, entry load cannot be charged by mutual fund schemes.</p>
"Money Market Instruments"	Includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit,

	usage bills and any other like instruments as specified by the Reserve Bank of India from time to time.
"Mutual Fund" or "the Fund"	Axis Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882.
"Net Asset Value" or "NAV"	Net Asset Value per Unit of the Scheme, calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
"NRI"	A Non-Resident Indian or a Person of Indian Origin residing outside India.
"Official Points of Acceptance"	Places as specified by AMC from time to time where application for Subscription / Redemption / Switch will be accepted on ongoing basis.
"Person of Indian Origin"	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in sub-clause (a) or (b).
"Rating"	Rating means an opinion regarding securities, expressed in the form of standard symbols or in any other standardized manner, assigned by a credit rating agency and used by the issuer of such securities, to comply with any requirement of the SEBI (Credit Rating Agencies) Regulations, 1999.
"RBI"	Reserve Bank of India, established under the Reserve Bank of India Act, 1934, (2 of 1934)
"Registrar and Transfer Agent" or "Registrar"	Karvy Computershare Pvt. Ltd., Hyderabad, currently acting as registrar to the Scheme, or any other Registrar appointed by the AMC from time to time.
"Redemption / Repurchase"	Redemption of Units of the Scheme as permitted.
"Regulatory Agency"	GOI, SEBI, RBI or any other authority or agency entitled to issue or give any directions, instructions or guidelines to the Mutual Fund
"Repo"	Sale/Purchase of Securities with simultaneous agreement to repurchase / resell them at a later date.
"Statement of Additional Information" or "SAI"	The document issued by Axis Mutual Fund containing details of Axis Mutual Fund, its constitution, and certain tax, legal and general information. SAI is legally a part of the Scheme Information Document.
"Sale / Subscription"	Sale or allotment of Units to the Unit holder upon subscription by the Investor / applicant under the Scheme.
"Scheme"	Axis Tax Saver Fund
"Scheme Information Document"	This document issued by Axis Mutual Fund, offering for Subscription of Units of Axis Tax Saver Fund (including Options there under)
"SEBI"	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992.
"SEBI (MF) Regulations" or "Regulations"	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
"Short Selling"	Short selling means selling a stock which the seller does not own at the time of trade.
"Sponsor"	Axis Bank Limited

"Switch"	Redemption of a Unit in any Scheme (including the Plans / options therein) of the Mutual Fund against purchase of a Unit in another Scheme (including the Plans /options therein) of the Mutual Fund, subject to completion of Lock-in Period, if any.
"Stock Lending"	Lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio.
"Systematic Investment Plan" / "SIP"	A plan enabling investors to save and invest in the Scheme on a periodic basis submitting post dated cheques / payment instructions.
"Deed of Trust"	The Trust Deed dated June 27, 2009 made by and between Axis Bank Limited and Axis Mutual Fund Trustee Limited thereby establishing an irrevocable trust, called Axis Mutual Fund.
"Trustee" or "Trustee Company"	Axis Mutual Fund Trustee Limited incorporated under the provisions of the Companies Act, 1956 and approved by SEBI to act as the trustee to the Scheme of the Mutual Fund.
"Unit"	The interest of the Unit holder which consists of each Unit representing one undivided share in the assets of the Scheme.
"Unit holder" or "Investor"	A person holding Units in Axis Tax Saver Fund.

INTERPRETATION

For all purposes of this Scheme Information Document, 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 Dollars 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 a non Business Day.

E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**It is confirmed that:**

- (i) The Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- (ii) All legal requirements connected with the launching of the scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- (iii) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed scheme.
- (iv) The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

Place: Mumbai**Date: June 30, 2011****Signed : Sd/-****Name : Miten Chawda****Designation: Head – Compliance &
Company Secretary**

II. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

The Scheme is an open-ended "equity-linked savings scheme"

Eligible investors in the Scheme (who are "Assessee" as per the ELSS Rules) are entitled to deductions of the amount invested in Units of the Scheme under Section 80C of the Income Tax Act, 1961 to such extent (presently Rs. 1 lakh) and subject to such conditions as may be notified from time to time.

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

The investment objective of the Scheme is to generate income and long-term capital appreciation from a diversified portfolio of predominantly equity and equity-related Securities. However, there can be no assurance that the investment objective of the Scheme will be achieved.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Under normal circumstances, the asset allocation pattern will be:

Instruments	Indicative Allocation (% of net assets)	Risk Profile
Equity and equity-related Securities*#	80% - 100%	High
Debt and money market instruments^	0% - 20%	Low to medium

^ Includes Investment in Securitized Debt up to 20% of the Net Assets of the Scheme (as and when permitted by ELSS Guidelines/SEBI). The Scheme will not invest in foreign securitized debt.

#Investment in derivatives instruments may be made only if permitted under ELSS Rules. In such event, the scheme may invest in derivatives instruments to the extent of 100% of the Net Assets and as permitted vide SEBI Circular no. DNPd/Cir 29/2005 dated September 14, 2005 and SEBI Circular No. DNPd/Cir-30/2006 dated January 20, 2006 and SEBI circular No. SEBI/DNPd/Cir-31/2006 dated September 22, 2006. The Scheme may use derivatives for such purposes as maybe permitted by the Regulations, including for the purpose of hedging and portfolio balancing, based on the opportunities available and subject to guidelines issued by SEBI from time to time.

*Equity related Securities shall mean equities, cumulative convertible preference shares and fully convertible debentures and bonds of companies. Investment may also be made in partly convertible issues of debentures and bonds including those issued on rights basis subject to the condition that, as far as possible, the non-convertible portion of the debentures so acquired or subscribed, shall be disinvested within a period of 12 (twelve) months.

In accordance with the ELSS, investments by the Scheme in equity and equity related Securities will not fall below 80% of the net assets of the Scheme. As per the ELSS, pending deployment of funds, the scheme may invest in short-term money market instruments or other liquid instruments or both. After three years of the date of allotment of the units, the Mutual Fund may hold upto twenty per cent of net assets of the scheme in short-term money market instruments and other liquid instruments to enable redemption of investment of those unit holders who would seek to tender the units for repurchase.

Stock Lending by the Fund

The Fund Manager may also engage in Stock Lending only if permitted under and in line with the prevailing regulations and ELSS Rules. The scheme shall adhere to the following limits should it engage in Stock Lending.

1. Not more than 25% of the net assets of the Scheme can generally be deployed in Stock Lending.
2. Not more than 5% of the net assets of the Scheme can generally be deployed in Stock Lending to any single counter party.

Short Selling by the Fund

The Fund may engage in short selling of securities in accordance with the framework relating to short selling specified by SEBI and only if it is permitted under the ELSS Guidelines.

The Scheme retains the flexibility to invest across all the securities in the equity, debt, Money Markets Instruments and mutual fund units to such extent as maybe permitted by the Regulations and ELSS Guidelines.

Investment in Foreign Securities

Investment in Foreign Securities would be made only if permitted under ELSS Rules. The Scheme may seek investment opportunities in foreign securities including ADRs / GDRs / Foreign equity subject to SEBI (MF) Regulations. Such Investment shall not exceed 40% of the net assets of the Scheme.

Investment in Short Term Deposits

Pending deployment of the funds in securities in terms of investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of the Scheduled Commercial Banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, as may be amended from time to time.

Under normal market conditions, the corpus of the assets of the Scheme shall be predominantly invested in equity and equity related Securities as per the asset allocation pattern above. However, due to market conditions, the AMC may invest beyond the range set out above. Such deviations shall normally be for a short term purpose and/or for defensive considerations and with the intention of protecting the interests of the Unit Holders. In the event of deviations, the fund manager will endeavour to carry out rebalancing within 30 Business Days. Where the portfolio is not rebalanced within 30 Business Days, justification for the same shall be placed before the Investment Review Committee and reasons for the same shall be recorded in writing. The Investment Review committee shall then decide on the course of action. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.

The Mutual Fund shall strive to invest the funds in the manner stated above within a period of six months from the date of closure of the New Fund Offer. Deviations, if any will be only to protect the interest of investors.

Investors may note that the Scheme may make investments in derivatives, foreign Securities and mutual fund units only as and when permitted by the ELSS and/or when a clarification is received from SEBI.

Axis Tax Saver Fund, an open ended equity linked saving scheme is a new scheme offered by Axis Mutual Fund and is not a minor modification of any other existing scheme/product of Axis Mutual Fund. Differentiation as follows:

Name of the existing scheme	Asset Allocation Pattern			Primary Investment Objective	Differentiation	AUM as on May 31, 2011 (Rs. In crores)	No. of Folios as on May 31, 2011
Axis Equity Fund				To achieve long term capital appreciation by investing in a diversified portfolio predominantly consisting of equity and equity related securities including derivatives. However, there can be no assurance that the investment objective of the Scheme will be achieved.	An open ended growth scheme with no lock-in period	731.12	181210
	Instruments	Indicative Allocation (% of net assets)					
		Minimum	Maximum				
	Equity and Equity related securities	80	100				
	Debt and Money Market Instruments	0	20				
Axis Midcap Fund	Instruments	Indicative Allocation (% of net assets)		To achieve long term capital appreciation by investing predominantly in equity & equity related instruments of mid size companies. The focus of the fund would be to invest in relatively larger companies within this category.	Seeks to build a portfolio comprising primarily of equity and equity related securities of Midcap companies.	156.32	13453
		Minimum	Maximum				
	Equity and Equity Related Instruments of Midcap companies# of which: Larger midcap Companies – 75% – 100% Smaller mid-cap Companies – 0 – 25%	80	100				
	Equity and Equity Related Instruments of Non mid-cap Companies#	0	20				
	Debt and Money Market Instruments*#	0	20				

D.Where will the scheme invest?

The corpus of the Scheme will be invested in Equity & Equity Related Instruments, Debt Instruments, Money Market Instruments and other permitted securities which will include but not limited to:

Equity and Equity Related Instruments:

The corpus of the Scheme shall be predominantly invested in equity and equity related instruments as may be permitted under the Regulations and the ELSS Rules from time to time. As per the ELSS Rules as prevailing:

Investments may be made in equities, cumulative convertible, preference shares and fully convertible debentures and bonds of companies. Investment may also be made in partly convertible issues of debentures and bonds including those issued on rights basis subject to the condition that, as far as possible, the non-convertible portion of the debentures so acquired or subscribed, shall be disinvested within a period of twelve months or such other period as may be permitted by the ELSS Rules/ Regulations.

Debt Instruments & Money Market Instruments

Collateralized Borrowing and Lending Obligations (CBLO)

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

Certificate of Deposit (CD) of scheduled commercial banks and development financial institutions

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

Commercial Paper (CP)

Commercial Paper (CP) is an unsecured negotiable money market instrument issued in the form of a promissory note, generally issued by the corporates, primary dealers and all India Financial Institutions as an alternative source of short term borrowings. CP is traded in secondary market and can be freely bought and sold before maturity.

Treasury Bill (T-Bill)

Treasury Bills (T-Bills) are issued by the Government of India to meet their short term borrowing requirements. T-Bills are issued for maturities of 14 days, 91 days, 182 days and 364 days.

Bill (bills of exchange/promissory notes of public sector and private sector corporate entities) Rediscounting

Repos

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

Securities created and issued by the Central and State Governments as may be permitted by RBI, securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills). State Government securities (popularly known as State Development Loans or SDLs) are issued by the respective State Government in co-ordination with the RBI.

Non convertible debentures and bonds

Non convertible debentures as well as bonds are securities issued by companies / institutions promoted / owned by the Central or State Governments and statutory bodies which may or may not carry a Central/State Government guarantee, Public and private sector banks, all India Financial Institutions and Private Sector Companies. These instruments may be secured or unsecured against the assets of the Company and generally issued to meet the short term and long term fund requirements.

The scheme may also invest in the non convertible part of convertible debt securities.

Floating rate debt instruments

Floating rate debt instruments are instruments issued by Central / state governments, corporates, PSUs, etc. with interest rates that are reset periodically.

Securitized Assets: Securitization is a structured finance process which involves pooling and repackaging of cashflow producing financial assets into securities that are then sold to investors. They are termed as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are backed by other assets such as credit card, automobile or consumer loan receivables, retail installment loans or participations in pools of leases. Credit support for these securities may be based on the underlying assets and/or provided through credit enhancements by a third party. MBS is an asset backed security whose cash flows are backed by the principal and interest payments of a set of mortgage loans. Such Mortgage could be either residential or commercial properties. ABS/MBS instrument reflect the undivided interest in the underlying assets and do not represent the obligation of the issuer of ABS/MBS or the originator of underlying receivables. Securitization often utilizes the services of SPV.

Pass through Certificate (PTC) (Pay through or other Participation Certificates) represents beneficial interest in an underlying pool of cash flows. These cash flows represent dues against single or multiple loans originated by the sellers of these loans. These loans are given by banks or financial institutions to corporates. PTCs may be backed, but not exclusively, by receivables of personal loans, car loans, two wheeler loans and other assets subject to applicable regulations.

The following are certain additional disclosures w.r.t. investment in securitized debt:

1. How the risk profile of securitized debt fits into the risk appetite of the scheme

Securitized debt is a form of conversion of normally non-tradable loans to transferable securities. This is done by assigning the loans to a special purpose vehicle (a trust), which in turn issues Pass-Through-Certificates (PTCs). These PTCs are transferable securities with fixed income characteristics. The risk of investing in securitized debt is similar to investing in debt securities. However it differs in two respects.

Typically the liquidity of securitized debt is less than similar debt securities. For certain types of securitized debt (backed by mortgages, personal loans, credit card debt, etc.), there is an additional pre-payment risk. Pre-payment risk refers to the possibility that loans are repaid before they are due, which may reduce returns if the re-investment rates are lower than initially envisaged.

Because of these additional risks, securitized debt typically offers higher yields than debt securities of similar credit rating and maturity. If the fund manager judges that the

additional risks are suitably compensated by the higher returns, he may invest in securitized debt up to the limits specified in the asset allocation table above.

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

The originator is the person who has initially given the loan. The originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). An analysis of the originator is especially important in case of retail loans as this affects the credit quality and servicing of the PTC. The key risk is that of the underlying assets and not of the originator. For example, losses or performance of earlier issuances does not indicate quality of current series. However such past performance may be used as a guide to evaluate the loan standards, servicing capability and performance of the originator.

Originators may be: Banks, Non Banking Finance Companies, Housing Finance Companies, etc. The fund manager / credit analyst evaluates originators based on the following parameters

- Track record
- Willingness to pay, through credit enhancement facilities etc.
- Ability to pay
- Business risk assessment, wherein following factors are considered:
 - Outlook for the economy (domestic and global)
 - Outlook for the industry
 - Company specific factors

In addition a detailed review and assessment of rating rationale is done including interactions with the originator as well as the credit rating agency.

The following additional evaluation parameters are used as applicable for the originator / underlying issuer for pool loan and single loan securitization transactions:

- Default track record/ frequent alteration of redemption conditions / covenants
- High leverage ratios of the ultimate borrower (for single-sell downs) – both on a standalone basis as well on a consolidated level/ group level
- Higher proportion of reschedulement of underlying assets of the pool or loan, as the case may be
- Higher proportion of overdue assets of the pool or the underlying loan, as the case may be
- Poor reputation in market
- Insufficient track record of servicing of the pool or the loan, as the case may be.

3. Risk mitigation strategies for investments with each kind of originator

An analysis of the originator is especially important in case of retail loans as the size and reach affects the credit quality and servicing of the PTC. In addition, the quality of the collection process, infrastructure and follow-up mechanism; quality of MIS; and credit enhancement mechanism are key risk mitigants for the better originators / servicers.

In case of securitization involving single loans or a small pool of loans, the credit risk of the underlying borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk. The credit analyst looks at ageing (i.e. how long the loan has been with the originator before securitization) as one way of evaluating the performance potential of the PTC. Securitization transactions

may include some risk mitigants (to reduce credit risk). These may include interest subvention (difference in interest rates on the underlying loans and the PTC serving as margin against defaults), overcollateralization (issue of PTCs of lesser value than the underlying loans, thus even if some loans default, the PTC continues to remain protected), presence of an equity / subordinate tranche (issue of PTCs of differing seniority when it comes to repayment - the senior tranches get paid before the junior tranche) and / or guarantees.

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

In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk.

The credit analyst looks at ageing (i.e. how long the loan has been with the originator before securitization) as one way of judging the performance potential of the PTC. Additional risk mitigants may include interest subvention, over collateralization, presence of an equity / subordinate tranche and / or guarantees. The credit analyst also uses analyses by credit rating agencies on the risk profile of the securitized debt.

Currently, the following parameters are used while evaluating investment decision relating to a pool securitization transaction. The Investment Review Committee may revise the parameters from time to time.

Characteristics/Type of Pool	Mortgage Loan	Commercial Vehicle and Construction Equipment	CAR	2 wheelers	Micro Finance Pools *	Personal Loans *	Single Sell Downs	Others
Approximate Average maturity (in Months)	Up to 10 years	Up to 3 years	Up to 3 years	Up to 3 years	NA	NA	Refer Note 1	Refer Note 2
Collateral margin (including cash, guarantees, excess interest spread, subordinate tranche)	>10%	>10%	>10%	>10%	NA	NA	"	"
Average Loan to Value Ratio	<90%	<80%	<80%	<80%	NA	NA	"	"
Average seasoning of the Pool	>3 months	>3 months	>3 months	>3 months	NA	NA	"	"
Maximum single exposure range	<1%	<1%	<1%	<1%	NA	NA	"	"
Average single exposure range %	<1%	<1%	<1%	<1%	NA	NA	"	"

* Currently, the Schemes will not invest in these types of securitized debt

Note 1: In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. The investment limits applicable to the underlying borrower are applied to the single loan sell-down.

2: Other investments will be decided on a case-to-case basis

The credit analyst may consider the following risk mitigating measures in his analysis of the securitized debt:

- Size of the loan
- Average original maturity of the pool
- Loan to Value Ratio
- Average seasoning of the pool
- Default rate distribution
- Geographical Distribution
- Credit enhancement facility
- Liquid facility
- Structure of the pool

5. Minimum retention period of the debt by originator prior to securitization

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements. In addition, RBI has proposed minimum holding period of between nine and twelve months for assets before they can be securitized. The minimum holding period depends on the tenor of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

6. Minimum retention percentage by originator of debts to be securitized

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements, including maximum exposure by the originator in the PTCs. In addition, RBI has proposed minimum retention requirement of between five and ten percent of the book value of the loans by the originator. The minimum retention requirement depends on the tenor and structure of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

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

The key risk is securitized debt relates to the underlying borrowers and not the originator. In a securitization transaction, the originator is the seller of the debt(s) and the fund is the buyer. However, the originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). As the originators may also invest in the scheme, the fund manager shall ensure that the investment decision is based on parameters as set by the Investment Review Committee (IRC) of the asset management company and IRC shall review the same at regular interval.

8. The resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt

The fund management team including the credit analyst has the experience to analyze securitized debt. In addition, credit research agencies provide analysis of individual instruments and pools. On an on-going basis (typically monthly) the servicer provides reports regarding the performance of the pool. These reports would form the base for ongoing evaluation where applicable. In addition, rating reports indicating rating changes would be monitored for changes in rating agency opinion of the credit risk.

When issued

When, as and if issued' (commonly known as "**when-issued**" (**WI**) **security**) refers to a security that has been authorized for issuance but not yet actually issued. WI trading takes place between the time a new issue is announced and the time it is actually issued. All "when issued" transactions are on an "if" basis, to be settled if and when the actual security is issued.

SEBI has on April 16, 2008 in principle allowed Mutual Funds to undertake 'When Issued (WI)' transactions in Central Government securities, at par with other market participants.

- Open Position in the 'WI' market are subject to the following limits:

Category	Reissued Security	Newly Issued Security
Non-PDs	Long Position, not exceeding 5 percent of the notified amount.	Long Position, not exceeding 5 percent of the notified amount.

The Scheme may invest, if and to the extent permissible under the Regulations and the ELSS Rules, in derivative instruments

Investment in Equity Derivatives(as and when permitted)

Futures:

Futures are exchange-traded contracts to sell or buy financial instruments for future delivery at an agreed price. There is an agreement to buy or sell a specified quantity of financial instrument on a designated future date at a price agreed upon by the buyer and seller at the time of entering into a contract. To make trading possible, the exchange specifies certain standardized features of the contract. A futures contract involves an obligation on both the parties to fulfill the terms of the contract.

SEBI has permitted futures contracts on indices and individual stocks with maturity of 1 month, 2 months and 3 months on a rolling basis. The futures contracts are settled on last Thursday (or immediately preceding trading day if Thursday is a trading holiday) of each month. The final settlement price is the closing price of the underlying stock(s)/index.

Options:

Option is a contract which provides the buyer of the option (also called holder) the right, without the obligation, to buy or sell a specified asset at the agreed price on or upto a particular date. For acquiring this privilege, the buyer pays premium (fee) to the seller. The seller on the other hand has the obligation to buy or sell specified asset at the agreed price and for this obligation he receives premium. The premium is determined considering number of factors such as the market price of the underlying asset/security, number of days to expiry, risk free rate of return, strike price of the option and the volatility of the underlying asset. Option contracts are of two types viz:

Call Option - The option that gives the buyer the right but not the obligation to buy specified quantity of the underlying asset at the strike price is a call option. The buyer of the call option (known as the holder of call option) can call upon the seller of the option (writer of the option) and buy from him the underlying asset at the agreed price at any time on or before the expiry of the option.

The seller (writer of the option) on the other hand has the obligation to sell the underlying asset if the buyer of the call option decides to exercise his option to buy.

Put Option – The option that gives the buyer the right but not the obligation to sell is called put option. A Put option gives the holder (buyer) the right to sell specified quantity of the underlying asset at the strike price. The seller of the put option (one who is short Put) however, has the obligation to buy the underlying asset at the strike price if the buyer decides to exercise his option to sell.

There are two kind of options based on the date of exercise of right. The first is the European Option which can be exercised only on the maturity date. The second is the American Option which can be exercised on or before the maturity date.

Investment in foreign securities(as and when permitted)

The Scheme may also invest in suitable investment avenues in foreign securities in overseas financial markets for the purpose of diversification, commensurate with the Scheme objectives and subject to necessary stipulations by SEBI / RBI. Towards this end, the Mutual Fund may also appoint overseas investment advisors and other service providers, to the extent permissible under the Regulations.

The Scheme may, with the approval of SEBI / RBI, where required invest in:

- ADRs (American Depository Receipts)/ GDRs (Global Depository Receipts) issued by Indian or foreign companies
- Equity of overseas companies listed on recognized stock exchanges overseas
- Initial and follow on public offerings for listing at recognized stock exchanges overseas
- Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities
- Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, or (b) unlisted overseas securities (not exceeding 10% of their net assets).

As per SEBI Circular SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007, mutual funds can make overseas investments subject to a maximum of US \$300 million or such limits as may be prescribed by SEBI from time to time. Subject to the approval of RBI / SEBI and conditions as may be prescribed by them, the Mutual Fund may open one or more foreign currency accounts abroad either directly, or through the custodian/sub-custodian, to facilitate investments and to enter into/deal in forward currency contracts, currency futures, interest rate futures / swaps, currency options for the purpose of hedging the risks of assets of a portfolio or for its efficient management. However, the use of such instruments shall be as permitted from time to time. All the requirement of the SEBI circular dated September 26, 2007, would be adhered to by the AMC for investment in foreign securities.

Investment in overseas securities shall be made in accordance with the requirements stipulated by SEBI and RBI from time to time.

Investments in units of mutual fund schemes(as and when permitted)

The Scheme may invest in other schemes managed by the AMC or in the schemes of any other mutual funds in conformity with the investment objective of the Scheme and in terms of the prevailing SEBI (MF) Regulations.

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

The securities / instruments mentioned above and such other securities the Scheme is permitted to invest in could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity.

The securities may be acquired through initial public offering (IPOs), secondary market, private placement, rights offers, negotiated deals. Further investments in debentures, bonds and other fixed income securities will be in instruments which have been assigned investment grade rating by the Credit Rating Agency.

Investment in unrated debt instruments shall be subject to complying with the provisions of Regulations and within the limit as specified in Schedule VII to the Regulations. Pursuant to SEBI Circular No. MFD/CIR/9/120/2000 dated November 24, 2000, the AMC may constitute committee(s) to approve proposals for investments in unrated debt instruments. The AMC Board and the Trustee shall approve the detailed parameters for such investments. However, in case any unrated debt security does not fall under the parameters, the prior approval of Board of AMC and Trustee shall be sought.

For applicable regulatory investment limits please refer paragraph "Investment Restrictions."

Details of various derivative instruments along with derivative strategies have been provided under the section "Derivatives Strategy"

The Fund Manager may invest in any other security as maybe permitted from time to time and which are in line with the investment objectives of the Scheme.

E.WHAT ARE THE INVESTMENT STRATEGIES?

The Fund will invest in a diversified portfolio of strong growth companies with sustainable business models. Though the benchmark is BSE-200, the investments will not be limited to the companies constituting the benchmark.

The portfolios will be built utilising a bottom-up stock selection process, focusing on appreciation potential of individual stocks from a fundamental perspective. The AMC employs a fundamentals based research process to analyse the appreciation potential of each stock in its universe. The universe of stocks is carefully selected to include companies having robust business models and enjoying sustainable competitive advantages as compared to their competitors. The Fund will have the flexibility to invest across the market capitalization spectrum.

The Scheme will endeavour to remain fully invested in equity and equity-related instruments at all times.

Portfolio Turnover

The fund manager normally will buy stocks which he believes will deliver superior earnings growth over a one to two-year period and hence the portfolio turnover is not expected to be very high. However, since the Scheme is an open-ended scheme, it is expected that there would be a number of subscriptions and redemptions(subject to lock in period) on a daily basis. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio.

There may be an increase in transaction cost such as brokerage paid, if trading is done frequently. However, the cost would be negligible as compared to the total expenses of

the Scheme. Frequent trading may increase the profits which will offset the increase in costs. The fund manager will endeavor to optimize portfolio turnover to maximize gains and minimize risks keeping in mind the cost associated with it. However, it is difficult to estimate with reasonable accuracy, the likely turnover in the portfolio of the Scheme. The Scheme has no specific target relating to portfolio turnover

Risk Control:

Risk is an inherent part of the investment function. Effective Risk Management is critical to Fund Management for achieving financial soundness. Investments by the Scheme shall be made as per the investment objectives of the Scheme and provisions of SEBI regulations. AMC has incorporated adequate safeguards to manage risk in the portfolio construction process. Risk control would involve managing risk in order to keep it in line with the investment objective of the Scheme. The risk control process involves identifying & measuring the risk through various Risk Measurement Tools. Further, the AMC has implemented Bloomberg Portfolio Management System as Front Office System (FOS) for tracking risk. The system has inbuilt feature which enables the Fund Manager calculate various risk ratios, average duration, etc and analyze the same.

DERIVATIVES STRATEGY

The Scheme may invest in various derivative instruments which are permissible under the applicable regulations. Such investments shall be subject to the investment objective and strategy of the Scheme and the internal limits if any, as laid down from time to time. These include but are not limited to futures (both stock and index) and options (stock and index).

Derivatives are financial contracts of pre-determined fixed duration, like stock futures/options and index futures and options, whose values are derived from the value of an underlying primary financial instrument such as: interest rates, exchange rates, commodities, and equities.

Derivatives can be either exchange traded or can be over the counter (OTC). Exchange traded derivatives are listed and traded on stock exchanges whereas OTC derivative transactions are generally structured between two counterparties.

The objectives of the various strategies include hedge stock / portfolio against market gyrations.

The risks associated with derivatives are similar to those associated with underlying investments. The additional risks of using derivative strategies could be on account of:

- Illiquidity;
- Potential mis - pricing of the Futures/Options;
- Lack of opportunity
- Inability of derivatives to correlate perfectly with the underlying (Indices, Assets, Exchange Rates);
- Cost of hedge can be higher than adverse impact of market movements;
- An exposure to derivatives in excess of the hedging requirements can lead to losses;
- An exposure to derivatives can also limit the profits from a genuine investment transaction.
- The prices which are seen on the screen need not be the same at which execution will take place.

For detailed risks associated with use of derivatives, please refer paragraph "Scheme Specific Risk Factors"

Concepts and Examples of derivatives which may be used by the fund manager:

Futures

Futures (Index & Stocks) are forward contracts traded on the exchanges & have been introduced both by BSE and NSE. Generally futures of 1 month (near month), 2 months (next month) and 3 months (far month) are presently traded on these exchanges. These futures expire on the last working Thursday of the respective months.

Illustration with Index Futures

In case the Nifty near month future contract is trading at say, Rs. 3,510, and the fund manager has a view that it will depreciate going forward; the Scheme can initiate a sale transaction of Nifty futures at Rs. 3,510 without holding a portfolio of equity stocks or any other underlying long equity position. Once the price falls to Rs. 3,400 after say, 20 days, the Scheme can initiate a square-up transaction by buying the said futures and book a profit of Rs. 110.

Correspondingly, if the fund manager has a positive view he can initiate a long position in the index / stock futures without an underlying cash/ cash equivalent subject to the extant regulations.

There are futures based on stock indices as mentioned above as also futures based on individual stocks. The profitability of index /stock future as compared to an individual security will inter-alia depend upon:

- The carrying cost,
- The interest available on surplus funds, and
- The transaction cost.

Example of a typical future trade and the associated costs

Particulars	Index Future	Actual Purchase of Stocks
Index at the beginning of the month	3500	3500
Price of 1 month future	3510	
A. Execution cost: Carry and other index future costs	10	
B. Brokerage cost: Assumed at	7.02	8.75
0.2% of Index Future		
0.25% for spot Stocks		
C. Gains on surplus fund: (Assumed 8% p.a. return on 85% of the money left after paying 15% margin) $(8\% \times 3500 \times 85\% \times 30 \text{ days} / 365)$	19.56	0
Total Cost (A+B-C)	-2.54	8.75

Some strategies that employ stock /index futures and their objectives:

(a) Arbitrage

(1) Selling spot and buying future: In case the Scheme holds the stock of a company "A" at say Rs. 100 while in the futures market it trades at a discount to the spot price say at Rs. 98, then the Scheme may sell the stock and buy the futures.

On the date of expiry of the stock future, the Scheme may reverse the transactions (i.e. buying at spot & selling futures) and earn a risk-free Rs. 2 (2% absolute) on its holdings without any dilution of the view of the fund manager on the underlying stock.

Further, the Scheme can still benefit from any movement of the price in the upward direction, i.e. if on the date of expiry of the futures, the stock trades at Rs. 110 which would be the price of the futures too, the Scheme will have a benefit of Rs 10 whereby the Scheme gets the 10% upside movement together with the 2% benefit on the arbitrage and thus getting a total return of 12%. The corresponding return in case of holding the stock would have been 10%.

Note: The same strategy can be replicated with a basket of Nifty- 50 stocks (Synthetic Nifty) and the Nifty future index.

(2) Buying spot and selling future: Where the stock of a company "A" is trading in the spot market at Rs. 100 while it trades at Rs. 102 in the futures market, then the Scheme may buy the stock at spot and sell in the futures market thereby earning Rs. 2.

Buying the stock in cash market and selling the futures results into a hedge where the Scheme has locked in a spread and is not affected by the price movement of cash market and futures market. The arbitrage position can be continued till expiry of the future contracts when there is a convergence between the cash market and the futures market. This convergence enables the Scheme to generate the arbitrage return locked in earlier.

(b) Buying/ Selling Stock future:

When the Scheme wants to initiate a long position in a stock whose spot price is at say, Rs.100 and futures is at 98, then the Scheme may just buy the futures contract instead of the spot thereby benefiting from a lower cost.

In case the Scheme has a bearish view on a stock which is trading in the spot market at Rs.98 and the futures market at say Rs. 100, the Scheme may subject to regulations, initiate a short position in the futures contract. In case the prices align with the view and the price depreciates to say Rs. 90, the Scheme can square up the short position thereby earning a profit of Rs.10 vis a vis a fall in stock price of Rs 8.

(c) Hedging:

The Scheme may use exchange-traded derivatives to hedge the equity portfolio. Both index and stock futures and options may be used to hedge the stocks in the portfolio.

(d) Alpha Strategy:

The Scheme will seek to generate alpha by superior stock selection and removing market risks by selling appropriate index. For example, one can seek to generate positive alpha by buying a bank stock and selling Bank Nifty future.

Execution of these strategies depends upon the ability of the fund manager to identify and execute based on such opportunities. These involve significant uncertainties and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

Option Contracts (Stock and Index)

An Option gives the buyer the right, but not the obligation, to buy (call) or sell (put) a stock at an agreed-upon price during a certain period of time or on a specific date.

Options are used to manage risk or as an investment to generate income. The price at which underlying security is contracted to be purchased or sold is called the Strike Price. Options that can be exercised on or before the expiration date are called American Options while, Options that can be exercised only on the expiration date are called European Options.

Options Risk / Return Pay-off Table

	Stock / Index Options	Buy Call	Sell Call	Buy Put	Sell Put
1	View on underlying	Positive	Negative	Negative	Positive
2	Premium	Pay	Receive	Pay	Receive
3	Risk Potential	Limited to premium paid	Unlimited	Limited to premium paid	Unlimited
4	Return Potential	Unlimited	Premium Received	Unlimited	Premium Received

Option contracts are of two types - Call and Put.

Call Option: A call option gives the buyer, the right to buy specified quantity of the underlying asset at the set strike price on or before expiration date and the seller (writer) of call option however, has the obligation to sell the underlying asset if the buyer of the call option decides to exercise the option to buy.

Put Option: A put option gives the buyer the right to sell specified quantity of the underlying asset at the set strike price on or before expiration date and the seller (writer) of put option however, has the obligation to buy the underlying asset if the buyer of the put option decides to exercise his option to sell.

Index Options / Stock Options

Index options / Stock options are termed to be an efficient way of buying / selling an index/stock compared to buying / selling a portfolio of physical shares representing an index for ease of execution and settlement. The participation can be done by buying / selling either Index futures or by buying a call/put option.

The risk are also different when index /stock futures are bought/sold vis-a-vis index/stocks options as in case of an index future there is a mark to market variation and the risk is much higher as compared to buying an option, where the risk is limited to the extent of premium paid.

The illustration below explains how one can gain using Index call / put option. These same principles of profit / loss in an Index option apply in toto to that for a stock option.

Call Option

Suppose an investor buys a Call option on 1 lot of CNX Nifty (Lot Size: 50 units)

- Nifty index (European option).
- Nifty 1 Lot Size: 50 units

- Spot Price (S): 3500
- Strike Price (x): 3550 (Out-of-Money Call Option)
- Premium: 100

Total Amount paid by the investor as premium $[50 \times 100] = 5000$

There are two possibilities i.e. either the index moves up over the strike price or remains below the strike price.

Case 1- The index goes up

- An investor sells the Nifty Option described above before expiry:

Suppose the Nifty index moves up to 3600 in the spot market and the premium has moved to Rs 200 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1 Nifty call option as the option now is In the Money.

His gains are as follows:

- Nifty Spot: 3600
- Current Premium: Rs.200
- Premium paid: Rs.100
- Net Gain: $\text{Rs.}200 - \text{Rs.}100 = \text{Rs.}100$ per unit
- Total gain on 1 lot of Nifty (50 units) = $\text{Rs.}5000$ (50×100)

In this case the premium of Rs.200 has an intrinsic value of Rs.50 per unit and the remaining Rs.150 is the time value of the option.

- An investor exercises the Nifty Option at expiry

Suppose the Nifty index moves up to 3700 in the spot market on the expiry day and the investor decides to reverse his position in the market by exercising the Nifty call option as the option now is in The Money.

His gains are as follows:

- Nifty Spot: 3700
- Premium paid: Rs.100
- Exercise Price: 3550
- Receivable on exercise: $3700 - 3550 = 150$
- Total Gain: $\text{Rs.}2500 \{ (150 - 100) \times 50 \}$

In this case the realised gain is only the intrinsic value, which is Rs.50, and there is no time value.

Case 2 - The Nifty index moves to any level below 3550

Then the investor does not gain anything but on the other hand his loss is limited to the premium paid:

Net Loss is Rs.5000 (Loss is capped to the extent of Premium Paid)

(Rs 100 Premium paid * Lot Size: 50 units).

Put Option

Suppose an investor buys a Put option on 1 lot of CNX Nifty.

- Nifty 1 Lot Size: 50 units
- Spot Price (S): 3500
- Strike Price (x): 3450 (Out-of-Money Put Option)
- Premium: 30
- Total Amount paid by the investor as premium $[50 \times 30] = 1500$

There are two possibilities i.e. either the index moves over the strike price or moves below the strike price.

Let us analyze these scenarios.

Case 1 - The index goes down

- An investor sells the Nifty Option before expiry:

Suppose the Nifty index moves down to 3400 in the spot market and the premium has moved to Rs. 80 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1 Nifty Put Option as the option now is In The Money. His gains are as follows:

- Nifty Spot: 3400
- Premium paid: Rs.30
- Net Gain: Rs.80 - Rs.30 = Rs.50 per unit
- Total gain on 1 lot of Nifty (50 units) = Rs.2500 (50*50)

In this case the premium of Rs.80 has an intrinsic value of Rs.50 per unit and the remaining Rs.30 is the time value of the option.

An investor exercises the Nifty Option at expiry (It is an European Option)

Suppose the Nifty index moves down to 3400 in the spot market on the expiry day and the investor decides to reverse his position in the market by exercising the Nifty Put Option as the option now is In The Money.

His gains are as follows:

- Nifty Spot: 3400
- Premium paid: Rs.30
- Exercise Price: 3450
- Gain on exercise: 3450-3400 = 50
- Total Gain: Rs.1000 {(50-30)*50}

In this case the realised amount is only the intrinsic value, which is Rs.50, and there is no time value in this case.

Case 2 - If the Nifty index stays over the strike price which is 3450, in the spot market then the investor does not gain anything but on the other hand his loss is limited to the premium paid.

- Nifty Spot: >3450
- Net Loss Rs.1500 (Loss is capped to the extent of Premium Paid)
(Rs 30 Premium paid*Lot Size: 50 units).

F: FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the scheme, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

(i) Type of a scheme

(ii) Investment Objective

(iii) Terms of Issue

- Liquidity provisions such as listing, Repurchase, Redemption.
- Aggregate fees and expenses charged to the scheme.
- Any safety net or guarantee provided.

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustees shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change

which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is carried out unless:

- 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 the region where the Head Office of the Mutual Fund is situated; and
- The Unitholders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE ?

The Benchmark for the Scheme is BSE-200 Index. The Fund's strategy is to invest in a diversified portfolio of companies across sectors. The Fund will also have the flexibility to invest in companies across the market capitalization spectrum and as such, the constituents of the BSE-200 Index reasonably represent the portfolio of the scheme.

The Trustees may change the benchmark in future if a benchmark better suited to the investment objective of the Scheme is available.

H. WHO MANAGES THE SCHEME?

Name of Fund Manager	Ages and Qualification	Experience of the Fund Manager	Names of other schemes under his management
Mr. Chandresh Nigam	43 B. Tech, Post Graduate Diploma in Management(IIM Calcutta)	<ul style="list-style-type: none"> • Head – Investments, Axis Asset Management Co. Ltd. (From April 1, 2010 till date) • Head – Equity, Axis Asset Management Co. Ltd.(From July 01, 2009 till March 2010) • Advisor, TCG Advisory Services Pvt. Ltd. (From January 2005 till June 2009) • Fund Manager, Prudential ICICI Asset Management Company Ltd.(From July 2003 till January 2005) • Fund Manager, Zurich Asset Management Company (I) Pvt. Ltd. (From April 1993 till June 2003) 	Axis Equity Fund (along with Mr. Pankaj Murarka) and Axis Triple Advantage Fund (along with Mr. R. Sivakumar and Mr. Sudhanshu Asthana)
Jinesh Gopani	33,	<ul style="list-style-type: none"> • Fund Manager - Equity - Axis Asset 	Axis Midcap Fund (along with Mr. Pankaj Murarka)

	B.Com, Master of Management Studies (Bharati Vidyapeeth Institute of Management Studies and research)	Management Co. Ltd. (April 1, 2011 till date) <ul style="list-style-type: none"> • Assistant Fund Manager - Equity, Axis Asset Management Co. Ltd. (October 21, 2009 till March 31, 2011) • Portfolio Manager, Birla Sun Life Asset Management Company Ltd. (June 2008- October 2009) • Research Analyst and Portfolio Manager, Voyager India Capital Pvt. Ltd. (February 2006- May 2008) • Research Analyst, Emkay Share & Stock Brokers Ltd. (June 2002 - February 2006) • Research Analyst, Net worth Stock Broking Ltd. (May 2001 – May 2002) 	
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The Fixed Income Fund Managers of the Mutual Fund will be involved in management of the Debt Component of the Scheme.

I. WHAT ARE THE INVESTMENT RESTRICTIONS?

Pursuant to Regulations, specifically the Seventh Schedule and amendments thereto, the following investment restrictions are currently applicable to the Scheme:

1. The Scheme shall not invest more than 10 per cent of its NAV in the equity shares or equity related instruments of any company .
2. The Scheme shall not invest more than 5% of its NAV in the unlisted equity shares or equity related instruments
3. The Mutual Fund under all its Scheme(s) shall not own more than ten per cent of any company's paid up capital carrying voting rights.
4. The Scheme shall not invest more than 15% of its NAV in debt instruments issued by a single issuer, which are rated not below investment grade by a credit rating agency authorized to carry out such activities under the SEBI Act, 1992. Such investment limit may be extended to 20% of the NAV of the Scheme with the prior approval of the Trustee and the Board of AMC.

Such limit shall not be applicable for investment in Government Securities and money market instruments.

In case of investment in money market instruments, the Scheme shall not invest more than 30% of its net assets in Money Market Instruments issued by a single issuer. The limit shall not be applicable to investment in CBLOs.

Investments within such limit can be made in the mortgaged backed securitised debt, which are rated not below investment grade by a credit rating agency, registered with SEBI.

5. The Scheme shall not invest more than 10% of its NAV in un-rated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the Scheme. All such investments shall be made with the prior approval of the Trustee and Board of AMC.
6. The Scheme may invest in other schemes of the Mutual Fund or any other mutual fund without charging any fees, provided the aggregate inter-scheme investment made by all the schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the Net Asset Value of the Fund.
7. The Scheme shall not make any investment in :
 - i. any unlisted security of an associate or group company of the sponsor; or
 - ii. any security issued by way of private placement by an associate or group company of the sponsor; or
 - iii. the listed securities of group companies of the sponsor which is in excess of 25% of the net assets; or
8. The Mutual Fund shall get the securities purchased transferred in the name of the Fund on account of the concerned Scheme, wherever investments are intended to be of a long-term nature.
9. Transfer of investments from one scheme to another scheme in the same Mutual Fund is permitted provided:
 - a. such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and
 - b. the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.
10. The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities:
The Mutual Fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.

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

The sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard.

11. The Scheme shall not make any investment in any fund of funds scheme.
12. The Scheme will comply with the following restrictions for trading in exchange traded derivatives, as specified by SEBI vide its circular DNPd/Cir-29/2005 dated September 14, 2005, Circular DNPd/Cir-30/2006 dated January 20, 2006 and Circular DNPd/Cir-31/2006 dated September 22, 2006:

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

12. The Mutual Fund position limit in all index options contracts on a particular underlying index shall be Rs. 500 crores or 15% of the total open interest of the market in index options, whichever is higher, per stock exchange.
13. This limit would be applicable on open positions in all options contracts on a particular underlying index.

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

- a. The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be Rs.500 crores or 15% of the total open interest of the market in index futures, whichever is higher, per stock exchange.
- b. This limit would be applicable on open positions in all futures contracts on a particular underlying index.

iii. Additional position limit for hedging

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

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

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

The Mutual Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts, is defined in the following manner:-

- a. For stocks having applicable market-wide position limit ('MWPL') of Rs. 500 crores or more, the combined futures and options position limit shall be 20% of applicable MWPL or Rs. 300 crores, whichever is lower and within which stock futures position cannot exceed 10% of applicable MWPL or Rs. 150 crores, whichever is lower.
- b. For stocks having applicable MWPL less than Rs. 500 crores, the combined futures and options position limit would be 20% of applicable MWPL and futures position cannot exceed 20% of applicable MWPL or Rs. 50 crores whichever is lower.

v. Position limit for each scheme of a Mutual Fund

The scheme-wise position limit / disclosure requirements shall be:

- i. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a Mutual Fund shall not exceed the higher of 1% of the free float market capitalization (in terms of number of shares)
or
5% of the open interest in the derivative contract on a particular underlying stock (in terms of number of contracts).
- ii. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
- iii. For index based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

13. Pending deployment of the funds of the Scheme in securities in terms of the investment objective of the Scheme, the AMC may park the Funds of the Scheme

in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007 as may be amended from time to time:

The Scheme will comply with the following guidelines/restrictions for parking of funds in short term deposits:

- i. "Short Term" for such parking of funds by the Scheme shall be treated as a period not exceeding 91 days. Such short-term deposits shall be held in the name of the Scheme.
- ii. The Scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustee.
- iii. Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
- iv. The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
- v. The Scheme shall not park funds in short term deposit of a bank which has invested in that Scheme.

However, the above provisions will not apply to term deposits placed as margins for trading in cash and derivatives market.

14. The Scheme shall not advance any loans.

15. The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of repurchase/redemption of Units or payment of interest and/or dividend to the Unit holders. The Fund shall not borrow more than 20% of the net assets of the individual Scheme and the duration of the borrowing shall not exceed a period of 6 month The Scheme will comply with the other Regulations applicable to the investments of Mutual Funds from time to time.

16. Further, SEBI vide its circular no. Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010 has prescribed the following investment restrictions w.r.t. investment in derivatives:

The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the scheme. Cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure.
The Scheme shall not write options or purchase instruments with embedded written options.
The total exposure related to option premium paid shall not exceed 20% of the net assets of the scheme.
<p>Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:</p> <ol style="list-style-type: none"> a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains. b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1.

c.	Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.
d.	The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.	
Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:	
Position	Exposure
Long Future	Futures Price * Lot Size * Number of Contracts
Short Future	Futures Price * Lot Size * Number of Contracts
Option bought	Option Premium Paid * Lot Size * Number of Contracts.
The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases shall not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions shall not exceed 10% of the net assets of the scheme.	

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

The AMC/Trustee may alter these above stated restrictions from time to time to the extent the SEBI Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its respective investment objective.

Apart from the Investment Restrictions prescribed under the SEBI Regulations, internal risk parameters for limiting exposure to a particular scrip or sector may be prescribed from time to time to respond to the dynamic market conditions and market opportunities.

J. HOW HAS THE SCHEME PERFORMED?

Performance of the Scheme as at May 31, 2011 is as follows:

Period	Axis Tax Saver Fund	BSE 200 index
1 year	15.23%	6.94%
Since Inception	16.89%	4.10%

Absolute returns for the last two financial years



Date of allotment – December 29, 2009

Past performance may or may not be sustained in future. Returns are absolute for period less than 1 year and compounded annualized for period more than or equal to 1 year. Since inception returns are calculated on Rs. 10 invested at inception. Calculations are based on Growth Option NAVs.

K. Investments by the AMC

Subject to the Regulations, the AMC may invest either directly or indirectly, in the Scheme during the Ongoing Offer Period. However, the AMC shall not charge any investment management fee on such investment in the Scheme.

III. UNITS AND OFFER

This section provides details you need to know for investing in the scheme.

A. NEW FUND OFFER (NFO)

<p>New Fund Offer Period</p> <p>This is the period during which a new scheme sells its units to the investors.</p>	<p>The New Fund Offer opened on December 17, 2009 and closed on December 21, 2009. The units under the Scheme were allotted on December 29, 2009.</p>
<p>New Fund Offer Price:</p> <p>This is the price per unit that the investors have to pay to invest during the NFO.</p>	<p>Not Applicable</p>
<p>Minimum Amount for Application in the NFO</p>	<p>Not Applicable</p>
<p>Minimum Target amount</p> <p>This is the minimum amount required to operate the scheme</p>	<p>Not Applicable</p>

<p>and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return. However, if AMC fails to refund the amount within 6 weeks, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of six weeks from the date of closure of the subscription period.</p>	
<p>Maximum Amount to be raised (if any)</p> <p>This is the maximum amount which can be collected during the NFO period, as decided by the AMC.</p>	<p>Not Applicable</p>
<p>Plans / Options offered</p>	<p>The Scheme offers the following options:</p> <p>a) Growth Option</p> <p>b) Dividend Option.</p> <ol style="list-style-type: none"> 1. Dividend Payout Facility 2. Dividend Reinvestment Facility <p>a) Growth Option Dividends will not be declared under this Option. The income attributable to Units under this Option will continue to remain invested in the Scheme and will be reflected in the Net Asset Value of Units under this Option.</p> <p>b) Dividend Option Under this Option, dividends will be declared at the discretion of the Trustee, subject to availability of distributable surplus calculated in accordance with SEBI (MF) Regulations. On payment of dividend, the NAV of the units under Dividend option will fall to the extent of the dividend payout and applicable statutory levies, if any.</p> <p>It must be distinctly understood that the actual declaration of dividend and frequency thereof is at the sole discretion of Board of Directors of the Trustee Company. There is no assurance or guarantee to the Unit holders as to the rate of dividend distribution nor that the dividend will be paid regularly.</p>

	<p><u>Dividend Payout Facility</u> Under this facility, dividend declared, if any, will be paid (subject to deduction of dividend distribution tax and statutory levy, if any) to those Unit holders, whose names appear in the register of Unit holders on the notified record date.</p> <p><u>Dividend Reinvestment Facility</u> Under this facility, the dividend due and payable to the Unit holders will be compulsorily and without any further act by the Unit holder, reinvested in the Dividend option at a price based on the prevailing ex-dividend Net Asset Value per Unit. The amount of dividend re-invested will be net of tax deducted at source, wherever applicable. The dividends so reinvested shall constitute a constructive payment of dividends to the Unit holders and a constructive receipt of the same amount from each Unit holder for reinvestment in Units.</p> <p>On reinvestment of dividends, the number of Units to the credit of Unit holder will increase to the extent of the dividend reinvested divided by the Applicable NAV. There shall, however, be no Load on the dividend so reinvested.</p> <p>Default Option The investor must clearly specify his choice of option/facility. In the absence of such clear instruction, it will be assumed that the investor has opted for 'default' option / facility and the application will be processed accordingly. The default option / facility are:</p> <p>Default Option: Growth (between Growth and Dividend)</p> <p>Default Facility: Dividend Reinvestment facility (between Dividend Reinvestment and Dividend Payout facility)</p>
Dividend Policy	<p>Under the Dividend option, the Trustee will have the discretion to declare the dividend, subject to availability of distributable surplus calculated in accordance with the Regulations. The actual declaration of dividend and frequency will inter-alia, depend on availability of distributable surplus calculated in accordance with SEBI (MF) Regulations and the decisions of the Trustee shall be final in this regard. There is no assurance or guarantee to the Unit holders as to the rate of dividend nor that the dividend will be paid regularly.</p> <p>Dividend Distribution Procedure</p> <p>In accordance with SEBI Circular no. SEBI/ IMD/ Cir No. 1/ 64057/06 dated April 4, 2006, the procedure for Dividend distribution would be as under:</p> <ol style="list-style-type: none"> 1. Quantum of dividend and the record date will be fixed by the Trustee. Dividend so decided shall be paid, subject to availability of distributable surplus. 2. Within one calendar day of decision by the Trustee, the AMC shall issue notice to the public communicating the decision about the dividend including the record date, in one English daily newspaper having nationwide circulation as well as in a

	<p>newspaper published in the language of the region where the head office of the Mutual Fund is situated.</p> <p>3. Record date shall be the date, which will be considered for the purpose of determining the eligibility of investors whose names appear on the register of Unit holders for receiving dividends. The Record Date will be 5 calendar days from the date of issue of notice.</p> <p>4. The notice will, in font size 10, bold, categorically state that pursuant to payment of dividend, the NAV of the Scheme would fall to the extent of payout and statutory levy (if applicable).</p> <p>5. The NAV will be adjusted to the extent of dividend distribution and statutory levy, if any, at the close of business hours on record date.</p> <p>Before the issue of such notice, no communication indicating the probable date of dividend declaration in any manner whatsoever will be issued by Mutual Fund.</p>
Allotment	Not Applicable
Refund	Not Applicable
<p>Who can invest</p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.</p>	<p>Prospective investors are advised to satisfy themselves that they are not prohibited by any law from investing in the Scheme and are authorised to purchase units of mutual funds as per their respective constitutions, charter documents, corporate / other authorisations and relevant statutory provisions. The following is an indicative list of persons who are generally eligible and may apply for subscription to the Units of the Scheme:</p> <ol style="list-style-type: none"> 1. Indian resident adult individuals, either singly or jointly (not exceeding three); 2. Minor through parent / lawful guardian; 3. A HUF through its Karta; 4. An association of persons or a body of individuals (as mentioned under the term "Assessee" in the ELSS) <p>As the Scheme is floated as an Equity Linked Savings Scheme as per the ELSS, the following categories of investors will not qualify for the tax benefits under Section 80C of the Income Tax Act, 1961 (but are entitled to subscribe to Units):</p> <ol style="list-style-type: none"> 1. Companies, Bodies Corporate, Public Sector Undertakings (PSUs.), Association of Persons (AOP) or Bodies of Individuals (BOI) and societies registered under the Societies Registration Act, 1860 (so long as the purchase of Units is permitted under the respective constitutions); 2. Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions; 3. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as "Public Securities" as required) and Private trusts authorised to invest in mutual fund schemes under their trust deeds; 4. Non-Resident Indians (NRIs) / Persons of Indian origin (PIOs) residing abroad on repatriation basis or on non-repatriation basis; 5. Foreign Institutional Investors (FIIs) and their sub-accounts

	<p>registered with SEBI on repatriation basis;</p> <ol style="list-style-type: none"> 6. Army, Air Force, Navy and other para-military units and bodies created by such institutions; 7. Scientific and Industrial Research Organisations; 8. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / Reserve Bank of India; 9. Provident/ Pension/ Gratuity Fund to the extent they are permitted; 10. Other schemes of Axis Mutual Fund or any other mutual fund subject to the conditions and limits prescribed by SEBI Regulations; 11. Trustee, AMC or Sponsor or their associates may subscribe to Units under the Scheme(s); 12. Such other person as maybe decided by the AMC from time to time.
Who cannot invest	<ol style="list-style-type: none"> 1. Any individual who is a foreign national or any other entity that is not an Indian resident under the Foreign Exchange Management Act, 1999 (FEMA Act) except where registered with SEBI as a FII or sub account of FII or otherwise explicitly permitted under FEMA Act/ by RBI/ by any other applicable authority. 2. Pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) can not invest in Mutual Funds. 3. NRIs residing in Non-Compliant Countries and Territories (NCCTs) as determined by the Financial Action Task Force (FATF), from time to time. 4. Such other persons as may be specified by AMC from time to time.
Where can you submit the filled up applications.	Not Applicable
How to Apply	Please refer to the SAI and Application form for the instructions.
Listing	Axis Tax Saver Fund is an open ended Scheme under which sale and repurchase will be made on a continuous basis(subject to lock in period) and therefore listing on stock exchanges is not envisaged. However, the Trustee reserves the right to list the units as and when open-end Schemes are permitted to be listed under the Regulations, and the Trustee considers it necessary in the interest of Unit holders of the Fund.
Special Products / facilities available during the NFO	Not Applicable
The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.	Units once redeemed will be extinguished and will not be reissued.
Restrictions, if any, on the right to freely retain or dispose of	As per the ELSS, the Units issued under the Scheme can be assigned or pledged only after the lock-in period of 3 (three) years has elapsed from their date of allotment.

units being offered.

Pledge of Units

The Units under the Scheme (subject to completion of Lockin Period, if any) may be offered as security by way of a pledge / charge in favour of scheduled banks, financial institutions, non-banking finance companies (NBFCs), or any other body. The AMC and / or the ISC will note and record such Pledged Units. The AMC shall mark a lien only upon receiving the duly completed form and documents as it may require. Disbursement of such loans will be at the entire discretion of the bank / financial institution / NBFC or any other body concerned and the Mutual Fund assumes no responsibility thereof.

The Pledger will not be able to redeem Units that are pledged until the entity to which the Units are pledged provides written authorisation to the Mutual Fund that the pledge / lien charge may be removed. As long as Units are pledged, the Pledgee will have complete authority to redeem such Units. Dividends declared on Units under lien will be paid / re-invested to the credit of the Unit Holder and not the lien holder unless specified otherwise in the lien letter.

Lien on Units

On an ongoing basis, when existing and new Investors make Subscriptions, a lien on Units allotted will be created and such units shall not be available for redemption until the payment proceeds are realised by the Scheme. In case a unit holder redeems units soon after making purchases, the redemption cheque will not be dispatched until sufficient time has elapsed to provide reasonable assurance that cheques or drafts for Units purchased have been cleared.

In case the cheque / draft is dishonoured by the bank, the transaction shall be reversed and the Units allotted earlier shall be cancelled, and a fresh Account Statement / Confirmation slip shall be dispatched to the Unit holder. For NRIs, the Scheme may mark a lien on Units in case documents which need to be submitted are not given in addition to the application form and before the submission of the redemption request. However, the AMC reserves the right to change operational guidelines for lien on Units from time to time.

Right to Limit Redemptions

The Trustee may, in the general interest of the Unit holders of the Scheme and when considered appropriate to do so based on unforeseen circumstances / unusual market conditions, limit the total number of Units which may be redeemed on any Business Day to 5% of the total number of Units then in issue under the Scheme and option(s) thereof or such other percentage as the Trustee may determine. Any Unit which consequently are not redeemed on a particular Business Day will be carried forward for Redemption to the next Business Day, in order of receipt. Redemptions so carried forward will be priced on the basis of the Applicable NAV (subject to the prevailing Load, if any) of the Business Day on which Redemption is made. Under such circumstances, to the extent multiple Redemption requests are received at the same time on a single Business Day,

	<p>redemptions will be made on a prorata basis based on the size of each Redemption request, the balance amount being carried forward for Redemption to the next Business Day. In addition, the Trustee reserves the right, in its sole discretion, to limit redemptions with respect to any single account to an amount of Rs. 1,00,000/- in a single day.</p> <p>Also refer to the paragraph 'Suspension of Purchase and Redemption of Units' in the Statement of Additional Information.</p>
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B. ONGOING OFFER DETAILS

<p>Ongoing Offer Period</p> <p>This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period.</p>	<p>The Scheme has reopened for continuous subscription and redemption from December 31, 2009.</p>
<p>Ongoing price for subscription (purchase)/switch-in (from other schemes/plans of the mutual fund) by investors.</p> <p>This is the price you need to pay for purchase/switch-in.</p>	<p>At the applicable NAV</p>
<p>Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors.</p> <p>This is the price you will receive for redemptions/switch outs.</p>	<p>At the applicable NAV subject to prevailing exit load.</p> <p>Ongoing price for redemption /switch out (to other Schemes/Plans of the Mutual Fund) is the price which a Unit holder will receive for redemption/switch-outs. During the continuous offer of the Scheme, the Unit holder can redeem the Units at Applicable NAV, subject to payment of Exit Load, if any. It will be calculated as follows:</p> <p>Redemption Price = Applicable NAV*(1-Exit Load, if any) Example: If the applicable NAV is Rs. 10, Exit Load is 2% then redemption price will be: = Rs. 10* (1-0.02) = Rs. 9.80</p> <p>Investors/Unit holders should note that the AMC/Trustee has right to modify existing load structure and to introduce Loads subject to a maximum limits prescribed under the SEBI Regulations.</p>

	<p>Any change in load structure will be effective on prospective basis and will not affect the existing Unit holder in any manner.</p> <p>However, the Mutual Fund will ensure that the Redemption Price will not be lower than 93% of the Applicable NAV provided that the difference between the Redemption Price and the Subscription /Purchase Price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time, which is currently 7% calculated on the Subscription/ Purchase Price. The Purchase Price shall be at applicable NAV.</p> <p>As per the ELSS Rules, Unit holders will not be able to redeem the Units under the Scheme for a period of 3 years from the date of allotment of respective Units. After completion of 3 years from the date of allotment, Units could be redeemed at Applicable NAV, subject to exit load, if any.</p>
<p>Cut off timing for subscriptions/ redemptions/ switches</p> <p>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p>Subscriptions/Purchases including Switch - ins: The following cut-off timings shall be observed by the Mutual Fund in respect of purchase of Units of the Scheme, and the following NAVs shall be applied for such purchase:</p> <ol style="list-style-type: none"> 1. where the application is received upto 3.00 pm with a local cheque or demand draft payable at par at the place where it is received – closing NAV of the day of receipt of application; 2. where the application is received after 3.00 pm with a local cheque or demand draft payable at par at the place where it is received – closing NAV of the next Business Day ; and 3. where the application is received with an outstation cheque or demand draft which is not payable on par at the place where it is received – closing NAV of day on which the cheque or demand draft is credited. <p>Redemptions including Switch - outs: The following cut-off timings shall be observed by the Mutual Fund in respect of Repurchase of Units:</p> <ol style="list-style-type: none"> 1. where the application received upto 3.00 pm – closing NAV of the day of receipt of application; and 2. an application received after 3.00 pm – closing NAV of the next Business Day. <p>The above mentioned cut off timing shall be applicable to transactions through the online trading platform.</p> <p>The Date of Acceptance will be reckoned as per the date & time; the transaction is entered in stock exchange's infrastructure for which a system generated confirmation slip will be issued to the investor.</p>
Where can the applications for purchase/redemption switches be submitted?	Refer Back Cover Page

Minimum amount for purchase/redemption/switches	<p>Minimum amount for purchase/switch in</p> <p>In multiples of Rs. 500/-</p> <p>Minimum Additional Purchase Amount</p> <p>In multiples of Rs. 500/-</p> <p>Minimum Redemption Amount/Switch Out Rs. 500 or 50 Units in respect of each Option. In case the Investor specifies the number of Units and amount the number of units shall be considered for Redemption. In case the unit holder does not specify the number or amount, the request will not be processed. Redemption and Switch Out shall be subject to completion of lock in period.</p> <p>In case of Units held in dematerialized mode, the Unit Holder can give a request for Redemption only in number of Units. Request for subscriptions can be given only in amount. Depository participants of registered Depositories to process only redemption request of units held in demat form.</p>
Minimum balance to be maintained and consequences of non maintenance.	<p>Currently, there is no minimum balance requirement.</p> <p>However, the AMC / Trustee may decide to introduce minimum balance requirements later, if they so deem fit. In such case, in the event of non-maintenance of minimum balance for any particular situations, the Units may be compulsorily redeemed.</p> <p>In case balance in the account of the Unit holder does not cover the amount of redemption request, then the Mutual Fund is authorized to redeem all the Units in the folio and send the redemption proceeds to the Unit holder.</p>
Special Products available	<p>In accordance with the ELSS Rules, Unit holders will not be able to redeem from or switch-out from this Scheme to any other scheme/Plan/Option, their investments, fully or in part for a period of 3 years from the date of allotment of respective Units. After the period of 3 years, Units may be redeemed/switched. However, fresh subscriptions, SIP/ switch ins from other schemes of the Fund into this Scheme would be permitted at all times.</p> <p>Systematic Investment Purchase(SIP)</p> <p>Unit holder can enroll for the SIP facility by submitting duly completed Enrolment Form at the Official Point(s) of Acceptance. An Investor shall have the option of choosing any date of the Month as his SIP date other than 29th, 30th or 31st of a month. Minimum amount per SIP installment is Rs 500 and in multiples of Re. 500 thereafter. Minimum number of installments under SIP is 36. If the SIP period is not specified by the unit holder then the SIP enrolment will be deemed to be for perpetuity and processed accordingly.</p> <p>SIP through post-dated cheques</p> <p>The date of the first cheque shall be the same as the date of the application while the remaining cheques shall be post dated cheques which shall be dated uniformly. Investors can invest in SIP by providing post-dated cheques to Official Point(s) of Acceptance. An Investor is eligible to issue only one</p>

cheque for each month in the same SIP enrolment form. All SIP cheques should be of the same amount and same date option. Cheques should be drawn in favour of the Fund and "A/c Payee only". A Letter will be forwarded to the Investor on successful registration of SIP. The Post Dated cheques will be presented on the dates mentioned on the cheque and subject to realization of the cheque.

SIP through Electronic Clearing System (ECS)/Direct Debit

Investors / Unit holders may also enroll for SIP facility through Electronic Clearing Service (Debit Clearing) of the RBI or for SIP Direct Debit Facility available with specified Banks / Branches. In order to enroll for SIP ECS Debit facility or Direct Debit Facility, an Investor must fill-up the Application Form for SIP ECS/ Direct Debit facility.

In case of SIP with payment mode as ECS/Direct Debit/Standing Instructions, Investors shall be required to submit a cancelled cheque or a photocopy of a cheque of the bank account for which the ECS/debit mandate is provided with first installment through cheque. The Systematic Investment Plan facility will also be available through standing instructions/direct debit given by the investor (with all payment installments being made through standing instructions/direct debit). However, the SIP facility with direct debit will be available through selected distributors/Banks. The Asset Management Company reserves the right to add/modify/delete from the list of distributors/banks through whom such facility will be available to the investors.

All SIP cheques/payment instructions should be of the same amount and same date(excluding first cheque). However, there should be a gap of 30 days between first SIP Installment and the second installment in case of SIP started during ongoing offer.

Units will be allotted at the Applicable NAV of the respective dates on which the investments are sought to be made. In case the date falls on a Holiday or falls during a Book Closure period, the immediate next Business Day will be considered for this purpose.

Investors will have the right to discontinue the SIP facility at any time by sending a written request to any of the Official Point(s) of Acceptance. Notice of such discontinuance should be received at least 30 days prior to the due date of the next debit. On receipt of such request, the SIP facility will be terminated. It is clarified that if the Fund fails to get the proceeds from three Installments out of a continuous series of Installments submitted at the time of initiating a SIP (Subject to a minimum under SIP i.e. 36 months), the SIP is deemed as discontinued.

An extension of an existing SIP will be treated as a new SIP on the date of such application, and all the above conditions need to be met with. The Load structure prevailing at the time of submission of the SIP application (whether fresh or extension) will apply for all the Installments indicated in such application.

The AMC has the authority to make available SIP by way of a salary savings scheme for a group of employees through an arrangement with their employers.

	<p>For applicable Load on Purchases through SIP, please refer paragraph 'Load Structure' given in the document.</p> <p>The AMC reserves the right to change / modify Load structure and other terms and conditions under the SIP prospectively at a future date. Please refer to the SIP Enrolment Form for terms & conditions before enrolment.</p> <p>Purchase/Redemption of units through Stock Exchange Infrastructure</p> <p>Investors can subscribe to the Units of Axis Mutual Fund through the mutual fund trading platforms of the Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE") – with NSDL and CDSL as depositories for such units of the mutual fund.</p> <p>NSE has introduced Mutual Fund Service System (MFSS) Platform and BSE has introduced BSE StAR MF Platform.</p> <p>The following are the salient features of the new facility introduced:</p> <ol style="list-style-type: none"> 1. The facility i.e. purchase/redemption/SIP (Systematic Investment Plan) is available for both existing and new investors. Switch Facility is not available. 2. The Investors will be eligible to purchase/redeem units of the Scheme. 3. Maximum subscription: <p>The investors can purchase units of the above listed schemes by using NSE MFSS/ BSE StAR platform for transaction value less than Rs. 1 Crore.</p> 4. List of additional Official Point of Acceptance <p>The following shall be the additional Official Point of Acceptance of Transactions for the Scheme:</p> <p>All trading members of BSE & NSE who are registered with AMFI as Mutual Fund Advisors and also registered with BSE & NSE as Participants ("AMFI registered stock exchange brokers") will be eligible to offer this facility to investors and shall be treated as official point of acceptance.</p> <p>Units of mutual fund schemes shall be permitted to be transacted through clearing members of the registered Stock Exchanges.</p> <p>Clearing members and Depository participants will be considered as Official Points of Acceptance (OPA) of Axis Mutual Fund and conditions stipulated in SEBI Circular No. SEBI /IMD / CIR No.11/183204/2009 dated November 13, 2009 for stock brokers viz. AMFI /NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund, shall be applicable for such Clearing members and Depository participants as well.</p> 5. The units of the Scheme are not listed on BSE & NSE and the same cannot be traded on the Stock Exchange. The window for purchase/redemption of units on BSE StAR & NSE MFSS will be available between 9 a.m. and 3
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	<p>p.m. or such other timings as may be decided.</p> <p>6. Investors shall hold the units in dematerialized form only.</p> <p>7. Investors will be able to purchase/redeem units in the Scheme in the following manner:</p> <p>(i) Investors shall receive redemption amount (if units are redeemed) and units (if units are purchased) through broker/ clearing member's pool account. Axis Asset Management Company Limited (the "AMC")/Axis Mutual Fund (the "Mutual Fund") shall pay proceeds to the broker/clearing member (in case of redemption) and broker/clearing member in turn to the respective investor and similarly units shall be credited by the AMC/ Mutual Fund into broker/clearing member's pool account (in case of purchase) and broker/clearing member in turn shall credit the units to the respective investor's demat account.</p> <p>(ii) Payment of redemption proceeds to the broker/clearing members by AMC/Mutual Fund shall discharge AMC/Mutual Fund of its obligation of payment to individual investor. Similarly, in case of purchase of units, crediting units into broker/clearing member pool account shall discharge AMC/Mutual Fund of its obligation to allot units to individual investor.</p> <p>8. Applications for purchase/redemption of units which are incomplete /invalid are liable to be rejected.</p> <p>9. For all the transactions done through these platforms, separate Folio. No. shall be allotted to the existing and the new investors. The bank a/c number, address, nomination details etc. shall be the same as per the Demat account of the investor. In case of non-financial requests/applications such as change of address, change of bank details, etc. investors should approach the respective Depository Participant(s).</p> <p>10. Investors will have to comply with Know Your Customer (KYC) norms as prescribed by BSE/NSE/CDSL/ NSDL and Axis Mutual Fund to participate in this facility.</p> <p>10. Investors should get in touch with Investor Service Centres (ISCs) of Axis Mutual Fund for further details.</p> <p>Switching Options</p> <p>(a) Inter - Scheme Switching option</p> <p>Unit holders under the Scheme have the option to Switch part or all of their Unit holdings in the Scheme to any other scheme offered by the Mutual Fund from time to time. The Mutual Fund also provides the Investors the flexibility to Switch their investments from any other scheme(s) / plan (s) offered by the Mutual Fund to this Scheme. This option will be useful to Unit holders who wish to alter the allocation of their investment among the scheme(s) / plan(s) of the Mutual Fund in order to meet their changed investment needs.</p> <p>The Switch will be effected by way of a Redemption of Units from the Scheme</p>
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at Applicable NAV, subject to Exit Load, if any and reinvestment of the Redemption proceeds into another scheme offered by the Mutual Fund at Applicable NAV and accordingly the Switch must comply with the Redemption rules of switch out Scheme and the Subscription rules of the switch in scheme. However, no load will be charged for switches between equity schemes.

(b) Intra -Scheme Switching option

Unit holders under the Scheme have the option to Switch their Unit holdings from one option to another option (i.e. Growth to Dividend and vice-a-versa). The Switches would be done at the Applicable NAV based prices and the difference between the NAVs of the two options will be reflected in the number of Units allotted.

Switching shall be subject to the applicable "Cut off time and Applicable NAV" stated elsewhere in the Scheme Information Document.

In case of "Switch" transactions from one scheme to another, the allocation shall be in line with Redemption payouts.

Transaction on Fax.

In order to facilitate quick processing of transaction and / or instruction of investment of Investor the AMC/ Trustee/ Mutual Fund may (at its sole discretion and without being obliged in any manner to do so and without being responsible and/ or liable in any manner whatsoever) accept and process any application, supporting documents and / or instructions submitted by an Investor / Unit holder by facsimile (Fax Submission) and the Investor / Unit holder voluntarily and with full knowledge takes and assumes any and all risk associated therewith. The AMC / Trustee/ Mutual Fund shall have no obligation to check or verify the authenticity or accuracy of Fax Submission purporting to have been sent by the Investor and may act thereon as if same has been duly given by the Investor. In all cases the Investor will have to immediately submit the original documents/ instruction to AMC/ Mutual Fund.

Online Transactions

Axis Mutual Fund will allow Transactions including by way of Lumpsum Purchase/ Redemption / Switch of Units by electronic mode through the AMC web -site. The Subscription proceeds, when invested through this mode, are by way of direct debits to the designated bank through payment gateway. The Redemption proceeds, (subject to deduction of tax at source, if any) through this mode, are directly credited to the bank account of the Investors who have an account at the designated banks with whom the AMC has made arrangements from time to time or through NEFT/RTGS or through cheque/Payorder/Demand draft issuance. The AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.

Investment amount through this facility may be restricted by the AMC from time to time in line with prudent risk management requirements and to protect the overall interest of the Investors.

For details of the facility, investors are requested to refer to the website of the AMC.

Easy Call Facility

All individual investors in the scheme applying on "Sole" or "Anyone or Survivor" basis in their own capacity shall be eligible to avail of Easy Call facilities for permitted transactions inter alia on the following terms and conditions: "Terms and Conditions" mean the terms and conditions set out below by which the Facility shall be used/availed by the Investor/s and shall include all modifications and supplements made by AMC thereto from time to time.

Axis Mutual Fund will allow transactions including by way of Lumpsum Purchase/ Redemption / Switch of Units over phone. Initial Investment has to be through the physical mode wherein he has to sign a one time debit mandate for bank accounts pertaining to designated banks with which the AMC may have an arrangement. This facility is extended to the bank with which the Fund would have an arrangement from time to time. Investment amount may be restricted by the AMC from time to time in line with prudent risk management requirements and to protect the overall interest of the Investors. Investor will be allowed transactions over phone after 30 days from the date of submission of one time mandate. Investor will not be permitted to avail the Easy call facility for Redemptions/Switch transactions if bank mandate is changed within last 15 days. AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.

The AMC has a right to ask such information (Key Information) from the available data of the Investor/s before allowing him access to avail the Facility. If for any reason, the AMC is not satisfied with the replies of the Investor/s, the AMC has at its sole discretion the right of refusing access without assigning any reasons to the Investor/s.

It is clarified that the Facility is only with a view to accommodate /facilitate the Investor/s and offered at the sole discretion of the AMC. The AMC is not bound and/or obliged in any way to give access to Facility to Investor/s.

The Investor/s shall check his/her account records carefully and promptly. If the Investor/s believes that there has been a mistake in any transaction using the Facility, or that unauthorized transaction has been effected, the Investor/s shall notify the AMC immediately. If the Investor/s defaults in intimating the discrepancies in the statement within a period of fifteen days of receipt of the statements, he waives all his rights to raise the same in favour of the AMC, unless the discrepancy /error is apparent on the face of it. By opting for the facility the Investor/s hereby irrevocably authorizes and instructs the AMC to act as his /her agent and to do all such acts as AMC may find necessary to provide the Facility.

The Investor/s shall at all times be bound by any modifications and/or variations made to these Terms and Conditions by the AMC at their sole discretion and without notice to them.

	<p>The Investor/s agrees and confirms that the AMC has the right to ask the Investor/s for an oral or written confirmation of any transaction request using the Facility and/or any additional information regarding the Account of the Investor/s.</p> <p>The Investor/s agrees and confirms that the AMC may at its sole discretion suspend the Facility in whole or in part at any time without prior notice.</p> <p>The Investor/s shall not assign any right or interest or delegate any obligation arising herein.</p> <p>The Investor/s shall take responsibility for all the transactions conducted by using the Facility and will abide by the record of transactions generated by the AMC. Further, the Investor/s confirms that such records generated by the AMC shall be conclusive proof and binding for all purposes and may be used as evidence in any proceedings and unconditionally waives all objections in this behalf.</p> <p>The Investor/s agrees that use of the Facility will be deemed acceptance of the Terms and Conditions and the Investor/s will unequivocally be bound by these Terms and Conditions. The Investor agrees that all calls received shall be eligible for same day NAV subject to necessary formalities to be complied by the AMC in case of transaction through Easy Call Facility on or before the uniform cut off time.</p> <p>Requests like change in bank mandate, change of nomination, change in mode of holding, change of address or such other requests as the AMC may decide from time to time will not be permitted using the Easy Call facility.</p> <p>INDEMNITIES IN FAVOUR OF THE AMC: The Investor/s shall not hold the AMC liable for the following:</p> <ol style="list-style-type: none"> 1) For any transaction using the Facilities carried out in good faith by the AMC on instructions of the Investor/s. 2) For the unauthorized usage/unauthorized transactions conducted by using the Facility. 3) For any loss or damage incurred or suffered by the Investor/s due to any error, defect, failure or interruption in the provision of the Facility arising from or caused by any reason whatsoever. 4) For any negligence / mistake or misconduct by the Investor/s. 5) For any breach or non-compliance by the Investor/s of the rules/terms and conditions stated in this Document. 6) For accepting instructions given by any one of the Investor/s in case of joint account/s having mode of operations as "Either or Survivor" or "anyone or survivor". 7) For not verifying the identity of the person giving the telephone instructions in the Investor/s name. 8) For not carrying out any such instructions where the AMC has reason to believe (which decision of the AMC the Investor/s shall not question or dispute) that the instructions given are not genuine or are otherwise improper, unclear, vague or raise a doubt. 9) For carrying out a transaction after such reasonable verification as the AMC may deem fit regarding the identity of the Investor/s 10) In case of error in NAV communication.
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- 11) For accepting instructions given by any one of the Investor/s or his / her authorized person.

MISCELLANEOUS:

- 1) The Investor/s agrees and understands that while this Facility is being introduced without any charges being levied; in case charges are to be levied on a future date he agrees to pay such charges and nonpayment in such an event can lead to termination of these services.
- 2) Any dispute arising out of or in connection with these Terms and Conditions, will be referred to the arbitration of a sole arbitrator to be appointed by the AMC, in accordance with the Arbitration & Conciliation Act, 1996.
- 3) These Terms and Conditions are subject to applicable SEBI (Mutual Funds) Regulations, 1996 as amended from time to time and includes Guidelines, Circular press release or Notification that may be issued.

Application via electronic mode:

Subject to the Investor fulfilling certain terms and conditions stipulated by the AMC as under, Axis Asset Management Company Limited, Axis Mutual Fund or any other agent or representative of the AMC, Mutual Fund, the Registrar & Transfer Agents may accept transactions through any electronic mode including fax/web transactions as permitted by SEBI or other regulatory authorities :

- a) The acceptance of the fax/web/electronic transactions will be solely at the risk of the transmitter of the fax/web/ electronic transactions and the Recipient shall not in any way be liable or responsible for any loss, damage caused to the transmitter directly or indirectly, as a result of the transmitter sending or purporting to send such transactions.
- b) The recipient will also not be liable in the case where the transaction sent or purported to be sent is not processed on account of the fact that it was not received by the Recipient.
- c) The transmitter's request to the Recipient to act on any fax/web/electronic transmission is for the transmitter's convenience and the Recipient is not obliged or bound to act on the same.
- d) The transmitter acknowledges that fax/web/electronic transactions is not a secure means of giving instructions/ transactions requests and that the transmitter is aware of the risks involved including those arising out of such transmission.
- e) The transmitter authorizes the recipient to accept and act on any fax/web/ electronic transmission which the recipient believes in good faith to be given by the transmitter and the recipient shall be entitled to treat any such fax/web/ electronic transaction as if the same was given to the recipient under the transmitter's original signature.

	<p>f) The transmitter agrees that security procedures adopted by the recipient may include signature verification, telephone call backs which may be recorded by tape recording device and the transmitter consents to such recording and agrees to cooperate with the recipient to enable confirmation of such fax/web/ electronic transaction requests.</p> <p>g) The transmitter accepts that the fax/web/ electronic transactions, where applicable shall not be considered until time stamped as a valid transaction request in the Scheme in line with the Regulations.</p> <p>In consideration of the recipient from time to time accepting and at its sole discretion acting on any fax/ web/electronic transaction request received / purporting to be received from the transmitter, the transmitter agrees to indemnify and keep indemnified the AMC, Directors, employees, agents, representatives of the AMC, Axis Mutual Fund and Trustee from and against all actions, claims, demands, liabilities, obligations, losses, damages, costs and expenses of whatever nature (whether actual or contingent) directly or indirectly suffered or incurred, sustained by or threatened against the indemnified parties whatsoever arising from or in connection with or any way relating to the indemnified parties in good faith accepting and acting on fax/web/ electronic transaction requests including relying upon such fax/ electronic transaction requests purporting to come from the Transmitter even though it may not come from the Transmitter.</p> <p>The AMC reserves the right to discontinue the facility(ies) at any point of time.</p> <p>Insurance</p> <p>As an additional facility to the investors, Axis Mutual Fund may provide Insurance cum Pension facilities like life insurance, personnel accident insurance cover (Death & Permanent total Disabilities), Annuity cover and any other like facility subject to such conditions as may be prescribed by the AMC from time to time. This facility will be made available, keeping in mind the various regulatory requirements & subject to the various terms & conditions prescribed by the Insurance Company with whom the AMC will have a tie-up. The AMC reserves the right to launch a separate Plan, as and when AMC decides to provide such a facility.</p>
Features required as per the ELSS Lien on Units for Loans Unrealised Appreciation	<p>In case of Axis Tax Saver Fund, as per ELSS, the Units issued under the Scheme can be transferred, assigned or pledged only after a period of 3 (three) years of its issue.</p> <p>In calculating the repurchase price, the Mutual Fund shall take into account the unrealized appreciation in the value of the investment of the funds of the Scheme to the extent they deem fit provided that it shall not be less than 50 per cent of such unrealised appreciation. While calculating the repurchase price, the Unit Trust and Mutual Funds may deduct such sums as are appropriate to meet management, selling and other expenses including realisation of assets and such sums shall not exceed five per cent per annum of the average NAV of the scheme.</p>
Transmission of Units and Nomination Facility	<p>In case of Axis Tax Saver Fund, as per the ELSS, in the event of the death of the 'Assessee', the nominee or legal heir as the case may be shall be able to withdraw the investment only after the completion of 1 (one) year from the</p>

	date of allotment of the Units to the 'Assessee'.
Accounts Statements	<p>For normal transactions (other than SIP) during ongoing sales and repurchase:</p> <ul style="list-style-type: none"> • The Account Statement reflecting the new or additional subscription as well as redemption / switch of Units shall be dispatched to the Unit holder within 5 days from the date of receipt of request from the Unit holder. • However, 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. • For those Unit holders who have provided an e-mail address, the AMC will send the account statement by e-mail. • Unit holders will be required to download and print the documents after receiving e-mail from the Mutual Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties. • The Unit holder may request for a physical account statement by writing/calling the AMC/ISC/Registrar. <p>For SIP transactions;</p> <ul style="list-style-type: none"> • Account Statement for SIP will be despatched once every quarter ending March, June, September and December within 10 working days of the end of the respective quarter. • A soft copy of the Account Statement shall be mailed to the investors under SIP to their e-mail address on a monthly basis, if so mandated. • However, the first Account Statement under SIP shall be issued within 10 working days of the initial investment/transfer. • In case of specific request received from investors, Mutual Funds shall provide the account statement (SIP) to the investors within 5 working days from the receipt of such request without any charges. <p>Annual Account Statement:</p> <ul style="list-style-type: none"> • The Mutual Fund shall provide the Account Statement to the Unit holders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement, • The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme. <p>Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.</p> <p>For normal transactions as stated above, in the event the account has more than one registered holder, the first named Unit holder shall receive the account statements.</p>

	The AMC shall issue Unit certificates within 5 business days from the date of receipt of request where the applicant so desires.
Dividend	<p>The Dividend warrants/cheque/demand draft shall be dispatched to the Unit holders within 30 days of the date of declaration of the Dividend.</p> <p>The Dividend proceeds will be paid by way of ECS / EFT / NEFT / RTGS / Direct credits/ any other electronic manner if sufficient banking account details are available with Mutual Fund for Investor.</p> <p>In case of specific request for Dividend by warrants/cheques/demand drafts or unavailability of sufficient details with the Mutual Fund, the Dividend will be paid by warrant/cheques/demand drafts and payments will be made in favour of the Unit holder (registered holder of the Units or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Mutual Fund (please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI).</p>
Redemption	<p>How to Redeem</p> <p>A Transaction Slip can be used by the Unit Holder to request for Redemption. The requisite details should be entered in the Transaction Slip and submitted at an ISC/Official Point of Acceptance. Transaction Slips can be obtained from any of the ISCs/Official Points of Acceptance. Investor can also place redemption through Telephone using Easy Call facility or may redeem Online through the AMC's website subject to the terms and conditions as maybe stipulated from time to time.</p> <p>Procedure for payment of redemption.</p> <p>1. Resident Investors</p> <p>Redemption proceeds will be paid to the investor through Real Time Gross Settlement (RTGS), NEFT, Direct Credit, Cheque or Demand Draft.</p> <ol style="list-style-type: none"> If investor had provided IFSC code in the application form, by default redemption proceeds shall be to be credited to Investor's account through RTGS/NEFT. If Investor has neither provided RTGS code nor the NEFT code but have a bank account with Banks with whom the Fund would has an arrangement for Direct Credit from time to time, the proceeds will be paid through direct credit. Incase if investor bank account does not fall in the above a to b categories, redemption proceeds will be paid by cheques/demand drafts, marked "Account Payee only" and drawn in the name of the sole holder / first-named holder (as determined by the records of the Registrar). The bank name and bank account number, as specified in the Registrar's records, will be mentioned in the cheque/demand draft. The cheque will be payable at par at all bank branch or specific cities. If the Unit Holder resides in any other city, he will be paid by a demand draft payable at the city of his residence and the demand draft charges shall be borne by the AMC (please refer SAI for details).

The redemption proceeds will be sent by courier or (if the addressee city is not serviced by the courier) by registered post/UCP. The dispatch for the purpose of delivery through the courier / postal department, as the case may be, shall be treated as delivery to the investor. The AMC / Registrar are not responsible for any delayed delivery or non-delivery or any consequences thereof, if the dispatch has been made correctly as stated in this paragraph.

The AMC reserves the right to change the sequence of payment from (a) to (c) without any prior notice

For Unit holders who have given specific request for Cheque/Demand Draft Redemption proceeds will be paid by cheque/demand drafts and payments will be made in favour of the Unit holder with bank account number furnished to the Mutual Fund

(Please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI). Redemption cheques will be sent to the Unit holder's address.

The Mutual Fund will endeavor to dispatch the redemption proceeds within 10 Business Days from the date of Redemption. If the payment is not made within the period stipulated in the Regulations, the Unit Holder shall be paid interest @15% p.a. or as specified by SEBI for the delayed period and the interest shall be borne by the AMC.

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

2. Non-Resident Investors

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

(i) Repatriation basis

When Units have been purchased through remittance in foreign exchange from abroad or by cheque / draft issued from proceeds of the Unit Holder's FCNR deposit or from funds held in the Unit Holder's Non Resident (External) account kept in India the proceeds can also be sent to his Indian address for crediting to his NRE / FCNR / non-resident (Ordinary) account, if desired by the Unit Holder.

(ii) Non-Repatriation basis

When Units have been purchased from funds held in the Unit Holder's non-resident (Ordinary) account, the proceeds will be sent to the Unit Holder's Indian address for crediting to the Unit Holder's non-resident (Ordinary) account.

For FIIs, the designated branch of the authorized dealer may allow remittance of net sale / maturity proceeds (after payment of taxes) or credit the amount to the Foreign Currency account or Non-resident Rupee account of the FII maintained in accordance with the approval granted to it by the

RBI. The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations, while converting the rupee amount in foreign exchange in the case of transactions with NRIs / FIIs. The Fund may make other arrangements for effecting payment of redemption proceeds in future.

Effect of Redemptions

The number of Units held by the Unit Holder in his / her / its folio will stand reduced by the number of Units Redeemed. Units once redeemed will be extinguished and will not be re-issued.

The normal processing time may not be applicable in situations where such details are not provided by investors/Unit holders. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques and/or any delay/loss in transit.

Unclaimed Redemptions and Dividends

As per circular no. MFD / CIR / 9 / 120 / 2000, dated November 24, 2000 issued by SEBI, the unclaimed Redemption and dividend amounts shall be deployed by the Fund in money market instruments only. The unclaimed Redemption and dividend amounts shall be deployed 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. The circular also specifies that investors who claim these amounts during a period of three years from the due date shall be paid at the prevailing NAV. Thus, 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. In terms of the circular, the onus is on the AMC to make a continuous effort to remind investors through letters to take their unclaimed amounts. The details of such unclaimed amounts shall be disclosed in the annual report sent to the Unit Holders.

AMC reserves the right to provide the facility of redeeming Units of the Scheme through an alternative mechanism including but not limited to online transactions on the Internet, as may be decided by the AMC from time to time. The alternative mechanism may also include electronic means of communication such as redeeming Units online through the AMC Website or any other website etc. The alternative mechanisms would be applicable to only those investors who opt for the same in writing and/or subject to investor fulfilling such conditions as AMC may specify from time to time.

Signature mismatches

If the AMC / Registrar finds a signature mismatch, while processing the redemption/ switch out request, then the AMC/ Registrar reserves the right to process the redemption only on the basis of supporting documents confirming the identity of the investors. List of such documents would be notified by AMC from time to time on its website.

Important Note: All applicants for Purchase of Units /Redemption of Units must provide a bank name, bank account number, branch address, and account type in the Application Form.

Units can be redeemed (sold back to the Mutual Fund) at the Redemption Price during the Ongoing Offer Period subject to a lock in period of 3 (three) years as per the ELSS.

Delay in payment of redemption / repurchase proceeds	The AMC shall be liable to pay interest to the Unit holders at 15% or such other rate as may be prescribed by SEBI from time to time, in case the redemption / repurchase proceeds are not made within 10 Business Days of the date of Redemption / repurchase. However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC / Trustee is required to obtain from the investor / Unit holders verification of identity or such other details relating to subscription for Units under any applicable law or as may be requested by a regulatory body or any government authority, which may result in delay in processing the application.
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C. PERIODIC DISCLOSURES

<p>Net Asset Value</p> <p>This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance</p>	<p>The AMC will calculate and disclose the NAV of the Scheme on all the Business Days. The NAV of the Scheme and purchase/redemption price shall be published at least in two daily newspapers on daily basis in accordance with the SEBI Regulations. The AMC shall update the NAVs on the website of the (www.axismf.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 9.00 p.m. on every Business Day. If the NAVs are not available before the commencement of business hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.</p> <p>Information regarding NAV can be obtained by the Unit holders / Investors by calling or visiting the nearest ISC.</p>
<p>Half yearly Disclosures: Portfolio / Financial Results</p> <p>This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p>The Mutual Fund shall publish a complete statement of the Scheme portfolio and the unaudited financial results, within one month from the close of each half year (i.e. 31st March and 30th September), by way of an advertisement at least, in one National English daily and one regional newspaper in the language of the region where the head office of the mutual fund is located.</p> <p>The Mutual Fund may opt to send the portfolio to all Unit holders in lieu of the advertisement (if applicable).</p> <p>The Portfolio Statement will also be displayed on the website of the AMC and AMFI.</p>
Half Yearly Results	<p>The Mutual Fund and AMC shall before the expiry of one month from the close of each half year i.e. 31st March and on 30th September, publish its unaudited financial results in one national English daily newspaper and in a regional newspaper published in the language of the region where the Head Office of the mutual fund is situated.</p> <p>The unaudited financial results will also be displayed on the website of the AMC and AMFI.</p>
Annual Report	The Scheme wise annual report or an abridged summary thereof shall be mailed (emailed, where e mail id is provided unless otherwise required) to all Unit holders not later than four months (or such other period as may be

	specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year) and full annual report shall be available for inspection at the Head Office of the Mutual Fund and a copy shall be made available to the Unit holders on request on payment of nominal fees, if any. Scheme wise annual report shall also be displayed on the website of the AMC (www.axismf.com) and Association of Mutual Funds in India (www.amfiindia.com).																		
Associate Transactions	Please refer to Statement of Additional Information (SAI).																		
Taxation	<table><tr><th>Particulars</th><th>Resident Investors^^</th><th>Mutual Fund^^</th></tr><tr><td>Tax on Dividend</td><td>NIL</td><td>NIL</td></tr><tr><td>Capital Gain</td><td></td><td></td></tr><tr><td>- Long Term</td><td>NIL</td><td>NIL</td></tr><tr><td>- Short Term</td><td>15%</td><td>NIL</td></tr><tr><td></td><td>(plus applicable surcharge & education cess)</td><td></td></tr></table> <p>Axis Mutual Fund is a Mutual Fund registered with the Securities & Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from income tax in accordance with the provisions of Section 10(23D) of the Income-tax Act, 1961 (the Act).</p> <p>Equity schemes will attract securities transaction tax (STT) at 0.25% on the redemption value.</p> <p>Section 80C benefit available under this scheme including units created under dividend reinvestment option.</p> <p>The Scheme being an equity oriented scheme, no tax under section 115R of the income tax, 1961 is payable on income distribution, if any, made by the scheme.</p> <p>^^ For further details on taxation, please refer to the section on Taxation in the SAI.</p> <p>Each investor is advised to consult his or her own tax consultant with respect to the specific tax implications.</p> <p>The above is intended as a general guide only and does not necessarily describe the tax consequences for all types of investors in the Fund and no reliance, therefore, should be placed upon them.</p>	Particulars	Resident Investors^^	Mutual Fund^^	Tax on Dividend	NIL	NIL	Capital Gain			- Long Term	NIL	NIL	- Short Term	15%	NIL		(plus applicable surcharge & education cess)	
Particulars	Resident Investors^^	Mutual Fund^^																	
Tax on Dividend	NIL	NIL																	
Capital Gain																			
- Long Term	NIL	NIL																	
- Short Term	15%	NIL																	
	(plus applicable surcharge & education cess)																		
Investor services	<p>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" (toll-free number) or 4325 5100 (at local call rate for enquiring at AMC ISC's) or email – customerservice@axismf.com.</p> <p>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 transaction</p>																		

	<p>efficiently and to resolve any Investor grievances promptly.</p> <p>Any complaints should be addressed to Mr. Milind Vengurlekar who has been appointed as the Investor Relations Officer and can be contacted at:</p> <p>Address : Axis House, 1st Floor, Bombay Dyeing Mill Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 025 Phone no.: 022 43254138/4123</p> <p>For any grievances with respect to transactions through BSE StAR and / or NSE MFSS, the investors / Unit Holders should approach either the stock broker or the investor grievance cell of the respective stock exchange.</p>
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D. COMPUTATION OF NAV

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

The Net Assets Value (NAV) of the Units under the Scheme shall be calculated as shown below:

$$\text{NAV (Rs.)} = \frac{\text{Market or Fair Value of Scheme's Investments} + \text{Current Assets including Accrued Income} - \text{Current Liabilities and Provisions}}{\text{No. of Units outstanding under Scheme on the Valuation Day}}$$

The NAV shall be calculated up to two decimal places. However the AMC reserves the right to declare the NAVs up to additional decimal places as it deems appropriate. Separate NAV will be calculated and disclosed for each Option. The NAVs of the Growth Option and the Dividend Option will be different after the declaration of the first dividend.

The AMC will calculate and disclose the NAV of the Scheme on all the Business Days.

IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the schemes.

A. NEW FUND OFFER (NFO) EXPENSES

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

In accordance with the provisions of SEBI Circular no. SEBI/ IMD/CIR No. 1/64057/06 dated April 04, 2006 and SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009, the NFO expenses shall be borne by the AMC/ Sponsor.

B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:

The AMC has estimated that up to 2.50% of the daily average net assets of the scheme will be charged to the scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of the AMC.

Particulars	% to net assets
Investment Management & Advisory Fee	1.25
Service tax on Investment Management & Advisory Fee	0.12
Custodial Fees	0.05
Registrar & Transfer Agent Fees including cost related to providing accounts statement, dividend/redemption cheques/warrants etc.	0.10
Marketing & Selling Expenses including Agents Commission and statutory advertisement	0.75
Brokerage & Transaction Cost pertaining to the distribution of units	-
Audit Fees / Fees and expenses of trustees	0.10
Costs related to investor communications	0.08
Costs of fund transfer from location to location	-
Other Expenses*	0.05
Total Recurring Expenses	2.50

*Any other expenses which are directly attributable to the Scheme, maybe charged with the approval of the Trustee within the overall limits as specified in the Regulations except those expenses which are specifically prohibited.

These estimates have been made in good faith as per the information available to the Investment Manager and are subject to change inter-se or in total subject to prevailing Regulations. The AMC may incur actual expenses which may be more or less than those estimated above under any head and/or in total. Type of expenses charged shall be as per the Regulations.

The AMC will charge the Scheme such actual expenses incurred, subject to the statutory limit prescribed in the Regulations.

The recurring expenses of the Scheme (including the Investment Management and Advisory Fees) shall be as per the limits prescribed under the SEBI (MF) Regulations. These are as follows:

On the first Rs. 100 crores of the average weekly net assets - 2.50 %

On the next Rs. 300 crores of the average weekly net assets - 2.25%

On the next Rs. 300 crores of the average weekly net assets – 2.00%

On the balance of the assets - 1.75%

The AMC may charge the Mutual Fund with investment and advisory fee as prescribed in the SEBI (MF) Regulations from time to time and as permitted by the Investment Management Agreement. Presently, the SEBI (MF) Regulations permit fees as follows:

- i) 1.25% of the weekly average net assets outstanding in each accounting year for the Scheme concerned as long as the net assets do not exceed Rs.100 crore, and
- ii) 1% of the excess amount over Rs.100 crore, where net assets so calculated exceed Rs.100 crore.

The total expenses of the Scheme(s) including the investment management and advisory fee shall not exceed the limit stated in Regulation 52(6) of the SEBI (MF) Regulations.

Any expenditure in excess of the SEBI regulatory limits shall be borne by the AMC or by the Trustee or the Sponsor.

The current expense ratios will be updated on the AMC website viz. www.axismf.com within two working days mentioning the effective date of the change.

C. LOAD STRUCTURE

Load is an amount which is presently paid by the Investor to redeem the units from the Scheme. This amount is used by the AMC to pay commission to the distributors and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, Investors may refer to the website of the AMC (www.axismf.com) or may call at **1800 3000 3300** or you can contact your distributor.

SEBI vide its circular No. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes.

Type of Load	Load chargeable (as %age of NAV)
Entry Load	NA
Exit Load	Nil
CDSC	Nil

Units issued on reinvestment of Dividends shall not be subject to entry and Exit Load(if any).

The above mentioned load structure shall be equally applicable to the special products such as SIP, switches, etc. offered by the AMC. However, for switches between equity schemes, no load will be charged by the Scheme. Further, for switches between the Growth and Dividend Option, no load will be charged by the scheme.

Of the Exit Load or CDSC charged to the Investor, a maximum of 1% of the Redemption proceeds can be maintained in a separate account which can be used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Any balance is to be credited to the Scheme immediately.

The Investor is requested to check the prevailing Load structure of the Scheme before investing.

For any change in Load structure AMC will issue an addendum and display it on the website/Investor Service Centres.

Under the Scheme, the AMC/Trustee reserves the right to change / modify the Load structure if it so deems fit in the interest of smooth and efficient functioning of the Mutual Fund. The AMC/Trustee reserves the right to introduce / modify the Load depending upon the circumstances prevailing at that time subject to maximum limits as prescribed under the Regulations.

The Redemption Price however, will not be lower than 93% of the NAV. Any imposition or enhancement of Load in future shall be applicable on prospective investments only. The difference between the Redemption price and Sale price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time which is presently 7% calculated on the Sale Price.

At the time of changing the Load Structure:

1. An Addendum detailing the changes will be attached to Scheme Information Document (s) and Key Information Memorandum. The addendum may be circulated to all the distributors / brokers so that the same can be attached to all Scheme Information Documents and Key Information Memoranda already in stock.
2. The addendum will be displayed on the website of the AMC and arrangements will be made to display the addendum in the form of a notice in all the Investor Service Centres and distributors / brokers' office.
3. The introduction of the Exit Load/ CDSC along with the details may be stamped in the acknowledgement slip issued to the Investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such Load/CDSC.
4. A public notice shall be given in respect of such changes 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.
5. Any other measure which the Mutual Fund may consider necessary.

Any change in Load structure shall be only on a prospective basis i.e. any such changes would be chargeable only for Redemptions from prospective purchases (applying first in first out basis).

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Not applicable

V. RIGHTS OF UNITHOLDERS

Please refer to SAI for details.

VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

This section shall contain the details of penalties, pending litigation, and action taken by SEBI and other regulatory and Govt. Agencies.

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed.

Not Applicable

2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.

Reserve Bank of India has levied penalty of Rs. Fifteen lacs on Axis Bank Ltd. in April 2011 for inadequacies seen in adherence to guidelines on derivatives transactions. The penalty of Rs. Fifteen lacs has been paid by Axis Bank Ltd. on May 5, 2011 to Reserve Bank of India.

3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.

Nil

4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.

Nil

5. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency, shall be disclosed.

Nil

The Scheme under this Scheme Information Document was approved by the Trustee Company on September 05, 2009. The Trustee has ensured that the Scheme is a new product offered by Axis Mutual Fund and is not a minor modification of its existing schemes.

Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

for and on behalf of
Axis Asset Management Company Limited

Sd/-

Rajiv Anand
Managing Director &
Chief Executive Officer

Date: June 30, 2011

Place: Mumbai

OFFICIAL POINTS OF ACCEPTANCE FOR ONGOING TRANSACTIONS

Ahmedabad Ground Floor, Shop No 4, Megha House, Opp. Kotak Bank, Mithakali Law Garden Road, Ellisbridge, Ahmedabad 380006 • **Bhopal** C/o Axis Securities & Sales Limited, Akansha Building, 1st Floor, Opposite Navbharat Press Complex, Zone -1, M. P. Nagar, Bhopal - 462 011 • **Bhubaneswar** C/o Axis Securities & Sales Limited, Axis Mutual Fund, Agrani Press, Mallick commercial complex 1st floor, Block BPN A/69, Khavela Nagar, Bhubaneswar-751001 • **Bangalore** Embassy Square, Building No. 148, Unit No 306, 3rd Floor, Infantry Road, Bangalore 560001 • **Chandigarh** 1st Floor, ScoNo 147-48, Sec 9c, Chandigarh 160017 • **Chennai** 5th Floor, Maalavika Center, 144 - 145 New No 60, Kodambakkam High Road, Nungambakkam, Chennai 600034 • **Kochi** C/o Axis Securities & Sales Limited, Door No 1053-B1, Rani Tower, 1st Floor, Chittoor Road, Ernakulam, Kochi 682018 • **Coimbatore** C/o Axis Securities & Sales Limited, Door No 1437, Red Rose Chambers, 2nd Floor, Trichy Road, Coimbatore 641018 • **Guwahati** C/o Axis Securities & Sales Limited, 3rd Floor, Sarojini Commercial Complex, Opposite Ayakar Bhavan, Christian Basti, G.S.Road, Guwahati 781005 • **Hyderabad** 2nd Floor, Nerella House, Panjagutta, Hyderabad 500082 • **Indore** C/o Axis Securities & Sales Limited, 201, 2nd Floor, Silver Sanchora Castle, 8/2 R.N.T. Marg, Indore 452 003, India • **Jaipur** 305, 3rd Floor, Ganpati Plaza, M I Road, Jaipur 302001 • **Jamshedpur** C/o Axis Securities & Sales Limited, Shatabdi Tower, 1 SNP Area, Sakchi, Jamshedpur 831001 • **Kanpur** 210, 2nd Floor, Kan Chambers, Civil Lines, Kanpur 208001 • **Kolkata** 3 - F, 3rd Floor, Shristi, 12 Hochiminh Sarani, Kolkata 700071 • **Lucknow** Unit No 5, 6 & 7, Halwasiya's Commerce House, 2nd Floor, Habibullah Estate, 11, M.G.Marg, Hazratganj, Lucknow 226001 • **Ludhiana** Axis Asset Management Co. Ltd., SCO - 28, First Floor, Feroz Gandhi Market, Ludhiana - 141001 • **Mumbai** Axis House, 1st Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025, India • **Mangalore** C/o Axis Securities & Sales Limited, Somayaji House, Door No 15-7-330/56, 5th Floor, Bunts Hostel Road, Mangalore 575003 • **Nagpur** C/o Axis Securities & Sales Limited, Sitarang Smriti, 2nd Floor, West High Court Road, Dharampeth, Nagpur 440010 • **Nasik** C/o Axis Securities & Sales Limited, Office No. 19/22, Gr. Floor, Suyojit Modern Point, Opposite Police Parade Ground, Sharanpur Road, Nasik 422002 • **New Delhi** 702-705, 7th Floor, Narain Manzil, Barakhamba Road, Connaught Place, New Delhi • **Panaji** C/o Axis Securities & Sales Limited, 103, 1st Floor, Unitech City Centre, M.G.Road, Panaji 403001 • **Patna** DG-11, Dumraon Place, Frazier Road, Patna - 800 001 • **Pune** 927, 204-205, 2nd Floor, Sanas Memories Apartment, Fergusson College Road, Shivaji Nagar, Pune 411004 • **Raipur** C/o Axis Securities & Sales Limited, Parthivi Pacific, Tatibandh, GE Road, Raipur 492 099. • **Rajkot** C/o Axis Securities & Sales Limited, 2nd Floor, Adjacent Kos Hospital, 150 Feet Ring Road, Opp. Amin Marg, Juction, Rajkot 360001 • **Surat** C/o Axis Securities & Sales Limited, Centre Point, 106/a, First Floor, Ring Road, Surat 395002 • **Trivandrum** C/o Axis Securities & Sales Limited, Haji M. Bava Sahib Commercial Complex, TC25/2890(12), Ambujavilasam Road, Trivandrum 695001 • **Vadodra** C/o Axis Securities & Sales Limited, Chitarakash Complex, 1st Floor, 19, Punit Nagar, Old Padra Road, Vadodra 390007.

KARVY COMPUTERSHARE PRIVATE LIMITED INVESTOR SERVICE CENTERS

Agartala Jagannath Bari Road, Bidur Kottar, Choumani, Agartala 799001 • **Agra** Deepak Wasan Plaza, Behind Holiday Inn, Opp Megdoot Furnitures, Sanjay Place, Agra 282002 (U.P.) • **Ahmedabad** 201, Shail Building, Opp Madhusudan House, Near Navrangpura Telephone Exchange, Navrangpura, Ahmedabad 380006 • **Ajmer** 1-2, II Floor, Ajmer Tower, Kutchary Road, Ajmer 305001 • **Akola** Shop No-30, Ground Floor, Yamuna Tarang Complex, N H No 06, Murtizapur Road, Akola 444004 • **Aligarh** 1st Floor, Kumar Plaza, Aligarh 202001 Uttar Pradesh • **Allahabad** RSA Towers, 2nd Floor, Above Sony TV Showroom, 57, S P Marg, Civil Lines, Allahabad 211001 • **Alleppy** 2nd Floor, JP Towers Near West of Zilla Court Bridge, Mullakkal Alleppy 688011 • **Alwar** 101, Saurabh Towers Road No # 2, Bhagat Singh Circle Alwar 301001 • **Amaravathi** Shop No 13 & 27, First Floor Gulshan Plaza, Raj Peth, Badnera Road, Amaravathi 444605 • **Ambala** 6349, Nicholson Road, Adjacent Kos Hospital, Ambala Cantt, Ambala 133001 • **Amritsar** 72-A, Taylor's Road, Aga Heritage Gandhi Ground, Amritsar 143001 • **Anand** F-6, Chitrangana Complex, Opp. Motikaka Chawl, V V Nagar, Anand 388001 • **Ananthapur** # 15-149, 1st Floor, S R Towers, Opp. Lalithakala Parishat Subash Road, Anantapur 515001 • **Angul** Durga Shankar Road, Main Road, Infront of AXIS Bank Angul 759122 • **Ankleshwar** Shop No. FF 4 & 5, Shree Narmada Arcade, Old N H No 8, Opp. HDFC Bank, Ankleshwar 393001 • **Asansol** Hotal Askok, 2nd Floor 18, G T Road, Asansol 713301 • **Aurangabad** Shop No 214/215 Tapadiya City Centre, Nirala Bazar, Aurangabad 431001 • **Azamgarh** Below Central Bank of India, Sadawarti Chowk, Azamgarh 276001 • **Balasore** M S Das Street, Gopalgaon, Balasore 756001 • **Bangalore** No 51/25, 1st Floor, Surya Building, Ratna Avenue, Richmond Road, Bangalore 560025 • **Bankura** Ambika Market, Natunganj Bankura 722101 • **Bareilly** 1st Floor, 165, Civil Lines, Opposite Hotel Bareilly Palace, Near Rly Station Road, Bareilly 243001 • **Barhampore** (WB) 180, Netaji Road, Komal Gandhar Apartment, PO Khagra, City Berhampore Dist. Murshidabad, Barhampore 742103 • **Baroda** Piccadilly, Office # 5, First Floor, Opp. Adani Super Market, Jetapur Road, Vadodra 390007 Gujarat • **Begusarai** Hotel Diamond Surbhi Complex, Near I.O.C Township Gate, Kapasiya Chowk, Begusarai 851117 • **Belgaum** FK-1, Ambedkar Road, Opp Civil Hospital Belgaum 590001 • **Bellary** No 1 KHB Colony, Gandhinagar, Bellary 583101 • **Behrampur** (OR) amlingam Tank Road, Berhampur, Orissa 760002 • **Betul** 107, Hotel Utkarsh, Awasthi Complex, J H College Road, Civil Lines, Beetul 460001 • **Bhagalpur** 2nd Floor, Chandralok Complex, Ghantaghar, Radha Rani Sinha Road, Bhagalpur 812001 • **Bharuch** Ground Floor, Office No 6, Aditya Complex, Opp. Kasak Temple, Bharuch 392001 • **Bhatinda** 2048, 1st Floor, Opp. Canara Bank, The Mall Road, Bhatinda 151001 • **Bhavnagar** Surabhi Mall 301, 3rd Floor, Waghawadi Road, Bhavnagar 364001 • **Bhilai** No 138, New Civic Centre, Bhilai 490006 Dist Durg, Chattishgarh • **Bhilwara** 27-28, 1st Floor, Hira Panna Complex, Pur Road, Bhilwara 311001 • **Bhopal** Kay Kay Busniss Centre, 133 Zone, I M P Nagar, Bhopal 462021 • **Bhubaneswar** Plot No 104/105(P), Jaydev Vihar, Besides Hotel Pal Heights, Bhubaneswar 751013, Orissa • **Bikaner** 2nd Floor, Plot No 70 & 71, Panchshati Circle, Sardul Gunj Scheme, Bikaner 334003 • **Bilaspur** Shop No 201/202, V R Plaza, Link Road, Bilaspur 495001 • **Borivali** Karvy Stock Broking Pvt Ltd Ground Floor, Himanshu Bldg, Sodawala Lane, Lina Chandawarkar Road, Borivali West. - 400091 • **Bokaro** B-1, 1st Floor, Near Sona Chandi Jewellers, City Centre, Sector 4, Bokaro Steel, City 827004 (Jharkhand) • **Burdwan** 63 G T Road, Birhata, Halder Complex, 1st Floor, Burdwan 713101 • **Calicut** Sowbhagya Shopping Complex, Areyadathupalam Mavoor Road, Calicut 673004 • **Chandigarh** Sco-371-372, First Floor, Above HDFC Bank, Sector 35B Chandigarh 160022 • **Chandrapur** Shop No 5, Office No 2, 1st Floor, Routs Raghuvanshi Complex, Beside Azad Garden, Main Road, Chandrapur 442402 • **Chennai** Flat No F11, First Floor, Akshya Plaza, (Erstwhile Harris Road), Opp Chief City Metropolitan Court, # 108, Adhithanar Salai, Egmore, Chennai 600002 • **Chinsura** JC Ghosh Sarani Near Bus Stand Chinsura 712101 • **Cochin** Room No 2, IInd Floor, Jewel Arcade, (Above Oriental Insurance Ltd) Layam Road, Cochin 682011 • **Coimbatore** 29/1, 1st Floor, Chinthamani Nagar, Opp To Indian Overseas Bank, Nsr Road, Saibaba Colony, Coimbatore 641011 • **Coonoor** 76 Cammellia Terrace, Grays Hills, Coonoor 643101 • **Cuttack** Dargha Bazar, Opp Dargha Bazar Police Station, Buxibazar, Cuttack 753001 • **Deoria** 1st Floor, Shanti Niketan, Opp Zila Panchayat, Civil Lines Deoria 274001 • **Dalhousie** Karvy Stock Broking Pvt. Ltd., Mr.Baskar Malakar 033 - 22437863 - 69 / 90 / 89 19, R N Mukherjee Road, 2nd Floor, Dalhousie Kolkata - 700 001 • **Darbhanga** Ground Floor, Trade Point, Hassan Chowk, Lal Bagh, Darbanga 846004 • **Davangere** # 15/9, Sobagu Complex, 1st Floor, 2nd Main Road, P J Extension, Davangere 577002 Dehradun Kaulagarh Road, Near Sirmaur Marg, Above Reliance Webworld, Dehradun 248001 • **Dewas** 27 Rmo House, Station Road, Dewas 455001 • **Dhanbad** 208, New Market, 2nd Floor, Katras Road, Bank More, Dhanbad 826001 • **Dharwad** G7 & 8, Sri Banashankari Avenue Ramnagar, Opp Nttfb Road Dharwad 580001 • **Dhule** Ashoka Estate, Shop No 14/A, Upper Ground Floor, Sakri Road, Opp. Santoshi Mata Mandir, Dhulev 424002 • **Dindigul** No 9, Old No 4/B, New Aghraharam, Palani Road, Dindigul 624001 • **Durgapur** Old Dutta Automobiles Building 1st Floor, Nachan Road, Benachity, Durgapur 713213 • **Eluru** 23A-3-32, Gubbalavari Street, R R Pet, Eluru 534002 • **Erode** No 4, KMY Salai, Veerappan Traders Complex, Opp Erode Bus Stand, Sathy Road, Erode 638003 • **Faridabad** A-2B, 1st Floor, Nehru Ground, Neelam Bata Road, Nit, Faridabad 121001 • **Ferozpur** 2nd Floor, Malwal Road, Opp H M School, Ferozpur City 152002 • **Gandhidham** Office No 14, First Floor, Komal Complex, Plot No 305, Sector 12B, Nr Shivaji Park, Gandhidham 370201 • **Gandhinagar** 27, Suman Tower, Near Hotel Haveli, Sector No.11, Gandhinagar, Ahmedabad 382011 • **Gaya** 1st Floor, Lal Bhawan, Tower Chowk, Near Kiran Cinema, Gaya 823001 • **Ghaziabad** 1st Floor, C-7, Lohia Nagar, Ghaziabad 201001 • **Ghaziipur** Shubhra Hotel Complex, 2nd Floor, Mahaubagh, Ghaziipur 233001 • **Gonda** 1st Floor, Sri Krishna Talkies, Opp Dukhharan Nath Mandir, Station Road, Gonda 271003 • **Gondia** Shop No 9, Raj Laxmi Complex, aill Toly, Gondia 441614 • **Gorakhpur** Above V I P House Adjacent A D Girls Inter College, Bank Road, Gorakpur 273001 • **Gulbarga** No 23 Sri Giri Nilaya, Sharan Nagar, Tank Bund Road, Gulbarga 585103 • **Guntur** Door No 6-10-18, Sai House, 10 / 1, Arundelpet , Guntur 522002 • **Gurgaon** Shop No 18, Ground Floor, Sector 14, Opp AKD Tower, Near Huda Office, Gurgaon 122001 • **Guwahati** 54 Sagarika Bhawan R G Baruah Road, (AIDC Bus Stop) Guwahati 781024 • **Gwalior** Shindi Ki Chawani, Nadi Gate Pul, MLB Road, Gwalior 474001 • **Hajipur** Ramraja Complex, Kacheri Road, Near Canara Bank, Hajipur 844101 • **Haldwani** 4 Durga City Center, 1st Floor, Near MBPG College, Parao, Nainital Road, Haldwani 263139 Uttarakhand • **Haridwar** 8, Govind Puri, Opp LIC 2, Above Vijay Bank, Main Road, Ranipur More, Haridwar 249401 • **Hassan** St. Anthony's Complex, Ground Floor, H N Pura Road, Hassan 573201 • **Hazaribagh** C/o Hemlata Jain Kalibari Road, Hazaribagh 825301 • **Hissar** Sco 71, 1st Floor, Red Square Market, Hissar 125001 • **Hoshiarpur** 1st Floor, The Mall Tower, Opp Kapila Hospital, Sutheri Road, Near Maharaj Palace, Hoshiarpur 146001 • **Hubli** 8&9, Upper Ground Floor, C Block, Akshaya Park, Gokul Road Hubli 580030 • **Hyderabad** 8-2-596 Karvy Plaza, Avenue 4, Street No 1, Banjara Hills, Hyderabad 500034 • **Indore** LG 3, Bombay Trade Centre, Lower Ground Floor, Grand Hotel, Opp Bombay Hospital , Scheme No 54, Indore 452010 • **Jabalpur** 43, Naya Bazar, Opposite Shyam Talkies, Jabalpur (MP) 482001 • **Jaipur** S-16 A, 3rd Floor, Land Mark, Opposite Jaipur Club, Mahavir Marg, C- Scheme, Jaipur 302001 • **Jalandhar** Lower Ground Floor, Office No 3, Arora Prime Tower, Plot No 28, G T Road, Jalandhar 144004 • **Jalgaon** 148 Navi Peth, Opp Vijaya Bank Near, Bharat Dudhalay, Jalgaon 425001 • **Jalpaiguri** D B C Raod, Near Rupasree Cinema Hall, Beside Kalamandir, PO & Dist Jalapiguri 735101 • **Jammu** 29 D/C, Near Service Selection Commission Office, Gandhi Nagar, Jammu 180004 • **Jamnagar** 108 Madhav Plaza, Opp SBI Bank, Near Lal Bangalov, Jamnagar 361001 • **Jamshedpur** Kanchan Tower, 3rd Floor, Chhaganlal Dayalji @ Sons 3-S B Shop Area, (Near Traffic Signal) Main Road, Bistupur,

Jamshedpur 831001 • **Jaunpur** R N Complex, 1-1-9-G (In Front of Pathak Honda) Ummarpur Jaunpur 222002 • **Jhansi** 371/01, Narayan Plaza, Gwalior Road, Near Jeevan Shah Chauraha, Jhansi 284001 • **Jodhpur** 203, Modi Arcade, Chupasni Road, Jodhpur 342001 • **Jorhat** New Medical Store Complex, 3rd Floor, A T Road, Opp Chowk Bazar, Jorhat 785001 • **Junagadh** 124/125, Punit Shopping Center, Ranavat Chowk, Junagadh Gujarat 362001 • **Kanchipuram** New No 357, Old No 230 Gandhi Road, Next To IDBI Bank, Kanchipuram 631501 • **Kannur** 2nd Floor, Prabhat Complex, Fort Road, Kannur 689107 • **Kanpur** 15/46, Opp Muir Mills, Civil Lines, Kanpur 208001 • **Karaikudi** Gopi Arcade, 100 Feet Road, Karaikudi 630001 • **Karimnagar** H No 4-2-130/131, Above Union Bank, Jafri Road, Rajeev Chowk, Karimnagar 505001 • **Karnal** Sco 26, Kunjpura Road, Nehru Place, Karnal 132001 • **Karur** No6, Old No 1304 Thiru-Vi-Ka Road, Near G R Kalyan Mahal Karur 639001 • **Keonjhar** 2nd Floor, Maruti Arcade, Thanna Square, Keonjhar 758001 • **Kharagpur** Malancha Road, Beside UTI Bank, Kharagpur 721304 • **Kolhapur** 610 K Vardhaman Chambers, 2nd Lane, Shahupuri, Kolhapur 416001 • **Kolkata** 16 Jatin Bagchi Road, Kolkata 700029, (**Dalhousie**) 19, R N Mukherjee Road, 2nd Floor, Dalhousie, Kolkata 700 001 • **Kollam** Ground Floor, Vigneshwara Bhavan, Below Reliance Web World, Kadappakkada Kollam 691008 • **Kota** H No 29, First Floor, Near Lala Lajpat Rai Circle Shopping Centre, Kota, Rajasthan 324007 • **Kottayam** 1st Floor, CSI Ascension Church Complex, Kottayam 686001 • **Korba** 1st Floor, 35 Indira Complex, T P Nagar, Korba (CG) 495677 • **Krishnagar** 52 R N Tagore Road, High Street, Krishnagar, Nadia 741101 • **Kurnool** Shop No 43, 1st Floor S V Complex, Railway Station Road, Kurnool 518004 • **Lucknow** Usha Sadan, 24, Prem Nagar, Ashok Marg, Lucknow 226001 • **Ludhiana** SCO - 136, First Floor, Above Airtel Show Room, Feroze Gandhi Market, Ludhiana - 141 001. • **Malda** Sahistuli Under Ward No-6, English Bazar, Municipality, No-1 Govt Colony, Malda 732101 • **Madurai** Rakesh Towers, 30-C, Bye Pass Road, 1st Floor, Opp Nagappa Motors, Madurai 625010 • **Mangalore** Ground Floor, Mahendra Arcade, Kodial Bail, Mangalore 575003 • **Margao** 2nd Floor, Dalal Commercial Complex, Opp Hari Mandir, Pajifond, Margao-Goa 403601 • **Mathura** 3538-3540, Infront of BSA College, Gaushala Road, Mathura 281004 • **Meerut** 1st Floor, Medi Centre Complex, Opp ICICI Bank, Hapur Road, Meerut 250002 • **Mehsana** Ul-47, Appolo Enclave, Opp Simandhar Temple, Modhera Char Rasta Highway, Mehsana 384002 • **Mirzapur** Girja Sadan, Dankin Gunj Mirzapur 231001 • **Moga** Near Dharamshala Brat Ghar, Civil Line, Dutt Road, Moga 142001 • **Moradabad** Om Arcade, Parker Road, Above Syndicate Bank, Tari Khana Chowk, Moradabad 244001 • **Morena** Moti Palace, Near Ramjanki Mandir, Jiwasi Ganj, Morena 476001 • **Mumbai - (Fort)** DAS Chambers, Ground Floor, Opp BSE & Next to Corporation Bank, Dalal Street, Fort, Mumbai 400023, (**Borivali**) Ground Floor, Himanshu Bldg, Sodawala Lane, Lina Chandawarkar Road, Borivali (West), Mumbai 400091, (**Thane**) First Floor, Jeevan Chaya Bldg, Near Adidas Show Room, Ram Maruti Road, Thane (West), Mumbai 400601 • **Muzaffarpur** 1st Floor, Umba Market, Near Thana Gumti, Motijheel, Muzaffarpur, Bihar 842001 • **Mysore** L-350, Silver Tower, Clock Tower, Ashoka Road, Mysore 570001 • **Nadiad** 105 GF City Point, Near Paras Cinema, Nadiad 387001 • **Nagarkoil** 3A, South Car Street, Parfan Complex, Nr The Laxmi Villas Bank, Nagarkoil 629001 • **Nagpur** 1st Floor, Sadoday Arcade, WHC Road, Above Top N Town, Dharampeth, Nagpur 440001 • **Namakkal** 105/2, Arun Towers, Paramathi Street, Namakkal 637 001 • **Nanded** Shop No 1,2,3 & 4, First Floor, Opp Bank of India, Santkrupa Market, Gurudwara Road, Nanded 431602 • **Nasik** S-12, Second Floor, Suyojit Sankul, Sharanpur Road, Nasik 422002 • **Navsari** 1st Floor, Chinmay Arcade, Opp Sattapir, Tower Road, Navsari 396445 • **New Delhi** 2E/23, Jhandewalan Extn. New Delhi 110055 • **Nellore** 16/112, Pogathota Nellore 524001 • **Nizamabad** H No 4-9-55, 1st Floor, Uppala Rameshwara Complex, Jawahar Road, Nizamabad 503001 • **Noida** 307 Jaipuria Plaza, D 68 A, 2nd Floor, Opp Delhi Public School, Sector 26, Noida 201301 • **Palghat** 12/310, (No.20 & 21), Metro Complex, Head Post Office Road, Sultanpet, Palghat 678001 • **Panipat** 1st Floor, Krishna Tower, Near HDFC Bank, Opp Railway Road, G T Road, Panipat 132103 • **Panjim** City Business Centre, Coelho Pereira Building, Room Nos 18,19 & 20 Dada Vaidya Road, Panjim 403001 • **Patiala** Sco 27 D, Chhoti Baradari Patiala 147001 • **Patna** 3A, 3rd Floor, Anand Tower, Beside Chankya Cinema Hall, Exhibition Road, Patna 800001 • **Pathankot** 1st Floor, 9A, Improvement Trust Building, Near HDFC Bank, Patel Chowk, Pathankot 145001 • **Pollachi** S S Complex, New Scheme Road, Pollachi 642002 • **Pondicherry** First Floor No.7, Thiagarajar Street Pondicherry 605001 • **Porbandar** 3rd Floor, R D Complex, Opp Sahyog Hospital, M G Road, Porbandar 360575 • **Pudukottai** Sundaram Masilamani Towers, TS No 5476-5479, PM Road, Old Tirumayam Salai, Near Anna Statue, Jublie Arts, Pudukottai 622001 • **Pune** Srinath Plaza, C Wing, Office No 58 & 59, 3rd Floor, Dyaneshwar Paduka Chowk, Survy No 184/4, F C Road, Pune 411004 • **Puri** Ground Floor, VIP Road, Near PKDA Office, P S Puri, Puri 752001 • **Raipur** Room No TF 31, 3rd Floor, Millennium Plaza, Behind Indian Coffee House, G E Road, Raipur 492001 • **Rajahmundry** Dr No 6-1-4, First Floor, Rangachary Street, T Nagar, Rajahmundry 533101 • **Rajapalayam** Professional Couriers Building, 40/C (1), Hospital Road, Rajapalayam 626117 • **Rajkot** 104, Siddhi Vinayak Complex, Dr Yagnik Road, Opp Ramkrishna Ashram Rajkot 360001 • **Ranchi** Commerce Towers, 3rd Floor, Room No 307, Beside Mahabir Towers, Main Road, Ranchi 834001 • **Ratlam** 1Nagpal Bhavan, Freeganj Road, Tobatti, Ratlam 457001 • **Renukoot** Shop No 18, Near Complex Birla Market, Renukoot 231217 • **Rewa** 1st Floor, Angoori Building, Besides Allahabad Bank, TransUniversity Road, Civil Lines, Rewa 485001 • **Rohtak** 1st Floor, Ashoka Plaza, Delhi Road, Rohtak 124001 • **Roorkee** Shree Ashadeep Complex, 16 Civil Lines, Near Income Tax Office, Roorkee, Uttaranchal 247667 • **Rourkela** 1st Floor, Sandhu Complex, Kanchery Road, Udit Nagar, Rourkela 769012 • **Sagar** Above Poshak Garments, 5 Civil Lines, Opposite Income Tax Office, Sagar 470002 • **Saharanpur** 18 Mission Market, Court Road, Saharanpur 247001 Uttar Pradesh • **Salem** Old No 17, New No 49, Fort Main Road, First Floor, Shevapet, Salem 636002 • **Sambalpur** Quality Massion, 1st Floor, Above Bata Shoe, Shop/ Preeti Auto Combine, Nayapara, Sambalpur 768001 • **Satna** 1st Floor, K B Complex, Beside Bank of Maharashtra, Rewa Road, Satna 485001 • **Shaktinagar** 1st/A-375, V V Colony Dist Sonebhadra Shaktinagar 231222 • **Shivpuri** 1st Floor, M P R P Building, Near Bank of India, Shivpuri 473551 • **Shillong** Mani Bhawan, Thana Road, Lower Police Bazar, Shillong 739001 • **Shimla** Triveni Building, By Pas Chowk, Khallini, Shimla 171002 • **Shimoga** Uday Ravi Complex, LLR Road, Durgi Gudi, Shimoga 577201 • **Sikar** 1st Floor, Super Towers Behind Ram Mandir, Station Road, Sikar 332001 • **Silchar** 1st Floor, Chowchakra Complex, N N Dutta Road, Premtala Silchar 788001 • **Siliguri** Nanak Complex, Near Church Road, Sevoke Road, Siliguri 734001 • **Sitapur** 12/12-A Surya Complex, Arya Nagar, Opp Mal Godam, Sitapur 261001 • **Sivakasi** 363, Thiruthangal Road, Opp TNEB, Sivakasi 626123 • **Solan** Sahni Bhawan, Adjacent Anand Cinema Complex, The Mall Solan 173212, • **Solapur** Siddeshwar Securities, No 6, Vaman Road, Vijaypur Road, Vaman Nagar, Solapur 413004 • **Surat** G-6 Empire State Building, Near Parag House, Udhna Darwaja, Ring Road, Surat 395002 • **Sonepat** 205 R Model Town, Above Central Bank of India, Sonepat • **Sri Ganganagar** 35-E-Block, Opp Sheetla Mata Vatika, Sri Ganga Nagar 335001 • **Srikakulam** 4-1-28/1, Venkateshwara Colony Day & Night Junction, Srikakulam 532001 • **Sultanpur** Rama Shankar Complex, Civil Lines, Faizabad Road, Sultanpur 228001 • **Thanjavur** Nalliah Complex, No 70, Srinivasam Pillai Road, Thanjavur 613001 Thane Karvy Stock Broking Pvt Ltd First Floor, Jeevan Chaya Bldg, Near Adidas Show Room, Ram Maruti Road, Thana West - 400601 • **Theni Ramesh Murugan Complex, Near Sriram Theatre, Subban Chetty Street, Theni 625531 • Tezpur 1st Floor, Mayur Bhawan, Binraj Road, Tezpur 784001 • Thodupuzha First Floor, Pulimootil Pioneer Pala Road, Thodupuzha 685584 • Tirunelveli Jeney Building, 55/18, S N Road, Near Arvind Eye Hospital, Tirunelveli 627001 • Tirupur First Floor, 224 A, Selvakumar Departmental Stores, 1st Floor, Kamaraj Road, Opp To Cotton Market Complex, Tirupur 641604 • Tirupathi #330, Tilak Road, Near Four Pillar Mandapam, Tirupati 517501 • Tiruvalla 2nd Floor, Erinjery Complex, Near Kotak Securites, Ramanchira Tiruvalla 689107 • Trichur 2nd Floor, Brother's Complex, Near Dhana Laxmi Bank Head Office, Naikkannal Junction, Trichur 680001 • Trichy Sri Krishna Arcade, 1st Floor, 60 Thennur High Road, Trichy 620017 • Trivandrum 2nd Floor, Akshaya Towers, Above Jetairways, Sasthamangalam, Trivandrum 695010 • Tuticorin 4 B, A34, A37, Mangalmal, Mani Nagar, Opp Rajaji Park, Palayamkottai Road, Tuticorin 628003 • Udaipur 201-202, Madhav Chambers, Opp G P O Chetak Circle, Madhuban, Udaipur 313001 • Ujjain 101, Aastha Tower, 13/1, Dhanwantri Marg, Free Gunj Ujjain 456010 • Valsad Shop No 2, Phiroza Corner, Opp Next Showroom, Titthal Road, Valsad 396001 • Vapi Shop No 5, Phikhaji Residency, Opp DCB Bank, Vapi Silvassa Road, Vapi 396195 • Varanasi D-64/132, KA 1st Floor, Anant Complex, Sigra, Varanasi 221010 • Vellore No 1, M N R Arcade, Officer's Line, Krishna Nagar, Vellore 632001 • Vijayawada 39-10-7 Opp Municipal Water Tank, Labbipet, Vijayawada 520010 • Visakhapatnam 47-14-5/1 Eswar Paradise, Dwaraka Nagar, Main Road, Visakhapatnam 530016 • Vijayanagaram Soubhagya, 19-6-13/1, IInd Floor, Near SBI Fort Branch, Vizianagaram 535002 • Warangal 5-6-95, 1st Floor, Opp, B.Ed Collage, Lashkar Bazar, Chandra Complex, Hanmakonda, Warangal 500601 • Yamuna Nagar Jagdhari Road, Above UCO Bank, Near D AV Grils College, Yamuna Nagar 135 001.**

Axis Asset Management Company Limited (Investment Manager to Axis Mutual Fund)

Axis House, 1st Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025, India.

Tel 91 22 4325 5161 Fax 91 22 4325 5199 www.axismf.com

SCHEME INFORMATION DOCUMENT**AXIS INCOME SAVER****An Open Ended Income Fund**

Continuous offer for Units at NAV based prices

Name of Mutual Fund	: Axis Mutual Fund
Name of Asset Management Company	: Axis Asset Management Company Limited
Name of Trustee Company	: Axis Mutual Fund Trustee Limited
Addresses, Website of the entities	: Axis House, 1 st Floor, Bombay Dyeing Mill Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 025 www.axismf.com
Name of sponsor	: Axis Bank Limited

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations or the Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the Asset Management Company (AMC). The units being offered for public Subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the scheme that a prospective Investor ought to know before investing. Before investing, Investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

The Investors are advised to refer to the Statement of Additional Information (SAI) for details of Axis Mutual Fund, Tax and Legal issues and general information on www.axismf.com.

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

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated June 30, 2011

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HIGHLIGHTS/SUMMARY OF THE SCHEME

Investment objective

The Scheme seeks to generate regular income through investments in debt & money market instruments, along with capital appreciation through limited exposure to equity and equity related instruments. It also aims to manage risk through active asset allocation.

Liquidity

The Scheme offers Units for Subscription and Redemption at NAV based prices on all Business Days on an ongoing basis. Under normal circumstances the AMC shall dispatch the Redemption proceeds within 10 Business Days from date of receipt of request from the unit holder.

Benchmark

CRISIL MIP Blended Fund Index

Transparency/NAV Disclosure

The AMC will calculate and disclose the NAVs on all the Business Days. The NAV of the Scheme shall be published at least in two daily newspapers. The AMC shall update the NAV on its website (www.axismf.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 9.00 p.m. on every Business Day. If the NAVs are not available before the commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.

The AMC will disclose the portfolio of the Scheme within one month from the close of each half year (i.e. 31st March and 30th September) either by sending a complete statement to all the Unit holders or by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The portfolio statement will also be displayed on the website of the AMC and AMFI.

The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year.

Loads

Entry Load: Not Applicable

Exit Load: 1% if redeemed/switched out within 1 year from date of allotment.

SEBI vide its circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder (AMFI registered

Distributor) directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

For more details on Load Structure, refer to the paragraph 'Load Structure'.

Minimum Application Amount

Rs. 5,000 and in multiples of Re. 1/- thereafter

Minimum Additional Purchase Amount

Rs.100 and in multiples of Re. 1/- thereafter

Minimum application amount is applicable at the time of creation of new folio

I. INTRODUCTION**A. RISK FACTORS****i. Standard Risk Factors:**

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- Axis Income Saver is only the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects and returns.
- The sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1 lac made by it towards setting up the Fund.
- Axis Income Saver is not a guaranteed or assured return Scheme.

ii. Scheme Specific Risk Factors

The term 'Income Saver' is only meant to denote the dual objectives of delivering regular returns and the endeavor to manage risk. The name of the scheme should in no way construed as a guarantee or assurance of returns or capital invested in the scheme.

While the Scheme would endeavor to manage the risk through its portfolio construction and investment processes, there is no guarantee or assurance that the investment objective of the scheme will be achieved.

Risks associated with investments in Fixed Income Securities

Interest-Rate Risk: Fixed income securities such as government bonds, corporate bonds, and money market instruments and derivatives run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices depends

upon the coupon and maturity of the security. It also depends upon the yield level at which the security is being traded.

Re-investment Risk: Investments in fixed income securities carry re-investment risk as interest rates prevailing on the coupon payment or maturity dates may differ from the original coupon of the bond.

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

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

Liquidity Risk: The liquidity of a bond may change, depending on market conditions leading to changes in the liquidity premium attached to the price of the bond. At the time of selling the security, the security can become illiquid, leading to loss in value of the portfolio.

Credit Risk: This is the risk associated with the issuer of a debenture/bond or a money market instrument defaulting on coupon payments or in paying back the principal amount on maturity. Even when there is no default, the price of a security may change with expected changes in the credit rating of the issuer. It is to be noted here that a Government Security is a sovereign security and is the safest. Corporate bonds carry a higher amount of credit risk than Government securities. Within corporate bonds also there are different levels of safety and a bond rated higher by a particular rating agency is safer than a bond rated lower by the same rating agency.

Liquidity Risk on account of unlisted securities: The liquidity and valuation of the Scheme investments due to their holdings of unlisted securities may be affected if they have to be sold prior to their target date of divestment. The unlisted security can go down in value before the divestment date and selling of these securities before the divestment date can lead to losses in the portfolio.

Settlement Risk: Fixed income securities run the risk of settlement which can adversely affect the ability of the fund house to swiftly execute trading strategies which can lead to adverse movements in NAV

Risk Associated with Securitized Debt

The Scheme may invest in domestic securitized debt such as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are securitized debts where the underlying assets are receivables arising from various loans including automobile loans, personal loans, loans against consumer durables, etc. MBS are securitized debts where the underlying assets are receivables arising from loans backed by mortgage of residential / commercial properties.

At present in Indian market, following types of loans are securitized:

1. Auto Loans (cars / commercial vehicles /two wheelers)

2. Residential Mortgages or Housing Loans
3. Consumer Durable Loans
4. Personal Loans
5. Corporate Loans

In terms of specific risks attached to securitization, each asset class would have different underlying risks. Residential Mortgages generally have lower default rates than other asset classes, but repossession becomes difficult. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Asset classes like personal loans, credit card receivables are unsecured and in an economic downturn may witness higher default. A corporate loan/receivable, depend upon the nature of the underlying security for the loan or the nature of the receivable and the risks correspondingly fluctuate.

The rating agencies define margins, over collateralisation and guarantees to bring risk in line with similar AAA rated securities. The factors typically analyzed for any pool are as follows:

- a. Assets securitized and Size of the loan: This indicates the kind of assets financed with the loan and the average ticket size of the loan. A very low ticket size might mean more costs in originating and servicing of the assets.
- b. Diversification: Diversification across geographical boundaries and ticket sizes might result in lower delinquency
- c. Loan to Value Ratio: Indicates how much % value of the asset is financed by borrower's own equity. The lower this value the better it is. This suggests that where the borrowers own contribution of the asset cost is high; the chances of default are lower.
- d. Average seasoning of the pool: This indicates whether borrowers have already displayed repayment discipline. The higher the number, the more superior it is. The other main risks pertaining to Securitised debt are as follows:

Prepayment Risk: This arises when the borrower pays off the loan sooner than expected. When interest rates decline, borrowers tend to pay off high interest loans with money borrowed at a lower interest rate, which shortens the average maturity of ABSs. However, there is some prepayment risk even if interest rates rise, such as when an owner pays off a mortgage when the house is sold or an auto loan is paid off when the car is sold.

Reinvestment Risk: Since prepayment risk increases when interest rates decline, this also introduces reinvestment risk, which is the risk that the principal can only be reinvested at a lower rate.

Risks associated with investments in equities

- Equity and equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme portfolio would result at times, in potential losses to

the Scheme, should there be a subsequent decline in the value of securities held in the Scheme portfolio. Also, the value of the Scheme investments may be affected by interest rates, currency exchange rates, changes in law/policies of the government, taxation laws and political, economic or other developments which may have an adverse bearing on individual Securities, a specific sector or all sectors.

- Investments in equity and equity related securities involve a degree of risk and investors should not invest in the equity Schemes unless they can afford to take the risk of losing their investment.
- Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed on the exchanges or offer other exit options to the investors, including put options. The AMC may choose to invest in unlisted securities that offer attractive yields within the regulatory limit. This may however increase the risk of the portfolio. Additionally, the liquidity and valuation of the Scheme investments due to its holdings of unlisted securities may be affected if they have to be sold prior to the target date of disinvestment.

Risks associated with investments in derivatives

- The Scheme may invest in derivative products in accordance with and to the extent permitted under the Regulations and by RBI. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Trading in derivatives carries a high degree of risk although they are traded at a relatively small amount of margin which provides the possibility of great profit or loss in comparison with the principal investment amount. Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme.
- The derivatives market in India is nascent and does not have the volumes that may be seen in other developed markets, which may result in volatility to the values.
- Investment in derivatives also requires the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme.
- The Scheme may face execution risk, whereby the rates seen on the screen may not be the rate at which the ultimate execution of the derivative transaction takes place.
- The Scheme may find it difficult or impossible to execute derivative transactions in certain circumstances. For example, when there are insufficient bids or suspension of trading due to price limit or circuit breakers, the Scheme may face a liquidity issue.

- The options buyer's risk is limited to the premium paid, while the risk of an options writer is unlimited. However the gains of an options writer are limited to the premiums earned.
- The exchange may impose restrictions on exercise of options and may also restrict the exercise of options at certain times in specified circumstances and this could impact the value of the portfolio.
- The writer of a put option bears the risk of loss if the value of the underlying asset declines below the exercise price. The writer of a call option bears a risk of loss if the value of the underlying asset increases above the exercise price.
- Investments in index futures face the same risk as the investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks.
- The Scheme bears a risk that it may not be able to correctly forecast future market trends or the value of assets, indices or other financial or economic factors in establishing derivative positions for the Scheme.
- The risk of loss in trading futures contracts can be substantial, because of the low margin deposits required, the extremely high degree of leverage involved in futures pricing and the potential high volatility of the futures markets.
- There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. The counter party may default on a transaction before settlement and therefore, the Scheme is compelled to negotiate with another counterparty at the then prevailing (possibly unfavourable) market price.
- Derivatives also carry a market liquidity risk where the derivatives cannot be sold (unwound) at prices that reflect the underlying assets, rates and indices.
- Where derivatives are used for hedging, such use may involve a basis risk where the instrument used as a hedge does not match the movement in the instrument/underlying asset being hedged. The risk may be inter-related also e.g. interest rate movements can affect equity prices, which could influence specific issuer/industry assets.
- Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor.
- Execution of investment strategies depends upon the ability of the fund manager(s) to identify such opportunities which may not be available at all times. Identification and execution of the strategies to be pursued by the fund manager(s) involve uncertainty and decision of fund manager(s) may not always

be profitable. No assurance can be given that the fund manager(s) will be able to identify or execute such strategies.

- The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

The following are certain additional risks involved with use of fixed income derivatives:

Interest rate risk: Derivatives carry the risk of adverse changes in the price due to change in interest rates.

Liquidity risk: During the life of the derivative, the benchmark might become illiquid and might not be fully capturing the interest rate changes in the market, or the selling, unwinding prices might not reflect the underlying assets, rates and indices, leading to loss of value of the portfolio.

Risks associated with investing in foreign securities/overseas investments/offshore securities

- Subject to necessary approvals and within the investment objectives of the Scheme, the Scheme may invest in overseas markets which carry risks related to fluctuations in the foreign exchange rates, the nature of the securities market of the country, repatriation of capital due to exchange controls and political circumstances.
- Since the Scheme would invest only partially in foreign securities, there may not be readily available and widely accepted benchmarks to measure performance of such Scheme. To manage risks associated with foreign currency and interest rate exposure, the Fund may use derivatives for efficient portfolio management and hedging and portfolio rebalancing and in accordance with conditions as may be stipulated under the Regulations and by RBI from time to time.
- Investment in Foreign Securities involves a currency risk. To the extent that the assets of the Scheme will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.

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

In respect of transaction in Units of the Scheme through BSE and / or NSE, allotment and redemption of Units on any Business Day will depend upon the order processing / settlement by BSE and / or NSE and their respective clearing corporations on which the Fund has no control.

Risks associated with Securities lending

The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of another party, to comply with the terms of agreement entered into between the lenders of securities i.e. any scheme and the approved intermediary/counterparty.

Such failure to comply can result in the possible loss of rights in the collateral put up by the borrower of the securities, the inability of the approved intermediary/counterparty to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary. The Fund may not be able to sell such lent securities and this can lead to temporary illiquidity.

Risks associated with Short Selling

The Scheme may enter into short selling transactions, subject to SEBI and RBI Regulations. Short positions carry the risk of losing money and these losses may grow unlimited theoretically if the price of the stock increases without any limit. This may result in major loss to the Scheme. At times, the participants may not be able to cover their short positions, if the price increases substantially. If numbers of short sellers try to cover their position simultaneously, it may lead to disorderly trading in the stock and thereby can briskly escalate the price even further making it difficult or impossible to liquidate short position quickly at reasonable prices. In addition, short selling also carries the risk of inability to borrow the security by the participants thereby requiring the participants to purchase the securities sold short to cover the position even at unreasonable prices.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme/Plan shall have a minimum of 20 Investors and no single Investor shall account for more than 25% of the corpus of the Scheme/Plan(s). The aforesaid conditions should be complied with in each calendar quarter on an average basis. In case the Scheme / Plan(s) does not have a minimum of 20 Investors on an ongoing basis for each calendar quarter, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme / Plan(s) shall be wound up and the units would be redeemed at Applicable NAV. If there is a breach of the 25% limit by any Investor over the quarter, a rebalancing period of one month would be allowed and thereafter the Investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic Redemption by the Mutual Fund on the Applicable NAV on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. SPECIAL CONSIDERATIONS, if any

- Prospective investors should study this Scheme Information Document and Statement of Additional Information carefully in its entirety and should not construe the contents hereof as advice relating to legal, taxation, financial, investment or any other matters and are advised to consult their legal, tax, financial and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, before making a decision to invest/redeem/hold Units.
- Neither this Scheme Information Document, Statement of Additional Information nor the Units have been registered in any jurisdiction. The distribution of this Scheme Information Document or Statement of Additional Information in certain jurisdictions may be restricted or totally prohibited to registration requirements and accordingly, persons who come into possession of this Scheme Information Document or Statement of Additional Information are required to inform

themselves about and to observe any such restrictions and/ or legal compliance requirements.

- The AMC, Trustee or the Mutual Fund have not authorized any person to issue any advertisement or to give any information or to make any representations, either oral or written, other than that contained in this Scheme Information Document or the Statement of Additional Information or as provided by the AMC in connection with this offering. Prospective Investors are advised not to rely upon any information or representation not incorporated in the Scheme Information Document or Statement of Additional Information or as provided by the AMC as having been authorized by the Mutual Fund, the AMC or the Trustee.
- Redemption due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any such tax consequences that may arise due to such Redemptions.
- The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise, in the event that the Scheme is wound up for the reasons and in the manner provided in 'Statement of Additional Information ('SAI')'.
- The tax benefits described in this Scheme Information Document and Statement of Additional Information are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India as on the date of this Scheme Information Document and the Unit holders should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Unit holder is advised to consult his / her own professional tax advisor.
- The Mutual Fund may disclose details of the investor's account and transactions there under to those intermediaries whose stamp appears on the application form or who have been designated as such by the investor. In addition, the Mutual Fund may disclose such details to the bankers, as may be necessary for the purpose of effecting payments to the investor. The Fund may also disclose such details to regulatory and statutory authorities/bodies as may be required or necessary.
- In case the AMC or its Sponsor or its Shareholders or their affiliates/associates or group companies make substantial investment, either directly or indirectly in the Scheme, Redemption of units by these entities may have an adverse impact on the performance of the Scheme. This may also affect the ability of the other Unit holders to redeem their units.
- As the liquidity of the Scheme's investments may sometimes be restricted by trading volumes and settlement periods, the time taken by the Fund for Redemption of Units may be significant in the event of an inordinately large number of Redemption Requests or of a restructuring of the Scheme's portfolio. In view of this, the Trustee has the right, in its sole discretion, to limit Redemptions under certain circumstances - please refer to the paragraph "Right to Limit Redemptions".
- Pursuant to the provisions of Prevention of Money Laundering Act, 2002, if after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, on failure to provide required documentation, information, etc. by the unit holder the AMC shall have absolute discretion to report such suspicious transactions to FIU-IND and / or to freeze the folios of the investor(s), reject any application(s)/redemptions / allotment of units.

D. DEFINITIONS

"AMC" or "Asset Management Company" or "Investment Manager"	Axis Asset Management Company Limited, incorporated under the provisions of the Companies Act, 1956 and approved by Securities and Exchange Board of India to act as the Asset Management Company for the scheme(s) of Axis Mutual Fund.
"Applicable NAV"	The NAV applicable for purchase or redemption or Switching of Units based on the time of the Business Day on which the application is time stamped.
"Book Closure"	The time during which the Asset Management Company would temporarily suspend Sale, redemption and Switching of Units.
"Business Day"	<p>A day other than:</p> <ul style="list-style-type: none"> (i) Saturday and Sunday; (ii) A day on which the banks in Mumbai and /or RBI are closed for business /clearing; (iii) A day on which the National Stock Exchange of India Limited and/or the Stock Exchange, Mumbai are closed; (iv) A day which is a public and /or bank Holiday at an Investor Service Centre/Official Point of Acceptance where the application is received; (v) A day on which Sale / Redemption / Switching of Units is suspended by the AMC; (vi) A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time. <p>Further, the day(s) on which the money markets and/or debt markets are closed / not accessible, shall not be treated as Business Day(s).</p> <p>The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres/Official Points of Acceptance.</p>
"Business Hours"	Presently 9.30 a.m. to 5.30 p.m. on any Business Day or such other time as may be applicable from time to time.
"Custodian"	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996, which for the time being is Deutsche Bank AG.
"Depository"	Depository as defined in the Depositories Act, 1996 (22 of 1996).
"Derivative"	Derivative includes (i) a security derived from a debt instrument, share, loan whether secured or unsecured, risk instrument or contract for differences or any other

	form of security; (ii) a contract which derives its value from the prices, or index of prices, or underlying securities.
"Dividend"	Income distributed by the Mutual Fund on the Units.
"Exit Load"	Load on Redemption / Switch out of Units.
"FII"	Foreign Institutional Investor, registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
"Floating Rate Debt Instruments"	Floating rate debt instruments are debt securities issued by Central and / or State Government, corporates or PSUs with interest rates that are reset periodically. The periodicity of the interest reset could be daily, monthly, quarterly, half-yearly, annually or any other periodicity that may be mutually agreed with the issuer and the Fund. The interest on the instruments could also be in the nature of fixed basis points over the benchmark gilt yields.
"Foreign Securities"	ADRs / GDRs/ equity / debt securities of overseas companies listed on the recognized stock exchanges overseas/ or such other related securities as may be specified by SEBI and/or RBI from time to time.
"Gilts" or "Government Securities"	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.
"GOI"	Government of India
"Holiday"	Holiday means the day(s) on which the banks (including the Reserve Bank of India) are closed for business or clearing in Mumbai or their functioning is affected due to a strike / bandh call made at any part of the country or due to any other reason.
"Investment Management Agreement"	The agreement dated June 27, 2009 entered into between Axis Mutual Fund Trustee Limited and Axis Asset Management Company Limited, as amended from time to time.
"Investor Service Centres" or "ISCs"	Offices of Axis Asset Management Company Limited or such other centres / offices as may be designated by the AMC from time to time.
"Load"	<p>In the case of Redemption / Switch out of a Unit, the sum of money deducted from the Applicable NAV on the Redemption / Switch out (Exit Load) and in the case of Sale / Switch in of a Unit, a sum of money to be paid by the prospective investor on the Sale / Switch in of a Unit (Entry Load) in addition to the Applicable NAV.</p> <p>Presently, entry load cannot be charged by mutual fund schemes.</p>
"Money Market Instruments"	Includes commercial papers, commercial bills, treasury bills, Government securities having an

	unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time.
"Mutual Fund" or "the Fund"	Axis Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882.
"Net Asset Value" or "NAV"	Net Asset Value per Unit of the Scheme, calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
"NRI"	A Non-Resident Indian or a Person of Indian Origin residing outside India.
"Official Points of Acceptance"	Places, as specified by AMC from time to time where application for Subscription / Redemption / Switch will be accepted on ongoing basis.
"Person of Indian Origin"	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in sub-clause (a) or (b).
"Rating"	Rating means an opinion regarding securities, expressed in the form of standard symbols or in any other standardized manner, assigned by a credit rating agency and used by the issuer of such securities, to comply with any requirement of the SEBI (Credit Rating Agencies) Regulations, 1999.
"RBI"	Reserve Bank of India, established under the Reserve Bank of India Act, 1934, (2 of 1934)
"Registrar and Transfer Agent" or "Registrar"	Karvy Computershare Pvt. Ltd., Hyderabad, currently acting as registrar to the Scheme, or any other Registrar appointed by the AMC from time to time.
"Redemption / Repurchase"	Redemption of Units of the Scheme as permitted.
"Regulatory Agency"	GOI, SEBI, RBI or any other authority or agency entitled to issue or give any directions, instructions or guidelines to the Mutual Fund
"Repo"	Sale/Repurchase of Securities with simultaneous agreement to repurchase / resell them at a later date.
"Statement of Additional Information" or "SAI"	The document issued by Axis Mutual Fund containing details of Axis Mutual Fund, its constitution, and certain tax, legal and general information. SAI is legally a part of the Scheme Information Document.
"Sale / Subscription"	Sale or allotment of Units to the Unit holder upon subscription by the Investor / applicant under the Scheme.
"Scheme"	Axis Income Saver
"Scheme Information Document"	This document issued by Axis Mutual Fund, offering for Subscription of Units of Axis Income Saver (including Options there under)
"SEBI"	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act,

	1992.
"SEBI (MF) Regulations" or "Regulations"	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
"Short Selling"	Short selling means selling a stock which the seller does not own at the time of trade.
"Sponsor"	Axis Bank Limited
"Switch"	Redemption of a unit in any scheme (including the plans and options therein) of the Mutual Fund against purchase of a unit in another scheme (including the plans and options therein) of the Mutual Fund, subject to completion of Lock-in Period, if any.
"Stock Lending"	Lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio.
"Systematic Investment Plan" / "SIP"	A plan enabling investors to save and invest in the Scheme on a periodic basis submitting post dated cheques / payment instructions.
"Systematic Transfer Plan" / "STP"	Facility given to the Unit holders to transfer sums on periodic basis from one scheme to another schemes launched by the Mutual Fund from time to time by giving a single instruction.
"Systematic Withdrawal Plan" / "SWP"	Facility given to the Unit holders to withdraw a specified sum of money each month/quarter from his investment in the Scheme.
"Deed of Trust"	The Deed of Trust dated June 27, 2009 made by and between Axis Bank Limited and Axis Mutual Fund Trustee Limited thereby establishing an irrevocable trust, called Axis Mutual Fund.
"Trustee" or "Trustee Company"	Axis Mutual Fund Trustee Limited incorporated under the provisions of the Companies Act, 1956 and approved by SEBI to act as the Trustee to the Schemes of the Mutual Fund.
"Unit"	The interest of the Unit holder which consists of each Unit representing one undivided share in the assets of the Scheme.
"Unit holder" or "Investor"	A person holding Units in Axis Income Saver.

INTERPRETATION

For all purposes of this Scheme Information Document, 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 Dollars 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 a non Business Day.

E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**It is confirmed that:**

- (i) The Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- (ii) All legal requirements connected with the launching of the scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- (iii) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed scheme.
- (iv) The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

Place: Mumbai
Date: June 30, 2011

Signed : Sd/-
Name : Miten Chawda
Designation: Head – Compliance & Company Secretary

II. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

An Open Ended Income Fund

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

The Scheme seeks to generate regular income through investments in debt & money market instruments, along with capital appreciation through limited exposure to equity and equity related instruments. It also aims to manage risk through active asset allocation.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Under normal circumstances, the asset allocation will be:

Instruments	Indicative Allocation (% of net assets)		Risk Profile
	Minimum	Maximum	
Debt* and money market instruments#	65	99	Low to Medium
Equity and Equity related instruments#	1	35	High

*Includes securitized debt (excluding foreign securitized debt) up to 65% of the net assets of the Scheme. The Scheme shall not invest in foreign securitized debt.

including derivative instruments to the extent of 100% of the Net Assets of the scheme. The Scheme may use fixed income derivative instruments subject to the guidelines as maybe issued by SEBI and RBI from time to time. The Scheme may also use equity derivatives as permitted vide SEBI Circular no. DNPd/Cir 29/2005 dated September 14, 2005 and SEBI Circular No. DNPd/Cir-30/2006 dated January 20, 2006 and SEBI circular No. SEBI/DNPd/Cir-31/2006 dated September 22, 2006. The Scheme may use derivatives for such purposes as maybe permitted by the Regulations, including for the purpose of hedging and portfolio balancing, based on the opportunities available and subject to guidelines issued by SEBI from time to time.

The Scheme can invest up to 50% of net assets in Foreign Securities.

Pending deployment of the funds in securities in terms of investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of the Scheduled Commercial Banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, as may be amended from time to time.

The Scheme may engage in Short Selling of securities in accordance with the framework relating to Short Selling and securities lending and borrowing specified by SEBI.

The Scheme may also engage in Securities Lending. The Scheme shall not deploy more than 20% of its net assets in securities lending and not more than 5% of the net assets of the Scheme will be deployed in securities lending to any single counterparty.

The Scheme retains the flexibility to invest across all the securities in the equity, debt and Money Markets Instruments and mutual fund units. The portfolio may hold cash depending on the market condition. The fund manager can use Derivative instruments to protect the downside risk.

Subject to the SEBI Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute. These proportions can vary substantially depending upon the perception of the fund manager; the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the investment pattern will be for short term and for defensive considerations only. In case of deviation, the portfolio would be rebalanced within 1 month from the date of deviation. In case the same is not aligned to the above asset allocation pattern within 1 month, justification shall be provided to the Investment Review Committee and reasons for the same shall be recorded in writing. The Investment Review committee shall then decide on the course of action.

'Axis Income Saver, an open ended Income fund is a new scheme offered by Axis Mutual Fund and is not a minor modification of any other existing scheme/product of Axis Mutual Fund. Differentiation as follows:

Name of the existing scheme	Asset Allocation Pattern			Primary Investment Objective	Differentiation	AUM as on May 31, 2011 (Rs. In crores)	No. of Folios as on May 31, 2011
Axis Treasury Advantage Fund	Instruments	Indicative Allocation (% of net assets)		The investment objective is to provide optimal returns and liquidity to the investors by investing primarily in a mix of money market and short term debt instruments which results in a portfolio having marginally higher maturity as compared to a liquid fund at the same time maintaining a balance between safety and liquidity. However, there can be no assurance that the investment objective of the scheme will be achieved.	No equity exposure	1126.80	1436
		Minimum	Maximum				
	Money Market & Debt instruments with maturity/average maturity/residual maturity/interest rate resets less than or equal to 1 year	70%	100%				
	Debt instruments with maturity/average maturity/residual maturity/interest rate resets greater than 1 year	0%	30%				
Axis Short Term Fund	Instruments	Indicative Allocation (% of net assets)		The scheme will endeavor to generate stable returns with a low risk strategy while maintaining liquidity through a portfolio comprising of debt and money market instruments. However, there can be no assurance that the investment objective of the scheme will be achieved.	No equity exposure	173.97	545
		Minimum	Maximum				
	Money market instruments and debt Instruments including government securities, corporate debt, securitized debt and other debt instruments with maturity/average maturity/residual maturity/interest rate resets less than or equal to 375 days or have put options within a period not exceeding 375 days.	30	100				
	Debt instruments including government securities, corporate debt, securitized debt and other debt instruments with maturity/average maturity/residual maturity/interest rate resets greater than 375 days	0	70				
Axis Dynamic Bond Fund	Instruments	Indicative Allocation (% of net assets)		The Scheme will endeavor to generate optimal returns while maintaining liquidity through active management of a portfolio of debt and money market instruments.	Active duration management	20.29	297
		Minimum	Maximum				
	Debt instruments* including GSecs and corporate debt	0%	100%				
	Money market instruments	0%	100%				

The asset allocation pattern and investment objective of above open ended income / debt schemes doesn't provide for investment in equity and equity related instruments, whereas the asset allocation pattern of Axis Income Saver provides for investment in equity and equity related instruments upto 35% of net assets of the Scheme. Accordingly, Axis Income Saver is different from existing income/ debt schemes of Axis Mutual Fund.

D.WHERE WILL THE SCHEME INVEST?

The corpus of the Scheme will be invested in Debt Instruments, Money Market Instruments, Equity & Equity Related Instruments and other permitted securities which will include but not limited to:

Debt Instruments & Money Market Instruments

Collateralized Borrowing and Lending Obligations (CBLO)

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

Certificate of Deposit (CD) of scheduled commercial banks and development financial institutions

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

Commercial Paper (CP)

Commercial Paper (CP) is an unsecured negotiable money market instrument issued in the form of a promissory note, generally issued by the corporates, primary dealers and all India Financial Institutions as an alternative source of short term borrowings. CP is traded in secondary market and can be freely bought and sold before maturity.

Treasury Bill (T-Bill)

Treasury Bills (T-Bills) are issued by the Government of India to meet their short term borrowing requirements. T-Bills are issued for maturities of 14 days, 91 days, 182 days and 364 days.

Bill (bills of exchange/promissory notes of public sector and private sector corporate entities) Rediscounting

Repos

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

Securities created and issued by the Central and State Governments as may be permitted by RBI, securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills). State Government securities (popularly known as State Development Loans or SDLs) are issued by the respective State Government in co-ordination with the RBI.

Non convertible debentures and bonds

Non convertible debentures as well as bonds are securities issued by companies / institutions promoted / owned by the Central or State Governments and statutory bodies which may or may not carry a Central/State Government guarantee, Public and private sector banks, all India Financial Institutions and Private Sector Companies. These instruments may be secured or unsecured against the assets of the Company and generally issued to meet the short term and long term fund requirements.

The scheme may also invest in the non convertible part of convertible debt securities.

Floating rate debt instruments

Floating rate debt instruments are instruments issued by Central / state governments, corporates, PSUs, etc. with interest rates that are reset periodically.

Securitized Assets: Securitization is a structured finance process which involves pooling and repackaging of cashflow producing financial assets into securities that are then sold to investors. They are termed as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are backed by other assets such as credit card, automobile or consumer loan receivables, retail installment loans or participations in pools of leases. Credit support for these securities may be based on the underlying assets and/or provided through credit enhancements by a third party. MBS is an asset backed security whose cash flows are backed by the principal and interest payments of a set of mortgage loans. Such Mortgage could be either residential or commercial properties. ABS/MBS instrument reflect the undivided interest in the underlying assets and do not represent the obligation of the issuer of ABS/MBS or the originator of underlying receivables. Securitization often utilizes the services of SPV.

Pass through Certificate (PTC) (Pay through or other Participation Certificates) represents beneficial interest in an underlying pool of cash flows. These cash flows represent dues against single or multiple loans originated by the sellers of these loans. These loans are given by banks or financial institutions to corporates. PTCs may be backed, but not exclusively, by receivables of personal loans, car loans, two wheeler loans and other assets subject to applicable regulations.

The following are certain additional disclosures w.r.t. investment in securitized debt:

1. How the risk profile of securitized debt fits into the risk appetite of the scheme

Securitized debt is a form of conversion of normally non-tradable loans to transferable securities. This is done by assigning the loans to a special purpose vehicle (a trust), which in turn issues Pass-Through-Certificates (PTCs). These PTCs are transferable securities with fixed income characteristics. The risk of investing in securitized debt is similar to investing in debt securities. However it differs in two respects.

Typically the liquidity of securitized debt is less than similar debt securities. For certain types of securitized debt (backed by mortgages, personal loans, credit card debt, etc.), there is an additional pre-payment risk. Pre-payment risk refers to the possibility that loans are repaid before they are due, which may reduce returns if the re-investment rates are lower than initially envisaged.

Because of these additional risks, securitized debt typically offers higher yields than debt securities of similar credit rating and maturity. If the fund manager judges that the

additional risks are suitably compensated by the higher returns, he may invest in securitized debt up to the limits specified in the asset allocation table above.

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

The originator is the person who has initially given the loan. The originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). An analysis of the originator is especially important in case of retail loans as this affects the credit quality and servicing of the PTC. The key risk is that of the underlying assets and not of the originator. For example, losses or performance of earlier issuances does not indicate quality of current series. However such past performance may be used as a guide to evaluate the loan standards, servicing capability and performance of the originator.

Originators may be: Banks, Non Banking Finance Companies, Housing Finance Companies, etc. The fund manager / credit analyst evaluates originators based on the following parameters

- Track record
- Willingness to pay, through credit enhancement facilities etc.
- Ability to pay
- Business risk assessment, wherein following factors are considered:
 - Outlook for the economy (domestic and global)
 - Outlook for the industry
 - Company specific factors

In addition a detailed review and assessment of rating rationale is done including interactions with the originator as well as the credit rating agency.

The following additional evaluation parameters are used as applicable for the originator / underlying issuer for pool loan and single loan securitization transactions:

- Default track record/ frequent alteration of redemption conditions / covenants
- High leverage ratios of the ultimate borrower (for single-sell downs) – both on a standalone basis as well on a consolidated level/ group level
- Higher proportion of reschedulement of underlying assets of the pool or loan, as the case may be
- Higher proportion of overdue assets of the pool or the underlying loan, as the case may be
- Poor reputation in market
- Insufficient track record of servicing of the pool or the loan, as the case may be.

3. Risk mitigation strategies for investments with each kind of originator

An analysis of the originator is especially important in case of retail loans as the size and reach affects the credit quality and servicing of the PTC. In addition, the quality of the collection process, infrastructure and follow-up mechanism; quality of MIS; and credit enhancement mechanism are key risk mitigants for the better originators / servicers.

In case of securitization involving single loans or a small pool of loans, the credit risk of the underlying borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk. The credit analyst looks

at ageing (i.e. how long the loan has been with the originator before securitization) as one way of evaluating the performance potential of the PTC. Securitization transactions may include some risk mitigants (to reduce credit risk). These may include interest subvention (difference in interest rates on the underlying loans and the PTC serving as margin against defaults), overcollateralization (issue of PTCs of lesser value than the underlying loans, thus even if some loans default, the PTC continues to remain protected), presence of an equity / subordinate tranche (issue of PTCs of differing seniority when it comes to repayment - the senior tranches get paid before the junior tranche) and / or guarantees.

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

In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk.

The credit analyst looks at ageing (i.e. how long the loan has been with the originator before securitization) as one way of judging the performance potential of the PTC. Additional risk mitigants may include interest subvention, over collateralization, presence of an equity / subordinate tranche and / or guarantees. The credit analyst also uses analyses by credit rating agencies on the risk profile of the securitized debt.

Currently, the following parameters are used while evaluating investment decision relating to a pool securitization transaction. The Investment Review Committee may revise the parameters from time to time.

Characteristics/Type of Pool	Mortgage Loan	Commercial Vehicle and Construction Equipment	CAR	2 wheelers	Micro Finance Pools *	Personal Loans *	Single Sell Downs	Others
Approximate Average maturity (in Months)	Up to 10 years	Up to 3 years	Up to 3 years	Up to 3 years	NA	NA	Refer Note 1	Refer Note 2
Collateral margin (including cash ,guarantees, excess interest spread , subordinate tranche)	>10%	>10%	>10%	>10%	NA	NA	"	"
Average Loan to Value Ratio	<90%	<80%	<80%	<80%	NA	NA	"	"
Average seasoning of the Pool	>3 months	>3 months	>3 months	>3 months	NA	NA	"	"
Maximum single exposure range	<1%	<1%	<1%	<1%	NA	NA	"	"
Average single exposure range %	<1%	<1%	<1%	<1%	NA	NA	"	"

* Currently, the Schemes will not invest in these types of securitized debt

Note 1: In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. The investment limits applicable to the underlying borrower are applied to the single loan sell-down.

2: Other investments will be decided on a case-to-case basis

The credit analyst may consider the following risk mitigating measures in his analysis of the securitized debt:

- Size of the loan
- Average original maturity of the pool
- Loan to Value Ratio
- Average seasoning of the pool
- Default rate distribution
- Geographical Distribution
- Credit enhancement facility
- Liquid facility
- Structure of the pool

5. Minimum retention period of the debt by originator prior to securitization

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements. In addition, RBI has proposed minimum holding period of between nine and twelve months for assets before they can be securitized. The minimum holding period depends on the tenor of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

6. Minimum retention percentage by originator of debts to be securitized

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements, including maximum exposure by the originator in the PTCs. In addition, RBI has proposed minimum retention requirement of between five and ten percent of the book value of the loans by the originator. The minimum retention requirement depends on the tenor and structure of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

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

The key risk is securitized debt relates to the underlying borrowers and not the originator. In a securitization transaction, the originator is the seller of the debt(s) and the fund is the buyer. However, the originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). As the originators may also invest in the scheme, the fund manager shall ensure that the investment decision is based on parameters as set by the Investment Review Committee (IRC) of the asset management company and IRC shall review the same at regular interval.

8. The resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt

The fund management team including the credit analyst has the experience to analyze securitized debt. In addition, credit research agencies provide analysis of individual instruments and pools. On an on-going basis (typically monthly) the servicer provides reports regarding the performance of the pool. These reports would form the base for ongoing evaluation where applicable. In addition, rating reports indicating rating changes would be monitored for changes in rating agency opinion of the credit risk.

When issued

When, as and if issued' (commonly known as "**when-issued**" (**WI**) **security**) refers to a security that has been authorized for issuance but not yet actually issued. WI trading takes place between the time a new issue is announced and the time it is actually issued. All "when issued" transactions are on an "if" basis, to be settled if and when the actual security is issued.

SEBI has on April 16, 2008 in principle allowed Mutual Funds to undertake 'When Issued (WI)' transactions in Central Government securities, at par with other market participants.

- Open Position in the 'WI' market are subject to the following limits:

Category	Reissued Security	Newly Issued Security
Non-PDs	Long Position, not exceeding 5 percent of the notified amount.	Long Position, not exceeding 5 percent of the notified amount.

Debt derivative instruments:

Interest Rate Swap - An Interest Rate Swap (IRS) is a financial contract between two parties exchanging or swapping a stream of interest payments for a "notional principal" amount on multiple occasions during a specified period. Such contracts generally involve exchange of a "fixed to floating" or "floating to fixed rate" of interest. Accordingly, on each payment date that occurs during the swap period, cash payments based on fixed/ floating and floating rates are made by the parties to one another.

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

Interest Rate Futures (as and when permitted):

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

Characteristics of Interest Rate Futures

1. Obligation to buy or sell a bond at a future date
2. Standardized contract.

3. Exchange traded
4. Physical settlement
5. Daily mark to market

Equity and Equity Related Instruments:

1. Equity share is a security that represents ownership interest in a company.
2. Equity Related Instruments are securities which give the holder of the security right to receive Equity Shares on pre agreed terms. It includes convertible bonds, convertible debentures, equity warrants, convertible preference shares, etc.
3. Equity Derivatives are financial instruments, generally traded on an exchange, the price of which is directly dependent upon (i.e., "derived from") the value of equity shares or equity indices. Derivatives involve the trading of rights or obligations based on the underlying, but do not directly transfer property.
4. Foreign equity and Equity Related Instrument as may be permitted by SEBI/RBI from time to time.

5. Equity Derivatives:

Futures:

Futures are exchange-traded contracts to sell or buy financial instruments for future delivery at an agreed price. There is an agreement to buy or sell a specified quantity of financial instrument on a designated future date at a price agreed upon by the buyer and seller at the time of entering into a contract. To make trading possible, the exchange specifies certain standardized features of the contract. A futures contract involves an obligation on both the parties to fulfill the terms of the contract.

SEBI has permitted futures contracts on indices and individual stocks with maturity of 1 month, 2 months and 3 months on a rolling basis. The futures contracts are settled on last Thursday (or immediately preceding trading day if Thursday is a trading holiday) of each month. The final settlement price is the closing price of the underlying stock(s)/index.

Options:

Option is a contract which provides the buyer of the option (also called holder) the right, without the obligation, to buy or sell a specified asset at the agreed price on or upto a particular date. For acquiring this privilege, the buyer pays premium (fee) to the seller. The seller on the other hand has the obligation to buy or sell specified asset at the agreed price and for this obligation he receives premium. The premium is determined considering number of factors such as the market price of the underlying asset/security, number of days to expiry, risk free rate of return, strike price of the option and the volatility of the underlying asset. Option contracts are of two types viz:

Call Option - The option that gives the buyer the right but not the obligation to buy specified quantity of the underlying asset at the strike price is a call option. The buyer of the call option (known as the holder of call option) can call upon the seller of the option (writer of the option) and buy from him the underlying asset at the agreed price at any time on or before the expiry of the option.

The seller (writer of the option) on the other hand has the obligation to sell the underlying asset if the buyer of the call option decides to exercise his option to buy.

Put Option – The option that gives the buyer the right but not the obligation to sell is called put option. A Put option gives the holder (buyer) the right to sell specified quantity of the underlying asset at the strike price. The seller of the put option (one who is short Put) however, has the obligation to buy the underlying asset at the strike price if the buyer decides to exercise his option to sell.

There are two kind of options based on the date of exercise of right. The first is the European Option which can be exercised only on the maturity date. The second is the American Option which can be exercised on or before the maturity date.

Investment in foreign securities

The Scheme may also invest in suitable investment avenues in foreign securities in overseas financial markets for the purpose of diversification, commensurate with the Scheme objectives and subject to necessary stipulations by SEBI / RBI. Towards this end, the Mutual Fund may also appoint overseas investment advisors and other service providers, to the extent permissible under the Regulations.

The Scheme may invest in the below mentioned foreign securities subject to applicable guidelines issued by RBI and SEBI:

- ADRs (American Depositary Receipts)/ GDRs (Global Depositary Receipts) issued by Indian or foreign companies
- Equity of overseas companies listed on recognized stock exchanges overseas
- Initial and follow on public offerings for listing at recognized stock exchanges overseas
- Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies
- Money market instruments rated not below investment grade
- Repos in the form of investment, where the counterparty is rated not below investment grade; repos shall not however, involve any borrowing of funds by the mutual funds
- Government securities where the countries are rated not below investment grade
- Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities
- Short term deposits with banks overseas where the issuer is rated not below investment grade
- Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, or (b) unlisted overseas securities (not exceeding 10% of their net assets).

Note: The Scheme will not invest in foreign securitized debt.

As per SEBI Circular SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007, mutual funds can make overseas investments subject to a maximum of US \$300 million or such limits as may be prescribed by SEBI from time to time. Subject to the approval of RBI / SEBI and conditions as may be prescribed by them, the Mutual Fund may open one or more foreign currency accounts abroad either directly, or through the custodian/sub-custodian, to facilitate investments and to enter into/deal in forward currency contracts,

currency futures, interest rate futures / swaps, currency options for the purpose of hedging the risks of assets of a portfolio or for its efficient management. However, the use of such instruments shall be as permitted from time to time. All the requirement of the SEBI circular dated September 26, 2007, would be adhered to by the AMC for investment in foreign securities.

Investment in overseas securities shall be made in accordance with the requirements stipulated by SEBI and RBI from time to time.

Investments in units of mutual fund schemes

The Scheme may invest in other schemes managed by the AMC or in the schemes of any other mutual funds in conformity with the investment objective of the Scheme and in terms of the prevailing SEBI (MF) Regulations.

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

The securities / instruments mentioned above and such other securities the Scheme is permitted to invest in could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity.

The securities may be acquired through initial public offering (IPOs), secondary market, private placement, rights offers, negotiated deals. Further investments in debentures, bonds and other fixed income securities will be in instruments which have been assigned investment grade rating by the Credit Rating Agency.

Investment in unrated debt instruments shall be subject to complying with the provisions of Regulations and within the limit as specified in Schedule VII to the Regulations. Pursuant to SEBI Circular No. MFD/CIR/9/120/2000 dated November 24, 2000, the AMC may constitute committee(s) to approve proposals for investments in unrated debt instruments. The AMC Board and the Trustee shall approve the detailed parameters for such investments. However, in case any unrated debt security does not fall under the parameters, the prior approval of Board of AMC and Trustee shall be sought.

For applicable regulatory investment limits please refer paragraph "Investment Restrictions".

Details of various derivative instruments along with derivative strategies have been provided under the section "Derivatives Strategy"

The Fund Manager may invest in any other security as maybe permitted from time to time and which are in line with the investment objectives of the Scheme.

E.WHAT ARE THE INVESTMENT STRATEGIES?

The scheme has dual objectives of generating income and capital gains while attempting to manage the risk from the market. In order to achieve the twin objectives, the scheme intends to follow a top-down and bottom-up investment strategy. The top-down process would lead to the asset-allocation between equities and fixed income and the bottom-up process would lead to construction of the portfolio using specific securities.

The scheme would invest both in equities and fixed income instruments. Allocation between the two asset classes will be done using a quantitative asset allocation methodology. This methodology will be the primary tool to manage the overall risk of the portfolio in such a way as to achieve the objective of managing risk. The quantitative tool has been simulated (as described below) with a target of limiting the downside to 5% in a calendar year. Within equities and fixed income, the portfolio would be actively managed to optimize returns within the respective asset class.

Quantitative Asset Allocation Methodology

Quantitative asset allocation methodology will be used to allocate the assets between equity & fixed income. This will be done on the basis of four parameters viz., year to date (YTD) returns, 5% downside limit of the NAV, volatility expectation of the equity markets & 35% cap on equity allocation. The parameters influence the asset allocation in the following manner:

Change in Parameter	Effect on Asset Allocation
Increase in YTD returns	Higher allocation to equity
Decrease in the gap between the current NAV & the 5% downside limit	Lower allocation to equity
Increase in the expected volatility of the equity markets	Lower allocation to equity

Along with the above parameters, the overall allocation of the portfolio will be subject to the indicative asset allocation mentioned above.

Also, depending on the movements of the above, the asset allocation will be re-balanced periodically (weekly to monthly).

The process of asset allocation was simulated on historic data for the period 1 Jan 2004 to 31 December 2009. For the purpose of simulation, the equity allocation was simulated using the Nifty Index and the Fixed Income allocation was simulated with money market yields during each year. This simulation was done to assess the performance of the asset allocation model in containing the maximum drawdown to less than 5% during each year. The following table illustrates the results of the simulation:

Year	Maximum Drawdown of Model	Maximum Drawdown of Benchmark	Returns from Model	Returns from Benchmark
2004	-3.02%	-3.69%	3.10%	2.03%
2005	-1.27%	-1.14%	10.52%	9.19%
2006	0.00%	0.00%	10.59%	9.13%
2007	-1.43%	-1.68%	13.11%	13.51%
2008	-3.47%	-10.43%	-0.96%	-2.31%
2009	-2.34%	-2.65%	12.94%	12.99%

As may be seen from the above table, the model has delivered returns higher than the benchmark in 4 out of 6 years. In addition, by and large the model has had a lower downside risk as compared to the benchmark.

However, investors may note that the results of the simulation may or may not be achieved in the performance of the scheme. In particular, the scheme does not provide any assurance / guarantee regarding returns or capital protection.

Fixed Income Strategy:

The Scheme proposes to invest in a diversified portfolio of high quality debt and money market instruments to generate regular income. The fund manager will allocate the assets of the scheme taking into consideration the prevailing interest rate scenario & the liquidity of the different instruments.

The portfolio duration and credit exposures will be decided based on a thorough research of the general macroeconomic condition, political and fiscal environment, systemic liquidity, inflationary expectations, corporate performance and other economic considerations. The fund manager will keep in mind the yield structure of different asset classes (e.g. the sovereign yield curve and the corporate bond yield curve) as well as the kinks within a particular yield curve (e.g. the different points of the sovereign yield curve) while making investment decisions.

Equity related Strategy:

The equity allocation will be managed actively. The focus would be to build a diversified portfolio of strong growth companies, reflecting our most attractive investment ideas, at all points of time.

The portfolios will be built utilising a bottom-up stock selection process, focusing on appreciation potential of individual stocks from a fundamental perspective. The AMC employs a "Fair value" based research process to analyse the appreciation potential of each stock in its universe (Fair value is a measure of the intrinsic worth of a company). the universe of stocks is carefully selected to include companies having a robust business models and enjoying sustainable competitive advantages as compared to their competitors. The Fund will have the flexibility to invest across the market capitalisation spectrum.

The Fund by utilising a holistic risk management strategy will endeavor to manage risks associated with investing in equity markets. The Fund has identified the following risks and designed risk management strategies, which are embedded in the investment process to manage these risks

- i) Quality Risk - Risk of investing in unsustainable / weak companies.
- ii) Price Risk - Risk of overpaying for a company
- iii) Liquidity Risk - High Impact cost of entry and exit
- iv) Volatility Risk - Volatility in price due to company or portfolio specific factors
- v) Event Risk - Price risk due to a company / sector specific or market event

Derivatives Strategy:

The Scheme may invest in various derivative instruments which are permissible under the applicable regulations. Such investments shall be subject to the investment objective and strategy of the Scheme and the internal limits if any, as laid down from time to time. These include but are not limited to futures (both stock and index) and options (stock and index).

Derivatives are financial contracts of pre-determined fixed duration, like stock futures/options and index futures and options, whose values are derived from the value of an underlying primary financial instrument such as: interest rates, exchange rates, commodities, and equities.

Derivatives can be either exchange traded or can be over the counter (OTC). Exchange traded derivatives are listed and traded on stock exchanges whereas OTC derivative transactions are generally structured between two counterparties.

The objectives of the various strategies include hedge stock / portfolio against market gyrations.

The risks associated with derivatives are similar to those associated with underlying investments. The additional risks of using derivative strategies could be on account of:

- Illiquidity;
- Potential mis - pricing of the Futures/Options;
- Lack of opportunity
- Inability of derivatives to correlate perfectly with the underlying (Indices, Assets, Exchange Rates);
- Cost of hedge can be higher than adverse impact of market movements;
- An exposure to derivatives in excess of the hedging requirements can lead to losses;
- An exposure to derivatives can also limit the profits from a genuine investment transaction.
- The prices which are seen on the screen need not be the same at which execution will take place.

For detailed risks associated with use of derivatives, please refer paragraph "Scheme Specific Risk Factors"

Concepts and Examples of derivatives which maybe used by the fund manager:

Futures

Futures (Index & Stocks) are forward contracts traded on the exchanges & have been introduced both by BSE and NSE. Generally futures of 1 month (near month), 2 months (next month) and 3 months (far month) are presently traded on these exchanges. These futures expire on the last working Thursday of the respective months.

Illustration with Index Futures

In case the Nifty near month future contract is trading at say, Rs. 3,510, and the fund manager has a view that it will depreciate going forward; the Scheme can initiate a sale

transaction of Nifty futures at Rs. 3,510 without holding a portfolio of equity stocks or any other underlying long equity position. Once the price falls to Rs. 3,400 after say, 20 days, the Scheme can initiate a square-up transaction by buying the said futures and book a profit of Rs. 110.

Correspondingly, if the fund manager has a positive view he can initiate a long position in the index / stock futures without an underlying cash/ cash equivalent subject to the extant regulations.

There are futures based on stock indices as mentioned above as also futures based on individual stocks. The profitability of index /stock future as compared to an individual security will inter-alia depend upon:

- The carrying cost,
- The interest available on surplus funds, and
- The transaction cost.

Example of a typical future trade and the associated costs

Particulars	Index Future	Actual Purchase of Stocks
Index at the beginning of the month	3500	3500
Price of 1 month future	3510	
A. Execution cost: Carry and other index future costs	10	
B. Brokerage cost: Assumed at	7.02	8.75
0.2% of Index Future		
0.25% for spot Stocks		
C. Gains on surplus fund: (Assumed 8% p.a. return on 85% of the money left after paying 15% margin) $(8\% \times 3500 \times 85\% \times 30 \text{ days} / 365)$	19.56	0
Total Cost (A+B-C)	-2.54	8.75

Some strategies that employ stock /index futures and their objectives:

(a) Arbitrage

(1) Selling spot and buying future: In case the Scheme holds the stock of a company "A" at say Rs. 100 while in the futures market it trades at a discount to the spot price say at Rs. 98, then the Scheme may sell the stock and buy the futures.

On the date of expiry of the stock future, the Scheme may reverse the transactions (i.e. buying at spot & selling futures) and earn a risk-free Rs. 2 (2% absolute) on its holdings without any dilution of the view of the fund manager on the underlying stock.

Further, the Scheme can still benefit from any movement of the price in the upward direction, i.e. if on the date of expiry of the futures, the stock trades at Rs. 110 which would be the price of the futures too, the Scheme will have a benefit of Rs 10 whereby the Scheme gets the 10% upside movement together with the 2% benefit on the arbitrage and thus getting a total return of 12%.The corresponding return in case of holding the stock would have been 10%.

Note: The same strategy can be replicated with a basket of Nifty- 50 stocks (Synthetic Nifty) and the Nifty future index.

(2) Buying spot and selling future: Where the stock of a company “A” is trading in the spot market at Rs. 100 while it trades at Rs. 102 in the futures market, then the Scheme may buy the stock at spot and sell in the futures market thereby earning Rs. 2.

Buying the stock in cash market and selling the futures results into a hedge where the Scheme has locked in a spread and is not affected by the price movement of cash market and futures market. The arbitrage position can be continued till expiry of the future contracts when there is a convergence between the cash market and the futures market. This convergence enables the Scheme to generate the arbitrage return locked in earlier.

(b) Buying/ Selling Stock future:

When the Scheme wants to initiate a long position in a stock whose spot price is at say, Rs.100 and futures is at 98, then the Scheme may just buy the futures contract instead of the spot thereby benefiting from a lower cost.

In case the Scheme has a bearish view on a stock which is trading in the spot market at Rs.98 and the futures market at say Rs. 100, the Scheme may subject to regulations, initiate a short position in the futures contract. In case the prices align with the view and the price depreciates to say Rs. 90, the Scheme can square up the short position thereby earning a profit of Rs.10 vis a vis a fall in stock price of Rs 8.

(c) Hedging:

The Scheme may use exchange-traded derivatives to hedge the equity portfolio. Both index and stock futures and options may be used to hedge the stocks in the portfolio.

(d) Alpha Strategy:

The Scheme will seek to generate alpha by superior stock selection and removing market risks by selling appropriate index. For example, one can seek to generate positive alpha by buying a bank stock and selling Bank Nifty future.

Execution of these strategies depends upon the ability of the fund manager to identify and execute based on such opportunities. These involve significant uncertainties and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

Option Contracts (Stock and Index)

An Option gives the buyer the right, but not the obligation, to buy (call) or sell (put) a stock at an agreed-upon price during a certain period of time or on a specific date.

Options are used to manage risk or as an investment to generate income. The price at which underlying security is contracted to be purchased or sold is called the Strike Price. Options that can be exercised on or before the expiration date are called American Options while, Options that can be exercised only on the expiration date are called European Options.

Options Risk / Return Pay-off Table

	Stock / Index Options	Buy Call	Sell Call	Buy Put	Sell Put
1	View on underlying	Positive	Negative	Negative	Positive
2	Premium	Pay	Receive	Pay	Receive
3	Risk Potential	Limited to premium paid	Unlimited	Limited to premium paid	Unlimited
4	Return Potential	Unlimited	Premium Received	Unlimited	Premium Received

Option contracts are of two types - Call and Put.

Call Option: A call option gives the buyer, the right to buy specified quantity of the underlying asset at the set strike price on or before expiration date and the seller (writer) of call option however, has the obligation to sell the underlying asset if the buyer of the call option decides to exercise the option to buy.

Put Option: A put option gives the buyer the right to sell specified quantity of the underlying asset at the set strike price on or before expiration date and the seller (writer) of put option however, has the obligation to buy the underlying asset if the buyer of the put option decides to exercise his option to sell.

Index Options / Stock Options

Index options / Stock options are termed to be an efficient way of buying / selling an index/stock compared to buying / selling a portfolio of physical shares representing an index for ease of execution and settlement. The participation can be done by buying / selling either Index futures or by buying a call/put option.

The risk are also different when index /stock futures are bought/sold vis-a-vis index/stocks options as in case of an index future there is a mark to market variation and the risk is much higher as compared to buying an option, where the risk is limited to the extent of premium paid.

The illustration below explains how one can gain using Index call / put option. These same principles of profit / loss in an Index option apply in toto to that for a stock option.

Call Option

Suppose an investor buys a Call option on 1 lot of CNX Nifty (Lot Size: 50 units)

- Nifty index (European option).
- Nifty 1 Lot Size: 50 units
- Spot Price (S): 3500
- Strike Price (x): 3550 (Out-of-Money Call Option)
- Premium: 100

Total Amount paid by the investor as premium $[50 \times 100] = 5000$

There are two possibilities i.e. either the index moves up over the strike price or remains below the strike price.

Case 1- The index goes up

- An investor sells the Nifty Option described above before expiry:

Suppose the Nifty index moves up to 3600 in the spot market and the premium has moved to Rs 200 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1 Nifty call option as the option now is In the Money.

His gains are as follows:

- Nifty Spot: 3600
- Current Premium: Rs.200
- Premium paid: Rs.100
- Net Gain: $\text{Rs.200} - \text{Rs.100} = \text{Rs.100}$ per unit
- Total gain on 1 lot of Nifty (50 units) = Rs.5000 (50×100)

In this case the premium of Rs.200 has an intrinsic value of Rs.50 per unit and the remaining Rs.150 is the time value of the option.

- An investor exercises the Nifty Option at expiry

Suppose the Nifty index moves up to 3700 in the spot market on the expiry day and the investor decides to reverse his position in the market by exercising the Nifty call option as the option now is in The Money.

His gains are as follows:

- Nifty Spot: 3700
- Premium paid: Rs.100
- Exercise Price: 3550
- Receivable on exercise: $3700 - 3550 = 150$
- Total Gain: $\text{Rs.2500} \{(150 - 100) \times 50\}$

In this case the realised gain is only the intrinsic value, which is Rs.50, and there is no time value.

Case 2 - The Nifty index moves to any level below 3550

Then the investor does not gain anything but on the other hand his loss is limited to the premium paid:

Net Loss is Rs.5000 (Loss is capped to the extent of Premium Paid)

($\text{Rs } 100 \text{ Premium paid} \times \text{Lot Size: } 50 \text{ units}$).

Put Option

Suppose an investor buys a Put option on 1 lot of CNX Nifty.

- Nifty 1 Lot Size: 50 units
- Spot Price (S): 3500
- Strike Price (x): 3450 (Out-of-Money Put Option)
- Premium: 30
- Total Amount paid by the investor as premium $[50 \times 30] = 1500$

There are two possibilities i.e. either the index moves over the strike price or moves below the strike price.

Let us analyze these scenarios.

Case 1 - The index goes down

- An investor sells the Nifty Option before expiry:

Suppose the Nifty index moves down to 3400 in the spot market and the premium has moved to Rs. 80 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1 Nifty Put Option as the option now is In The Money. His gains are as follows:

- Nifty Spot: 3400

- Premium paid: Rs.30
- Net Gain: Rs.80 - Rs.30 = Rs.50 per unit
- Total gain on 1 lot of Nifty (50 units) = Rs.2500 (50*50)

In this case the premium of Rs.80 has an intrinsic value of Rs.50 per unit and the remaining Rs.30 is the time value of the option.

An investor exercises the Nifty Option at expiry (It is an European Option)

Suppose the Nifty index moves down to 3400 in the spot market on the expiry day and the investor decides to reverse his position in the market by exercising the Nifty Put Option as the option now is In The Money.

His gains are as follows:

- Nifty Spot: 3400
- Premium paid: Rs.30
- Exercise Price: 3450
- Gain on exercise: $3450 - 3400 = 50$
- Total Gain: Rs.1000 $\{(50 - 30) * 50\}$

In this case the realised amount is only the intrinsic value, which is Rs.50, and there is no time value in this case.

Case 2 - If the Nifty index stays over the strike price which is 3450, in the spot market then the investor does not gain anything but on the other hand his loss is limited to the premium paid.

- Nifty Spot: > 3450
- Net Loss Rs.1500 (Loss is capped to the extent of Premium Paid)
(Rs 30 Premium paid * Lot Size: 50 units).

Investment in Fixed Income Derivative Instruments:

The Scheme may use Derivative instruments like interest rate swaps like overnight indexed swaps (OIS), forward rate agreements, interest rate futures(as and when permitted) or such other Derivative instruments as may be permitted under the applicable regulations. Derivatives will be used for the purpose of hedging, and portfolio balancing or such other purpose as may be permitted under the regulations and Guidelines from time to time.

The Fund will be allowed to take exposure in interest rate swaps only on a non-leveraged basis. A swap will be undertaken only if there is an underlying asset in the portfolio. In terms of Circular No. MFD.BC.191/07.01.279/1999-2000 and MPD.BC.187/07.01.279/1999-2000 dated November 1, 1999 and July 7, 1999 respectively issued by RBI permitting participation by Mutual Funds in interest rate swaps and forward rate agreements, the Fund will use Derivative instruments for the purpose of hedging and portfolio balancing. The Fund may also use derivatives for such purposes as maybe permitted from time to time. Further, the guidelines issued by RBI from time to time for forward rate agreements and interest rate swaps and other derivative products would be adhered to by the Mutual Fund.

IRS and FRAs do also have inherent credit and settlement risks. However, these risks are substantially reduced as they are limited to the interest streams and not the notional principal amounts.

Investments in Derivatives will be in accordance with the extant SEBI regulations / guidelines. Presently Derivatives shall be used for hedging and / or portfolio balancing purposes, as permitted under the Regulations. The circumstances under which such transactions would be entered into would be when, for example using the IRS route it is possible to generate better returns / meet the objective of the Scheme at a lower cost. e.g. if buying a 2 Yr Mibor based instrument and receiving the 2 Yr swap rate yields better return than the 2 Yr AAA corporate, the Scheme would endeavor to do that. Alternatively, the Scheme would also look to hedge existing fixed rate positions if the view on interest rates is that it would likely rise in the future.

The following information provides a basic idea as to the nature of the Derivative instruments proposed to be used by the Fund and the benefits and risks attached therewith. Please note that the examples have been given for illustration purposes only.

Using Overnight Indexed Swaps

In a rising interest rate scenario, the Scheme may enhance returns for the Investor by hedging the risk on its fixed interest paying assets by entering into an OIS contract where the Scheme agrees to pay a fixed interest rate on a specified notional amount, for a pre determined tenor and receives floating interest rate payments on the same notional amount. The fixed returns from the Scheme assets and the fixed interest payments to be made by the Scheme on account of the OIS transaction offset each other and the Scheme benefits on the floating interest payments that it receives. The Scheme may enter into an opposite position in case of a falling interest rate scenario, i.e. to hedge the floating rate assets in its portfolio the Scheme enters into an OIS transaction wherein it receives a fixed interest rate on a specified notional amount for a specified time period and pays a floating interest rate on the same notional amount. The floating interest payments that the Scheme receives on its floating rate securities and the floating interest payments that the Scheme has to pay on account of the OIS transaction offset each other and the Scheme benefits on the fixed interest payments that it receives in such a scenario.

Swap

Assume that the Scheme has a Rs. 20 crore floating rate investment linked to MIBOR (Mumbai Inter Bank Offered Rate). Hence, the Scheme is currently running an interest rate risk and stands to lose if the interest rate moves down. To hedge this interest rate risk, the Scheme can enter into a 6 month MIBOR swap. Through this swap, the Scheme will receive a fixed predetermined rate (assume 12%) and pays the "benchmark rate" (MIBOR), which is fixed by the NationNSE or any other agency such as Reuters. This swap would effectively lock-in the rate of 12% for the next 6 months, eliminating the daily interest rate risk. This transaction is usually routed through an intermediary who runs a book and matches deals between various counterparties. The steps will be as follows:

Assuming the swap is for Rs. 20 Crores for June 1, 2009 to December 1, 2009. The Scheme is a fixed rate receiver at 12% and the counterparty is a floating rate receiver at the overnight rate on a compounded basis (say NSE MIBOR).

On June 1, 2009 the Scheme and the counterparty will exchange only a contract of having entered this swap. This documentation would be as per International Swap Dealers Association (ISDA) norms.

On a daily basis, the benchmark rate fixed by NSE will be tracked by them.

On December 1, 2009 they will calculate the following:

- The Scheme is entitled to receive interest on Rs. 20 Crores at 12% for 184 days i.e. Rs. 1.21 Crores, (this amount is known at the time the swap was concluded) and will pay the compounded benchmark rate.
- The counterparty is entitled to receive daily compounded call rate for 184 days & pay 12% fixed.
- On December 1, 2009, if the total interest on the daily overnight compounded benchmark rate is higher than Rs. 1.21 Crores, the Scheme will pay the difference to the counterparty. If the daily compounded benchmark rate is lower, then the counterparty will pay the Scheme the difference.
- Effectively the Scheme earns interest at the rate of 12% p.a. for six months without lending money for 6 months fixed, while the counterparty pays interest @ 12% p.a. for 6 months on Rs. 20 Crores, without borrowing for 6 months fixed.

The above example illustrates the use of Derivatives for hedging and optimizing the investment portfolio. Swaps have their own drawbacks like credit risk, settlement risk. However, these risks are substantially reduced as the amount involved is interest streams and not principal.

Forward Rate Agreement

Assume that on June 30, 2009, the 30 day commercial paper (CP) rate is 4% and the Scheme has an investment in a CP of face value Rs. 50 Crores, which is going to mature on July 31, 2009. If the interest rates are likely to remain stable or decline after July 31, 2009, and if the fund manager, who wants to re-deploy the maturity proceeds for 1 more month does not want to take the risk of interest rates going down, he can then enter into a following Forward Rate Agreement (FRA) say as on June 30, 2009:

He can receive 1 X 2 FRA on June 30, 2009 at 4.00% (FRA rate for 1 months lending in 1 months time) on the notional amount of Rs. 50 Crores, with a reference rate of 30 day CP benchmark. If the CP benchmark on the settlement date i.e. July 30, 2009 falls to 3.75%, then the Scheme receives the difference 4.00 – 3.75 i.e. 25 basis points on the notional amount Rs. 50 Crores.

Interest Rate Futures

Assume that the Fund holds an Indian ten year benchmark and the fund manager has a view that the yields will go up in the near future leading to decrease in value of the investment and subsequent decrease in Net Asset Value of the fund. The fund house decides to use Interest Rate Futures to mitigate the risk of decline of Net Asset Value of the fund.

12th October 2009

- The benchmark ten year paper 6.88 2009, is trading at INR 98.00 at a yield of 7.19%.
- December 2009 futures contract on the ten year notional 7% coupon bearing Government paper is trading at a yield of 7.29% at a price of INR 98.50.
- The mutual fund decides to hedge the exposure by taking a short position in December 2009 interest rate futures contract.

25th November 2009

- As expected by the fund manager the yield of the benchmark ten year paper has increased to 8% and the price has decreased to 92.70.

- The December 2009 futures contract is trading at a price of INR 93.17 indicating a yield of 8.05%
- The mutual fund unwinds the short position by buying the December 2009 futures contract. The transaction results in profit from the futures position, against the corresponding loss from the Government of India security position.

For details of risk factors relating to use of Derivatives, the investors are advised to refer to Scheme Specific Risk Factors.

Portfolio Turnover:

The Scheme being an open-ended Scheme, it is expected that there would be a number of Subscriptions and Redemptions on a daily basis. Further, in the debt market, trading opportunities may arise due to changes in system liquidity, interest rate policy announced by RBI, shifts in the yield curve, credit rating changes or any other factors. In the opinion of the fund manager these opportunities can be played out to enhance the total return of the portfolio, which will result in increase in portfolio turnover.

There may be an increase in transaction cost such as brokerage paid, if trading is done frequently. However, the cost would be negligible as compared to the total expenses of the Scheme. Frequent trading may increase the profits which will offset the increase in costs. The fund manager will endeavour to optimize portfolio turnover to maximize gains and minimize risks keeping in mind the cost associated with it. However, it is difficult to estimate with reasonable measure accuracy, the likely turnover in the portfolio of the Scheme. The Scheme has no specific target relating to portfolio turnover

Investment in overseas financial assets

RBI vide its letter no. EC.CO.OID.MF/ 19.19.463/2001-2002 dated May 31, 2002 has given approval to mutual funds to invest in such securities subject to the conditions stated therein. SEBI through its Circular dated September 26, 2007 & such other circulars as issued by SEBI from time to time has permitted Mutual Funds to invest in Foreign Securities including foreign debt securities within the overall limit of US\$ 7 billion, subject to a maximum of US\$ 300 million per Mutual Fund. Further, the Mutual Funds can also invest in Exchange Traded Funds within an over all limit of US\$ 1 billion, subject to a maximum of US\$ 50 million per Mutual Fund.

It is the Investment Manager's belief that overseas securities offer new investment and portfolio diversification opportunities into multi-market and multi-currency products. However, such investments also entail additional risks. Such investment opportunities may be pursued by the Investment Manager provided they are considered appropriate in terms of the overall investment objectives of the Scheme. Since the Scheme would invest only partially in overseas securities, there may not be readily available and widely accepted benchmarks to measure the performance of the Scheme. To manage risks associated with foreign currency and interest rate exposure, the Fund may use Derivatives for efficient portfolio management and hedging as maybe permitted from time to time and in accordance with conditions as may be stipulated by SEBI/RBI from time to time.

Offshore investments will be made subject to any/all approvals/ conditions thereof as may be stipulated by SEBI/ RBI/ other Regulatory Agency. The Fund may, where necessary, appoint other intermediaries of repute as advisors, sub-custodians, etc. for managing and administering such investments. The appointment of such intermediaries

shall be in accordance with the applicable requirements of SEBI and within the permissible ceilings of expenses. The fees and expenses would illustratively include, besides the investment management fees, custody fees and costs, fees of appointed advisors and sub-managers, transaction costs, and overseas regulatory costs.

Under normal circumstances, the Scheme may invest maximum 50% of its net assets in Foreign Securities. However, the AMC with a view to protecting the interests of Investors may alter the exposure in Foreign Securities as deemed fit from time to time.

For applicable regulatory investment limits please refer paragraph "Investment Restrictions.

Debt and Money Markets in India

The Indian debt market is today one of the largest in Asia and includes securities issued by the Government (Central & State Governments), public sector undertakings, other government bodies, financial institutions, banks and corporates. Government and public sector enterprises are the predominant borrowers in the markets. The major players in the Indian debt markets today are banks, financial institutions, mutual funds, insurance companies, primary dealers, trusts, pension funds and corporates. The Indian debt market is the largest segment of the Indian financial markets. The debt market comprises broadly two segments, viz. Government Securities market or G-Sec market and corporate debt market. The latter is further classified as market for PSU bonds and private sector bonds.

The Government Securities (G-Secs) market, with market capitalization of Rs. 22,14,424 cr as at April 2011 (State Govt securities – Rs 6,28,453 cr, Source: NSE), is the oldest and the largest component (77% share in market cap) of the Indian debt market in terms of market capitalization, outstanding securities and trading volumes. The G-Secs market plays a vital role in the Indian economy as it provides the benchmark for determining the level of interest rates in the country through the yields on the Government Securities which are referred to as the risk-free rate of return in any economy. Over the years, there have been new products introduced by the RBI like zero coupon bonds, floating rate bonds, inflation indexed bonds, etc.

The corporate bond market, in the sense of private corporate sector raising debt through public issuance in capital market, is only an insignificant part of the Indian Debt Market. The market capitalization of corporate debt market as on April 2011 is Rs.6,52,146 Cr (Source: NSE). A large part of the issuance in the non-Government debt market is currently on private placement basis.

The money markets in India essentially consist of the call money market (i.e. market for overnight and term money between banks and institutions), repo transactions (temporary sale with an agreement to buy back the securities at a future date at a specified price), commercial papers (CPs, short term unsecured promissory notes, generally issued by corporates), certificate of deposits (CDs, issued by banks) and Treasury Bills (issued by RBI). In a predominantly institutional market, the key money market players are banks, financial institutions, insurance companies, mutual funds, primary dealers and corporates. In money market, activity levels of the Government and nongovernment debt vary from time to time. Instruments that comprise a major portion of money market activity include but not limited to:

- Overnight Call
- Collateralised Borrowing & Lending Obligations (CBLO)

- Repo/Reverse Repo Agreement
- Treasury Bills
- Government securities with a residual maturity of < 1 year.
- Commercial Paper
- Certificate of Deposit

Apart from these, there are some other options available for short tenure investments that include MIBOR linked debentures with periodic exit options and other such instruments. Though not strictly classified as Money Market Instruments, PSU / DFI / Corporate paper with a residual maturity of < 1 year, are actively traded and offer a viable investment option.

The market has evolved in past 2-3 years in terms of risk premia attached to different class of issuers. Bank CDs have clearly emerged as popular asset class with increased acceptability in secondary market. PSU banks trade the tightest on the back of comfort from majority government holding. Highly rated manufacturing companies also command premium on account of limited supply. However, there has been increased activity in papers issued by private/foreign banks/NBFCs/companies in high-growth sector due to higher yields offered by them. Even though companies across these sectors might have been rated on a same scale, the difference in the yield on the papers for similar maturities reflects the perception of their respective credit profiles.

The following table gives approximate yields prevailing on June 3, 2011 on some of the instruments and further illustrates this point.

Instrument	Current Yield range
CBLO	7-7.25
Repo	7.25
3m Tbill	8.05-8.15
1Y Tbill	8.25-8.35
10Y gsec	8.25-8.40
3m PSU Bank CD	9.65-9.75
3m NBFC CP	10-10.15
3m Manufacturing co. CP	9.90-10
1Y PSU Bank CD	10-10.10
1Y NBFC CP	10.25-10.50
1Y Manufacturing co. CP	10.25-10.50
5Y AAA Institutional Bond	9.50-9.60
10Y AAA Institutional Bond	9.70-9.80

Source: Bloomberg

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

Risk Control:

Risk management is going to be an integral part of the investment process. Effective risk management is critical to fund management for achieving financial soundness.

Investments by the Scheme shall be made as per the investment objectives of the Scheme and provisions of the Regulations.

The scheme aims to manage the risk using a quantitative asset allocation methodology to decide the allocation between equity and fixed income securities.

The investment team of the AMC will carry out rigorous in depth credit evaluation of the money market and debt instruments (other than GSecs) proposed to be invested in. The credit evaluation will essentially be a bottom up approach and include a study of the operating environment of the issuer, the past track record as well as the future prospects of the issuer and the short term / long term financial health of the issuer.

With respect to the equity component, the Scheme would invest in a diversified portfolio of equity and equity related securities which would help alleviate the sector/market capitalization related concentration risk.

The AMC has experienced investment professionals to help limit investment universe to carefully selected high quality businesses.

The AMC would incorporate adequate safeguards for controlling risks in the portfolio construction process, which would be periodically evaluated. The scheme will also use derivatives and other hedging instruments, as may be permitted by SEBI and RBI, from time to time, in order to protect the value of the portfolio. The fund manager would also consider hedging the portfolios in case of predictable events with uncertain outcomes.

The risk control process involves identifying & measuring the risk through various Risk Measurement Tools.

The AMC has implemented the Bloomberg Portfolio Order Management System as Front Office System (FOS). The system has incorporated all the investment restrictions as per SEBI guidelines and "soft" warning alerts at appropriate levels for preemptive monitoring. The system enables identifying & measuring the risk through various risk measurement tools like various risk ratios, average duration and analyzes the same so as to act in a preventive manner.

INVESTMENT BY THE AMC IN THE SCHEME

Subject to the Regulations, the AMC may invest either directly or indirectly, in the Scheme during the Ongoing Offer Period. However, the AMC shall not charge any investment management fee on such investment in the Scheme.

F: FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the scheme, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

(i) Type of a scheme

(ii) Investment Objective

(iii) Terms of Issue

- Liquidity provisions such as listing, Repurchase, Redemption.

- o Aggregate fees and expenses charged to the scheme.
- o Any safety net or guarantee provided.

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustees shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is carried out unless:

- 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 the region where the Head Office of the Mutual Fund is situated; and
- The Unitholders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any Exit Load.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE ?

CRISIL MIP Blended Fund Index

Justification for use of benchmark

The CRISIL MIP Blended Index is a hybrid index that comprises of fixed income and equities, with a majority weighting in fixed income assets. It is an index composed of 85% fixed income instruments and 15% in the S&P CNX Nifty. As such its asset allocation comes closest to the Scheme's asset allocation and is the most appropriate benchmark available for the scheme in the Indian markets.

The Trustee/AMC reserves the right to change the benchmark for the evaluation of the performance of the Scheme from time to time, keeping in mind the investment objective of the Scheme and the appropriateness of the benchmark, subject to SEBI guidelines and other prevalent guidelines.

H. WHO MANAGES THE SCHEME?

The Scheme will be managed by Mr. R. Sivalumar (for the debt component of the portfolio), Mr. Pankaj Murarka and Mr. Sudhanshu Asthana (for the equity component of the portfolio)

Mr. R. Sivalumar	36 Bachelor of Technology, IIT, Madras PGDM, IIM, Ahmedabad)	<ul style="list-style-type: none"> • Head – Fixed Income & Products, Axis Asset Management Co. Ltd.(September 02, 2010 – till date) • Fund Manager – PMS, Axis Asset Management Co. Ltd.(August 2009 till September 01 2010) • Chief Operating Officer, Fortis Investment Management (India) 	Axis Liquid Fund, Axis Treasury Advantage Fund, Axis Short Term Fund, Axis Fixed Term Plan – Series 11, 12, 13 and Axis Dynamic Bond Fund (along with Mr. Ninad Deshpande), Axis Triple Advantage Fund (along with Mr. Chandresh Nigam and Mr. Sudhanshu Asthana),
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		<p>Pvt. Ltd. - previously known as ABN AMRO Asset Management (India) Private Limited (Last position held – Chief Operating Officer. Previous roles included Fund Manager – Fixed Income, VP – Product Development and Portfolio Management and Head – Structured Products.) (April 2004 – July 2009)</p> <ul style="list-style-type: none"> • Fund Manager – Fixed Income, Sundaram Asset Management Company Limited (January 2001 – March 2004) • Research Analyst, Zurich Asset Management (India) Private Limited (December 1999 – December 2000) 	
Mr. Pankaj Murarka	35 B. Com, ACA	<p>Mr. Pankaj Murarka has over 12 years of experience in the equity markets.</p> <ul style="list-style-type: none"> • Fund Manager - Equity, Axis Asset Management Co. Ltd.(November 3 2009 till date) • Principal Officer, Pipal Capital Management Private Limited (From April 2009 till November 2009) • Portfolio Manager, DSP Merrill Lynch Ltd (From June 2006 – March 2009) • Head of Research & Fund Manager, Rare Enterprises (From June 2004- June 2006) • Equity Sales, Motilal Oswal Securities Ltd. (From April 2003 – May 	Axis Equity Fund (alongwith Mr. Chandresh Nigam) and Axis Midcap Fund (along with Mr. Jinesh Gopani)

		2004) • Fund Management & Research, UTI Asset Management Company Ltd. (February 1998 to January 2003)	
Mr. Sudhanshu Asthana	37, Bachelor in Economics, Master in Economics, Diploma in Investment Management, (NMIMS)	• Fund Manager, Axis Asset Management Co. Ltd. (April 1, 2011 till date) • Assistant Fund Manager, Axis Asset Management Co. Ltd. (August 17, 2009 till March 31, 2011) • Fund Manager – Equity, Barclays Wealth India Pvt. Limited. (October 2008-August 2009) • Fund Manager – Equity, SBI Funds Management Pvt. Limited. (July 2007-October 2008) • Joint Fund Manager/Analyst – Equity, Quantum Asset Management Company Pvt. Limited (November 2005 -July 2007) • Equity Analyst, Quantum Advisor Pvt. Limited (May 2005 – October 2005) • Equity Analyst, BRICS Securities Limited (February 2005-April 2005) • Equity Analyst, Alchemy Share & Stock Brokers Pvt. Limited (October 2004- January 2005) • Equity Analyst, Sunidhi Consultancy Services Pvt. Limited (December 2003-October 2004) • Equity Analyst, Karvy Stock Broking Limited (May 2003- December 2003) • Equity Analyst, Tata TD	Axis Triple Advantage Fund (along with Chandresh Nigam and R. Sivakumar)

		Waterhouse Securities Pvt. Ltd. (April 2002-April 2003) • Equity Analyst, Birla Sunlife Securities Limited (June 1999-April 2002)	
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Presently, the Trustee/AMC has not designated a dedicated Fund Manager for investment in Foreign Securities. However, it shall be ensured that there is a dedicated fund manager for investment in foreign securities as and when the fund makes investment in foreign securities.

I. WHAT ARE THE INVESTMENT RESTRICTIONS?

Pursuant to Regulations, specifically the Seventh Schedule and amendments thereto, the following investment restrictions are currently applicable to the Scheme:

1. The Scheme shall not invest more than 10 per cent of its NAV in the equity shares or equity related instruments of any company
2. The Scheme shall not invest more than 5% of its NAV in the unlisted equity shares or equity related instruments
3. The Mutual Fund under all its Scheme(s) shall not own more than ten per cent of any company's paid up capital carrying voting rights.
4. The Scheme shall not invest more than 15% of its NAV in debt instruments issued by a single issuer, which are rated not below investment grade by a credit rating agency authorized to carry out such activities under the SEBI Act, 1992. Such investment limit may be extended to 20% of the NAV of the Scheme with the prior approval of the Trustee and the Board of AMC.

Such limit shall not be applicable for investment in Government Securities and money market instruments.

In case of investment in money market instruments, the Scheme shall not invest more than 30% of its net assets in Money Market Instruments issued by a single issuer. The limit shall not be applicable to investment in CBLOs, Government securities and treasury bills.

Investments within such limit can be made in the mortgaged backed securitised debt, which are rated not below investment grade by a credit rating agency, registered with SEBI.

5. The Scheme shall not invest more than 10% of its NAV in un-rated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the Scheme. All such investments shall be made with the prior approval of the Trustee and Board of AMC.
6. The Scheme may invest in other schemes of the Mutual Fund or any other mutual fund without charging any fees, provided the aggregate inter-scheme investment made by all the schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the Net Asset Value of the Fund.
7. The Scheme shall not make any investment in :

- i. any unlisted security of an associate or group company of the sponsor; or
 - ii. any security issued by way of private placement by an associate or group company of the sponsor; or
 - iii. the listed securities of group companies of the sponsor which is in excess of 25% of the net assets; or
8. The Mutual Fund shall get the securities purchased transferred in the name of the Fund on account of the concerned Scheme, wherever investments are intended to be of a long-term nature.
9. Transfer of investments from one scheme to another scheme in the same Mutual Fund is permitted provided:
- a. such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and
 - b. the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.
10. The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities:
Provided that the Mutual Fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.
- Provided further that the Mutual Fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by SEBI.
- Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard.
11. The Scheme shall not make any investment in any fund of funds scheme.
12. The Scheme will comply with the following restrictions for trading in exchange traded derivatives, as specified by SEBI vide its circular DNPd/Cir-29/2005 dated September 14, 2005, Circular DNPd/Cir-30/2006 dated January 20, 2006 and Circular DNPd/Cir-31/2006 dated September 22, 2006:

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

- a. The Mutual Fund position limit in all index options contracts on a particular underlying index shall be Rs. 500 crores or 15% of the total open interest of the market in index options, whichever is higher, per stock exchange.
- b. This limit would be applicable on open positions in all options contracts on a particular underlying index.

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

- a. The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be Rs.500 crores or 15% of the total open interest of the market in index futures, whichever is higher, per stock exchange.
- b. This limit would be applicable on open positions in all futures contracts on a particular underlying index.

iii. Additional position limit for hedging

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

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

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

The Mutual Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts, is defined in the following manner:-

- a. For stocks having applicable market-wide position limit ('MWPL') of Rs. 500 crores or more, the combined futures and options position limit shall be 20% of applicable MWPL or Rs. 300 crores, whichever is lower and within which stock futures position cannot exceed 10% of applicable MWPL or Rs. 150 crores, whichever is lower.
- b. For stocks having applicable MWPL less than Rs. 500 crores, the combined futures and options position limit would be 20% of applicable MWPL and futures position cannot exceed 20% of applicable MWPL or Rs. 50 crores whichever is lower.

v. Position limit for each scheme of a Mutual Fund

The scheme-wise position limit / disclosure requirements shall be:

- i. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a Mutual Fund shall not exceed the higher of 1% of the free float market capitalization (in terms of number of shares)
or
5% of the open interest in the derivative contract on a particular underlying stock (in terms of number of contracts).
 - ii. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
 - iii. For index based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.
- 13 Pending deployment of the funds of the Scheme in securities in terms of the investment objective of the Scheme, the AMC may park the Funds of the Scheme in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007 as may be amended from time to time:

The Scheme will comply with the following guidelines/restrictions for parking of funds in short term deposits:

- i. "Short Term" for such parking of funds by the Scheme shall be treated as a period not exceeding 91 days. Such short-term deposits shall be held in the name of the Scheme.
- ii. The Scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustee.
- iii. Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.

- iv. The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
- v. The Scheme shall not park funds in short term deposit of a bank which has invested in that Scheme.

However, the above provisions will not apply to term deposits placed as margins for trading in cash and derivatives market.

14 The Scheme shall not advance any loans.

15 The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of repurchase/redemption of Units or payment of interest and/or dividend to the Unit holders.

Provided that the Fund shall not borrow more than 20% of the net assets of the individual Scheme and the duration of the borrowing shall not exceed a period of 6 month The Scheme will comply with the other Regulations applicable to the investments of Mutual Funds from time to time.

16 Further, SEBI vide its circular no. Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010 has prescribed the following investment restrictions w.r.t. investment in derivatives:

S. No.	Particulars
1	The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the scheme. Cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure.
2	The Scheme shall not write options or purchase instruments with embedded written options.
3	The total exposure related to option premium paid shall not exceed 20% of the net assets of the scheme.
4	Exposure due to hedging positions may not be included in the above mentioned limits subject to the following: <ul style="list-style-type: none"> a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains. b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1. c. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged. d. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
5	Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.
6	Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a

	position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:								
	<table border="1"> <thead> <tr> <th>Position</th><th>Exposure</th></tr> </thead> <tbody> <tr> <td>Long Future</td><td>Futures Price * Lot Size * Number of Contracts</td></tr> <tr> <td>Short Future</td><td>Futures Price * Lot Size * Number of Contracts</td></tr> <tr> <td>Option bought</td><td>Option Premium Paid * Lot Size * Number of Contracts.</td></tr> </tbody> </table>	Position	Exposure	Long Future	Futures Price * Lot Size * Number of Contracts	Short Future	Futures Price * Lot Size * Number of Contracts	Option bought	Option Premium Paid * Lot Size * Number of Contracts.
Position	Exposure								
Long Future	Futures Price * Lot Size * Number of Contracts								
Short Future	Futures Price * Lot Size * Number of Contracts								
Option bought	Option Premium Paid * Lot Size * Number of Contracts.								
7	The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases shall not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions shall not exceed 10% of the net assets of the scheme.								

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

Apart from the Investment Restrictions prescribed under the Regulations, internal risk parameters for limiting exposure to a particular scrip or sector may be prescribed from time to time to respond to the dynamic market conditions and market opportunities.

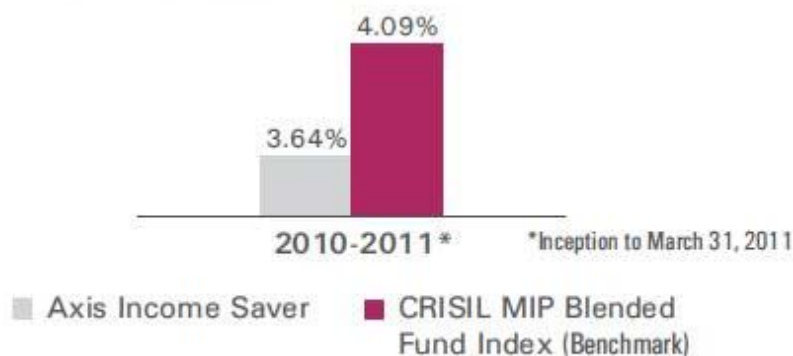
The AMC/Trustee may alter these above stated restrictions from time to time to the extent the Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its respective investment objective.

J. HOW HAS THE SCHEME PERFORMED?

Performance of the Scheme as at May 31, 2011 is as follows:

Period	Axis Income Saver	CRISIL MIP Blended Fund Index
Since Inception	3.92%	3.70%

Absolute returns for the last financial year:



Date of allotment – July 16, 2010

Past performance may or may not be sustained in future. Returns are absolute for period less than 1 year. Since inception returns are calculated on Rs. 10 invested at inception. Calculations are based on Growth Option NAVs.

III. UNITS AND OFFER

This section provides details you need to know for investing in the scheme.

A. NEW FUND OFFER (NFO)

<p>New Fund Offer Period</p> <p>This is the period during which a new Scheme sells its unit to the Investors.</p>	<p>The New Fund Offer opened on May 24, 2010 and closed on June 21, 2010. The units under the Scheme were allotted on July 16, 2010.</p>
<p>New Fund Offer Price:</p> <p>This is the price per unit that the Investors have to pay to invest during the NFO.</p>	<p>Not Applicable</p>
<p>Minimum Amount for Application in the NFO</p>	<p>Not Applicable</p>
<p>Minimum Target amount</p> <p>This is the minimum amount required to operate the Scheme and if this is not collected during the NFO period, then all the Investors would be refunded the amount invested without any return. However, if AMC fails to refund the amount within 6 weeks, interest as specified by SEBI (currently 15% p.a.) will be paid to the Investors from the expiry of six weeks from the date of closure of the Subscription period.</p>	<p>Not Applicable</p>
<p>Maximum Amount to be raised (if any)</p> <p>This is the maximum amount which can be collected during the NFO period, as decided by the AMC.</p>	<p>Not Applicable</p>
<p>Plans / Options offered</p>	<p>The Scheme offers following options:</p> <ul style="list-style-type: none"> • Growth option • Dividend option

Options	Sub-options	Record date*
Growth	Nil	NA
Dividend	Quarterly(payout and reinvestment)	25 th of March, June September, and December
	Half yearly(payout and reinvestment)	25 th of March and September
	Annual Dividend Option(Payout and reinvestment)	25 th of March

* If the record date falls on a non business day, record date shall be the next business day. The Trustee/AMC reserves the right to change the record date from time to time.

If Dividend payable under Dividend Payout option is equal to or less than Rs. 500/- then the Dividend would be compulsorily reinvested in the option of the Scheme.

The Investors should indicate option for which Subscription is made by indicating the choice in the appropriate box provided for this purpose in the application form. In case of valid application received without any choice of option/facility, the following default option/facility will be considered;

Default option

Default Option – Growth

Default Sub-Option – Quarterly Dividend Option

Default between Payout & Reinvestment Option - Reinvestment

Growth option

Dividends will not be declared under this option. The income attributable to Units under this option will continue to remain invested in the Scheme and will be reflected in the NAV of Units under this option.

Dividend option

Under this option, Dividends will be declared (subject to deduction of tax at source, if any) at specified

	<p>frequency at the discretion of the Trustee, subject to availability of distributable surplus calculated in accordance with SEBI (MF) Regulations. On payment of Dividend, the NAV of the Units under Dividend option will fall to the extent of the Dividend payout and applicable statutory levies, if any.</p> <p>It must be distinctly understood that the actual declaration of Dividend and frequency thereof is at the sole discretion of the Trustee. There is no assurance or guarantee to the Unit holders as to the rate of Dividend distribution nor that will the Dividend be paid regularly. The Trustee reserves the right to declare a Dividend at any other frequency in addition to the frequency mentioned above.</p> <p>Dividend Payout Facility Under this facility, Dividend declared, if any, will be paid (subject to deduction of Dividend distribution tax and statutory levy, if any) to those Unit holder, whose names appear in the register of Unit holders on the notified record date.</p> <p>Dividend Reinvestment Facility Under this facility, the Dividend due and payable to the Unit holders will be compulsorily and without any further act by the Unit holder, reinvested in the respective Dividend option at a price based on the prevailing ex-Dividend Net Asset Value per Unit. The amount of Dividend re-invested will be net of tax deducted at source, wherever applicable. The Dividends so reinvested shall constitute a constructive payment of Dividends to the Unit holders and a constructive receipt of the same amount from each Unit holder for reinvestment in Units.</p> <p>On reinvestment of Dividends, the number of Units to the credit of Unit holder will increase to the extent of the Dividend reinvested divided by the Applicable NAV. There shall, however, be no Load on the Dividend so reinvested.</p>
Dividend Policy	<p>Under the Dividend option, the Trustee will Endeavour to declare the Dividend as per the specified frequency, subject to availability of distributable surplus calculated in accordance with the Regulations. The actual declaration of Dividend and frequency will inter-alia, depend on availability of distributable surplus calculated in accordance with SEBI (MF) Regulations and the decisions of the Trustee shall be final in this regard. There is no assurance or guarantee to the Unit holder as to the rate of Dividend nor that will the Dividend be paid regularly.</p>

	<p>The AMC/Trustee reserves the right to change the frequency of declaration of Dividend or may provide for additional frequency for declaration of Dividend.</p> <p>Dividend Distribution Procedure In accordance with SEBI Circular no. SEBI/ IMD/ Cir No. 1/ 64057/06 dated April 4, 2006, the procedure for Dividend distribution would be as under:</p> <ol style="list-style-type: none"> 1. Quantum of Dividend and the record date will be fixed by the Trustee. Dividend so decided shall be paid, subject to availability of distributable surplus. 2. Within one calendar day of decision by the Trustee, the AMC shall issue notice to the public communicating the decision about the Dividend including the record date, 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. 3. Record date shall be the date, which will be considered for the purpose of determining the eligibility of Investors whose names appear on the register of Unit holder for receiving Dividends. The Record Date will be 5 calendar days from the date of issue of notice. 4. The notice will, in font size 10, bold, categorically state that pursuant to payment of Dividend, the NAV of the Scheme would fall to the extent of payout and statutory levy (if applicable). 5. The NAV will be adjusted to the extent of Dividend distribution and statutory levy, if any, at the close of Business Hours on record date. 6. Before the issue of such notice, no communication indicating the probable date of Dividend declaration in any manner whatsoever will be issued by Mutual Fund.
Allotment	Not Applicable
Refund	Not Applicable
<p>Who can invest</p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the Scheme is suitable to your risk profile.</p>	<p>The following persons (subject to, wherever relevant, purchase of unit of Mutual Funds, being permitted under respective constitutions, and relevant statutory regulations) are eligible and may apply for Subscription to the Unit of the Scheme:</p> <ol style="list-style-type: none"> 1. Resident adult individuals either singly or jointly

	<p>(not exceeding three) or on an Anyone or Survivor basis;</p> <ol style="list-style-type: none"> 2. Hindu Undivided Family (HUF) through Karta; 3. Minor through parent / legal guardian; 4. Partnership Firms; 5. Limited Liability Partnerships 6. Proprietorship in the name of the sole proprietor; 7. Companies, Bodies Corporate, Public Sector Undertakings (PSUs.), Association of Persons (AOP) or Bodies of Individuals (BOI) and societies registered under the Societies Registration Act, 1860(so long as the purchase of Unit is permitted under the respective constitutions; 8. Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions; 9. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as "Public Securities" as required) and Private trusts authorised to invest in mutual fund schemes under their trust deeds; 10. Non-Resident Indians (NRIs) / Persons of Indian origin (PIOs) residing abroad on repatriation basis or on non-repatriation basis; 11. Foreign Institutional Investors (FIIs) and their sub-accounts registered with SEBI on repatriation basis; 12. Army, Air Force, Navy and other para-military units and bodies created by such institutions; 13. Scientific and Industrial Research Organisations; 14. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / RBI 15. Provident/ Pension/ Gratuity Fund to the extent they are permitted; 16. Other schemes of Axis Mutual Fund or any other mutual fund subject to the conditions and limits prescribed by SEBI Regulations; 17. Trustee, AMC or Sponsor or their associates may subscribe to Units under the Scheme(s); 18. Such other person as maybe decided by the AMC from time to time.
Who cannot invest	<ol style="list-style-type: none"> 1. Any individual who is a foreign national or any other entity that is not an Indian resident under the Foreign Exchange Management Act, 1999 (FEMA Act) except where registered with SEBI as a FII or sub account of FII or otherwise explicitly permitted under FEMA Act/ by RBI/ by any other applicable authority. 2. Pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003, Overseas Corporate

	<p>Bodies (OCBs) can not invest in Mutual Funds.</p> <p>3. NRIs residing in Non-Compliant Countries and Territories (NCCTs) as determined by the Financial Action Task Force (FATF), from time to time.</p> <p>4. Such other persons as may be specified by AMC from time to time.</p>
Where can you submit the filled up applications.	Not Applicable
How to Apply	Please refer to the SAI and Application form for the instructions.
Listing	Axis Income Saver is an open ended income Scheme under which Sale and Repurchase will be made on a continuous basis and therefore listing on stock exchanges is not envisaged. However, the Trustee reserves the right to list the units as and when open-end Schemes are permitted to be listed under the Regulations, and the Trustee considers it necessary in the interest of Unit holders of the Fund.
Special Products / facilities available during the NFO	Not Applicable
The policy regarding reissue of Repurchased Unit, including the maximum extent, the manner of reissue, the entity (the Scheme or the AMC) involved in the same.	Units once redeemed will be extinguished and will not be reissued.
Restrictions, if any, on the right to freely retain or dispose of units being offered.	<p>Pledge of Units</p> <p>The Units under the Scheme (subject to completion of Lockin Period, if any) may be offered as security by way of a pledge / charge in favour of scheduled banks, financial institutions, non-banking finance companies (NBFCs), or any other body. The AMC and / or the ISC will note and record such Pledged Units. The AMC shall mark a lien only upon receiving the duly completed form and documents as it may require. Disbursement of such loans will be at the entire discretion of the bank / financial institution / NBFC or any other body concerned and the Mutual Fund assumes no responsibility thereof.</p> <p>The Pledger will not be able to redeem Units that are pledged until the entity to which the Units are pledged provides written authorisation to the Mutual Fund that the pledge / lien charge may be removed. As long as Units are pledged, the Pledgee will have complete authority to redeem such Units. Dividends declared on Units under lien will be paid / re-invested to the credit of the Unit Holder and not the lien holder unless specified otherwise in the lien letter.</p>

	<p>Lien on Units</p> <p>On an ongoing basis, when existing and new Investors make Subscriptions, a lien on unit allotted will be created and such unit shall not be available for redemption until the payment proceeds are realised by the Scheme. In case a unit holder redeems unit soon after making purchases, the redemption cheque will not be dispatched until sufficient time has elapsed to provide reasonable assurance that cheques or drafts for unit purchased have been cleared.</p> <p>In case the cheque / draft is dishonoured by the bank, the transaction shall be reversed and the unit allotted earlier shall be cancelled, and a fresh Account Statement / Confirmation slip shall be dispatched to the Unit holder. For NRIs, the Scheme may mark a lien on unit in case documents which need to be submitted are not given in addition to the application form and before the submission of the redemption request. However, the AMC reserves the right to change operational guidelines for lien on unit from time to time.</p> <p>Right to Limit Redemptions</p> <p>The Trustee may, in the general interest of the Unit holders of the Scheme and when considered appropriate to do so based on unforeseen circumstances / unusual market conditions, limit the total number of Unit which may be redeemed on any Business Day to 5% of the total number of Unit then in issue under the Scheme and option(s) thereof or such other percentage as the Trustee may determine. Any Unit which consequently are not redeemed on a particular Business Day will be carried forward for Redemption to the next Business Day, in order of receipt. Redemptions so carried forward will be priced on the basis of the Applicable NAV (subject to the prevailing Load, if any) of the Business Day on which Redemption is made. Under such circumstances, to the extent multiple Redemption requests are received at the same time on a single Business Day, redemptions will be made on a prorate basis based on the size of each Redemption request, the balance amount being carried forward for Redemption to the next Business Day. In addition, the Trustee reserves the right, in its sole discretion, to limit redemptions with respect to any single account to an amount of Rs. 1,00,000/- in a single day.</p> <p>Also refer to the paragraph 'Suspension of Purchase and Redemption of Units' in the Statement of Additional</p>
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B. ONGOING OFFER DETAILS

<p>Ongoing Offer Period</p> <p>This is the date from which the Scheme will reopen for Subscriptions/redemptions after the closure of the NFO period.</p>	<p>The Scheme has reopened for continuous subscription and redemption from July 21, 2010.</p>
<p>Ongoing price for Subscription (purchase)/Switch-in (from other Schemes/Plans of the Mutual Fund) by investors.</p> <p>This is the price you need to pay for purchase/Switch-in.</p>	<p>At the applicable NAV</p>
<p>Ongoing price for Redemption (Sale) /Switch outs (to other Schemes/Plans of the Mutual Fund) by investors.</p> <p>This is the price you will receive for redemptions/switch outs.</p>	<p>At the Applicable NAV subject to prevailing Exit Load.</p> <p>Ongoing price for redemption /Switch out (to other Schemes/Plans of the Mutual Fund) is price which a Unit holder will receive for redemption/Switch-outs. During the continuous offer of the Scheme, the Unit holder can redeem the Unit at Applicable NAV, subject to payment of Exit Load, if any. It will be calculated as follows:</p> <p>Redemption Price = Applicable NAV*(1-Exit Load, if any) Example: If the Applicable NAV is Rs. 10, Exit Load is 2% then redemption price will be: = Rs. 10* (1-0.02) = Rs. 9.80</p> <p>Investors/Unit holders should note that the AMC/Trustee has right to modify existing Load structure and to introduce Loads subject to a maximum limits prescribed under the SEBI Regulations.</p> <p>Any change in Load structure will be effective on prospective basis and will not affect the existing Unit holder in any manner.</p> <p>However, the Mutual Fund will ensure that the Redemption Price will not be lower than 93% of the Applicable NAV provided that the difference between the Redemption Price and the Subscription /Purchase Price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time, which is currently 7% calculated on the Subscription/ Purchase Price. The Purchase Price shall be at applicable NAV.</p>
Cut off timing for Subscriptions/	Subscriptions/Purchases including Switch - ins:

<p>redemptions/ Switches</p> <p>This is the time before which your application (complete in all respects) should reach the Official Points of Acceptance.</p>	<p>The following cut-off timings shall be observed by the Mutual Fund in respect of purchase of units of the Scheme, and the following NAVs shall be applied for such purchase:</p> <ol style="list-style-type: none"> 1. where the application is received upto 3.00 pm with a local cheque or demand draft payable at par at the place where it is received – closing NAV of the day of receipt of application; 2. where the application is received after 3.00 pm with a local cheque or demand draft payable at par at the place where it is received – closing NAV of the next Business Day ; and 3. where the application is received with an outstation cheque or demand draft which is not payable on par at the place where it is received – closing NAV of day on which the cheque or demand draft is credited. 4. In respect of purchase of units with amount equal to or more than Rs. 1 crore, irrespective of the time of receipt of application, the closing NAV of the day on which the funds are available for utilization shall be applicable. <p>For allotment of units in respect of purchase in the scheme under pt (4) above, it shall be ensured that:</p> <ol style="list-style-type: none"> i. Application is received before the applicable cut-off time ii. Funds for the entire amount of subscription/purchase as per the application are credited to the bank account of the scheme before the cutoff time. iii. The funds are available for utilization before the cut-off time without availing any credit facility whether intra-day or otherwise, by the scheme. <p>For allotment of units in respect of switch-in to the scheme under Pt (4) above from other schemes, it shall be ensured that:</p> <ol style="list-style-type: none"> i. Application for switch-in is received before the applicable cut-off time. ii. Funds for the entire amount of subscription/purchase as per the switch-in request are credited to the bank account of the scheme before the cut-off time. iii. The funds are available for utilization before the cut-off time without availing any credit facility whether intra-day or otherwise, by the scheme.
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	<p>Redemptions including Switch - outs: The following cut-off timings shall be observed by the Mutual Fund in respect of Repurchase of units:</p> <ol style="list-style-type: none"> 1. where the application received upto 3.00 pm – closing NAV of the day of receipt of application; and 2. an application received after 3.00 pm – closing NAV of the next Business Day. <p>The above mentioned cut off timing shall be applicable to transactions through the online trading platform.</p> <p>The Date of Acceptance will be reckoned as per the date & time; the transaction is entered in stock exchange's infrastructure for which a system generated confirmation slip will be issued to the investor.</p>
Where can the applications for purchase/redemption Switches be submitted?	Refer Back Cover Page
Minimum amount for purchase/Redemption/Switches	<p>Minimum amount for purchase/Switch in</p> <p>Rs. 5,000 and in multiples of Re 1/- thereafter</p> <p>Minimum Additional Purchase Amount</p> <p>Rs.100 and in multiples of Re. 1/- thereafter</p> <p>Minimum Redemption Amount/Switch Out Minimum Redemption - Rs 1000 or 100 units or <u>account balance whichever is lower</u> in respect of each Option. In case the Investor specifies the number of units and amount, the number of Units shall be considered for Redemption. In case the unit holder does not specify the number or amount, the request will not be processed.</p> <p>In case of Units held in dematerialized mode, the Unit Holder can give a request for Redemption only in number of Units. Request for subscriptions can be given only in amount. Depository participants of registered Depositories to process only redemption request of units held in demat form.</p>
Minimum balance to be maintained and consequences of non maintenance.	<p>Currently, there is no minimum balance requirement. However, the AMC / Trustee may decide to introduce minimum balance requirements later, if they so deem fit. In such case, in the event of non-maintenance of minimum balance for any particular situations, the Unit</p>

	<p>may be compulsorily redeemed.</p> <p>In case balance in the account of the Unit holder does not cover the amount of Redemption request, then the Mutual Fund is authorized to redeem all the Units in the folio and send the Redemption proceeds to the Unit holder.</p>
Special Products available	<p><u>Systematic Investment Plan (SIP)</u></p> <p>Unit holder can enroll for the SIP facility by submitting duly completed Enrolment Form at the Official Point(s) of Acceptance. An Investor shall have the option of choosing any date of the Month as his SIP date other than 29th, 30th or 31st of a month. Minimum amount per SIP installment is Rs 1,000 and in multiples of Re. 1 thereafter. Minimum number of installments under SIP is 36. If the SIP period is not specified by the unit holder then the SIP enrolment will be deemed to be for perpetuity and processed accordingly.</p> <p>SIP through post-dated cheques</p> <p>The date of the first cheque shall be the same as the date of the application while the remaining cheques shall be post dated cheques which shall be dated uniformly. Investors can invest in SIP by providing post-dated cheques to Official Point(s) of Acceptance. An Investor is eligible to issue only one cheque for each month in the same SIP enrolment form. All SIP cheques should be of the same amount and same date option. Cheques should be drawn in favour of the Fund and "A/c Payee only". A Letter will be forwarded to the Investor on successful registration of SIP. The Post Dated cheques will be presented on the dates mentioned on the cheque and subject to realization of the cheque.</p> <p>SIP through Electronic Clearing System (ECS)/Direct Debit</p> <p>Investors / Unit holders may also enroll for SIP facility through Electronic Clearing Service (Debit Clearing) of the RBI or for SIP Direct Debit Facility available with specified Banks / Branches. In order to enroll for SIP ECS Debit facility or Direct Debit Facility, an Investor must fill-up the Application Form for SIP ECS/ Direct Debit facility.</p> <p>In case of SIP with payment mode as ECS/Direct Debit, Investors shall be required to submit a cancelled cheque or a photocopy of a cheque of the bank account for which the ECS/debit mandate is provided.</p> <p>All SIP cheques/payment instructions should be of the same amount and same date(excluding first cheque).</p>

	<p>However, there should be a gap of 30 days between first SIP Installment and the second installment in case of SIP started during ongoing offer.</p> <p>Units will be allotted at the Applicable NAV of the respective dates on which the investments are sought to be made. In case the date falls on a Holiday or falls during a Book Closure period, the immediate next Business Day will be considered for this purpose</p> <p>Investors will have the right to discontinue the SIP facility at any time by sending a written request to any of the Official Point(s) of Acceptance. Notice of such discontinuance should be received at least 30 days prior to the due date of the next debit. On receipt of such request, the SIP facility will be terminated. It is clarified that if the Fund fails to get the proceeds from three Installments out of a continuous series of Installments submitted at the time of initiating a SIP (Subject to a minimum under SIP i.e. 36 months), the SIP is deemed as discontinued.</p> <p>An extension of an existing SIP will be treated as a new SIP on the date of such application, and all the above conditions need to be met with. The Load structure prevailing at the time of submission of the SIP application (whether fresh or extension) will apply for all the Installments indicated in such application.</p> <p>The AMC has the authority to make available SIP by way of a salary savings scheme for a group of employees through an arrangement with their employers.</p> <p>For applicable Load on Purchases through SIP, please refer paragraph 'Load Structure' given in the document.</p> <p>The AMC reserves the right to change / modify Load structure and other terms and conditions under the SIP prospectively at a future date. Please refer to the SIP Enrolment Form for terms & conditions before enrolment.</p> <p>Purchase/Redemption of units through Stock Exchange Infrastructure</p> <p>Investors can subscribe to the Units of Axis Mutual Fund through the mutual fund trading platforms of the Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE") – with NSDL and CDSL as depositories for such units of the mutual fund.</p> <p>NSE has introduced Mutual Fund Service System (MFSS) Platform and BSE has introduced BSE StAR MF Platform.</p>
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	<p>The following are the salient features of the new facility introduced:</p> <ol style="list-style-type: none"> 1. The facility i.e. purchase/redemption/SIP (Systematic Investment Plan) is available for both existing and new investors. Switch Facility is not available. 2. The Investors will be eligible to purchase/redeem units of the scheme. 3. Maximum subscription: The investors can purchase units of the above listed schemes by using NSE MFSS/ BSE StAR platform for transaction value less than Rs. 1 Crore. 4. List of additional Official Point of Acceptance The following shall be the additional Official Point of Acceptance of Transactions for the scheme: All trading members of BSE & NSE who are registered with AMFI as Mutual Fund Advisors and also registered with BSE & NSE as Participants ("AMFI registered stock exchange brokers") will be eligible to offer this facility to investors and shall be treated as official point of acceptance. Units of mutual fund schemes shall be permitted to be transacted through clearing members of the registered Stock Exchanges. Clearing members and Depository participants will be considered as Official Points of Acceptance (OPA) of Axis Mutual Fund and conditions stipulated in SEBI Circular No. SEBI /IMD / CIR No.11/183204/2009 dated November 13, 2009 for stock brokers viz. AMFI /NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund, shall be applicable for such Clearing members and Depository participants as well. 5. The units of the scheme are not listed on BSE & NSE and the same cannot be traded on the Stock Exchange. The window for purchase/redemption of units on BSE StAR & NSE MFSS will be available between 9 a.m. and 3 p.m. or such other timings as may be decided. 6. Investors shall hold the units in dematerialized form only. 7. Investors will be able to purchase/redeem units of the
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	<p>scheme in the following manner:</p> <ol style="list-style-type: none"> (i) Investors shall receive redemption amount (if units are redeemed) and units (if units are purchased) through broker/ clearing member's pool account. Axis Asset Management Company Limited (the "AMC")/Axis Mutual Fund (the "Mutual Fund") shall pay proceeds to the broker/clearing member (in case of redemption) and broker/clearing member in turn to the respective investor and similarly units shall be credited by the AMC/ Mutual Fund into broker/clearing member's pool account (in case of purchase) and broker/clearing member in turn shall credit the units to the respective investor's demat account. (ii) Payment of redemption proceeds to the broker/clearing members by AMC/Mutual Fund shall discharge AMC/Mutual Fund of its obligation of payment to individual investor. Similarly, in case of purchase of units, crediting units into broker/clearing member pool account shall discharge AMC/Mutual Fund of its obligation to allot units to individual investor. <ol style="list-style-type: none"> 8. Applications for purchase/redemption of units which are incomplete /invalid are liable to be rejected. 9. For all the transactions done through these platforms, separate Folio. No. shall be allotted to the existing and the new investors. The bank a/c number, address, nomination details etc. shall be the same as per the Demat account of the investor. In case of non-financial requests/applications such as change of address, change of bank details, etc. investors should approach the respective Depository Participant(s). 10. Investors will have to comply with Know Your Customer (KYC) norms as prescribed by BSE/NSE/CDSL/ NSDL and Axis Mutual Fund to participate in this facility. 11. Investors should get in touch with Investor Service Centres (ISCs) of Axis Mutual Fund for further details. <p><u>Systematic Transfer Plan</u></p> <p>Investors can opt for the Systematic Transfer Plan by investing a lumpsum amount in Axis Income Saver and providing a standing instruction to transfer sums at regular intervals [Weekly option (every Wednesday), Fortnightly (every alternative Wednesday), Monthly(on specified dates i.e. 1st , 7th, 10th, 15th, 25th of every month) into any</p>
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	<p>other scheme(unless restricted by the Scheme Information Document of the respective schemes) of Axis Mutual Fund. Investors could also opt for STP from an existing account by quoting their account / folio number. The investors would have to opt for a minimum of 6 transfers of Rs. 1000 in any of the frequencies.</p> <p>A minimum period of 7 days shall be required for registration under STP.</p> <p>Units will be allotted/redeemed at the applicable NAV of the respective dates of the Scheme on which such investments/withdrawals are sought from the Scheme.</p> <p>The AMC reserves the right to introduce STPs at any other frequencies or on any other dates as the AMC may feel appropriate from time to time. In the event that such a day is a Holiday, the transfer would be affected on the next Business Day.</p> <p>The STP may be terminated on a written notice of 7 days by a Unit holder of the Scheme and it will terminate automatically if all Units are liquidated or withdrawn from the account or upon the Funds' receipt of notification of death or incapacity of the Unit holder.</p> <p>Further, in case of a last STP, where the balance amount is less than the STP amount, the entire amount will be transferred to the transferee scheme.</p> <p>Systematic Withdrawal Plan (SWP)</p> <p>Existing Unitholders have the benefit of availing the choice of SWP on pre-specified dates. The SWP allows the Unitholder to withdraw a specified sum of money each month/quarter from his investments in the Scheme.</p> <p>The amount thus withdrawn by redemption will be converted into Units at Applicable NAV based prices and the number of Units so arrived at will be subtracted from the Units balance to the credit of that Unitholder.</p> <p>Unitholders may start the facility/change the amount of withdrawals or the period of withdrawals by giving a 15 days written intimation/notice. The SWP may be terminated by a Unitholder by giving 15 days written intimation/notice and it will terminate automatically if all the Units are liquidated or withdrawn from the account or the holdings fall below the SWP installment amount.</p> <p>There are two options available under SWP viz-Monthly option and quarterly option, the details of which are given below:</p>
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	Monthly Option	Quarterly Option
Minimum value of SWP	Rs. 1,000	
Additional amount in multiples of	Re.1	
Dates of SWP Installment	1/5/10/15/25*	
Minimum No of SWP	Six	Four

* In the event that such a day is a holiday, the withdrawals would be affected on the next business day.

Contingent Deferred Sales Charge (CDSC)/Exit Load, if any, is applicable to SWP.

The AMC reserves the right to accept SWP applications of different amounts, dates and frequency.

Unitholders can enroll themselves for the facility by submitting the duly completed Systematic Withdrawal enrolment Form at any of the Investor Service Centres(ISCs)/Official Points of Acceptance(OPAs). The AMC / Trustee reserve the right to change / modify the terms and conditions under the SWP prospectively at a future date.

Switching Options

(a) Inter - Scheme Switching option

Unit holders under the Scheme have the option to Switch part or all of their Unit holdings in the Scheme to any other Scheme offered by the Mutual Fund from time to time. The Mutual Fund also provides the Investors the flexibility to Switch their investments from any other scheme(s) / plan (s) offered by the Mutual Fund to this Scheme. This option will be useful to Unit holders who wish to alter the allocation of their investment among the scheme(s) / plan(s) of the Mutual Fund in order to meet their changed investment needs.

The Switch will be effected by way of a Redemption of Units from the Scheme at Applicable NAV, subject to Exit Load, if any and reinvestment of the Redemption proceeds into another Scheme offered by the Mutual Fund at Applicable NAV and accordingly the Switch must comply with the Redemption rules of the Switch out Scheme and the Subscription rules of the Switch in Scheme.

(b) Intra -Scheme Switching option

	<p>Unit holders under the Scheme have the option to Switch their Unit holding from one option to another option (i.e. Growth to Dividend and vice-a-versa). The Switches would be done at the Applicable NAV based prices and the difference between the NAVs of the two options will be reflected in the number of Unit allotted.</p> <p>Switching shall be subject to the applicable "Cut off time and Applicable NAV" stated elsewhere in the Scheme Information Document. In case of "Switch" transactions from one scheme to another, the allocation shall be in line with Redemption payouts.</p> <p><u>Transaction on Fax.</u></p> <p>In order to facilitate quick processing of transaction and / or instruction of investment of investor the AMC/ Trustee/ Mutual Fund may (at its sole discretion and without being obliged in any manner to do so and without being responsible and/ or liable in any manner whatsoever) accept and process any application, supporting documents and / or instructions submitted by an investor / Unit holder by facsimile (Fax Submission) and the investor / Unit holder voluntarily and with full knowledge takes and assumes any and all risk associated therewith. The AMC / Trustee/ Mutual Fund shall have no obligation to check or verify the authenticity or accuracy of Fax Submission purporting to have been sent by the investor and may act thereon as if same has been duly given by the investor. In all cases the investor will have to immediately submit the original documents/ instruction to AMC/ Mutual Fund.</p> <p><u>Online Transactions</u></p> <p>Axis Mutual Fund will allow Transactions including by way of Lumpsum Purchase/ Redemption / Switch of Units by electronic mode through the AMC web -site. The Subscription proceeds, when invested through this mode, are by way of direct debits to the designated bank through payment gateway. The Redemption proceeds, (subject to deduction of tax at source, if any) through this mode, are directly credited to the bank account of the Investors who have an account at the designated banks with whom the AMC has made arrangements from time to time or through NEFT/RTGS or through cheque/Payorder/Demand draft issuance. The AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.</p> <p>Investment amount through this facility may be restricted by the AMC from time to time in line with prudent risk management requirements and to protect the overall interest of the Investors.</p>
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	<p>For details of the facility, investors are requested to refer to the website of the AMC.</p> <p><u>Easy Call Facility</u></p> <p>All individual investors in the scheme applying on “Sole” or “Anyone or Survivor” basis in their own capacity shall be eligible to avail of Easy Call facilities for permitted transactions inter alia on the following terms and conditions: “Terms and Conditions” mean the terms and conditions set out below by which the Facility shall be used/availed by the Investor/s and shall include all modifications and supplements made by AMC thereto from time to time.</p> <p>Axis Mutual Fund will allow transactions including by way of Lumpsum Purchase/ Redemption / Switch of Units over phone. Initial Investment has to be through the physical mode wherein he has to sign a one time debit mandate for bank accounts pertaining to designated banks with which the AMC may have an arrangement. This facility is extended to the bank with which the Fund would have an arrangement from time to time. Investment amount may be restricted by the AMC from time to time in line with prudent risk management requirements and to protect the overall interest of the Investors. Investor will be allowed transactions over phone after 30 days from the date of submission of one time mandate. Investor will not be permitted to avail the Easy call facility for Redemptions/Switch transactions if bank mandate is changed with in last 15 days. AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.</p> <p>The AMC has a right to ask such information (Key Information) from the available data of the Investor/s before allowing him access to avail the Facility. If for any reason, the AMC is not satisfied with the replies of the Investor/s, the AMC has at its sole discretion the right of refusing access without assigning any reasons to the Investor/s.</p> <p>It is clarified that the Facility is only with a view to accommodate /facilitate the Investor/s and offered at the sole discretion of the AMC. The AMC is not bound and/or obliged in any way to give access to Facility to Investor/s.</p> <p>The Investor/s shall check his/her account records carefully and promptly. If the Investor/s believes that there has been a mistake in any transaction using the Facility, or</p>
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	<p>that unauthorized transaction has been effected, the Investor/s shall notify the AMC immediately. If the Investor/s defaults in intimating the discrepancies in the statement within a period of fifteen days of receipt of the statements, he waives all his rights to raise the same in favour of the AMC, unless the discrepancy /error is apparent on the face of it. By opting for the facility the Investor/s hereby irrevocably authorizes and instructs the AMC to act as his /her agent and to do all such acts as AMC may find necessary to provide the Facility.</p> <p>The Investor/s shall at all times be bound by any modifications and/or variations made to these Terms and Conditions by the AMC at their sole discretion and without notice to them.</p> <p>The Investor/s agrees and confirms that the AMC has the right to ask the Investor/s for an oral or written confirmation of any transaction request using the Facility and/or any additional information regarding the Account of the Investor/s.</p> <p>The Investor/s agrees and confirms that the AMC may at its sole discretion suspend the Facility in whole or in part at any time without prior notice.</p> <p>The Investor/s shall not assign any right or interest or delegate any obligation arising herein.</p> <p>The Investor/s shall take responsibility for all the transactions conducted by using the Facility and will abide by the record of transactions generated by the AMC. Further, the Investor/s confirms that such records generated by the AMC shall be conclusive proof and binding for all purposes and may be used as evidence in any proceedings and unconditionally waives all objections in this behalf.</p> <p>The Investor/s agrees that use of the Facility will be deemed acceptance of the Terms and Conditions and the Investor/s will unequivocally be bound by these Terms and Conditions. The Investor agrees that all calls received shall be eligible for same day NAV subject to necessary formalities to be complied by the AMC in case of transaction through Easy Call Facility on or before the uniform cut off time.</p> <p>Requests like change in bank mandate, change of nomination, change in mode of holding, change of address or such other requests as the AMC may decide from time to time will not be permitted using the Easy Call facility.</p>
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	<p>INDEMNITIES IN FAVOUR OF THE AMC: The Investor/s shall not hold the AMC liable for the following:</p> <ol style="list-style-type: none"> 1) For any transaction using the Facilities carried out in good faith by the AMC on instructions of the Investor/s. 2) For the unauthorized usage/unauthorized transactions conducted by using the Facility. 3) For any loss or damage incurred or suffered by the Investor/s due to any error, defect, failure or interruption in the provision of the Facility arising from or caused by any reason whatsoever. 4) For any negligence / mistake or misconduct by the Investor/s. 5) For any breach or non-compliance by the Investor/s of the rules/terms and conditions stated in this Document. 6) For accepting instructions given by any one of the Investor/s in case of joint account/s having mode of operations as "Either or Survivor" or "anyone or survivor". 7) For not verifying the identity of the person giving the telephone instructions in the Investor/s name. 8) For not carrying out any such instructions where the AMC has reason to believe (which decision of the AMC the Investor/s shall not question or dispute) that the instructions given are not genuine or are otherwise improper, unclear, vague or raise a doubt. 9) For carrying out a transaction after such reasonable verification as the AMC may deem fit regarding the identity of the Investor/s 10) In case of error in NAV communication. 11) For accepting instructions given by any one of the Investor/s or his / her authorized person. <p>MISCELLANEOUS:</p> <ol style="list-style-type: none"> 1) The Investor/s agrees and understands that while this Facility is being introduced without any charges being levied; in case charges are to be levied on a future date he agrees to pay such charges and nonpayment in such an event can lead to termination of these services. 2) Any dispute arising out of or in connection with these Terms and Conditions, will be referred to the arbitration of a sole arbitrator to be appointed by the AMC, in accordance with the Arbitration & Conciliation Act, 1996.
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	<p>3) These Terms and Conditions are subject to applicable SEBI (Mutual Funds) Regulations, 1996 as amended from time to time and includes Guidelines, Circular press release or Notification that may be issued.</p> <p><u>Application via electronic mode:</u></p> <p>Subject to the Investor fulfilling certain terms and conditions stipulated by the AMC as under, Axis Asset Management Company Limited, Axis Mutual Fund or any other agent or representative of the AMC, Mutual Fund, the Registrar & Transfer Agents may accept transactions through any electronic mode including fax/web/ electronic transactions as permitted by SEBI or other regulatory authorities :</p> <p>a) The acceptance of the fax/web/electronic transactions will be solely at the risk of the transmitter of the fax/web/ electronic transactions and the Recipient shall not in any way be liable or responsible for any loss, damage caused to the transmitter directly or indirectly, as a result of the transmitter sending or purporting to send such transactions.</p> <p>b) The recipient will also not be liable in the case where the transaction sent or purported to be sent is not processed on account of the fact that it was not received by the Recipient.</p> <p>c) The transmitter's request to the Recipient to act on any fax/web/electronic transmission is for the transmitter's convenience and the Recipient is not obliged or bound to act on the same.</p> <p>d) The transmitter acknowledges that fax/web/electronic transactions is not a secure means of giving instructions/ transactions requests and that the transmitter is aware of the risks involved including those arising out of such transmission.</p> <p>e) The transmitter authorizes the recipient to accept and act on any fax/web/ electronic transmission which the recipient believes in good faith to be given by the transmitter and the recipient shall be entitled to treat any such fax/web/ electronic transaction as if the same was given to the recipient under the transmitter's original signature.</p> <p>f) The transmitter agrees that security procedures</p>
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	<p>adopted by the recipient may include signature verification, telephone call backs which may be recorded by tape recording device and the transmitter consents to such recording and agrees to cooperate with the recipient to enable confirmation of such fax/web/ electronic transaction requests.</p> <p>g) The transmitter accepts that the fax/web/ electronic transactions, where applicable shall not be considered until time stamped as a valid transaction request in the Scheme in line with the Regulations.</p> <p>In consideration of the recipient from time to time accepting and at its sole discretion acting on any fax/ web/electronic transaction request received / purporting to be received from the transmitter, the transmitter agrees to indemnify and keep indemnified the AMC, Directors, employees, agents, representatives of the AMC, Axis Mutual Fund and Trustee from and against all actions, claims, demands, liabilities, obligations, losses, damages, costs and expenses of whatever nature (whether actual or contingent) directly or indirectly suffered or incurred, sustained by or threatened against the indemnified parties whatsoever arising from or in connection with or any way relating to the indemnified parties in good faith accepting and acting on fax/web/ electronic transaction requests including relying upon such fax/ electronic transaction requests purporting to come from the Transmitter even though it may not come from the Transmitter.</p> <p>The AMC reserves the right to discontinue the facility (ies) at any point of time.</p>
Accounts Statements	<p>For normal transactions (other than SIP/STP/SWP) during ongoing Sales and Repurchase:</p> <ul style="list-style-type: none"> • The Account Statement reflecting the new or additional subscription as well as redemption / switch of Units shall be dispatched to the Unit holder within 5 days from the date of receipt of request from the unit holder. • 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." • For those unit holders who have provided an e-mail address, the AMC will send the account statement by e-mail.

	<ul style="list-style-type: none"> Unit holders will be required to download and print the documents after receiving e-mail from the Mutual Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties. The Unit holder may request for a physical account statement by writing/calling the AMC/ISC/R&T. <p>For SIP / STP / SWP transactions;</p> <ul style="list-style-type: none"> Account Statement for SIP, STP and SWP will be despatched once every quarter ending March, June, September and December within 10 working days of the end of the respective quarter. A soft copy of the Account Statement shall be mailed to the Investors under SIP/STP/SWP to their e-mail address on a monthly basis, if so mandated. However, the first Account Statement under SIP/STP/SWP shall be issued within 10 working days of the initial investment/transfer/withdrawal. In case of specific request received from Investors, Mutual Funds shall provide the account statement (SIP/STP/SWP) to the Investors within 5 working days from the receipt of such request without any charges. <p>Annual Account Statement:</p> <ul style="list-style-type: none"> The Mutual Funds shall provide the Account Statement to the Unit holders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Unit prior to the date of generation of the account statement, The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme. <p>Alternately, soft copy of the account statements shall be mailed to the Investors' e-mail address, instead of physical statement, if so mandated.</p>
Dividend	The Dividend warrants/cheque/demand draft shall be dispatched to the Unit holders within 30 days of the date of declaration of the Dividend.

	<p>The Dividend proceeds will be paid by way of ECS / EFT / NEFT / RTGS / Direct credits/ any other electronic manner if sufficient banking details are available with the Mutual Fund for the Investor.</p> <p>In case of specific request for Dividend by warrants/cheques/demand drafts or unavailability of sufficient details with the Mutual Fund, the Dividend will be paid by warrant/cheques/demand drafts and payments will be made in favour of the Unit holder (registered holder of the Units or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Mutual Fund (please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI).</p>
Redemption	<p>How to Redeem</p> <p>A Transaction Slip can be used by the Unit Holder to request for Redemption. The requisite details should be entered in the Transaction Slip and submitted at an ISC/Official Point of Acceptance. Transaction Slips can be obtained from any of the ISCs/Official Points of Acceptance. Investor can also place redemption through Telephone using Easy Call facility or may redeem Online through the AMC's website subject to the terms and conditions as maybe stipulated from time to time.</p> <p>Procedure for payment of redemption.</p> <p>1. Resident Investors</p> <p>Redemption proceeds will be paid to the investor through Real Time Gross Settlement (RTGS), NEFT, Direct Credit, Cheque or Demand Draft.</p> <ol style="list-style-type: none"> If investor has provided IFSC code in the application form, by default redemption proceeds shall be to be credited to Investor's account through RTGS/NEFT. If Investor has neither provided IFSC code nor the NEFT code but have a bank account with Banks with whom the Fund would has an arrangement for Direct Credit from time to time, the proceeds will be paid through direct credit. Incase if investor bank account does not fall in the above a to b categories, redemption proceeds will be paid by cheques/demand drafts, marked "Account Payee only" and drawn in the name of

	<p>the sole holder / first-named holder (as determined by the records of the Registrar).</p> <p>The bank name and bank account number, as specified in the Registrar's records, will be mentioned in the cheque/demand draft. The cheque will be payable at par at all bank branch or specific cities. If the Unit Holder resides in any other city, he will be paid by a demand draft payable at the city of his residence and the demand draft charges shall be borne by the AMC (please refer SAI for details).</p> <p>The redemption proceeds will be sent by courier or (if the addressee city is not serviced by the courier) by registered post/UCP. The dispatch for the purpose of delivery through the courier / postal department, as the case may be, shall be treated as delivery to the investor. The AMC / Registrar are not responsible for any delayed delivery or non-delivery or any consequences thereof, if the dispatch has been made correctly as stated in this paragraph.</p> <p>The AMC reserves the right to change the sequence of payment from (a) to (c) without any prior notice</p> <p>For Unit holders who have given specific request for Cheque/Demand Draft Redemption proceeds will be paid by cheque/demand drafts and payments will be made in favour of the Unit holder with bank account number furnished to the Mutual Fund</p> <p>(Please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI). Redemption cheques will be sent to the Unit holder's address.</p> <p>The Mutual Fund will endeavor to dispatch the redemption proceeds within 10 Business Days from the date of Redemption. If the payment is not made within the period stipulated in the Regulations, the Unit Holder shall be paid interest @15% p.a. or as specified by SEBI for the delayed period and the interest shall be borne by the AMC.</p> <p>The Trustee, at its discretion at a later date, may choose to alter or add other modes of payment.</p> <p>2. Non-Resident Investors</p> <p>For NRIs, Redemption proceeds will be remitted depending upon the source of investment as follows:</p>
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	<p>(i) Repatriation basis When Units have been purchased through remittance in foreign exchange from abroad or by cheque / draft issued from proceeds of the Unit Holder's FCNR deposit or from funds held in the Unit Holder's Non Resident (External) account kept in India, the proceeds can also be sent to his Indian address for crediting to his NRE / FCNR / non-resident (Ordinary) account, if desired by the Unit Holder.</p> <p>(ii) Non-Repatriation basis When Units have been purchased from funds held in the Unit Holder's non-resident (Ordinary) account, the proceeds will be sent to the Unit Holder's Indian address for crediting to the Unit Holder's non-resident (Ordinary) account.</p> <p>For FIs, the designated branch of the authorized dealer may allow remittance of net sale / maturity proceeds (after payment of taxes) or credit the amount to the Foreign Currency account or Non-resident Rupee account of the FI maintained in accordance with the approval granted to it by the RBI.</p> <p>The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations, while converting the rupee amount in foreign exchange in the case of transactions with NRIs / FIs. The Fund may make other arrangements for effecting payment of redemption proceeds in future.</p> <p>Effect of Redemptions The number of Units held by the Unit Holder in his / her / its folio will stand reduced by the number of Units Redeemed. Units once redeemed will be extinguished and will not be re-issued.</p> <p>The normal processing time may not be applicable in situations where such details are not provided by investors/Unit holders. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques and/or any delay/loss in transit.</p> <p>Unclaimed Redemptions and Dividends As per circular no. MFD / CIR / 9 / 120 / 2000, dated November 24, 2000 issued by SEBI, the unclaimed Redemption and dividend amounts shall be deployed by the Fund in money market instruments only. The unclaimed Redemption and dividend amounts shall be deployed in money market instruments and such other instruments/securities as maybe permitted from time to time. The investment management fee charged by the</p>
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	<p>AMC for managing such unclaimed amounts shall not exceed 50 basis points. The circular also specifies that investors who claim these amounts during a period of three years from the due date shall be paid at the prevailing NAV. Thus, 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. In terms of the circular, the onus is on the AMC to make a continuous effort to remind investors through letters to take their unclaimed amounts. The details of such unclaimed amounts shall be disclosed in the annual report sent to the Unit Holders.</p> <p>AMC reserves the right to provide the facility of redeeming Units of the Scheme through an alternative mechanism including but not limited to online transactions on the Internet, as may be decided by the AMC from time to time. The alternative mechanism may also include electronic means of communication such as redeeming Units online through the AMC Website or any other website, etc. The alternative mechanisms would be applicable to only those investors who opt for the same in writing and/or subject to investor fulfilling such conditions as AMC may specify from time to time.</p> <p>Signature mismatches If the AMC / Registrar finds a signature mismatch, while processing the redemption/ switch out request, then the AMC/ Registrar reserves the right to process the redemption only on the basis of supporting documents confirming the identity of the investors. List of such documents would be notified by AMC from time to time on its website.</p> <p>Important Note: All applicants for Purchase of Units /Redemption of Units must provide a bank name, bank account number, branch address, and account type in the Application Form.</p>
Delay in payment of Redemption / Repurchase proceeds	<p>The AMC shall be liable to pay interest to the Unit holders at 15% or such other rate as may be prescribed by SEBI from time to time, in case the Redemption / Repurchase proceeds are not made within 10 Business Days of the date of Redemption / Repurchase. However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC / Trustee is required to obtain from the Investor / Unit holders verification of identity or such other details relating to Subscription for Units under any applicable law or as may be requested by a Regulatory Agency or any government authority, which may result in delay in processing the application.</p>

C. PERIODIC DISCLOSURES

<p>Net Asset Value</p> <p>This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p>	<p>The AMC will calculate and disclose the NAV of the Scheme on all the Business Days. The NAV of the Scheme and purchase/Redemption price shall be published at least in two daily newspapers on daily basis in accordance with the SEBI Regulations. The AMC shall update the NAVs on the website of the AMC (www.axismf.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 9.00 p.m. on every Business Day. If the NAVs are not available before the commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.</p> <p>Information regarding NAV can be obtained by the Unit holders / Investors by calling or visiting the nearest ISC.</p>
<p>Half yearly Disclosures: Portfolio / Financial Results</p> <p>This is a list of securities where the corpus of the Scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p>The Mutual Fund shall publish a complete statement of the Scheme portfolio and the unaudited financial results, within one month from the close of each half year (i.e. 31st March and 30th September), by way of an advertisement at least, in one National English daily and one regional newspaper in the language of the region where the head office of the Mutual Fund is located.</p> <p>The Mutual Fund may opt to send the portfolio to all Unit holders in lieu of the advertisement (if applicable).</p> <p>The Portfolio Statement will also be displayed on the website of the AMC and AMFI.</p>
<p>Half Yearly Results</p>	<p>The Mutual Fund and AMC shall before the expiry of one month from the close of each half year i.e. 31st March and on 30th September, publish its unaudited financial results in one national English daily newspaper and in a regional newspaper published in the language of the region where the Head Office of the Mutual Fund is situated.</p> <p>The unaudited financial results will also be</p>

	displayed on the website of the AMC and AMFI.		
Annual Report	The Scheme wise annual report or an abridged summary thereof shall be mailed (emailed, where e mail id is provided unless otherwise required)) to all Unit holders not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year) and full annual report shall be available for inspection at the Head Office of the Mutual Fund and a copy shall be made available to the Unit holders on request on payment of nominal fees, if any. Scheme wise annual report shall also be displayed on the website of the AMC (www.axismf.com) and Association of Mutual Funds in India (www.amfiindia.com).		
Associate Transactions	Please refer to Statement of Additional Information (SAI).		
Taxation The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.			
		Resident Investors	Mutual Fund
	Tax on Dividend	Nil	Dividend Distribution Tax (DDT) Individual / HUF - 13.519% Others - 32.445%*
	Capital Gains: Long Term Short Term	10%/20% Income tax rate applicable to the Unit holders as per their income slabs.	Nil Nil

	<ol style="list-style-type: none"> 1. Axis Mutual Fund is a Mutual Fund registered with the Securities & Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from income tax in accordance with the provisions of Section 10(23D) of the Income-tax Act, 1961 (the Act). 2. On Income Distribution, if any, made by the Mutual Fund, additional income-tax is payable under section 115R of the Act, in the case of its schemes (other than equity-oriented funds and a money market mutual fund or a liquid fund). The additional income-tax on distribution of income to an individual / Hindu Undivided family (HUF) shall be payable by the Mutual fund at the rate of 13.519%* and at the rate of 32.445%* on distribution of income to any other investor. <p>* including applicable surcharge, education cess and secondary and higher education cess.</p> <p>For further details on taxation please refer to the clause on Taxation in the SAI</p>
Investor services	<p>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" (toll-free number) or 4525 5100 (at local call rate for enquiring at AMC ISC's) or email – 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.</p> <p>Any complaints should be addressed to Mr. Milind Vengurlekar who has been appointed as the Investor Relations Officer and can be contacted at:</p> <p>Address : Axis House, 1st Floor, Bombay Dyeing Mill Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 025 Phone no.: 022 43254138/4123</p>

	For any grievances with respect to transactions through BSE StAR and / or NSE MFSS, the investors / Unit Holders should approach either the stock broker or the investor grievance cell of the respective stock exchange.
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D. COMPUTATION OF NAV

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

The Net Assets Value (NAV) of the Units under the Scheme shall be calculated as shown below:

$$\text{NAV (Rs.)} = \frac{\text{Market or Fair Value of Scheme's + including Accrued Investments} + \text{Current Assets Income} - \text{Current Liabilities and Provisions}}{\text{No. of Units outstanding under Scheme on the Valuation Day}}$$

The NAV shall be calculated up to four decimal places. However the AMC reserves the right to declare the NAVs up to additional decimal places as it deems appropriate. Separate NAV will be calculated and disclosed for each Option. The NAVs of the Growth Option and the Dividend Option will be different after the declaration of the first Dividend.

The AMC will calculate and disclose the NAV of the Scheme on all the Business Days.

IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the Schemes.

A. NEW FUND OFFER (NFO) EXPENSES

These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees paid marketing and advertising, Registrar & Transfer Agent expenses, printing and stationary, bank charges etc.

In accordance with the provisions of SEBI Circular no. SEBI/ IMD/CIR No. 1/64057/06 dated April 04, 2006 and SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009, the NFO expenses shall be borne by the AMC/Sponsor.

B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the Scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:

The AMC has estimated that upto 2.25% of the daily average net assets of the Scheme will be charged to the Scheme as expenses. For the actual current expenses being charged, the Investor should refer to the website of the AMC.

Particulars	% of Net Assets
Investment Management & Advisory Fee	1.25
Service Tax on Investment Management & Advisory Fee	0.13
Custodial Fees	0.05
Registrar & Transfer Agent Fees including cost related to providing accounts statement, Dividend/Redemption cheques/warrants etc.	0.10
Marketing & Selling Expenses including Agents Commission and statutory advertisement	0.37
Brokerage & Transaction Cost pertaining to the distribution of units	-
Audit Fees / Fees and expenses of trustee	0.10
Costs related to Investor communications	0.15
Costs of fund transfer from location to location	-
Other Expenses*	0.10
Total Recurring Expenses	2.25

*Any other expenses which are directly attributable to a Scheme maybe charged with the approval of the Trustee within the overall limits as specified in the Regulations except those expenses which are specifically prohibited.

These estimates have been made in good faith as per the information available to the Investment Manager and are subject to change inter-se or in total subject to prevailing Regulations. The AMC may incur actual expenses which may be more or less than those estimated above under any head and/or in total. Type of expenses charged shall be as per the SEBI Regulations.

The AMC will charge the Scheme such actual expenses incurred, subject to the statutory limit prescribed in the Regulations.

The recurring expenses of the Scheme (including the Investment Management and Advisory Fees) shall be as per the limits prescribed under the SEBI (MF) Regulations. These are as follows:

On the first Rs. 100 crores of the average weekly net assets - 2.25%

On the next Rs. 300 crores of the average weekly net assets - 2.00%

On the next Rs. 300 crores of the average weekly net assets – 1.75%

On the balance of the assets - 1.50%

The AMC may charge the Mutual Fund with investment and advisory fee as prescribed in the SEBI (MF) Regulations from time to time and as permitted by the Investment Management Agreement. Presently, the SEBI (MF) Regulations permit fees as follows:

- i) 1.25% of the weekly average net assets outstanding in each accounting year for the Scheme concerned as long as the net assets do not exceed Rs.100 crore, and
- ii) 1% of the excess amount over Rs.100 crore, where net assets so calculated exceed Rs.100 crore.

The total expenses of the Scheme(s) including the investment management and advisory fee shall not exceed the limit stated in Regulation 52(6) of the SEBI (MF) Regulations.

Any expenditure in excess of the SEBI regulatory limits shall be borne by the AMC or the Sponsor.

The current expense ratios will be updated on the AMC website viz. www.axismf.com within two working days mentioning the effective date of the change.

C. LOAD STRUCTURE

Load is an amount which is presently paid by the investor to redeem the Units from the Scheme. This amount is used by the AMC to pay commission to the distributors and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, investors may refer to the website of the AMC (www.axismf.com) or may call at **1800 3000 3300** or you can contact your distributor.

SEBI vide its circular No. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes.

Type of Load	Load chargeable (as %age of NAV)
Entry Load	NA
Exit Load	1% if redeemed/switched out within one year from date of allotment.

Units issued on reinvestment of Dividends shall not be subject to any Load, if any.

The above mentioned load structure shall be equally applicable to the special products such as SIP, STP, switches, etc. offered by the AMC. However, there shall be no load charged for switches between the dividend and growth option of the scheme.

Of the Exit Load or CDSC charged to the Investor, a maximum of 1% of the Redemption proceeds can be maintained in a separate account which can be used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Any balance is to be credited to the Scheme immediately.

The Investor is requested to check the prevailing Load structure of the Scheme before investing.

For any change in Load structure AMC will issue an addendum and display it on the website/Investor Service Centres.

Under the Scheme, the AMC/Trustee reserves the right to change / modify the Load structure if it so deems fit in the interest of smooth and efficient functioning of the Mutual Fund. The AMC/Trustee reserves the right to introduce / modify the Load depending upon the circumstances prevailing at that time subject to maximum limits as prescribed under the Regulations.

The Redemption Price however, will not be lower than 93% of the NAV. Any imposition or enhancement of Load in future shall be applicable on prospective investments only. The difference between the Redemption price and Sale price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time which is presently 7% calculated on the Sale Price.

At the time of changing the Load Structure:

1. An Addendum detailing the changes will be attached to Scheme Information Document (s) and Key Information Memorandum. The addendum may be circulated to all the distributors / brokers so that the same can be attached to all Scheme Information Documents and Key Information Memoranda already in stock.
2. The addendum will be displayed on the website of the AMC and arrangements will be made to display the addendum in the form of a notice in all the Investor Service Centres and distributors / brokers office.
3. The introduction of the Exit Load/ CDSC alongwith the details may be stamped in the acknowledgement slip issued to the Investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such Load/CDSC
4. A public notice shall be given in respect of such changes 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.
5. Any other measure which the Mutual Fund may consider necessary.

The Trustee/AMC reserves the right to change the load structure subject to the limits prescribed under the Regulations. Any change in Load structure shall be only on a prospective basis i.e. Any such changes would be chargeable only for Redemptions from prospective purchases (applying first in first out basis).

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Not applicable

V. RIGHTS OF UNITHOLDERS

Please refer to SAI for details.

VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

This section shall contain the details of penalties, pending litigation, and action taken by SEBI and other regulatory and Govt. Agencies.

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed.

Not Applicable

2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.

Reserve Bank of India has levied penalty of Rs. Fifteen lacs on Axis Bank Ltd. in April 2011 for inadequacies seen in adherence to guidelines on derivatives transactions. The penalty of Rs. Fifteen lacs has been paid by Axis Bank Ltd. on May 5, 2011 to Reserve Bank of India.

3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.

Nil

4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.

Nil

5. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the Scheme Information Document, or which has been notified by any other Regulatory Agency, shall be disclosed.

Nil

The Scheme under this Scheme Information Document was approved by the Trustee Company on November 20, 2009. The Trustee has ensured that the Scheme is a new product offered by Axis Mutual Fund and is not a minor modification of its existing schemes.

Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

**for and on behalf of
Axis Asset Management Company Limited**

Sd/-

**Rajiv Anand
Managing Director &
Chief Executive Officer**

Date: June 30, 2011

OFFICIAL POINTS OF ACCEPTANCE FOR ONGOING TRANSACTIONS

Ahmedabad Ground Floor, Shop No 4, Megha House, Opp. Kotak Bank, Mithakali Law Garden Road, Ellisbridge, Ahmedabad 380006 • **Bhopal** C/o Axis Securities & Sales Limited, Akansha Building, 1st Floor, Opposite Navbharat Press Complex, Zone -1, M. P. Nagar, Bhopal - 462 011 • **Bhubaneswar** C/o Axis Securities & Sales Limited, Axis Mutual Fund, Agrani Press, Mallick commercial complex 1st floor, Block BPN A/69, Kharvela Nagar, Bhubaneswar-751001 • **Bangalore** Embassy Square, Building No. 148, Unit No 306, 3rd Floor, Infantry Road, Bangalore 560001 • **Chandigarh** 1st Floor, ScoNo 147-48, Sec 9c, Chandigarh 160017 • **Chennai** 5th Floor, Maalavika Center, 144 - 145 New No 60, Kodambakkam High Road, Nungambakkam, Chennai 600034 • **Kochi** C/o Axis Securities & Sales Limited, Door No 1053-B1, Rani Tower, 1st Floor, Chittoor Road, Ernakulam, Kochi 682018 • **Coimbatore** C/o Axis Securities & Sales Limited, Door No 1437, Red Rose Chambers, 2nd Floor, Trichy Road, Coimbatore 641018 • **Guwahati** C/o Axis Securities & Sales Limited, 3rd Floor, Sarojini Commercial Complex, Opposite Ayakar Bhavan, Christian Basti, G.S.Road, Guwahati 781005 • **Hyderabad** 2nd Floor, Nerella House, Panjagutta, Hyderabad 500082 • **Indore** C/o Axis Securities & Sales Limited, 201, 2nd Floor, Silver Sanchora Castle, 8/2 R.N.T. Marg, Indore 452 003, India • **Jaipur** 305, 3rd Floor, Ganpati Plaza, M I Road, Jaipur 302001 • **Jamshedpur** C/o Axis Securities & Sales Limited, Shatabdi Tower, 1 SNP Area, Sakchi, Jamshedpur 831001 • **Kanpur** 210, 2nd Floor, Kan Chambers, Civil Lines, Kanpur 208001 • **Kolkata** 3 - F, 3rd Floor, Shristi, 12 Hochiminh Sarani, Kolkata 700071 • **Lucknow** Unit No 5, 6 & 7, Halwasiya's Commerce House, 2nd Floor, Habibullah Estate, 11, M.G.Marg, Hazratganj, Lucknow 226001 • **Ludhiana** Axis Asset Management Co. Ltd., SCO - 28, First Floor, Feroz Gandhi Market, Ludhiana - 141001 • **Mumbai** Axis House, 1st Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025, India • **Mangalore** C/o Axis Securities & Sales Limited, Somayaji House, Door No 15-7-330/56, 5th Floor, Bunts Hostel Road, Mangalore 575003 • **Nagpur** C/o Axis Securities & Sales Limited, Sitarang Smriti, 2nd Floor, West High Court Road, Dharampeth, Nagpur 440010 • **Nasik** C/o Axis Securities & Sales Limited, Office No. 19/22, Gr. Floor, Suyojit Modern Point, Opposite Police Parade Ground, Sharanpur Road, Nasik 422002 • **New Delhi** 702-705, 7th Floor, Narain Manzil, Barakhamba Road, Connaught Place, New Delhi • **Panaji** C/o Axis Securities & Sales Limited, 103, 1st Floor, Unitech City Centre, M.G.Road, Panjim 403001 • **Patna** DG-11, Dumraon Place, Frazier Road, Patna - 800 001 • **Pune** 927, 204-205, 2nd Floor, Sanas Memories Apartment, Fergusson College Road, Shivaji Nagar, Pune 411004 • **Raipur** C/o Axis Securities & Sales Limited, Parthivi Pacific, Tatibandh, GE Road, Raipur 492 099. • **Rajkot** C/o Axis Securities & Sales Limited, 2nd Floor, Adjacent Kos Hospital, 150 Feet Ring Road, Opp. Amin Marg, Juction, Rajkot 360001 • **Surat** C/o Axis Securities & Sales Limited, Centre Point, 106/a, First Floor, Ring Road, Surat 395002 • **Trivandrum** C/o Axis Securities & Sales Limited, Haji M. Bava Sahib Commercial Complex, TC25/2890(12), Ambujavilasam Road, Trivandrum 695001 • **Vadodra** C/o Axis Securities & Sales Limited, Chitarakash Complex, 1st Floor, 19, Punit Nagar, Old Padra Road, Vadodra 390007.

KARVY COMPUTERSHARE PRIVATE LIMITED INVESTOR SERVICE CENTERS

Agartala Jagannath Bari Road, Bidur Kottar, Choumani, Agartala 799001 • **Agra** Deepak Wasan Plaza, Behind Holiday Inn, Opp Megdoot Furnitures, Sanjay Place, Agra 282002 (U.P.) • **Ahmedabad** 201, Shail Building, Opp Madhusudan House, Near Navrangpura Telephone Exchange, Navrangpura, Ahmedabad 380006 • **Ajmer** 1-2, II Floor, Ajmer Tower, Kutchary Road, Ajmer 305001 • **Akola** Shop No-30, Ground Floor, Yamuna Tarang Complex, N H No 06, Murtizapur Road, Akola 444004 • **Aligarh** 1st Floor, Kumar Plaza, Aligarh 202001 Uttar Pradesh • **Allahabad** RSA Towers, 2nd Floor, Above Sony TV Showroom, 57, S P Marg, Civil Lines, Allahabad 211001 • **Alleppy** 2nd Floor, JP Towers Near West of Zilla Court Bridge, Mullakkal Alleppy 688011 • **Alwar** 101, Saurabh Towers Road No # 2, Bhagat Singh Circle Alwar 301001 • **Amaravathi** Shop No 13 & 27, First Floor Gulshan Plaza, Raj Peth, Badnera Road, Amaravathi 444605 • **Ambala** 6349, Nicholson Road, Adjacent Kos Hospital, Ambala Cantt, Ambala 133001 • **Amritsar** 72-A, Taylor's Road, Aga Heritage Gandhi Ground, Amritsar 143001 • **Anand** F-6, Chitrangana Complex, Opp. Motikaka Chawl, V V Nagar, Anand 388001 • **Ananthapur** # 15-149, 1st Floor, S R Towers, Opp. Lalithakala Parishat Subash Road, Anantapur 515001 • **Angul** Durga Shankar Road, Main Road, Infront of AXIS Bank Angul 759122 • **Ankleshwar** Shop No. FF 4 & 5, Shree Narmada Arcade, Old N H No 8, Opp. HDFC Bank, Ankleshwar 393001 • **Asansol** Hotal Askok, 2nd Floor 18, G T Road, Asansol 713301 • **Aurangabad** Shop No 214/215 Tapadiya City Centre, Nirala Bazar, Aurangabad 431001 • **Azamgarh** Below Central Bank of India, Sadawarti Chowk, Azamgarh 276001 • **Balasore** M S Das Street, Gopalgaon, Balasore 756001 • **Bangalore** No 51/25, 1st Floor, Surya Building, Ratna Avenue, Richmond Road, Bangalore 560025 • **Bankura** Ambika Market, Natunganj Bankura 722101 • **Bareilly** 1st Floor, 165, Civil Lines, Opposite Hotel Bareilly Palace, Near Rly Station Road, Bareilly 243001 • **Barhampore** (WB) 180, Netaji Road, Komal Gandhar Apartment, PO Khagra, City Berhampore Dist. Murshidabad, Barhampore 742103 • **Baroda** Piccadilly, Office # 5, First Floor, Opp. Adani Super Market, Jetapur Road, Vadodra 390007 Gujarat • **Begusarai** Hotel Diamond Surbhi Complex, Near I.O.C Township Gate, Kapasiya Chowk, Begusarai 851117 • **Belgaum** FK-1, Ambedkar Road, Opp Civil Hospital Belgaum 590001 • **Bellary** No 1 KHB Colony, Gandhinagar, Bellary 583101 • **Behrampur** (OR) amlingam Tank Road, Berhampur, Orissa 760002 • **Betul** 107, Hotel Utkarsh, Awasthi Complex, J H College Road, Civil Lines, Beetul 460001 • **Bhagalpur** 2nd Floor, Chandralok Complex, Ghantaghar, Radha Rani Sinha Road, Bhagalpur 812001 • **Bharuch** Ground Floor, Office No 6, Aditya Complex, Opp. Kasak Temple, Bharuch 392001 • **Bhatinda** 2048, 1st Floor, Opp. Canara Bank, The Mall Road, Bhatinda 151001 • **Bhavnagar** Surabhi Mall 301, 3rd Floor, Waghawadi Road, Bhavnagar 364001 • **Bhilai** No 138, New Civic Centre, Bhilai 490006 Dist Durg, Chattishgarh • **Bhilwara** 27-28, 1st Floor, Hira Panna Complex, Pur Road, Bhilwara 311001 • **Bhopal** Kay Kay Busniss Centre, 133 Zone, I M P Nagar, Bhopal 462021 • **Bhubaneswar** Plot No 104/105(P), Jaydev Vihar, Besides Hotel Pal Heights, Bhubaneswar 751013, Orissa • **Bikaner** 2nd Floor, Plot No 70 & 71, Panchshati Circle, Sardul Gunj Scheme, Bikaner 334003 • **Bilaspur** Shop No 201/202, V R Plaza, Link Road, Bilaspur 495001 • **Borivali** Karvy Stock Broking Pvt Ltd Ground Floor, Himanshu Bldg, Sodawala Lane, Lina Chandawarkar Road, Borivali West. - 400091 • **Bokaro** B-1, 1st Floor, Near Sona Chandi Jewellers, City Centre, Sector 4, Bokaro Steel, City 827004 (Jharkhand) • **Burdwan** 63 G T Road, Birhata, Halder Complex, 1st Floor, Burdwan 713101 • **Calicut** Sowbhagya Shopping Complex, Areyadathupalam Mavoor Road, Calicut 673004 • **Chandigarh** Sco-371-372, First Floor, Above HDFC Bank, Sector 35B Chandigarh 160022 • **Chandrapur** Shop No 5, Office No 2, 1st Floor, Routs Raghuvanshi Complex, Beside Azad Garden, Main Road, Chandrapur 442402 • **Chennai** Flat No F11, First Floor, Akshya Plaza, (Erstwhile Harris Road), Opp Chief City Metropolitan Court, # 108, Adhithanar Salai, Egmore, Chennai 600002 • **Chinsura** JC Ghosh Sarani Near Bus Stand Chinsura 712101 • **Cochin** Room No 2, IIInd Floor, Jewel Arcade, (Above Oriental Insurance Ltd) Layam Road, Cochin 682011 • **Coimbatore** 29/1, 1st Floor, Chinthamani Nagar, Opp To Indian Overseas Bank, Nsr Road, Saibaba Colony, Coimbatore 641011 • **Coonoor** 76 Cammellia Terrace, Grays Hills, Coonoor 643101 • **Cuttack** Dargha Bazar, Opp Dargha Bazar Police Station, Buxibazar, Cuttack 753001 • **Deoria** 1st Floor, Shanti Niketan, Opp Zila Panchayat, Civil Lines Deoria 274001 • **Dalhousie** Karvy Stock Broking Pvt. Ltd., Mr.Baskar Malakar 033 - 22437863 - 69 / 90 / 89 19, R N Mukherjee Road, 2nd Floor, Dalhousie Kolkata - 700 001 • **Darbhanga** Ground Floor, Trade Point, Hassan Chowk, Lal Bagh, Darbanga 846004 • **Davangere** # 15/9, Sobagu Complex, 1st Floor, 2nd Main Road, P J Extension, Davangere 577002 Dehradun Kaulagarh Road, Near Sirmaur Marg, Above Reliance Webworld, Dehradun 248001 • **Dewas** 27 Rmo House, Station Road, Dewas 455001 • **Dhanbad** 208, New Market, 2nd Floor, Katras Road, Bank More, Dhanbad 826001 • **Dharwad** G7 & 8, Sri Banashankari Avenue Ramnagar, Opp Nttfb Road Dharwad 580001 • **Dhule** Ashoka Estate, Shop No 14/A, Upper Ground Floor, Sakri Road, Opp. Santoshi Mata Mandir, Dhulev 424002 • **Dindigul** No 9, Old No 4/B, New Aghraharam, Palani Road, Dindigul 624001 • **Durgapur** Old Dutta Automobiles Building 1st Floor, Nachan Road, Benachity, Durgapur 713213 • **Eluru** 23A-3-32, Gubbalavari Street, R R Pet, Eluru 534002 • **Erode** No 4, KMY Salai, Veerappan Traders Complex, Opp Erode Bus Stand, Sathy Road, Erode 638003 • **Faridabad** A-2B, 1st Floor, Nehru Ground, Neelam Bata Road, Nit, Faridabad 121001 • **Ferozpur** 2nd Floor, Malwal Road, Opp H M School, Ferozpur City 152002 • **Gandhidham** Office No 14, First Floor, Komal Complex, Plot No 305, Sector 12B, Nr Shivaji Park, Gandhidham 370201 • **Gandhinagar** 27, Suman Tower, Near Hotel Haveli, Sector No.11, Gandhinagar, Ahmedabad 382011 • **Gaya** 1st Floor, Lal Bhawan, Tower Chowk, Near Kiran Cinema, Gaya 823001 • **Ghaziabad** 1st Floor, C-7, Lohia Nagar, Ghaziabad 201001 • **Ghaziipur** Shubhra Hotel Complex, 2nd Floor, Mahaubagh, Ghaziipur 233001 • **Gonda** 1st Floor, Sri Krishna Talkies, Opp Dukhharan Nath Mandir, Station Road, Gonda 271003 • **Gondia** Shop No 9, Raj Laxmi Complex, aill Toly, Gondia 441614 • **Gorakhpur** Above V I P House Adjacent A D Girls Inter College, Bank Road, Gorakpur 273001 • **Gulbarga** No 23 Sri Giri Nilaya, Sharan Nagar, Tank Bund Road, Gulbarga 585103 • **Guntur** Door No 6-10-18, Sai House, 10 / 1, Arundelpet , Guntur 522002 • **Gurgaon** Shop No 18, Ground Floor, Sector 14, Opp AKD Tower, Near Huda Office, Gurgaon 122001 • **Guwahati** 54 Sagarika Bhawan R G Baruah Road, (AIDC Bus Stop) Guwahati 781024 • **Gwalior** Shindi Ki Chawani, Nadi Gate Pul, MLB Road, Gwalior 474001 • **Hajipur** Ramraja Complex, Kacheri Road, Near Canara Bank, Hajipur 844101 • **Haldwani** 4 Durga City Center, 1st Floor, Near MBPG College, Parao, Nainital Road, Haldwani 263139 Uttarakhand • **Haridwar** 8, Govind Puri, Opp LIC 2, Above Vijay Bank, Main Road, Ranipur More, Haridwar 249401 • **Hassan** St. Anthony's Complex, Ground Floor, H N Pura Road, Hassan 573201 • **Hazaribagh** C/o Hemlata Jain Kalibari Road, Hazaribagh 825301 • **Hissar** Sco 71, 1st Floor, Red Square Market, Hissar 125001 • **Hoshiarpur** 1st Floor, The Mall Tower, Opp Kapila Hospital, Sutheri Road, Near Maharaj Palace, Hoshiarpur 146001 • **Hubli** 8&9, Upper Ground Floor, C Block, Akshaya Park, Gokul Road Hubli 580030 • **Hyderabad** 8-2-596 Karvy Plaza, Avenue 4, Street No 1, Banjara Hills, Hyderabad 500034 • **Indore** LG 3, Bombay Trade Centre, Lower Ground Floor, Grand Hotel, Opp Bombay Hospital , Scheme No 54, Indore 452010 • **Jabalpur** 43, Naya Bazar, Opposite Shyam Talkies, Jabalpur (MP) 482001 • **Jaipur** S-16 A, 3rd Floor, Land Mark, Opposite Jaipur Club, Mahavir Marg, C- Scheme, Jaipur 302001 • **Jalandhar** Lower Ground Floor, Office No 3, Arora Prime Tower, Plot No 28, G T Road, Jalandhar 144004 • **Jalgaon** 148 Navi Peth, Opp Vijaya Bank Near, Bharat Dudhalay, Jalgaon 425001 • **Jalpaiguri** D B C Raod, Near Rupasree Cinema Hall, Beside Kalamandir, PO & Dist Jalapiguri 735101 • **Jammu** 29 D/C, Near Service Selection Commission Office, Gandhi Nagar, Jammu 180004 • **Jamnagar** 108 Madhav Plaza, Opp SBI Bank, Near Lal Bangalov, Jamnagar 361001 • **Jamshedpur** Kanchan Tower, 3rd Floor, Chhaganlal Dayalji @ Sons 3-S B Shop Area, (Near Traffic Signal) Main Road, Bistupur,

Jamshedpur 831001 • **Jaunpur** R N Complex, 1-1-9-G (In Front of Pathak Honda) Ummarpur Jaunpur 222002 • **Jhansi** 371/01, Narayan Plaza, Gwalior Road, Near Jeevan Shah Chauraha, Jhansi 284001 • **Jodhpur** 203, Modi Arcade, Chupasni Road, Jodhpur 342001 • **Jorhat** New Medical Store Complex, 3rd Floor, A T Road, Opp Chowk Bazar, Jorhat 785001 • **Junagadh** 124/125, Punit Shopping Center, Ranavat Chowk, Junagadh Gujarat 362001 • **Kanchipuram** New No 357, Old No 230 Gandhi Road, Next To IDBI Bank, Kanchipuram 631501 • **Kannur** 2nd Floor, Prabhat Complex, Fort Road, Kannur 689107 • **Kanpur** 15/46, Opp Muir Mills, Civil Lines, Kanpur 208001 • **Karaikudi** Gopi Arcade, 100 Feet Road, Karaikudi 630001 • **Karimnagar** H No 4-2-130/131, Above Union Bank, Jafri Road, Rajeev Chowk, Karimnagar 505001 • **Karnal** Sco 26, Kunjpura Road, Nehru Place, Karnal 132001 • **Karur** No6, Old No 1304 Thiru-Vi-Ka Road, Near G R Kalyan Mahal Karur 639001 • **Keonjhar** 2nd Floor, Maruti Arcade, Thanna Square, Keonjhar 758001 • **Kharagpur** Malancha Road, Beside UTI Bank, Kharagpur 721304 • **Kolhapur** 610 K Vardhaman Chambers, 2nd Lane, Shahupuri, Kolhapur 416001 • **Kolkata** 16 Jatin Bagchi Road, Kolkata 700029, (**Dalhousie**) 19, R N Mukherjee Road, 2nd Floor, Dalhousie, Kolkata 700 001 • **Kollam** Ground Floor, Vigneshwara Bhavan, Below Reliance Web World, Kadappakkada Kollam 691008 • **Kota** H No 29, First Floor, Near Lala Lajpat Rai Circle Shopping Centre, Kota, Rajasthan 324007 • **Kottayam** 1st Floor, CSI Ascension Church Complex, Kottayam 686001 • **Korba** 1st Floor, 35 Indira Complex, T P Nagar, Korba (CG) 495677 • **Krishnagar** 52 R N Tagore Road, High Street, Krishnagar, Nadia 741101 • **Kurnool** Shop No 43, 1st Floor S V Complex, Railway Station Road, Kurnool 518004 • **Lucknow** Usha Sadan, 24, Prem Nagar, Ashok Marg, Lucknow 226001 • **Ludhiana** SCO - 136, First Floor, Above Airtel Show Room, Feroze Gandhi Market, Ludhiana - 141 001. • **Malda** Sahistuli Under Ward No-6, English Bazar, Municipality, No-1 Govt Colony, Malda 732101 • **Madurai** Rakesh Towers, 30-C, Bye Pass Road, 1st Floor, Opp Nagappa Motors, Madurai 625010 • **Mangalore** Ground Floor, Mahendra Arcade, Kodial Bail, Mangalore 575003 • **Margao** 2nd Floor, Dalal Commercial Complex, Opp Hari Mandir, Pajifond, Margao-Goa 403601 • **Mathura** 3538-3540, Infront of BSA College, Gaushala Road, Mathura 281004 • **Meerut** 1st Floor, Medi Centre Complex, Opp ICICI Bank, Hapur Road, Meerut 250002 • **Mehsana** Ul-47, Appolo Enclave, Opp Simandhar Temple, Modhera Char Rasta Highway, Mehsana 384002 • **Mirzapur** Girja Sadan, Dankin Gunj Mirzapur 231001 • **Moga** Near Dharamshala Brat Ghar, Civil Line, Dutt Road, Moga 142001 • **Moradabad** Om Arcade, Parker Road, Above Syndicate Bank, Tari Khana Chowk, Moradabad 244001 • **Morena** Moti Palace, Near Ramjanki Mandir, Jiwasi Ganj, Morena 476001 • **Mumbai - (Fort)** DAS Chambers, Ground Floor, Opp BSE & Next to Corporation Bank, Dalal Street, Fort, Mumbai 400023, (**Borivali**) Ground Floor, Himanshu Bldg, Sodawala Lane, Lina Chandawarkar Road, Borivali (West), Mumbai 400091, (**Thane**) First Floor, Jeevan Chaya Bldg, Near Adidas Show Room, Ram Maruti Road, Thane (West), Mumbai 400601 • **Muzaffarpur** 1st Floor, Umba Market, Near Thana Gumti, Motijheel, Muzaffarpur, Bihar 842001 • **Mysore** L-350, Silver Tower, Clock Tower, Ashoka Road, Mysore 570001 • **Nadiad** 105 GF City Point, Near Paras Cinema, Nadiad 387001 • **Nagarkoil** 3A, South Car Street, Parfan Complex, Nr The Laxmi Villas Bank, Nagarkoil 629001 • **Nagpur** 1st Floor, Sadoday Arcade, WHC Road, Above Top N Town, Dharampeth, Nagpur 440001 • **Namakkal** 105/2, Arun Towers, Paramathi Street, Namakkal 637 001 • **Nanded** Shop No 1,2,3 & 4, First Floor, Opp Bank of India, Santkrupa Market, Gurudwara Road, Nanded 431602 • **Nasik** S-12, Second Floor, Suyojit Sankul, Sharanpur Road, Nasik 422002 • **Navsari** 1st Floor, Chinmay Arcade, Opp Sattapir, Tower Road, Navsari 396445 • **New Delhi** 2E/23, Jhandewalan Extn. New Delhi 110055 • **Nellore** 16/112, Pogathota Nellore 524001 • **Nizamabad** H No 4-9-55, 1st Floor, Uppala Rameshwara Complex, Jawahar Road, Nizamabad 503001 • **Noida** 307 Jaipuria Plaza, D 68 A, 2nd Floor, Opp Delhi Public School, Sector 26, Noida 201301 • **Palghat** 12/310, (No.20 & 21), Metro Complex, Head Post Office Road, Sultanpet, Palghat 678001 • **Panipat** 1st Floor, Krishna Tower, Near HDFC Bank, Opp Railway Road, G T Road, Panipat 132103 • **Panjim** City Business Centre, Coelho Pereira Building, Room Nos 18,19 & 20 Dada Vaidya Road, Panjim 403001 • **Patiala** Sco 27 D, Chhoti Baradari Patiala 147001 • **Patna** 3A, 3rd Floor, Anand Tower, Beside Chankya Cinema Hall, Exhibition Road, Patna 800001 • **Pathankot** 1st Floor, 9A, Improvement Trust Building, Near HDFC Bank, Patel Chowk, Pathankot 145001 • **Pollachi** S S Complex, New Scheme Road, Pollachi 642002 • **Pondicherry** First Floor No.7, Thiagarajar Street Pondicherry 605001 • **Porbandar** 3rd Floor, R D Complex, Opp Sahyog Hospital, M G Road, Porbandar 360575 • **Pudukottai** Sundaram Masilamani Towers, TS No 5476-5479, PM Road, Old Tirumayam Salai, Near Anna Statue, Jublie Arts, Pudukottai 622001 • **Pune** Srinath Plaza, C Wing, Office No 58 & 59, 3rd Floor, Dyaneshwar Paduka Chowk, Survy No 184/4, F C Road, Pune411004 • **Puri** Ground Floor, VIP Road, Near PKDA Office, P S Puri, Puri 752001 • **Raipur** Room No TF 31, 3rd Floor, Millennium Plaza, Behind Indian Coffee House, G E Road, Raipur 492001 • **Rajahmundry** Dr No 6-1-4, First Floor, Rangachary Street, T Nagar, Rajahmundry 533101 • **Rajapalayam** Professional Couriers Building, 40/C (1), Hospital Road, Rajapalayam 626117 • **Rajkot** 104, Siddhi Vinayak Complex, Dr Yagnik Road, Opp Ramkrishna Ashram Rajkot 360001 • **Ranchi** Commerce Towers, 3rd Floor, Room No 307, Beside Mahabir Towers, Main Road, Ranchi 834001 • **Ratlam** 1Nagpal Bhavan, Freeganj Road, Tobatti, Ratlam 457001 • **Renukoot** Shop No 18, Near Complex Birla Market, Renukoot 231217 • **Rewa** 1st Floor, Angoori Building, Besides Allahabad Bank, TransUniversity Road, Civil Lines, Rewa 485001 • **Rohtak** 1st Floor, Ashoka Plaza, Delhi Road, Rohtak 124001 • **Roorkee** Shree Ashadeep Complex, 16 Civil Lines, Near Income Tax Office, Roorkee, Uttaranchal 247667 • **Rourkela** 1st Floor, Sandhu Complex, Kanchery Road, Udit Nagar, Rourkela 769012 • **Sagar** Above Poshak Garments, 5 Civil Lines, Opposite Income Tax Office, Sagar 470002 • **Saharanpur** 18 Mission Market, Court Road, Saharanpur 247001 Uttar Pradesh • **Salem** Old No 17, New No 49, Fort Main Road, First Floor, Shevapet, Salem 636002 • **Sambalpur** Quality Massion, 1st Floor, Above Bata Shoe, Shop/ Preeti Auto Combine, Nayapara, Sambalpur 768001 • **Satna** 1st Floor, K B Complex, Beside Bank of Maharashtra, Rewa Road, Satna 485001 • **Shaktinagar** 1st/A-375, V V Colony Dist Sonebhadra Shaktinagar 231222 • **Shivpuri** 1st Floor, M P R P Building, Near Bank of India, Shivpuri 473551 • **Shillong** Mani Bhawan, Thana Road, Lower Police Bazar, Shillong 739001 • **Shimla** Triveni Building, By Pas Chowk, Khallini, Shimla 171002 • **Shimoga** Uday Ravi Complex, LLR Road, Durgi Gudi, Shimoga 577201 • **Sikar** 1st Floor, Super Towers Behind Ram Mandir, Station Road, Sikar 332001 • **Silchar** 1st Floor, Chowchakra Complex, N N Dutta Road, Premtala Silchar 788001 • **Siliguri** Nanak Complex, Near Church Road, Sevoke Road, Siliguri 734001 • **Sitapur** 12/12-A Surya Complex, Arya Nagar, Opp Mal Godam, Sitapur 261001 • **Sivakasi** 363, Thiruthangal Road, Opp TNEB, Sivakasi 626123 • **Solan** Sahni Bhawan, Adjacent Anand Cinema Complex, The Mall Solan 173212, • **Solapur** Siddeshwar Securities, No 6, Vaman Road, Vijaypur Road, Vaman Nagar, Solapur 413004 • **Surat** G-6 Empire State Building, Near Parag House, Udhna Darwaja, Ring Road, Surat 395002 • **Sonepat** 205 R Model Town, Above Central Bank of India, Sonepat • **Sri Ganganagar** 35-E-Block, Opp Sheetla Mata Vatika, Sri Ganga Nagar 335001 • **Srikakulam** 4-1-28/1, Venkateshwara Colony Day & Night Junction, Srikakulam 532001 • **Sultanpur** Rama Shankar Complex, Civil Lines, Faizabad Road, Sultanpur 228001 • **Thanjavur** Nalliah Complex, No 70, Srinivasam Pillai Road, Thanjavur 613001 Thane Karvy Stock Broking Pvt Ltd First Floor, Jeevan Chaya Bldg, Near Adidas Show Room, Ram Maruti Road, Thana West - 400601 • **Theni Ramesh Murugan Complex, Near Sriram Theatre, Subban Chetty Street, Theni 625531 • Tezpur 1st Floor, Mayur Bhawan, Binraj Road, Tezpur 784001 • Thodupuzha First Floor, Pulimoottil Pioneer Pala Road, Thodupuzha 685584 • Tirunelveli Jeney Building, 55/18, S N Road, Near Arvind Eye Hospital, Tirunelveli 627001 • Tirupur First Floor, 224 A, Selvakumar Departmental Stores, 1st Floor, Kamaraj Road, Opp To Cotton Market Complex, Tirupur 641604 • Tirupathi #330, Tilak Road, Near Four Pillar Mandapam, Tirupati 517501 • Tiruvalla 2nd Floor, Erinjery Complex, Near Kotak Securites, Ramanchira Tiruvalla 689107 • Trichur 2nd Floor, Brother's Complex, Near Dhana Laxmi Bank Head Office, Naikkannal Junction, Trichur 680001 • Trichy Sri Krishna Arcade, 1st Floor, 60 Thennur High Road, Trichy 620017 • Trivandrum 2nd Floor, Akshaya Towers, Above Jetairways, Sasthamangalam, Trivandrum 695010 • Tuticorin 4 B, A34, A37, Mangalmal, Mani Nagar, Opp Rajaji Park, Palayamkottai Road, Tuticorin 628003 • Udaipur 201-202, Madhav Chambers, Opp G P O Chetak Circle, Madhuban, Udaipur 313001 • Ujjain 101, Aastha Tower, 13/1, Dhanwantri Marg, Free Gunj Ujjain 456010 • Valsad Shop No 2, Phiroza Corner, Opp Next Showroom, Titthal Road, Valsad 396001 • Vapi Shop No 5, Phikhaji Residency, Opp DCB Bank, Vapi Silvassa Road, Vapi 396195 • Varanasi D-64/132, KA 1st Floor, Anant Complex, Sigra, Varanasi 221010 • Vellore No 1, M N R Arcade, Officer's Line, Krishna Nagar, Vellore 632001 • Vijayawada 39-10-7 Opp Municipal Water Tank, Labbipet, Vijayawada 520010 • Visakhapatnam 47-14-5/1 Eswar Paradise, Dwaraka Nagar, Main Road, Visakhapatnam 530016 • Vijayanagaram Soubhagya, 19-6-13/1, IInd Floor, Near SBI Fort Branch, Vizianagaram 535002 • Warangal 5-6-95, 1st Floor, Opp, B.Ed Collage, Lashkar Bazar, Chandra Complex, Hanmakonda, Warangal 500601 • Yamuna Nagar Jagdhari Road, Above UCO Bank, Near D AV Grils College, Yamuna Nagar 135 001.**

Axis Asset Management Company Limited (Investment Manager to Axis Mutual Fund)

Axis House, 1st Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025, India.

Tel 91 22 4325 5161 Fax 91 22 4325 5199 www.axismf.com

SCHEME INFORMATION DOCUMENT**AXIS TRIPLE ADVANTAGE FUND****An Open-ended hybrid fund**

Continuous offer for Units at NAV based prices

Name of Mutual Fund	:	Axis Mutual Fund
Name of Asset Management Company	:	Axis Asset Management Company Limited
Name of Trustee Company	:	Axis Mutual Fund Trustee Limited
Addresses, Website of the entities	:	Axis House, 1 st Floor, Bombay Dyeing Mill Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 025 www.axismf.com
Name of Sponsor	:	Axis Bank Limited

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations or the Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the Asset Management Company (AMC). The Units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Axis Mutual Fund, Tax and Legal issues and general information on www.axismf.com.

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

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated June 30, 2011

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HIGHLIGHTS/SUMMARY OF THE SCHEME

Investment objective

The Scheme seeks to generate long term capital appreciation by investing in a diversified portfolio of equity and equity related instruments, fixed income instruments & gold Exchange Traded Funds.

Investment Theme

The scheme seeks to benefit from the concept of asset allocation.

The aim of asset allocation is to improve risk adjusted returns through diversification across various asset classes like equity, fixed income & gold which have low correlation with each other.

Liquidity

The Scheme offers Units for Subscription and Redemption at NAV based prices on all Business Days on an ongoing basis. Under normal circumstances the AMC shall dispatch the redemption proceeds within 10 business days from date of receipt of request from the Unit holder.

Benchmark

The Scheme performance would be benchmarked against a customized composite benchmark comprising of S & P CNX Nifty, CRISIL Composite Bond Fund Index and INR Price of Gold.

The Composition of the benchmark would be:

Asset Class/Instruments	Benchmark	Percentage
Equity and Equity Related Instruments	S & P CNX Nifty	35
Debt and Money Market Instruments	CRISIL Composite Bond Fund Index	35
Gold Exchange Traded Funds	INR Price of Gold	30

Transparency/NAV Disclosure

The AMC will calculate and disclose the NAVs on all Business Days. The NAV of the Scheme shall be published at least in two daily newspapers. The AMC shall update the NAVs on its website (www.axismf.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 9.00 p.m. on every Business Day. If the NAVs are not available before the commencement of business hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.

The AMC will disclose the portfolio of the Scheme within one month from the close of each half year (i.e. 31st March and 30th September) either by sending a complete statement to all the Unit holders or by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual

Fund is situated. The portfolio statement will also be displayed on the website of the AMC and AMFI.

The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year.

Minimum application amount

Rs. 5,000 and in multiples of Re. 1/- thereafter

Minimum Additional Purchase Amount

Rs.100 and in multiples of Re. 1/- thereafter

Minimum application amount is applicable only at the time of creation of new folio .

Loads

Entry Load: Not Applicable

Exit Load: an Exit Load of 1% is payable if Units are redeemed / switched-out within 1 year from the date of allotment.

SEBI vide its circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder (AMFI registered Distributor) directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

For more details on Load Structure, please refer paragraph "Load Structure".

I. INTRODUCTION**A. RISK FACTORS****(i) Standard Risk Factors:**

- Investment in mutual fund units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- Axis Triple Advantage Fund is the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects and returns.
- The sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1 lakh made by it towards setting up the Fund.
- Axis Triple Advantage Fund is not a guaranteed or assured return *scheme*.

(ii) Scheme Specific Risk Factors

Risks associated with investments in equities

- Equity and equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme portfolio would result at times, in potential losses to the Scheme, should there be a subsequent decline in the value of securities held in the Scheme portfolio. Also, the value of the Scheme investments may be affected by interest rates, currency exchange rates, changes in law/policies of the government, taxation laws and political, economic or other developments which may have an adverse bearing on individual Securities, a specific sector or all sectors.
- Investments in equity and equity related securities involve a degree of risk and investors should not invest in the equity Schemes unless they can afford to take the risk of losing their investment.
- Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed on the exchanges or offer other exit options to the investors, including put options. The AMC may choose to invest in unlisted securities that offer attractive yields within the regulatory limit. This may however increase the risk of the portfolio. Additionally, the liquidity and valuation of the Scheme investments due to its holdings of unlisted securities may be affected if they have to be sold prior to the target date of disinvestment.

Risks associated with investments in Fixed Income Securities

Interest-Rate Risk: Fixed income securities such as government bonds, corporate bonds, and money market instruments and derivatives run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices depends upon the coupon and maturity of the security. It also depends upon the yield level at which the security is being traded.

Re-investment Risk: Investments in fixed income securities carry re-investment risk as interest rates prevailing on the coupon payment or maturity dates may differ from the original coupon of the bond.

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

Spread Risk: In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. In the life of the security this spread may move adversely leading to loss in value of the portfolio. The yield of the underlying benchmark

might not change, but the spread of the security over the underlying benchmark might increase leading to loss in value of the security.

Liquidity Risk: The liquidity of a bond may change, depending on market conditions leading to changes in the liquidity premium attached to the price of the bond. At the time of selling the security, the security can become illiquid, leading to loss in value of the portfolio.

Credit Risk: This is the risk associated with the issuer of a debenture/bond or a money market instrument defaulting on coupon payments or in paying back the principal amount on maturity. Even when there is no default, the price of a security may change with expected changes in the credit rating of the issuer. It is to be noted here that a Government Security is a sovereign security and is the safest. Corporate bonds carry a higher amount of credit risk than Government securities. Within corporate bonds also there are different levels of safety and a bond rated higher by a particular rating agency is safer than a bond rated lower by the same rating agency.

Liquidity Risk on account of unlisted securities: The liquidity and valuation of the Scheme investments due to their holdings of unlisted securities may be affected if they have to be sold prior to their target date of divestment. The unlisted security can go down in value before the divestment date and selling of these securities before the divestment date can lead to losses in the portfolio.

Settlement Risk: Fixed income securities run the risk of settlement which can adversely affect the ability of the fund house to swiftly execute trading strategies which can lead to adverse movements in NAV

Risk Associated with Securitized Debt

The Scheme may invest in domestic securitized debt such as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are securitized debts where the underlying assets are receivables arising from various loans including automobile loans, personal loans, loans against consumer durables, etc. MBS are securitized debts where the underlying assets are receivables arising from loans backed by mortgage of residential / commercial properties.

At present in Indian market, following types of loans are securitized:

1. Auto Loans (cars / commercial vehicles /two wheelers)
2. Residential Mortgages or Housing Loans
3. Consumer Durable Loans
4. Personal Loans
5. Corporate Loans

In terms of specific risks attached to securitization, each asset class would have different underlying risks. Residential Mortgages generally have lower default rates than other asset classes, but repossession becomes difficult. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Asset classes like personal loans, credit card receivables are unsecured and in an economic downturn may witness higher default. A corporate loan/receivable, depend upon the nature of the underlying security for the loan or the nature of the receivable and the risks correspondingly fluctuate.

The rating agencies define margins, over collateralisation and guarantees to bring risk in line with similar AAA rated securities. The factors typically analyzed for any pool are as follows:

- a. Assets securitized and Size of the loan: This indicates the kind of assets financed with the loan and the average ticket size of the loan. A very low ticket size might mean more costs in originating and servicing of the assets.
- b. Diversification: Diversification across geographical boundaries and ticket sizes might result in lower delinquency
- c. Loan to Value Ratio: Indicates how much % value of the asset is financed by borrower's own equity. The lower this value the better it is. This suggests that where the borrowers own contribution of the asset cost is high; the chances of default are lower.
- d. Average seasoning of the pool: This indicates whether borrowers have already displayed repayment discipline. The higher the number, the more superior it is. The other main risks pertaining to Securitised debt are as follows:

Prepayment Risk: This arises when the borrower pays off the loan sooner than expected. When interest rates decline, borrowers tend to pay off high interest loans with money borrowed at a lower interest rate, which shortens the average maturity of ABSs. However, there is some prepayment risk even if interest rates rise, such as when an owner pays off a mortgage when the house is sold or an auto loan is paid off when the car is sold.

Reinvestment Risk: Since prepayment risk increases when interest rates decline, this also introduces reinvestment risk, which is the risk that the principal can only be reinvested at a lower rate.

Risks associated with investments in derivatives

- The Scheme may invest in derivative products in accordance with and to the extent permitted under the Regulations and by RBI. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Trading in derivatives carries a high degree of risk although they are traded at a relatively small amount of margin which provides the possibility of great profit or loss in comparison with the principal investment amount. Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme.
- The derivatives market in India is nascent and does not have the volumes that may be seen in other developed markets, which may result in volatility to the values.
- Investment in derivatives also requires the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme.

- The Scheme may face execution risk, whereby the rates seen on the screen may not be the rate at which the ultimate execution of the derivative transaction takes place.
- The Scheme may find it difficult or impossible to execute derivative transactions in certain circumstances. For example, when there are insufficient bids or suspension of trading due to price limit or circuit breakers, the Scheme may face a liquidity issue.
- The options buyer's risk is limited to the premium paid, while the risk of an options writer is unlimited. However the gains of an options writer are limited to the premiums earned.
- The exchange may impose restrictions on exercise of options and may also restrict the exercise of options at certain times in specified circumstances and this could impact the value of the portfolio.
- The writer of a put option bears the risk of loss if the value of the underlying asset declines below the exercise price. The writer of a call option bears a risk of loss if the value of the underlying asset increases above the exercise price.
- Investments in index futures face the same risk as the investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks.
- The Scheme bears a risk that it may not be able to correctly forecast future market trends or the value of assets, indices or other financial or economic factors in establishing derivative positions for the Scheme.
- The risk of loss in trading futures contracts can be substantial, because of the low margin deposits required, the extremely high degree of leverage involved in futures pricing and the potential high volatility of the futures markets.
- There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. The counter party may default on a transaction before settlement and therefore, the Scheme is compelled to negotiate with another counterparty at the then prevailing (possibly unfavourable) market price.
- Derivatives also carry a market liquidity risk where the derivatives cannot be sold (unwound) at prices that reflect the underlying assets, rates and indices.
- Where derivatives are used for hedging, such use may involve a basis risk where the instrument used as a hedge does not match the movement in the instrument/underlying asset being hedged. The risk may be inter-related also e.g. interest rate movements can affect equity prices, which could influence specific issuer/industry assets.

- Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor.
- Execution of investment strategies depends upon the ability of the fund manager(s) to identify such opportunities which may not be available at all times. Identification and execution of the strategies to be pursued by the fund manager(s) involve uncertainty and decision of fund manager(s) may not always be profitable. No assurance can be given that the fund manager(s) will be able to identify or execute such strategies.
- The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

The following are certain additional risks involved with use of fixed income derivatives:

Interest rate risk: Derivatives carry the risk of adverse changes in the price due to change in interest rates.

Liquidity risk: During the life of the derivative, the benchmark might become illiquid and might not be fully capturing the interest rate changes in the market, or the selling, unwinding prices might not reflect the underlying assets, rates and indices, leading to loss of value of the portfolio.

Risks associated with investing in foreign securities/overseas investments/offshore securities

- Subject to necessary approvals and within the investment objectives of the Scheme, the Scheme may invest in overseas markets which carry risks related to fluctuations in the foreign exchange rates, the nature of the securities market of the country, repatriation of capital due to exchange controls and political circumstances.
- Since the Scheme would invest only partially in foreign securities, there may not be readily available and widely accepted benchmarks to measure performance of such Scheme. To manage risks associated with foreign currency and interest rate exposure, the Fund may use derivatives for efficient portfolio management and hedging and portfolio rebalancing and in accordance with conditions as may be stipulated under the Regulations and by RBI from time to time.
- Investment in Foreign Securities involves a currency risk. To the extent that the assets of the Scheme will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.

Risks associated with Securities lending

The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of another party, to comply with the terms of agreement entered into between the lenders of securities i.e. any scheme and the approved intermediary/counterparty. Such failure to comply can result in the possible loss of rights in the collateral put up by the borrower of the securities, the inability of the approved intermediary/counterparty to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary. The Fund may not be able to sell such lent securities and this can lead to temporary illiquidity.

Risks associated with Short Selling

The Scheme may enter into short selling transactions, subject to SEBI and RBI Regulations. Short positions carry the risk of losing money and these losses may grow unlimited theoretically if the price of the stock increases without any limit. This may result in major loss to the Scheme. At times, the participants may not be able to cover their short positions, if the price increases substantially. If numbers of short sellers try to cover their position simultaneously, it may lead to disorderly trading in the stock and thereby can briskly escalate the price even further making it difficult or impossible to liquidate short position quickly at reasonable prices. In addition, short selling also carries the risk of inability to borrow the security by the participants thereby requiring the participants to purchase the securities sold short to cover the position even at unreasonable prices.

Risks associated with Investment in Gold Exchange Traded Funds**Market Risk**

The NAV of gold ETFs is closely related to the value of gold held by the scheme. The value (price) of gold may fluctuate for several reasons and all such fluctuations will result in changes in the NAV of gold ETFs. The factors that may effect the price of gold, among other things, include demand and supply for gold in India and in the global market, Indian and foreign exchange rates, interest rates, inflation trends, trading in gold as commodity, legal restrictions on the movement/trade of gold that may be imposed by RBI, Government of India or countries that supply or purchase gold to/from India, trends and restrictions on import/export of gold jewellery in and out of India, etc.

Counter party Risk

India does not have an Exchange for trading physical gold. Therefore, the underlying gold ETF may have to buy or sell gold from the open market, which may lead to counter party risks for trading and settlement.

Liquidity Risk

The underlying gold ETF has to sell gold only to bullion bankers/traders who are authorized to buy gold. Though there are adequate number of players (commercial or bullion bankers) to whom the underlying gold ETF can sell gold, it may have to resort to distress sale of gold if there is no or low demand for gold to meet its cash needs of redemption or expenses.

Risks associated with Physical gold

There is a risk that part or all of the underlying scheme's gold could be lost, damaged or stolen. Access to it could also be restricted by natural events or human actions. Any of these actions may have adverse impact on the operations of the gold ETF and consequently on the investment of the scheme.

Indirect taxation

For the valuation of gold by the underlying scheme, indirect taxes like customs duty, VAT etc. would also be considered. Hence any change in the rates of indirect taxation would affect the valuation of the gold ETF.

- A significant portion of the aggregate world gold holdings is owned by governments, central banks and related institutions. If one or more of these institutions decides to sell in amounts large enough to cause a decline in world gold prices, the NAV of the gold ETF(s) will be adversely affected.

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

In respect of transaction in Units of the Scheme through BSE and / or NSE, allotment and redemption of Units on any Business Day will depend upon the order processing / settlement by BSE and / or NSE and their respective clearing corporations on which the Fund has no control.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme/Plan shall have a minimum of 20 Investors and no single Investor shall account for more than 25% of the corpus of the Scheme/Plan(s). The aforesaid conditions should be complied with in each calendar quarter on an average basis. In case the Scheme / Plan(s) does not have a minimum of 20 Investors on an ongoing basis for each calendar quarter, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme / Plan(s) shall be wound up and the units would be redeemed at Applicable NAV. If there is a breach of the 25% limit by any Investor over the quarter, a rebalancing period of one month would be allowed and thereafter the Investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic Redemption by the Mutual Fund on the Applicable NAV on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. SPECIAL CONSIDERATIONS, if any

- Prospective investors should study this Scheme Information Document and Statement of Additional Information carefully in its entirety and should not construe the contents hereof as advice relating to legal, taxation, financial, investment or any other matters and are advised to consult their legal, tax, financial and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, before making a decision to invest/redeem/hold Units.
- Neither this Scheme Information Document, Statement of Additional Information nor the Units have been registered in any jurisdiction. The distribution of this Scheme Information Document or Statement of Additional Information in certain jurisdictions may be restricted or totally prohibited to registration requirements and accordingly, persons who come into possession of this Scheme Information Document or Statement of Additional Information are required to inform themselves about and to observe any such restrictions and/ or legal compliance requirements.

- The AMC, Trustee or the Mutual Fund have not authorized any person to issue any advertisement or to give any information or to make any representations, either oral or written, other than that contained in this Scheme Information Document or the Statement of Additional Information or as is provided by the AMC in connection with this offering. Prospective investors are advised not to rely upon any information or representation not incorporated in the Scheme Information Document or Statement of Additional Information or provided by the AMC as having been authorized by the Mutual Fund, the AMC or the Trustee.
- Redemption due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any such tax consequences that may arise due to such redemptions.
- The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise, in the event that the Scheme is wound up for the reasons and in the manner provided in 'Statement of Additional Information ('SAI')'.
- The tax benefits described in this Scheme Information Document and Statement of Additional Information are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India as on the date of this Scheme Information Document and the Unit holders should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Unit holder is advised to consult his / her own professional tax advisor.
- The Mutual Fund may disclose details of the investor's account and transactions thereunder to those intermediaries whose stamp appears on the application form or who have been designated as such by the investor. In addition, the Mutual Fund may disclose such details to the bankers, as may be necessary for the purpose of effecting payments to the investor. The Fund may also disclose such details to regulatory and statutory authorities/bodies as may be required or necessary.
- In case the AMC or its Sponsor or its Shareholders or their affiliates/associates or group companies make substantial investment, either directly or indirectly in the Scheme redemption of Units by these entities may have an adverse impact on the performance of the Scheme. This may also affect the ability of the other Unit holders to redeem their Units.
- As the liquidity of the Scheme investments may sometimes be restricted by trading volumes and settlement periods, the time taken by the Fund for Redemption of Units may be significant in the event of an inordinately large number of Redemption Requests or of a restructuring of the Scheme portfolio. In view of this, the Trustee has the right, in its sole discretion, to limit redemptions under certain circumstances - please refer to the paragraph "Right to Limit Redemptions".

- Pursuant to the provisions of Prevention of Money Laundering Act, 2002, if after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, on failure to provide required documentation, information, etc. by the Unit holder the AMC shall have absolute discretion to report such suspicious transactions to FIU-IND and / or to freeze the folios of the investor(s), reject any application(s) / allotment of Units.
- Investor Protection:** The Scheme is designed to support longer- term investment and active trading is discouraged. Short term or excessive trading into and out of the Scheme may affect its performance by disrupting portfolio management strategies and by increasing expenses. The Fund and the distributors may refuse to accept applications for Purchase, especially where transactions are deemed disruptive, particularly from market timers or investors who, in their opinion, have a pattern of short term or excessive trading or whose trading has been or may be disruptive for the Scheme.

If in the opinion of the AMC, a Unit holder is indulging in short term or excessive trading as above, it shall, under powers delegated by the Trustee, have absolute discretion to reject any application, prevent further transaction by the Unit holder or redeem the Units held by the Unit holder at any time prior to the expiry of 30 Business Days from the date of the application.

D. DEFINITIONS

"AMC" or "Asset Management Company" or "Investment Manager"	Axis Asset Management Company Limited, incorporated under the provisions of the Companies Act, 1956 and approved by Securities and Exchange Board of India to act as the Asset Management Company for the scheme(s) of Axis Mutual Fund.
"Applicable NAV"	The NAV applicable for purchase or redemption or Switching of Units based on the time of the Business Day on which the application is time stamped.
"Book Closure"	The time during which the Asset Management Company would temporarily suspend Sale, redemption and Switching of Units.
"Business Day"	A day other than: (i) Saturday and Sunday; (ii) A day on which the banks in Mumbai and/or RBI are closed for business /clearing; (iii) A day on which the National Stock Exchange of India Limited and / or the Stock Exchange, Mumbai are closed; (iv) A day which is a public and /or bank Holiday at an Investor Service Centre/Official Point of Acceptance where the application is received; (v) A day on which Sale / Redemption / Switching of Units is suspended by the AMC; (vi) A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time.

	The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres/Official Points of Acceptance.
"Business Hours"	Presently 9.30 a.m. to 5.30 p.m. on any Business Day or such other time as may be applicable from time to time.
"Custodian"	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996, which for the time being is Deutsche Bank AG.
"Depository"	Depository as defined in the Depositories Act, 1996 (22 of 1996).
"Derivative"	Derivative includes (i) a security derived from a debt instrument, share, loan whether secured or unsecured, risk instrument or contract for differences or any other form of security; (ii) a contract which derives its value from the prices, or index of prices, or underlying securities.
"Dividend"	Income distributed by the Mutual Fund on the Units.
"Equity Related Instruments"	"Equity Related Instruments" includes convertible bonds and debentures, convertible preference shares, warrants carrying the right to obtain equity shares, equity derivatives and any other like instrument.
"FII"	Foreign Institutional Investor, registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
"Floating Rate Debt Instruments"	Floating rate debt instruments are debt securities issued by Central and / or State Government, corporates or PSUs with interest rates that are reset periodically. The periodicity of the interest reset could be daily, monthly, quarterly, half-yearly, annually or any other periodicity that may be mutually agreed with the issuer and the Fund. The interest on the instruments could also be in the nature of fixed basis points over the benchmark gilt yields.
"Foreign Securities"	ADRs / GDRs/ equity / debt securities of overseas companies listed on the recognized stock exchanges overseas or other securities as may be specified and permitted by SEBI and/or RBI from time to time.
"Gilts" or "Government Securities"	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.
"GOI"	Government of India
"Holiday"	Holiday means the day(s) on which the banks

	(including the Reserve Bank of India) are closed for business or clearing in Mumbai or their functioning is affected due to a strike / bandh call made at any part of the country or due to any other reason.
"Investment Management Agreement"	The agreement dated June 27, 2009 entered into between Axis Mutual Fund Trustee Limited and Axis Asset Management Company Limited, as amended from time to time.
"Investor Service Centres" or "ISCs"	Offices of Axis Asset Management Company Limited or such other centres / offices as may be designated by the AMC from time to time.
"Load"	<p>In the case of Redemption / Switch out of a Unit, the sum of money deducted from the Applicable NAV on the Redemption / Switch out (Exit Load) and in the case of Sale / Switch in of a Unit, a sum of money to be paid by the prospective investor on the Sale / Switch in of a Unit (Entry Load) in addition to the Applicable NAV.</p> <p>Presently, entry load cannot be charged by mutual fund schemes.</p>
Micro SIP	Systematic Investment Plans (SIPs) where aggregate of installments in a financial year i.e. April to March does not exceed Rs. 50,000/- (per financial year per investor).
"Money Market Instruments"	Includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time.
"Mutual Fund" or "the Fund"	Axis Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882.
"Net Asset Value" or "NAV"	Net Asset Value per Unit of the Scheme, calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
"NRI"	A Non-Resident Indian or a Person of Indian Origin residing outside India.
"Official Points of Acceptance"	Places, as specified by AMC from time to time where application for Subscription / Redemption / Switch will be accepted on ongoing basis.
"Person of Indian Origin"	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in sub-clause (a) or (b).
"Rating"	Rating means an opinion regarding securities, expressed in the form of standard symbols or in any other standardized manner, assigned by a credit

	rating agency and used by the issuer of such securities, to comply with any requirement of the SEBI (Credit Rating Agencies) Regulations, 1999.
"RBI"	Reserve Bank of India, established under the Reserve Bank of India Act, 1934, (2 of 1934)
"Registrar and Transfer Agent" or "Registrar"	Karvy Computershare Pvt. Ltd., Hyderabad, currently acting as registrar to the Scheme, or any other Registrar appointed by the AMC from time to time.
"Redemption / Repurchase"	Redemption of Units of the Scheme as permitted.
"Regulatory Agency"	GOI, SEBI, RBI or any other authority or agency entitled to issue or give any directions, instructions or guidelines to the Mutual Fund
"Repo"	Sale/Purchase of Securities with simultaneous agreement to repurchase / resell them at a later date.
"Statement of Additional Information" or "SAI"	The document issued by Axis Mutual Fund containing details of Axis Mutual Fund, its constitution, and certain tax, legal and general information. SAI is legally a part of the Scheme Information Document.
"Sale / Subscription"	Sale or allotment of Units to the Unit holder upon subscription by the Investor / applicant under the Scheme.
"Scheme"	Axis Triple Advantage Fund
"Scheme Information Document"	This document issued by Axis Mutual Fund, offering for Subscription of Units of Axis Triple Advantage Fund (including Plans and Options there under)
"SEBI"	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992.
"SEBI (MF) Regulations" or "Regulations"	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
"Short Selling"	Short selling means selling a stock which the seller does not own at the time of trade.
"Sponsor"	Axis Bank Limited
"Switch"	Redemption of a Unit in any Scheme (including the Plans / options therein) of the Mutual Fund against purchase of a Unit in another Scheme (including the Plans /options therein) of the Mutual Fund, subject to completion of Lock-in Period, if any.
"Stock Lending"	Lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio.
"Systematic Investment Plan" / "SIP"	A plan enabling investors to save and invest in the Scheme on a periodic basis submitting post dated cheques / payment instructions.
"Systematic Transfer Plan" / "STP"	Facility given to the Unit holders to transfer sums on periodic basis from one scheme to another schemes launched by the Mutual Fund from time to time by giving a single instruction.
"Systematic Withdrawal Plan" /	Facility given to the Unit holders to withdraw a

"SWP"	specified sum of money each month/quarter from his investment in the Scheme.
"Trust Deed"	The Trust Deed dated June 27, 2009 made by and between Axis Bank Limited and Axis Mutual Fund Trustee Limited thereby establishing an irrevocable trust, called Axis Mutual Fund.
"Trustee" or "Trustee Company"	Axis Mutual Fund Trustee Limited incorporated under the provisions of the Companies Act, 1956 and approved by SEBI to act as the trustee to the Scheme of the Mutual Fund.
"Unit"	The interest of the Unit holder which consists of each Unit representing one undivided share in the assets of the Scheme.
"Unit holder" or "Investor"	A person holding Units in Axis Triple Advantage Fund.

INTERPRETATION

For all purposes of this Scheme Information Document, 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 Dollars 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 a non Business Day.

E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

- The Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed Scheme.
- The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

Place: Mumbai
Date: June 30, 2011

Signed: Sd/-
Name : Miten Chawda
Designation: Head – Compliance &
Company Secretary

II. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

An Open-ended hybrid fund

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

The Scheme seeks to generate long term capital appreciation by investing in a diversified portfolio of equity and equity related instruments, fixed income instruments & gold exchange traded funds.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Under normal circumstances, the asset allocation pattern will be:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Minimum	Maximum	High/Medium/Low
Equity and Equity Related Instruments#	30	40	High
Debt and Money Market Instruments*#	30	40	Low to Medium
Gold Exchange Traded Funds	20	30	Medium

Including derivatives instruments to the extent of 80% of the Net Assets as permitted vide SEBI Circular no. DNPd/Cir 29/2005 dated September 14, 2005 and SEBI Circular No. DNPd/Cir-30/2006 dated January 20, 2006 and SEBI circular No. SEBI/DNPd/Cir-31/2006 dated September 22, 2006. The Scheme may use derivatives for such purposes as maybe permitted by the Regulations, including for the purpose of hedging and portfolio balancing, based on the opportunities available and subject to guidelines issued by SEBI from time to time. The Scheme may also use fixed income derivative instruments subject to the guidelines as maybe issued by SEBI and RBI and for such purposes as maybe permitted from time to time.

*Investment in Securitized debt (excluding foreign securitized debt), if undertaken, would not exceed 40% of the net assets of the Scheme.

Investment in Foreign Securities

The Scheme may seek investment opportunities in foreign securities including ADRs / GDRs / Foreign equity and debt securities subject to SEBI (MF) Regulations. Such Investment shall not exceed 50% of the net assets of the Scheme.

Investment in Short Term Deposits and mutual fund units

Pending deployment of the funds in securities in terms of investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of the Scheduled Commercial Banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, as may be amended from time to time. Pending deployment, such funds may also be invested in units of debt and liquid mutual fund schemes.

Stock Lending by the Fund

The scheme shall adhere to the following limits should it engage in Stock Lending.

1. Not more than 25% of the net assets of the Scheme can generally be deployed in Stock Lending.
2. Not more than 5% of the net assets of the Scheme can generally be deployed in Stock Lending to any single counter party.

Short Selling by the Fund

The Fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.

The Scheme retains the flexibility to invest across all the securities in the equity, debt and Money Markets Instruments and mutual fund units. The portfolio may hold cash depending on the market condition.

Subject to the Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute. These proportions can vary substantially depending upon the perception of the fund manager; the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the investment pattern will be for short term and for defensive considerations only. In the event of deviations, the fund manager will endeavour to carry out rebalancing within one month. Where the portfolio is not rebalanced within one month, justification for the same shall be placed before the Investment Review Committee and reasons for the same shall be recorded in writing. The Investment Review committee shall then decide on the course of action. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.

Axis Triple Advantage Fund, an open ended hybrid fund is a new scheme offered by Axis Mutual Fund and is not a minor modification of any other existing scheme/product of Axis Mutual Fund. Further, the existing products of Axis Mutual Fund are either debt, liquid or equity funds and hence the 'hybrid fund' under consideration cannot be compared with any other existing schemes.

D. Where will the Scheme invest?

The corpus of the Scheme will be invested in Equity & Equity Related Instruments, Debt Instruments, Money Market Instruments, units of Gold Exchange Traded Funds and other permitted securities which will include but not limited to:

Equity and Equity Related Instruments:

1. Equity share is a security that represents ownership interest in a company.
2. Equity Related Instruments are securities which give the holder of the security right to receive Equity Shares on pre agreed terms. It includes convertible bonds, convertible debentures, equity warrants, convertible preference shares, etc.
3. Equity Derivatives are financial instruments, generally traded on an exchange, the price of which is directly dependent upon (i.e., "derived from") the value of equity shares or equity indices. Derivatives involve the trading of rights or obligations based on the underlying, but do not directly transfer property.

4. Foreign equity and Equity Related Instrument as may be permitted by SEBI/RBI from time to time.

5. Equity Derivatives:

Futures:

Futures are exchange-traded contracts to sell or buy financial instruments for future delivery at an agreed price. There is an agreement to buy or sell a specified quantity of financial instrument on a designated future date at a price agreed upon by the buyer and seller at the time of entering into a contract. To make trading possible, the exchange specifies certain standardized features of the contract. A futures contract involves an obligation on both the parties to fulfill the terms of the contract.

SEBI has permitted futures contracts on indices and individual stocks with maturity of 1 month, 2 months and 3 months on a rolling basis. The futures contracts are settled on last Thursday (or immediately preceding trading day if Thursday is a trading holiday) of each month. The final settlement price is the closing price of the underlying stock(s)/index.

Options:

Option is a contract which provides the buyer of the option (also called holder) the right, without the obligation, to buy or sell a specified asset at the agreed price on or upto a particular date. For acquiring this privilege, the buyer pays premium (fee) to the seller. The seller on the other hand has the obligation to buy or sell specified asset at the agreed price and for this obligation he receives premium. The premium is determined considering number of factors such as the market price of the underlying asset/security, number of days to expiry, risk free rate of return, strike price of the option and the volatility of the underlying asset. Option contracts are of two types viz:

Call Option - The option that gives the buyer the right but not the obligation to buy specified quantity of the underlying asset at the strike price is a call option. The buyer of the call option (known as the holder of call option) can call upon the seller of the option (writer of the option) and buy from him the underlying asset at the agreed price at any time on or before the expiry of the option.

The seller (writer of the option) on the other hand has the obligation to sell the underlying asset if the buyer of the call option decides to exercise his option to buy.

Put Option - The option that gives the buyer the right but not the obligation to sell is called put option. A Put option gives the holder (buyer) the right to sell specified quantity of the underlying asset at the strike price. The seller of the put option (one who is short Put) however, has the obligation to buy the underlying asset at the strike price if the buyer decides to exercise his option to sell.

There are two kind of options based on the date of exercise of right. The first is the European Option which can be exercised only on the maturity date. The second is the American Option which can be exercised on or before the maturity date.

Debt Instruments & Money Market Instruments

Collateralized Borrowing and Lending Obligations (CBLO)

Collateralized Borrowing and Lending Obligations (CBLO) is a money market instrument that enables entities to borrow and lend against sovereign collateral security. The

maturity ranges from 1 day to 90 days and can also be made available upto 1 year. Central Government securities including T-bills are eligible securities that can be used as collateral for borrowing through CBLO.

Certificate of Deposit (CD) of scheduled commercial banks and development financial institutions

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

Commercial Paper (CP)

Commercial Paper (CP) is an unsecured negotiable money market instrument issued in the form of a promissory note, generally issued by the corporates, primary dealers and all India Financial Institutions as an alternative source of short term borrowings. CP is traded in secondary market and can be freely bought and sold before maturity.

Treasury Bill (T-Bill)

Treasury Bills (T-Bills) are issued by the Government of India to meet their short term borrowing requirements. T-Bills are issued for maturities of 14 days, 91 days, 182 days and 364 days.

Bill (bills of exchange/promissory notes of public sector and private sector corporate entities) Rediscounting

Repos

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

Securities created and issued by the Central and State Governments as may be permitted by RBI, securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills). State Government securities (popularly known as State Development Loans or SDLs) are issued by the respective State Government in co-ordination with the RBI.

Non convertible debentures and bonds

Non convertible debentures as well as bonds are securities issued by companies / institutions promoted / owned by the Central or State Governments and statutory bodies which may or may not carry a Central/State Government guarantee, Public and private sector banks, all India Financial Institutions and Private Sector Companies. These instruments may be secured or unsecured against the assets of the Company and generally issued to meet the short term and long term fund requirements.

The scheme may also invest in the non convertible part of convertible debt securities.

Floating rate debt instruments

Floating rate debt instruments are instruments issued by Central / state governments, corporates, PSUs, etc. with interest rates that are reset periodically.

Securitized Assets: Securitization is a structured finance process which involves pooling and repackaging of cashflow producing financial assets into securities that are then sold to investors. They are termed as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are backed by other assets such as credit card, automobile or consumer loan receivables, retail installment loans or participations in pools of leases. Credit support for these securities may be based on the underlying assets and/or provided through credit enhancements by a third party. MBS is an asset backed security whose cash flows are backed by the principal and interest payments of a set of mortgage loans. Such Mortgage could be either residential or commercial properties. ABS/MBS instrument reflect the undivided interest in the underlying assets and do not represent the obligation of the issuer of ABS/MBS or the originator of underlying receivables. Securitization often utilizes the services of SPV.

Pass through Certificate (PTC) (Pay through or other Participation Certificates) represents beneficial interest in an underlying pool of cash flows. These cash flows represent dues against single or multiple loans originated by the sellers of these loans. These loans are given by banks or financial institutions to corporates. PTCs may be backed, but not exclusively, by receivables of personal loans, car loans, two wheeler loans and other assets subject to applicable regulations.

The following are certain additional disclosures w.r.t. investment in securitized debt:

1. How the risk profile of securitized debt fits into the risk appetite of the scheme

Securitized debt is a form of conversion of normally non-tradable loans to transferable securities. This is done by assigning the loans to a special purpose vehicle (a trust), which in turn issues Pass-Through-Certificates (PTCs). These PTCs are transferable securities with fixed income characteristics. The risk of investing in securitized debt is similar to investing in debt securities. However it differs in two respects.

Typically the liquidity of securitized debt is less than similar debt securities. For certain types of securitized debt (backed by mortgages, personal loans, credit card debt, etc.), there is an additional pre-payment risk. Pre-payment risk refers to the possibility that loans are repaid before they are due, which may reduce returns if the re-investment rates are lower than initially envisaged.

Because of these additional risks, securitized debt typically offers higher yields than debt securities of similar credit rating and maturity. If the fund manager judges that the additional risks are suitably compensated by the higher returns, he may invest in securitized debt up to the limits specified in the asset allocation table above.

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

The originator is the person who has initially given the loan. The originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). An analysis of the originator is especially important in case of retail loans as this affects the credit quality and servicing of the PTC. The key risk is that of the underlying assets and not of the originator. For example, losses or performance of earlier issuances does not indicate quality of current series. However such past performance may be used as a guide to evaluate the loan standards, servicing capability and performance of the originator.

Originators may be: Banks, Non Banking Finance Companies, Housing Finance Companies, etc. The fund manager / credit analyst evaluates originators based on the following parameters

- Track record
- Willingness to pay, through credit enhancement facilities etc.
- Ability to pay
- Business risk assessment, wherein following factors are considered:
 - Outlook for the economy (domestic and global)
 - Outlook for the industry
 - Company specific factors

In addition a detailed review and assessment of rating rationale is done including interactions with the originator as well as the credit rating agency.

The following additional evaluation parameters are used as applicable for the originator / underlying issuer for pool loan and single loan securitization transactions:

- Default track record/ frequent alteration of redemption conditions / covenants
- High leverage ratios of the ultimate borrower (for single-sell downs) – both on a standalone basis as well on a consolidated level/ group level
- Higher proportion of reschedulement of underlying assets of the pool or loan, as the case may be
- Higher proportion of overdue assets of the pool or the underlying loan, as the case may be
- Poor reputation in market
- Insufficient track record of servicing of the pool or the loan, as the case may be.

3. Risk mitigation strategies for investments with each kind of originator

An analysis of the originator is especially important in case of retail loans as the size and reach affects the credit quality and servicing of the PTC. In addition, the quality of the collection process, infrastructure and follow-up mechanism; quality of MIS; and credit enhancement mechanism are key risk mitigants for the better originators / servicers.

In case of securitization involving single loans or a small pool of loans, the credit risk of the underlying borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk. The credit analyst looks at ageing (i.e. how long the loan has been with the originator before securitization) as one way of evaluating the performance potential of the PTC. Securitization transactions may include some risk mitigants (to reduce credit risk). These may include interest subvention (difference in interest rates on the underlying loans and the PTC serving as margin against defaults), overcollateralization (issue of PTCs of lesser value than the underlying loans, thus even if some loans default, the PTC continues to remain protected), presence of an equity / subordinate tranche (issue of PTCs of differing seniority when it comes to repayment - the senior tranches get paid before the junior tranche) and / or guarantees.

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

In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk.

The credit analyst looks at ageing (i.e. how long the loan has been with the originator before securitization) as one way of judging the performance potential of the PTC. Additional risk mitigants may include interest subvention, over collateralization, presence of an equity / subordinate tranche and / or guarantees. The credit analyst also uses analyses by credit rating agencies on the risk profile of the securitized debt.

Currently, the following parameters are used while evaluating investment decision relating to a pool securitization transaction. The Investment Review Committee may revise the parameters from time to time.

Characteristics/Type of Pool	Mortgage Loan	Commercial Vehicle and Construction Equipment	CAR	2 wheelers	Micro Finance Pools *	Personal Loans *	Single Sell Downs	Others
Approximate Average maturity (in Months)	Up to 10 years	Up to 3 years	Up to 3 years	Up to 3 years	NA	NA	Refer Note 1	Refer Note 2
Collateral margin (including cash ,guarantees, excess interest spread , subordinate tranche)	>10%	>10%	>10%	>10%	NA	NA	"	"
Average Loan to Value Ratio	<90%	<80%	<80%	<80%	NA	NA	"	"
Average seasoning of the Pool	>3 months	>3 months	>3 months	>3 months	NA	NA	"	"
Maximum single exposure range	<1%	<1%	<1%	<1%	NA	NA	"	"
Average single exposure range %	<1%	<1%	<1%	<1%	NA	NA	"	"

* Currently, the Schemes will not invest in these types of securitized debt

Note 1: In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. The investment limits applicable to the underlying borrower are applied to the single loan sell-down.

2: Other investments will be decided on a case-to-case basis

The credit analyst may consider the following risk mitigating measures in his analysis of the securitized debt:

- Size of the loan
- Average original maturity of the pool
- Loan to Value Ratio
- Average seasoning of the pool
- Default rate distribution
- Geographical Distribution

- Credit enhancement facility
- Liquid facility
- Structure of the pool

5. Minimum retention period of the debt by originator prior to securitization

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements. In addition, RBI has proposed minimum holding period of between nine and twelve months for assets before they can be securitized. The minimum holding period depends on the tenor of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

6. Minimum retention percentage by originator of debts to be securitized

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements, including maximum exposure by the originator in the PTCs. In addition, RBI has proposed minimum retention requirement of between five and ten percent of the book value of the loans by the originator. The minimum retention requirement depends on the tenor and structure of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

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

The key risk is securitized debt relates to the underlying borrowers and not the originator. In a securitization transaction, the originator is the seller of the debt(s) and the fund is the buyer. However, the originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). As the originators may also invest in the scheme, the fund manager shall ensure that the investment decision is based on parameters as set by the Investment Review Committee (IRC) of the asset management company and IRC shall review the same at regular interval.

8. The resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt

The fund management team including the credit analyst has the experience to analyze securitized debt. In addition, credit research agencies provide analysis of individual instruments and pools. On an on-going basis (typically monthly) the servicer provides reports regarding the performance of the pool. These reports would form the base for ongoing evaluation where applicable. In addition, rating reports indicating rating changes would be monitored for changes in rating agency opinion of the credit risk.

When issued

When, as and if issued' (commonly known as "**when-issued**" (**WI**) **security**) refers to a security that has been authorized for issuance but not yet actually issued. WI trading takes place between the time a new issue is announced and the time it is actually issued. All "when issued" transactions are on an "if" basis, to be settled if and when the actual security is issued.

SEBI has on April 16, 2008 in principle allowed Mutual Funds to undertake 'When Issued (WI)' transactions in Central Government securities, at par with other market participants.

- Open Position in the 'WI' market are subject to the following limits:

Category	Reissued Security	Newly Issued Security
Non-PDs	Long Position, not exceeding 5 percent of the notified amount.	Long Position, not exceeding 5 percent of the notified amount.

Debt derivative instruments:

Interest Rate Swap - An Interest Rate Swap (IRS) is a financial contract between two parties exchanging or swapping a stream of interest payments for a "notional principal" amount on multiple occasions during a specified period. Such contracts generally involve exchange of a "fixed to floating" or "floating to fixed rate" of interest. Accordingly, on each payment date that occurs during the swap period, cash payments based on fixed/ floating and floating rates are made by the parties to one another.

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

Interest Rate Futures (as and when permitted):

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

Characteristics of Interest Rate Futures

1. Obligation to buy or sell a bond at a future date
2. Standardized contract.
3. Exchange traded
4. Physical settlement
5. Daily mark to market

Investment in Gold Exchange Traded Funds (Gold ETFs)

Gold Exchange Traded Funds are open ended scheme(s) that invest primarily in gold or gold related instruments. **As per the current SEBI MF Regulations, Gold ETFs are allowed to invest in gold. Further the Gold ETFs can invest in gold related instruments only after such instruments are specified by SEBI.** The units of ETFs are listed on the stock exchange(s). Further, authorized participants and large investors can subscribe and redeem the units of Gold ETFs in creation unit size as specified by respective scheme(s).

Investment in foreign securities

The Scheme may also invest in suitable investment avenues in foreign securities in overseas financial markets for the purpose of diversification, commensurate with the Scheme objectives and subject to necessary stipulations by SEBI / RBI. Towards this end, the Mutual Fund may also appoint overseas investment advisors and other service providers, to the extent permissible under the Regulations.

The Scheme may, with the approval of SEBI / RBI, where required invest in:

- ADRs (American Depository Receipts)/ GDRs (Global Depository Receipts) issued by Indian or foreign companies
- Equity of overseas companies listed on recognized stock exchanges overseas
- Initial and follow on public offerings for listing at recognized stock exchanges overseas
- Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies
- Money market instruments rated not below investment grade
- Repos in the form of investment, where the counterparty is rated not below investment grade; repos shall not however, involve any borrowing of funds by the mutual funds
- Government securities where the countries are rated not below investment grade
- Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities
- Short term deposits with banks overseas where the issuer is rated not below investment grade
- Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, or (b) unlisted overseas securities (not exceeding 10% of their net assets).

Note: The Scheme will not invest in foreign securitized debt.

As per SEBI Circular SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007, mutual funds can make overseas investments subject to a maximum of US \$300 million or such limits as may be prescribed by SEBI from time to time. Subject to the approval of RBI / SEBI and conditions as may be prescribed by them, the Mutual Fund may open one or more foreign currency accounts abroad either directly, or through the custodian/sub-custodian, to facilitate investments and to enter into/deal in forward currency contracts, currency futures, interest rate futures / swaps, currency options for the purpose of hedging the risks of assets of a portfolio or for its efficient management. However, the use of such instruments shall be as permitted from time to time. All the requirement of the SEBI circular dated September 26, 2007, would be adhered to by the AMC for investment in foreign securities.

Investment in overseas securities shall be made in accordance with the requirements stipulated by SEBI and RBI from time to time.

Investments in units of other mutual fund schemes

The Scheme may invest in other schemes managed by the AMC or in the schemes of any other mutual funds in conformity with the investment objective of the Scheme and in terms of the prevailing SEBI (MF) Regulations.

Pending deployment of funds as per the investment objective of the Scheme, the funds may be parked in short term deposits of the Scheduled Commercial Banks, subject to guidelines and limits specified by SEBI. The funds may also be parked in units of debt and liquid mutual fund schemes.

The securities / instruments mentioned above and such other securities the Scheme is permitted to invest in could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity.

The securities may be acquired through initial public offering (IPOs), secondary market, private placement, rights offers, negotiated deals. Further investments in debentures, bonds and other fixed income securities will be in instruments which have been assigned investment grade rating by the Credit Rating Agency.

Investment in unrated debt instruments shall be subject to complying with the provisions of Regulations and within the limit as specified in Schedule VII to the Regulations. Pursuant to SEBI Circular No. MFD/CIR/9/120/2000 dated November 24, 2000, the AMC may constitute committee(s) to approve proposals for investments in unrated debt instruments. The AMC Board and the Trustee shall approve the detailed parameters for such investments. However, in case any unrated debt security does not fall under the parameters, the prior approval of Board of AMC and Trustee shall be sought.

For applicable regulatory investment limits please refer paragraph "Investment Restrictions".

Details of various derivative instruments along with derivative strategies have been provided under the section "Derivatives Strategy"

The Fund Manager may invest in any other security as maybe permitted from time to time and which are in line with the investment objectives of the Scheme.

E.WHAT ARE THE INVESTMENT STRATEGIES

The Scheme seeks to generate long term capital appreciation by investing in a diversified portfolio of equity, fixed income & gold exchange traded funds.

The scheme seeks to benefit from the concept of asset allocation. The aim of asset allocation is to provide superior risk adjusted returns through diversification across various asset classes like equity, fixed income & gold which have historically had low correlation with each other.

Equity and Equity Related Instruments:

The equity allocation will be managed actively. The focus would be to build a diversified portfolio of strong growth companies, reflecting our most attractive investment ideas, at all points of time.

The portfolio will be built utilising a bottom-up stock selection process, focusing on appreciation potential of individual stocks from a fundamental perspective. The AMC employs a "Fair value" based research process to analyse the appreciation potential of each stock in its universe (Fair value is a measure of the intrinsic worth of a company). The universe of stocks is carefully selected to include companies having a robust business models and enjoying sustainable competitive advantages as compared to their

competitors. The Fund will have the flexibility to invest across the market capitalization spectrum.

The Fund by utilizing a holistic risk management strategy will endeavor to manage risks associated with investing in equity markets. The Fund has identified the following risks and designed risk management strategies, which are embedded in the investment process to manage these risks

- i) Quality Risk - Risk of investing in unsustainable / weak companies.
- ii) Price Risk - Risk of overpaying for a company
- iii) Liquidity Risk - High Impact cost of entry and exit
- iv) Volatility Risk - Volatility in price due to company or portfolio specific factors
- v) Event Risk - Price risk due to a company / sector specific or market event

Fixed Income:

The Scheme proposes to invest in a diversified portfolio of high quality debt and money market instruments to generate regular income. The fund manager will allocate the assets of the scheme taking into consideration the prevailing interest rate scenario & the liquidity of the different instruments.

The portfolio duration and credit exposures will be decided based on a thorough research of the general macroeconomic condition, political and fiscal environment, systemic liquidity, inflationary expectations, corporate performance and other economic considerations. The fund manager will keep in mind the yield structure of different asset classes (e.g. the sovereign yield curve and the corporate bond yield curve) as well as the kinks within a particular yield curve (e.g. the different points of the sovereign yield curve) while making investment decisions.

Gold Exchange Traded Funds:

The Scheme will also invest in gold ETFs as gold, historically, has shown a low correlation with other asset classes like equity and debt making it a good asset for diversifying the overall portfolio.

PORTFOLIO TURNOVER

The Scheme is an open-ended scheme. It is expected that there would be a number of subscriptions and redemptions on a daily basis. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio.

There may be an increase in transaction cost such as brokerage paid, if trading is done frequently. However, the cost would be negligible as compared to the total expenses of the Scheme. Frequent trading may increase the profits which will offset the increase in costs. The fund manager will endeavor to optimize portfolio turnover to maximize gains and minimize risks keeping in mind the cost associated with it. However, it is difficult to estimate with reasonable accuracy, the likely turnover in the portfolio of the Scheme. The Scheme has no specific target relating to portfolio turnover

Debt and Money Markets in India

The Indian debt market is today one of the largest in Asia and includes securities issued by the Government (Central & State Governments), public sector undertakings, other government bodies, financial institutions, banks and corporates. Government and public sector enterprises are the predominant borrowers in the markets. The major players in the

Indian debt markets today are banks, financial institutions, mutual funds, insurance companies, primary dealers, trusts, pension funds and corporates. The Indian debt market is the largest segment of the Indian financial markets. The debt market comprises broadly two segments, viz. Government Securities market or G-Sec market and corporate debt market. The latter is further classified as market for PSU bonds and private sector bonds.

The Government Securities (G-Secs) market, with market capitalization of Rs. 22,14,424 cr as at April 2011 (State Govt securities – Rs 6,28,453 cr, Source: NSE), is the oldest and the largest component (77% share in market cap) of the Indian debt market in terms of market capitalization, outstanding securities and trading volumes. The G-Secs market plays a vital role in the Indian economy as it provides the benchmark for determining the level of interest rates in the country through the yields on the Government Securities which are referred to as the risk-free rate of return in any economy. Over the years, there have been new products introduced by the RBI like zero coupon bonds, floating rate bonds, inflation indexed bonds, etc.

The corporate bond market, in the sense of private corporate sector raising debt through public issuance in capital market, is only an insignificant part of the Indian Debt Market. The market capitalization of corporate debt market as on April 2011 is Rs.6,52,146 Cr (Source: NSE). A large part of the issuance in the non-Government debt market is currently on private placement basis.

The money markets in India essentially consist of the call money market (i.e. market for overnight and term money between banks and institutions), repo transactions (temporary sale with an agreement to buy back the securities at a future date at a specified price), commercial papers (CPs, short term unsecured promissory notes, generally issued by corporates), certificate of deposits (CDs, issued by banks) and Treasury Bills (issued by RBI). In a predominantly institutional market, the key money market players are banks, financial institutions, insurance companies, mutual funds, primary dealers and corporates. In money market, activity levels of the Government and nongovernment debt vary from time to time. Instruments that comprise a major portion of money market activity include but not limited to:

- Overnight Call
- Collateralised Borrowing & Lending Obligations (CBLO)
- Repo/Reverse Repo Agreement
- Treasury Bills
- Government securities with a residual maturity of < 1 year.
- Commercial Paper
- Certificate of Deposit

Apart from these, there are some other options available for short tenure investments that include MIBOR linked debentures with periodic exit options and other such instruments. Though not strictly classified as Money Market Instruments, PSU / DFI / Corporate paper with a residual maturity of < 1 year, are actively traded and offer a viable investment option.

The market has evolved in past 2-3 years in terms of risk premia attached to different class of issuers. Bank CDs have clearly emerged as popular asset class with increased acceptability in secondary market. PSU banks trade the tightest on the back of comfort from majority government holding. Highly rated manufacturing companies also command premium on account of limited supply. However, there has been increased

activity in papers issued by private/foreign banks/NBFCs/companies in high-growth sector due to higher yields offered by them. Even though companies across these sectors might have been rated on a same scale, the difference in the yield on the papers for similar maturities reflects the perception of their respective credit profiles.

The following table gives approximate yields prevailing on June 3, 2011 on some of the instruments and further illustrates this point.

Instrument	Current Yield range
CBLO	7-7.25
Repo	7.25
3m Tbill	8.05-8.15
1Y Tbill	8.25-8.35
10Y gsec	8.25-8.40
3m PSU Bank CD	9.65-9.75
3m NBFC CP	10-10.15
3m Manufacturing co. CP	9.90-10
1Y PSU Bank CD	10-10.10
1Y NBFC CP	10.25-10.50
1Y Manufacturing co. CP	10.25-10.50
5Y AAA Institutional Bond	9.50-9.60
10Y AAA Institutional Bond	9.70-9.80

Source: Bloomberg

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

RISK CONTROL

Risk management is going to be an integral part of the investment process. Effective risk management is critical to fund management for achieving financial soundness. Investments by the Scheme shall be made as per the investment objectives of the Scheme and provisions of the Regulations.

The investment team of the AMC will carry out rigorous in depth credit evaluation of the money market and debt instruments (other than GSecs) proposed to be invested in. The credit evaluation will essentially be a bottom up approach and include a study of the operating environment of the issuer, the past track record as well as the future prospects of the issuer and the short term / long term financial health of the issuer.

With respect to the equity component, the scheme would invest in a diversified portfolio of equity and equity related securities which would help alleviate the sector/market capitalization related concentration risk.

For portfolio diversification, the scheme will also invest in gold ETFs as gold, historically, has shown a low correlation to other asset classes like equity & debt.

The AMC has experienced investment professionals to help limit the investment universe to carefully selected high quality businesses.

The AMC would incorporate adequate safeguards for controlling risks in the portfolio construction process, which would be periodically evaluated. The scheme will also use derivatives and other hedging instruments, as may be permitted by SEBI and RBI, from time to time, in order to protect the value of the portfolio. The fund manager would also consider hedging the portfolios in case of predictable events with uncertain outcomes.

The risk control process involves identifying & measuring the risk through various Risk Measurement Tools.

The AMC has implemented the Bloomberg Portfolio Order Management System as Front Office System (FOS). The system has incorporated all the investment restrictions as per SEBI guidelines and “soft” warning alerts at appropriate levels for preemptive monitoring. The system enables identifying & measuring the risk through various risk measurement tools like various risk ratios, average duration and analyzes the same so as to act in a preventive manner.

DERIVATIVES STRATEGY

The Scheme may invest in various derivative instruments which are permissible under the applicable regulations. Such investments shall be subject to the investment objective and strategy of the Scheme and the internal limits if any, as laid down from time to time. These include but are not limited to futures (both stock and index) and options (stock and index).

Derivatives are financial contracts of pre-determined fixed duration, like stock futures/options and index futures and options, whose values are derived from the value of an underlying primary financial instrument such as: interest rates, exchange rates, commodities, and equities.

Derivatives can be either exchange traded or can be over the counter (OTC). Exchange traded derivatives are listed and traded on stock exchanges whereas OTC derivative transactions are generally structured between two counterparties.

The objectives of the various strategies include hedge stock / portfolio against market gyrations.

The risks associated with derivatives are similar to those associated with underlying investments. The additional risks of using derivative strategies could be on account of:

- Illiquidity;
- Potential mis - pricing of the Futures/Options;
- Lack of opportunity
- Inability of derivatives to correlate perfectly with the underlying (Indices, Assets, Exchange Rates);
- Cost of hedge can be higher than adverse impact of market movements;
- An exposure to derivatives in excess of the hedging requirements can lead to losses;
- An exposure to derivatives can also limit the profits from a genuine investment transaction.
- The prices which are seen on the screen need not be the same at which execution will take place.

For detailed risks associated with use of derivatives, please refer paragraph "Scheme Specific Risk Factors"

Concepts and Examples of derivatives which may be used by the fund manager:

Futures

Futures (Index & Stocks) are forward contracts traded on the exchanges & have been introduced both by BSE and NSE. Generally futures of 1 month (near month), 2 months (next month) and 3 months (far month) are presently traded on these exchanges. These futures expire on the last working Thursday of the respective months.

Illustration with Index Futures

In case the Nifty near month future contract is trading at say, Rs. 3,510, and the fund manager has a view that it will depreciate going forward; the Scheme can initiate a sale transaction of Nifty futures at Rs. 3,510 without holding a portfolio of equity stocks or any other underlying long equity position. Once the price falls to Rs. 3,400 after say, 20 days, the Scheme can initiate a square-up transaction by buying the said futures and book a profit of Rs. 110.

Correspondingly, if the fund manager has a positive view he can initiate a long position in the index / stock futures without an underlying cash/ cash equivalent subject to the extant regulations.

There are futures based on stock indices as mentioned above as also futures based on individual stocks. The profitability of index /stock future as compared to an individual security will inter-alia depend upon:

- The carrying cost,
- The interest available on surplus funds, and
- The transaction cost.

Example of a typical future trade and the associated costs

Particulars	Index Future	Actual Purchase of Stocks
Index at the beginning of the month	3500	3500
Price of 1 month future	3510	
A. Execution cost: Carry and other index future costs	10	
B. Brokerage cost: Assumed at	7.02	8.75
0.2% of Index Future		
0.25% for spot Stocks		
C. Gains on surplus fund: (Assumed 8% p.a. return on 85% of the money left after paying 15% margin) $(8\% \times 3500 \times 85\% \times 30 \text{ days} / 365)$	19.56	0
Total Cost (A+B-C)	-2.54	8.75

Some strategies that employ stock /index futures and their objectives:

(a) Arbitrage

(1) Selling spot and buying future: In case the Scheme holds the stock of a company "A" at say Rs. 100 while in the futures market it trades at a discount to the spot price say at Rs. 98, then the Scheme may sell the stock and buy the futures.

On the date of expiry of the stock future, the Scheme may reverse the transactions (i.e. buying at spot & selling futures) and earn a risk-free Rs. 2 (2% absolute) on its holdings without any dilution of the view of the fund manager on the underlying stock.

Further, the Scheme can still benefit from any movement of the price in the upward direction, i.e. if on the date of expiry of the futures, the stock trades at Rs. 110 which would be the price of the futures too, the Scheme will have a benefit of Rs 10 whereby the Scheme gets the 10% upside movement together with the 2% benefit on the arbitrage and thus getting a total return of 12%. The corresponding return in case of holding the stock would have been 10%.

Note: The same strategy can be replicated with a basket of Nifty- 50 stocks (Synthetic Nifty) and the Nifty future index.

(2) Buying spot and selling future: Where the stock of a company "A" is trading in the spot market at Rs. 100 while it trades at Rs. 102 in the futures market, then the Scheme may buy the stock at spot and sell in the futures market thereby earning Rs. 2.

Buying the stock in cash market and selling the futures results into a hedge where the Scheme has locked in a spread and is not affected by the price movement of cash market and futures market. The arbitrage position can be continued till expiry of the future contracts when there is a convergence between the cash market and the futures market. This convergence enables the Scheme to generate the arbitrage return locked in earlier.

(b) Buying/ Selling Stock future:

When the Scheme wants to initiate a long position in a stock whose spot price is at say, Rs.100 and futures is at 98, then the Scheme may just buy the futures contract instead of the spot thereby benefiting from a lower cost.

In case the Scheme has a bearish view on a stock which is trading in the spot market at Rs.98 and the futures market at say Rs. 100, the Scheme may subject to regulations, initiate a short position in the futures contract. In case the prices align with the view and the price depreciates to say Rs. 90, the Scheme can square up the short position thereby earning a profit of Rs.10 vis a vis a fall in stock price of Rs 8.

(c) Hedging:

The Scheme may use exchange-traded derivatives to hedge the equity portfolio. Both index and stock futures and options may be used to hedge the stocks in the portfolio.

(d) Alpha Strategy:

The Scheme will seek to generate alpha by superior stock selection and removing market risks by selling appropriate index. For example, one can seek to generate positive alpha by buying a bank stock and selling Bank Nifty future.

Execution of these strategies depends upon the ability of the fund manager to identify and execute based on such opportunities. These involve significant uncertainties and

decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

Option Contracts (Stock and Index)

An Option gives the buyer the right, but not the obligation, to buy (call) or sell (put) a stock at an agreed-upon price during a certain period of time or on a specific date.

Options are used to manage risk or as an investment to generate income. The price at which underlying security is contracted to be purchased or sold is called the Strike Price. Options that can be exercised on or before the expiration date are called American Options while, Options that can be exercised only on the expiration date are called European Options.

Options Risk / Return Pay-off Table

	Stock / Index Options	Buy Call	Sell Call	Buy Put	Sell Put
1	View on underlying	Positive	Negative	Negative	Positive
2	Premium	Pay	Receive	Pay	Receive
3	Risk Potential	Limited to premium paid	Unlimited	Limited to premium paid	Unlimited
4	Return Potential	Unlimited	Premium Received	Unlimited	Premium Received

Option contracts are of two types - Call and Put.

Call Option: A call option gives the buyer, the right to buy specified quantity of the underlying asset at the set strike price on or before expiration date and the seller (writer) of call option however, has the obligation to sell the underlying asset if the buyer of the call option decides to exercise the option to buy.

Put Option: A put option gives the buyer the right to sell specified quantity of the underlying asset at the set strike price on or before expiration date and the seller (writer) of put option however, has the obligation to buy the underlying asset if the buyer of the put option decides to exercise his option to sell.

Index Options / Stock Options

Index options / Stock options are termed to be an efficient way of buying / selling an index/stock compared to buying / selling a portfolio of physical shares representing an index for ease of execution and settlement. The participation can be done by buying / selling either Index futures or by buying a call/put option.

The risk are also different when index /stock futures are bought/sold visa- a- vis index/ stocks options as in case of an index future there is a mark to market variation and the risk is much higher as compared to buying an option, where the risk is limited to the extent of premium paid.

The illustration below explains how one can gain using Index call / put option. These same principles of profit / loss in an Index option apply in toto to that for a stock option.

Call Option

Suppose an investor buys a Call option on 1 lot of CNX Nifty (Lot Size: 50 units)

- Nifty index (European option).
- Nifty 1 Lot Size: 50 units
- Spot Price (S): 3500
- Strike Price (x): 3550 (Out-of-Money Call Option)
- Premium: 100

Total Amount paid by the investor as premium $[50 \times 100] = 5000$

There are two possibilities i.e. either the index moves up over the strike price or remains below the strike price.

Case 1- The index goes up

- An investor sells the Nifty Option described above before expiry:

Suppose the Nifty index moves up to 3600 in the spot market and the premium has moved to Rs 200 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1 Nifty call option as the option now is In the Money.

His gains are as follows:

- Nifty Spot: 3600
- Current Premium: Rs.200
- Premium paid: Rs.100
- Net Gain: $\text{Rs.}200 - \text{Rs.}100 = \text{Rs.}100$ per unit
- Total gain on 1 lot of Nifty (50 units) = $\text{Rs.}5000$ (50×100)

In this case the premium of Rs.200 has an intrinsic value of Rs.50 per unit and the remaining Rs.150 is the time value of the option.

- An investor exercises the Nifty Option at expiry

Suppose the Nifty index moves up to 3700 in the spot market on the expiry day and the investor decides to reverse his position in the market by exercising the Nifty call option as the option now is in The Money.

His gains are as follows:

- Nifty Spot: 3700
- Premium paid: Rs.100
- Exercise Price: 3550
- Receivable on exercise: $3700 - 3550 = 150$
- Total Gain: $\text{Rs.}2500 \{ (150 - 100) \times 50 \}$

In this case the realised gain is only the intrinsic value, which is Rs.50, and there is no time value.

Case 2 - The Nifty index moves to any level below 3550

Then the investor does not gain anything but on the other hand his loss is limited to the premium paid:

Net Loss is Rs.5000 (Loss is capped to the extent of Premium Paid)

(Rs 100 Premium paid * Lot Size: 50 units).

Put Option

Suppose an investor buys a Put option on 1 lot of CNX Nifty.

- Nifty 1 Lot Size: 50 units
- Spot Price (S): 3500
- Strike Price (x): 3450 (Out-of-Money Put Option)
- Premium: 30

- Total Amount paid by the investor as premium $[50 \times 30] = 1500$

There are two possibilities i.e. either the index moves over the strike price or moves below the strike price.

Let us analyze these scenarios.

Case 1 - The index goes down

- An investor sells the Nifty Option before expiry:

Suppose the Nifty index moves down to 3400 in the spot market and the premium has moved to Rs. 80 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1 Nifty Put Option as the option now is In The Money. His gains are as follows:

- Nifty Spot: 3400
- Premium paid: Rs.30
- Net Gain: $\text{Rs.80} - \text{Rs.30} = \text{Rs.50 per unit}$
- Total gain on 1 lot of Nifty (50 units) = $\text{Rs.2500} (50 \times 50)$

In this case the premium of Rs.80 has an intrinsic value of Rs.50 per unit and the remaining Rs.30 is the time value of the option.

An investor exercises the Nifty Option at expiry (It is an European Option)

Suppose the Nifty index moves down to 3400 in the spot market on the expiry day and the investor decides to reverse his position in the market by exercising the Nifty Put Option as the option now is In The Money.

His gains are as follows:

- Nifty Spot: 3400
- Premium paid: Rs.30
- Exercise Price: 3450
- Gain on exercise: $3450 - 3400 = 50$
- Total Gain: $\text{Rs.1000} \{(50 - 30) \times 50\}$

In this case the realised amount is only the intrinsic value, which is Rs.50, and there is no time value in this case.

Case 2 - If the Nifty index stays over the strike price which is 3450, in the spot market then the investor does not gain anything but on the other hand his loss is limited to the premium paid.

- Nifty Spot: > 3450
- Net Loss Rs.1500 (Loss is capped to the extent of Premium Paid)
(Rs 30 Premium paid * Lot Size: 50 units).

Investment in Fixed Income Derivative Instruments:

The Scheme may use Derivative instruments like interest rate swaps like overnight indexed swaps (OIS), forward rate agreements, interest rate futures(as and when permitted) or such other Derivative instruments as may be permitted under the applicable regulations. Derivatives will be used for the purpose of hedging, and portfolio balancing or such other purpose as may be permitted under the regulations and Guidelines from time to time.

The Fund will be allowed to take exposure in interest rate swaps only on a non-leveraged basis. A swap will be undertaken only if there is an underlying asset in the portfolio. In terms of Circular No. MFD.BC.191/07.01.279/1999-2000 and MPD.BC.187/07.01.279/1999-

2000 dated November 1, 1999 and July 7, 1999 respectively issued by RBI permitting participation by Mutual Funds in interest rate swaps and forward rate agreements, the Fund will use Derivative instruments for the purpose of hedging and portfolio balancing. The Fund may also use derivatives for such purposes as maybe permitted from time to time. Further, the guidelines issued by RBI from time to time for forward rate agreements and interest rate swaps and other derivative products would be adhered to by the Mutual Fund.

IRS and FRAs do also have inherent credit and settlement risks. However, these risks are substantially reduced as they are limited to the interest streams and not the notional principal amounts.

Investments in Derivatives will be in accordance with the extant SEBI regulations / guidelines. Presently Derivatives shall be used for hedging and / or portfolio balancing purposes, as permitted under the Regulations. The circumstances under which such transactions would be entered into would be when, for example using the IRS route it is possible to generate better returns / meet the objective of the Scheme at a lower cost. e.g. if buying a 2 Yr Mibor based instrument and receiving the 2 Yr swap rate yields better return than the 2 Yr AAA corporate, the Scheme would endeavor to do that. Alternatively, the Scheme would also look to hedge existing fixed rate positions if the view on interest rates is that it would likely rise in the future.

The following information provides a basic idea as to the nature of the Derivative instruments proposed to be used by the Fund and the benefits and risks attached therewith. Please note that the examples have been given for illustration purposes only.

Using Overnight Indexed Swaps

In a rising interest rate scenario, the Scheme may enhance returns for the Investor by hedging the risk on its fixed interest paying assets by entering into an OIS contract where the Scheme agrees to pay a fixed interest rate on a specified notional amount, for a pre determined tenor and receives floating interest rate payments on the same notional amount. The fixed returns from the Scheme assets and the fixed interest payments to be made by the Scheme on account of the OIS transaction offset each other and the Scheme benefits on the floating interest payments that it receives. The Scheme may enter into an opposite position in case of a falling interest rate scenario, i.e. to hedge the floating rate assets in its portfolio the Scheme enters into an OIS transaction wherein it receives a fixed interest rate on a specified notional amount for a specified time period and pays a floating interest rate on the same notional amount. The floating interest payments that the Scheme receives on its floating rate securities and the floating interest payments that the Scheme has to pay on account of the OIS transaction offset each other and the Scheme benefits on the fixed interest payments that it receives in such a scenario.

Swap

Assume that the Scheme has a Rs. 20 crore floating rate investment linked to MIBOR (Mumbai Inter Bank Offered Rate). Hence, the Scheme is currently running an interest rate risk and stands to lose if the interest rate moves down. To hedge this interest rate risk, the Scheme can enter into a 6 month MIBOR swap. Through this swap, the Scheme will receive a fixed predetermined rate (assume 12%) and pays the "benchmark rate" (MIBOR), which is fixed by the NationNSE or any other agency such as Reuters. This swap would effectively lock-in the rate of 12% for the next 6 months, eliminating the daily

interest rate risk. This transaction is usually routed through an intermediary who runs a book and matches deals between various counterparties. The steps will be as follows:

Assuming the swap is for Rs. 20 Crores for June 1, 2009 to December 1, 2009. The Scheme is a fixed rate receiver at 12% and the counterparty is a floating rate receiver at the overnight rate on a compounded basis (say NSE MIBOR).

On June 1, 2009 the Scheme and the counterparty will exchange only a contract of having entered this swap. This documentation would be as per International Swap Dealers Association (ISDA) norms.

On a daily basis, the benchmark rate fixed by NSE will be tracked by them.

On December 1, 2009 they will calculate the following:

- The Scheme is entitled to receive interest on Rs. 20 Crores at 12% for 184 days i.e. Rs. 1.21 Crores, (this amount is known at the time the swap was concluded) and will pay the compounded benchmark rate.
- The counterparty is entitled to receive daily compounded call rate for 184 days & pay 12% fixed.
- On December 1, 2009, if the total interest on the daily overnight compounded benchmark rate is higher than Rs. 1.21 Crores, the Scheme will pay the difference to the counterparty. If the daily compounded benchmark rate is lower, then the counterparty will pay the Scheme the difference.
- Effectively the Scheme earns interest at the rate of 12% p.a. for six months without lending money for 6 months fixed, while the counterparty pays interest @ 12% p.a. for 6 months on Rs. 20 Crores, without borrowing for 6 months fixed.

The above example illustrates the use of Derivatives for hedging and optimizing the investment portfolio. Swaps have their own drawbacks like credit risk, settlement risk. However, these risks are substantially reduced as the amount involved is interest streams and not principal.

Forward Rate Agreement

Assume that on June 30, 2009, the 30 day commercial paper (CP) rate is 4% and the Scheme has an investment in a CP of face value Rs. 50 Crores, which is going to mature on July 31, 2009. If the interest rates are likely to remain stable or decline after July 31, 2009, and if the fund manager, who wants to re-deploy the maturity proceeds for 1 more month does not want to take the risk of interest rates going down, he can then enter into a following Forward Rate Agreement (FRA) say as on June 30, 2009:

He can receive 1 X 2 FRA on June 30, 2009 at 4.00% (FRA rate for 1 months lending in 1 months time) on the notional amount of Rs. 50 Crores, with a reference rate of 30 day CP benchmark. If the CP benchmark on the settlement date i.e. July 30, 2009 falls to 3.75%, then the Scheme receives the difference 4.00 – 3.75 i.e. 25 basis points on the notional amount Rs. 50 Crores.

Interest Rate Futures

Assume that the Fund holds an Indian ten year benchmark and the fund manager has a view that the yields will go up in the near future leading to decrease in value of the investment and subsequent decrease in Net Asset Value of the fund. The fund house decides to use Interest Rate Futures to mitigate the risk of decline of Net Asset Value of the fund.

12th October 2009

- The benchmark ten year paper 6.88 2009, is trading at INR 98.00 at a yield of 7.19%.
- December 2009 futures contract on the ten year notional 7% coupon bearing Government paper is trading at a yield of 7.29% at a price of INR 98.50.
- The mutual fund decides to hedge the exposure by taking a short position in December 2009 interest rate futures contract.

25th November 2009

- As expected by the fund manager the yield of the benchmark ten year paper has increased to 8% and the price has decreased to 92.70.
- The December 2009 futures contract is trading at a price of INR 93.17 indicating a yield of 8.05%
- The mutual fund unwinds the short position by buying the December 2009 futures contract. The transaction results in profit from the futures position, against the corresponding loss from the Government of India security position.

For details of risk factors relating to use of Derivatives, the investors are advised to refer to Scheme Specific Risk Factors.

F: FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the Scheme, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

(i) Type of a Scheme**(ii) Investment Objective****(iii) Terms of Issue**

- Liquidity provisions such as listing, Repurchase, Redemption.
- Aggregate fees and expenses charged to the Scheme.
- Any safety or guarantee net provided:

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustee shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unit holders is carried out unless:

- 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
- The Unit holders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE ?

The Scheme performance would be benchmarked against a customized composite benchmark comprising of S & P CNX Nifty, CRISIL Composite Bond Fund Index and INR Price of Gold.

The Composition of the benchmark would be:

Asset Class/Instruments	Benchmark	Percentage
Equity and Equity Related Instruments	S & P CNX Nifty	35
Debt and Money Market Instruments	CRISIL Composite Bond Fund Index	35
Gold Exchange Traded Funds	INR Price of Gold	30

As the Scheme intends to invest in a basket of equity, fixed income & gold ETFs, a customized benchmark has been created to compare its performance.

S&P CNX Nifty, being a well diversified index accounting for 24 sectors of the economy, is a suitable benchmark for the equity part of the Scheme. CRISIL Composite Bond Fund Index is an index which tracks the return on a composite portfolio of corporate bonds, commercial papers, certificate of deposits, government securities & CBLO making it a suitable benchmark for the debt portion of scheme. As Gold ETFs are primarily invested in physical gold, the gold ETF component of the scheme will be benchmarked against the INR price of gold.

The Trustee may change the benchmark in future if a benchmark better suited to the investment objective of the Scheme is available.

H. WHO MANAGES THE SCHE ME?

Name of Fund Manager	Ages and Qualification	Experience of the Fund Manager	Names of other schemes under his management
Mr. Chandresh Nigam	43 B. Tech, Post Graduate Diploma in Management(IIM Calcutta)	Mr. Chandresh Nigam has over 20 years of experience in the equity markets. <ul style="list-style-type: none"> • Head – Investments, Axis Asset Management Co. Ltd. (April 2010 till date) • Head – Equity, Axis Asset Management Co. Ltd.(July 01, 2009 till March 2010) • Advisor, TCG Advisory Services Pvt. Ltd. (From January 2005 till June 2009) • Fund Manager, Prudential ICICI Asset Management Company Ltd.(From July 2003 till January 2005) • Fund Manager, Zurich Asset Management Company (I) 	Axis Equity Fund (along with Mr. Pankaj Murarka) and Axis Tax Saver Fund (along with Mr. Jinesh Gopani).

		Pvt. Ltd. (From April 1993 till June 2003)	
Mr. R. Sivakumar	36 Bachelor of Technology, IIT, Madras PGDM, IIM, Ahmedabad)	<ul style="list-style-type: none"> • Head – Fixed Income & Products, Axis Asset Management Co. Ltd. (September 02, 2010 – till date) • Fund Manager – PMS, Axis Asset Management Co. Ltd. (August 2009 till September 01 2010) • Chief Operating Officer, Fortis Investment Management (India) Pvt. Ltd. - previously known as ABN AMRO Asset Management (India) Private Limited (Last position held – Chief Operating Officer. Previous roles included Fund Manager – Fixed Income, VP – Product Development and Portfolio Management and Head – Structured Products.) (April 2004 – July 2009) • Fund Manager – Fixed Income, Sundaram Asset Management Company Limited (January 2001 – March 2004) • Research Analyst, Zurich Asset Management (India) Private Limited (December 1999 – December 2000) 	Axis Liquid Fund, Axis Treasury Advantage Fund, Axis Short Term Fund, Axis Fixed Term Plan – Series 11, 12, 13 and Axis Dynamic Bond Fund (along with Mr. Ninad Deshpande), Axis Income Saver (along with Mr. Pankaj Murarka and Mr. Sudhanshu Asthana).
Mr. Sudhanshu Asthana	37, Bachelor in Economics, Master in Economics, Diploma in Investment Management, (NMIMS)	<ul style="list-style-type: none"> • Fund Manager - Equity, Axis Asset Management Co. Ltd. (April 1, 2011 till date) • Assistant Fund Manager, Axis Asset Management Co. Ltd. (August 17, 2009 till March 31, 2011) • Fund Manager – Equity, Barclays Wealth India Pvt. Limited. (October 2008-August 2009) • Fund Manager – Equity, SBI Funds Management Pvt. Limited. (July 2007-October 	Axis Income Saver (along with Mr. R. Sivakumar and Pankaj Murarka)

		2008) <ul style="list-style-type: none"> • Joint Fund Manager/Analyst – Equity, Quantum Asset Management Company Pvt. Limited (November 2005 - July 2007) • Equity Analyst, Quantum Advisor Pvt. Limited (May 2005 – October 2005) • Equity Analyst, BRICS Securities Limited (February 2005-April 2005) • Equity Analyst, Alchemy Share & Stock Brokers Pvt. Limited (October 2004-January 2005) • Equity Analyst, Sunidhi Consultancy Services Pvt. Limited (December 2003-October 2004) • Equity Analyst, Karvy Stock Broking Limited (May 2003-December 2003) • Equity Analyst, Tata TD Waterhouse Securities Pvt. Ltd. (April 2002-April 2003) • Equity Analyst, Birla Sunlife Securities Limited (June 1999-April 2002) 	
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Further, presently the Trustee/AMC has not designated a dedicated Fund Manager for investment in Foreign Securities. However, it shall be ensured that there is a dedicated fund manager for investment in foreign securities as and when the fund makes investment in foreign securities.

I. WHAT ARE THE INVESTMENT RESTRICTIONS?

Pursuant to Regulations, specifically the Seventh Schedule and amendments thereto, the following investment restrictions are currently applicable to the Scheme:

1. The Scheme shall not invest more than 10 per cent of its NAV in the equity shares or equity related instruments of any company
2. The Scheme shall not invest more than 5% of its NAV in the unlisted equity shares or equity related instruments
3. The Mutual Fund under all its Scheme(s) shall not own more than ten per cent of any company's paid up capital carrying voting rights.
4. The Scheme shall not invest more than 15% of its NAV in debt instruments issued by a single issuer, which are rated not below investment grade by a credit rating agency authorized to carry out such activities under the SEBI Act, 1992. Such investment limit may be extended to 20% of the NAV of the Scheme with the prior approval of the Trustee and the Board of AMC.

Such limit shall not be applicable for investment in Government Securities.

In case of investment in money market instruments, the Scheme shall not invest more than 30% of its net assets in Money Market Instruments issued by a single issuer. The limit shall not be applicable to investment in CBLOs, GSecs and T-Bills.

Investments within such limit can be made in the mortgaged backed securitised debt, which are rated not below investment grade by a credit rating agency, registered with SEBI.

5. The Scheme shall not invest more than 10% of its NAV in un-rated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the Scheme. All such investments shall be made with the prior approval of the Trustee and Board of AMC.
6. The Scheme may invest in other schemes of the Mutual Fund or any other mutual fund without charging any fees, provided the aggregate inter-scheme investment made by all the schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the Net Asset Value of the Fund.
7. The Scheme shall not make any investment in :
 - a) any unlisted security of an associate or group company of the sponsor; or
 - b) any security issued by way of private placement by an associate or group company of the sponsor; or
 - c) the listed securities of group companies of the sponsor which is in excess of 25% of the net assets; or
8. The Mutual Fund shall get the securities purchased transferred in the name of the Fund on account of the concerned Scheme, wherever investments are intended to be of a long-term nature.
9. Transfer of investments from one scheme to another scheme in the same Mutual Fund is permitted provided:
 - a. such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and
 - b. the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.
10. The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities:
 Provided that the Mutual Fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.

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

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

11. The Scheme shall not make any investment in any fund of funds scheme.
12. The Scheme will comply with the following restrictions for trading in exchange traded derivatives, as specified by SEBI vide its circular DNP/Cir-29/2005 dated September

14, 2005, Circular DNPD/Cir-30/2006 dated January 20, 2006 and Circular DNPD/Cir-31/2006 dated September 22, 2006:

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

- a. The Mutual Fund position limit in all index options contracts on a particular underlying index shall be Rs. 500 crores or 15% of the total open interest of the market in index options, whichever is higher, per stock exchange.
- b. This limit would be applicable on open positions in all options contracts on a particular underlying index.

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

- a. The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be Rs.500 crores or 15% of the total open interest of the market in index futures, whichever is higher, per stock exchange.
- b. This limit would be applicable on open positions in all futures contracts on a particular underlying index.

iii. Additional position limit for hedging

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

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

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

The Mutual Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts, is defined in the following manner:-

- a. For stocks having applicable market-wide position limit ('MWPL') of Rs. 500 crores or more, the combined futures and options position limit shall be 20% of applicable MWPL or Rs. 300 crores, whichever is lower and within which stock futures position cannot exceed 10% of applicable MWPL or Rs. 150 crores, whichever is lower.
- b. For stocks having applicable MWPL less than Rs. 500 crores, the combined futures and options position limit would be 20% of applicable MWPL and futures position cannot exceed 20% of applicable MWPL or Rs. 50 crores whichever is lower.

v. Position limit for each scheme of a Mutual Fund

The scheme-wise position limit / disclosure requirements shall be:

- a. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a Mutual Fund shall not exceed the higher of 1% of the free float market capitalization (in terms of number of shares)
or
5% of the open interest in the derivative contract on a particular underlying stock (in terms of number of contracts).
- b. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
- c. For index based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such

open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

- 13 Pending deployment of the funds of the Scheme in securities in terms of the investment objective of the Scheme, the AMC may park the Funds of the Scheme in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007 as may be amended from time to time:

The Scheme will comply with the following guidelines/restrictions for parking of funds in short term deposits:

- i. "Short Term" for such parking of funds by the Scheme shall be treated as a period not exceeding 91 days. Such short-term deposits shall be held in the name of the Scheme.
- ii. The Scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustee.
- iii. Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
- iv. The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
- v. The Scheme shall not park funds in short term deposit of a bank which has invested in that Scheme.

However, the above provisions will not apply to term deposits placed as margins for trading in cash and derivatives market.

- 14 The Scheme shall not advance any loans.

- 15 The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of repurchase/redemption of Units or payment of interest and/or dividend to the Unit holders.

Provided that the Fund shall not borrow more than 20% of the net assets of the individual Scheme and the duration of the borrowing shall not exceed a period of 6 month The Scheme will comply with the other Regulations applicable to the investments of Mutual Funds from time to time.

16. Further, SEBI vide its circular no. Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010 has prescribed the following investment restrictions w.r.t. investment in derivatives:

S. No.	Particulars
1	The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the scheme. Cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure.
2	The Scheme shall not write options or purchase instruments with embedded written options.
3	The total exposure related to option premium paid shall not exceed 20% of the net assets of the scheme.

4	<p>Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:</p> <ol style="list-style-type: none"> Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken. 								
5	Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.								
6	<p>Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:</p> <table border="1"> <thead> <tr> <th>Position</th><th>Exposure</th></tr> </thead> <tbody> <tr> <td>Long Future</td><td>Futures Price * Lot Size * Number of Contracts</td></tr> <tr> <td>Short Future</td><td>Futures Price * Lot Size * Number of Contracts</td></tr> <tr> <td>Option bought</td><td>Option Premium Paid * Lot Size * Number of Contracts.</td></tr> </tbody> </table>	Position	Exposure	Long Future	Futures Price * Lot Size * Number of Contracts	Short Future	Futures Price * Lot Size * Number of Contracts	Option bought	Option Premium Paid * Lot Size * Number of Contracts.
Position	Exposure								
Long Future	Futures Price * Lot Size * Number of Contracts								
Short Future	Futures Price * Lot Size * Number of Contracts								
Option bought	Option Premium Paid * Lot Size * Number of Contracts.								
7	The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases shall not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions shall not exceed 10% of the net assets of the scheme.								

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

Apart from the Investment Restrictions prescribed under the Regulations, internal risk parameters for limiting exposure to a particular scrip or sector may be prescribed from time to time to respond to the dynamic market conditions and market opportunities.

The AMC/Trustee may alter these above stated restrictions from time to time to the extent the Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its respective investment objective.

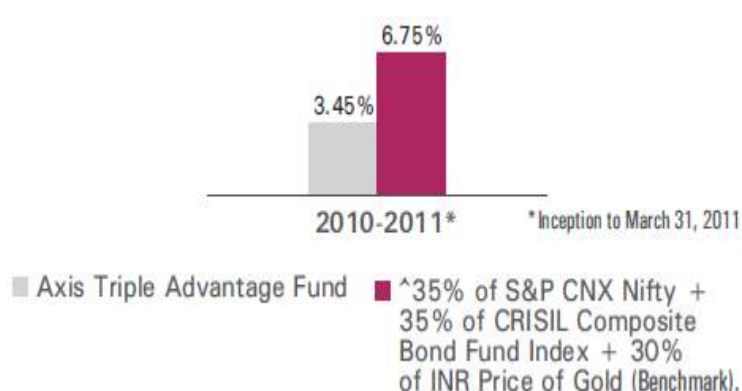
J. HOW HAS THE SCHEME PERFORMED?

Performance of the Scheme as at May 31, 2011 is as follows:

Period	Axis Triple Advantage Fund	Benchmark Return
Since Inception	4.66%	7.75%

Benchmark – 35% of S&P CNX Nifty + 35% of CRISIL Composite Bond Fund Index + 30% of INR price of Gold

Absolute returns for the past one financial year



Date of allotment –August 23, 2010

Past performance may or may not be sustained in future. Returns are absolute for period less than 1 year. Since inception returns are calculated on Rs. 10 invested at inception. Calculations are based on Growth Option NAVs.

K. Investments by the AMC

Subject to the Regulations, the AMC may invest either directly or indirectly, in the Scheme during the Ongoing Offer Period. However, the AMC shall not charge any investment management fee on such investment in the Scheme.

III. UNITS AND OFFER

This section provides details you need to know for investing in the Scheme.

A. NEW FUND OFFER (NFO)

New Fund Offer Period This is the period during which a new scheme sells its Units to the investors.	The New Fund Offer opened on June 30, 2010 and closed on July 29, 2010. The units under the Scheme were allotted on August 23, 2010.
New Fund Offer Price: This is the price per Unit that the investors have to pay to invest during	Not Applicable

the NFO.	
Minimum Amount for Application /Switch in in the NFO	Not Applicable
Minimum Target amount This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return. However, if AMC fails to refund the amount within 6 weeks, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of six weeks from the date of closure of the subscription period.	Not Applicable
Maximum amount to be raised (if any)	Not Applicable
Plans / Options offered	<p>The Scheme offers the following options:</p> <p>a) Growth Option</p> <p>b) Dividend Option.</p> <ol style="list-style-type: none"> 1. Dividend Payout Facility 2. Dividend Reinvestment Facility <p>a) Growth Option Dividends will not be declared under this Option. The income attributable to Units under this Option will continue to remain invested in the Scheme and will be reflected in the Net Asset Value of Units under this Option.</p> <p>b) Dividend Option Under this Option, dividends will be declared at the discretion of the Trustee, subject to availability of distributable surplus calculated in accordance with SEBI (MF) Regulations. On payment of dividend, the NAV of the units under Dividend option will fall to the extent of the dividend payout and applicable statutory levies, if any.</p> <p>It must be distinctly understood that the actual declaration of dividend and frequency thereof is at the sole discretion of Board of Directors of the Trustee Company. There is no assurance or guarantee to the Unit</p>

	<p>holders as to the rate of dividend distribution nor that the dividend will be paid regularly.</p> <p><u>Dividend Payout Facility</u> Under this facility, dividend declared, if any, will be paid (subject to deduction of dividend distribution tax and statutory levy, if any) to those Unit holders, whose names appear in the register of Unit holders on the notified record date.</p> <p><u>Dividend Reinvestment Facility</u> Under this facility, the dividend due and payable to the Unit holders will be compulsorily and without any further act by the Unit holder, reinvested in the Dividend option at a price based on the prevailing ex-dividend Net Asset Value per Unit. The amount of dividend re-invested will be net of tax deducted at source, wherever applicable. The dividends so reinvested shall constitute a constructive payment of dividends to the Unit holders and a constructive receipt of the same amount from each Unit holder for reinvestment in Units.</p> <p>On reinvestment of dividends, the number of Units to the credit of Unit holder will increase to the extent of the dividend reinvested divided by the Applicable NAV. There shall, however, be no Load on the dividend so reinvested.</p> <p>Default Option/facility The investor must clearly specify his choice of option/facility. In the absence of such clear instruction, it will be assumed that the investor has opted for 'default' option / facility and the application will be processed accordingly. The default option / facility are:</p> <p>Default Option: Growth (between Growth and Dividend)</p> <p>Default Facility: Dividend Reinvestment facility (between Dividend Reinvestment and Dividend Payout facility)</p>
Dividend Policy	<p>Under the Dividend option, the Trustee will have the discretion to declare the dividend, subject to availability of distributable surplus calculated in accordance with the Regulations. The actual declaration of dividend and frequency will inter-alia, depend on availability of distributable surplus calculated in accordance with SEBI (MF) Regulations and the decisions of the Trustee shall be final in this regard. There is no assurance or guarantee to the Unit holders as to the rate of dividend nor that the dividend will be paid regularly.</p> <p>The AMC/Trustee reserves the right to change the</p>

	<p>frequency of declaration of dividend or may provide for additional frequency for declaration of dividend.</p> <p>Dividend Distribution Procedure</p> <p>In accordance with SEBI Circular no. SEBI/ IMD/ Cir No. 1/ 64057/06 dated April 4, 2006, the procedure for Dividend distribution would be as under:</p> <ol style="list-style-type: none"> 1. Quantum of dividend and the record date will be fixed by the Trustee. Dividend so decided shall be paid, subject to availability of distributable surplus. 2. Within one calendar day of decision by the Trustee, the AMC shall issue notice to the public communicating the decision about the dividend including the record date, 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. 3. Record date shall be the date, which will be considered for the purpose of determining the eligibility of investors whose names appear on the register of Unit holders for receiving dividends. The Record Date will be 5 calendar days from the date of issue of notice. 4. The notice will, in font size 10, bold, categorically state that pursuant to payment of dividend, the NAV of the Scheme would fall to the extent of payout and statutory levy (if applicable). 5. The NAV will be adjusted to the extent of dividend distribution and statutory levy, if any, at the close of business hours on record date. 6. Before the issue of such notice, no communication indicating the probable date of dividend declaration in any manner whatsoever will be issued by Mutual Fund.
Allotment	Not Applicable
Refund	Not Applicable
<p>Who can invest</p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.</p>	<p>The following persons (subject to, wherever relevant, purchase of Units of mutual funds, being permitted under respective constitutions, and relevant statutory regulations) are eligible and may apply for Subscription to the Units of the Scheme:</p> <ol style="list-style-type: none"> 1. Resident adult individuals either singly or jointly (not

	<p>exceeding three) or on an Anyone or Survivor basis;</p> <p>2. Hindu Undivided Family (HUF) through Karta;</p> <p>3. Minor through parent / legal guardian;</p> <p>4. Partnership Firms including limited liability partnership firms;</p> <p>5. Proprietorship in the name of the sole proprietor;</p> <p>6. Companies, Bodies Corporate, Public Sector Undertakings (PSUs.), Association of Persons (AOP) or Bodies of Individuals (BOI) and societies registered under the Societies Registration Act, 1860(so long as the purchase of Units is permitted under the respective constitutions);</p> <p>7. Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions;</p> <p>8. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as "Public Securities" as required) and Private trusts authorised to invest in mutual fund schemes under their trust deeds;</p> <p>9. Non-Resident Indians (NRIs) / Persons of Indian origin (PIOs) residing abroad on repatriation basis or on non-repatriation basis;</p> <p>10. Foreign Institutional Investors (FIIs) and their sub-accounts registered with SEBI on repatriation basis;</p> <p>11. Army, Air Force, Navy and other para-military units and bodies created by such institutions;</p> <p>12. Scientific and Industrial Research Organisations;</p> <p>13. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / RBI;</p> <p>14. Provident/ Pension/ Gratuity Fund to the extent they are permitted;</p> <p>15. Other schemes of Axis Mutual Fund or any other mutual fund subject to the conditions and limits prescribed by the Regulations;</p> <p>16. The Trustee, AMC or Sponsor or their associates may subscribe to Units under the Scheme;</p>
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	17. Such other person as maybe decided by the AMC from time to time.
Who cannot invest	<p>1. Any individual who is a foreign national or any other entity that is not an Indian resident under the Foreign Exchange Management Act, 1999 (FEMA Act) except where registered with SEBI as a FII or sub account of FII or otherwise explicitly permitted under FEMA Act/ by RBI/ by any other applicable authority.</p> <p>2. Pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) can not invest in Mutual Funds.</p> <p>3. NRIs residing in Non-Compliant Countries and Territories (NCCTs) as determined by the Financial Action Task Force (FATF), from time to time.</p> <p>4. Such other persons as may be specified by AMC from time to time.</p>
Where can you submit the filled up applications.	Please refer the back cover page of the Scheme Information Document.
How to Apply	Please refer to the SAI and Application form for the instructions.
Listing	The Scheme is an open ended Scheme under which Sale and Repurchase will be made on a continuous basis and therefore listing on stock exchanges is not envisaged. However, the Trustee reserves the right to list the Units as and when open-end Schemes are permitted to be listed under the Regulations, and the Trustee considers it necessary in the interest of Unit holders of the Fund.
Special Products / facilities available during the NFO	Not Applicable
The policy regarding reissue of repurchased Units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.	Units once redeemed will be extinguished and will not be reissued.
Restrictions, if any, on the right to freely retain or dispose of Units being offered.	<p>Pledge of Units</p> <p>The Unit under the Scheme (subject to completion of Lockin Period, if any) may be offered as security by way of a pledge / charge in favour of scheduled banks, financial institutions, non-banking finance companies (NBFCs), or any other body. The AMC and / or the ISC will note and record such Pledged Units. The AMC shall mark a lien only upon receiving the duly completed form and documents as it may require. Disbursement of such loans will be at the entire discretion of the bank / financial</p>

	<p>institution / NBFC or any other body concerned and the Mutual Fund assumes no responsibility thereof.</p> <p>The Pledger will not be able to redeem Units that are pledged until the entity to which the Units are pledged provides written authorisation to the Mutual Fund that the pledge / lien charge may be removed. As long as Units are pledged, the Pledgee will have complete authority to redeem such Units. Dividends declared on Units under lien will be paid / re-invested to the credit of the Unit Holder and not the lien holder unless specified otherwise in the lien letter.</p> <p>Lien on Units</p> <p>On an ongoing basis, when existing and new Investors make Subscriptions, a lien on Units allotted will be created and such unit shall not be available for redemption until the payment proceeds are realised by the Scheme. In case a unit holder redeems units soon after making purchases, the redemption cheque will not be dispatched until sufficient time has elapsed to provide reasonable assurance that cheques or drafts for Units purchased have been cleared.</p> <p>In case the cheque / draft is dishonoured by the bank, the transaction shall be reversed and the Units allotted earlier shall be cancelled, and a fresh Account Statement / Confirmation slip shall be dispatched to the Unit holder. For NRIs, the Scheme may mark a lien on Units in case documents which need to be submitted are not given in addition to the application form and before the submission of the redemption request. However, the AMC reserves the right to change operational guidelines for lien on Units from time to time.</p> <p>Right to Limit Redemptions</p> <p>The Trustee may, in the general interest of the Unit holders of the Scheme and when considered appropriate to do so based on unforeseen circumstances / unusual market conditions, limit the total number of Units which may be redeemed on any Business Day to 5% of the total number of Units then in issue under the Scheme and option(s) thereof or such other percentage as the Trustee may determine. Any Unit which consequently are not redeemed on a particular Business Day will be carried forward for Redemption to the next Business Day, in order of receipt. Redemptions so carried forward will be priced on the basis of the Applicable NAV (subject to the prevailing Load, if any) of the Business Day on which Redemption is</p>
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	<p>made. Under such circumstances, to the extent multiple Redemption requests are received at the same time on a single Business Day, redemptions will be made on a prorata basis based on the size of each Redemption request, the balance amount being carried forward for Redemption to the next Business Day. In addition, the Trustee reserves the right, in its sole discretion, to limit redemptions with respect to any single account to an amount of Rs. 1,00,000/- in a single day.</p> <p>Also refer to the paragraph 'Suspension of Purchase and Redemption of Units' in the Statement of Additional Information.</p>
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B. ONGOING OFFER DETAILS

<p>Ongoing Offer Period</p> <p>This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period.</p>	<p>The Scheme has reopened for continuous subscription and redemption from August 28, 2010.</p>
<p>Ongoing price for subscription (purchase)/switch-in (from other schemes/plans of the mutual fund) by investors.</p> <p>This is the price you need to pay for purchase/switch-in.</p>	<p>At the Applicable NAV</p>
<p>Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors.</p> <p>This is the price you will receive for redemptions/switch outs.</p>	<p>At the Applicable NAV subject to prevailing Exit Load.</p> <p>Ongoing price for redemption /Switch out (to other Schemes/Plans of the Mutual Fund) is price which a Unit holder will receive for redemption/Switch-outs. During the continuous offer of the Scheme, the Unit holder can redeem the Units at Applicable NAV, subject to payment of Exit Load, if any. It will be calculated as follows:</p> <p>Redemption Price = Applicable NAV*(1-Exit Load, if any) Example: If the Applicable NAV is Rs. 10, Exit Load is 2% then redemption price will be: = Rs. 10* (1-0.02) = Rs. 9.80</p> <p>Investors/Unit holders should note that the AMC/Trustee has right to modify existing Load structure and to introduce Loads subject to a maximum limits prescribed under the Regulations.</p> <p>Any change in Load structure will be effective on prospective basis and will not affect the existing Unit holder in any manner.</p>

	<p>However, the Mutual Fund will ensure that the Redemption Price will not be lower than 93% of the Applicable NAV provided that the difference between the Redemption Price and the Subscription /Purchase Price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time, which is currently 7% calculated on the Subscription/ Purchase Price. The Purchase Price shall be at applicable NAV.</p>
<p>Cut off timing for subscriptions/ redemptions/ switches</p> <p>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p>Subscriptions/Purchases including Switch - ins: The following cut-off timings shall be observed by the Mutual Fund in respect of purchase of Units of the Scheme, and the following NAVs shall be applied for such purchase:</p> <ol style="list-style-type: none"> 1. where the application is received upto 3.00 pm with a local cheque or demand draft payable at par at the place where it is received – closing NAV of the day of receipt of application; 2. where the application is received after 3.00 pm with a local cheque or demand draft payable at par at the place where it is received – closing NAV of the next Business Day ; and 3. where the application is received with an outstation cheque or demand draft which is not payable on par at the place where it is received – closing NAV of day on which the cheque or demand draft is credited. <p>Redemptions including Switch - outs: The following cut-off timings shall be observed by the Mutual Fund in respect of Repurchase of Units:</p> <ol style="list-style-type: none"> 1. where the application received upto 3.00 pm – closing NAV of the day of receipt of application; and 2. an application received after 3.00 pm – closing NAV of the next Business Day. <p>The above mentioned cut off timing shall be applicable to transactions through the online trading platform.</p> <p>The Date of Acceptance will be reckoned as per the date & time; the transaction is entered in stock exchange's infrastructure for which a system generated confirmation slip will be issued to the investor.</p>
Where can the applications for	Refer Back Cover Page

purchase/redemption switches be submitted?	
Minimum amount for purchase/redemption/switches	<p>Minimum amount for purchase/Switch in</p> <p>Rs. 5,000 in multiples of Re 1/- thereafter</p> <p>Minimum Additional Purchase Amount</p> <p>Rs.100 and in multiples of Re. 1/- thereafter</p> <p>Minimum Redemption Amount/Switch Out</p> <p>Minimum Redemption - Rs. 1000 or 100 Units or account balance whichever is lower in respect of each Option. In case the Investor specifies the number of Units and amount the number of units shall be considered for Redemption. In case the unit holder does not specify the number or amount, the request will not be processed.</p> <p>In case of Units held in dematerialized mode, the Unit Holder can give a request for Redemption only in number of Units. Request for subscriptions can be given only in amount. Depository participants of registered Depositories to process only redemption request of units held in demat form.</p>
Minimum balance to be maintained and consequences of non maintenance.	<p>Currently, there is no minimum balance requirement. However, the AMC / Trustee may decide to introduce minimum balance requirements later, if they so deem fit. In such case, in the event of non-maintenance of minimum balance for any particular situations, the Units may be compulsorily redeemed.</p> <p>In case balance in the account of the Unit holder does not cover the amount of Redemption request, then the Mutual Fund is authorized to redeem all the Units in the folio and send the Redemption proceeds to the Unit holder.</p>
Special Products available	<p>Systematic Investment Purchase(SIP)</p> <p>Unit holder can enroll for the SIP facility by submitting duly completed Enrolment Form at the Official Point(s) of Acceptance. An Investor shall have the option of choosing any date of the Month as his SIP date other than 29th, 30th, or 31st of a month. Minimum amount per SIP installment is Rs 1,000 and in multiples of Re. 1 thereafter. Minimum number of installments under SIP is 36. If the SIP period is not specified by the unit holder then the SIP enrolment will be deemed to be for perpetuity and processed accordingly.</p> <p>SIP through post-dated cheques</p>

	<p>The date of the first cheque shall be the same as the date of the application while the remaining cheques shall be post dated cheques which shall be dated uniformly. Investors can invest in SIP by providing post-dated cheques to Official Point(s) of Acceptance. An Investor is eligible to issue only one cheque for each month in the same SIP enrolment form. All SIP cheques should be of the same amount and same date option. Cheques should be drawn in favour of the Fund and "A/c Payee only". A Letter will be forwarded to the Investor on successful registration of SIP. The Post Dated cheques will be presented on the dates mentioned on the cheque and subject to realization of the cheque.</p> <p>SIP through Electronic Clearing System (ECS)/Direct Debit</p> <p>Investors / Unit holders may also enroll for SIP facility through Electronic Clearing Service (Debit Clearing) of the RBI or for SIP Direct Debit Facility available with specified Banks / Branches. In order to enroll for SIP ECS Debit facility or Direct Debit Facility, an Investor must fill-up the Application Form for SIP ECS/ Direct Debit facility.</p> <p>In case of SIP with payment mode as ECS/Direct Debit, Investors shall be required to submit a cancelled cheque or a photocopy of a cheque of the bank account for which the ECS/debit mandate is provided.</p> <p>All SIP cheques/payment instructions should be of the same amount and same date(excluding first cheque). However, there should be a gap of 30 days between first SIP Installment and the second installment in case of SIP started during ongoing offer.</p> <p>Investors will have the right to discontinue the SIP facility at any time by sending a written request to any of the Official Point(s) of Acceptance. Notice of such discontinuance should be received at least 30 days prior to the due date of the next debit. On receipt of such request, the SIP facility will be terminated. It is clarified that if the Fund fails to get the proceeds from three Installments out of a continuous series of Installments submitted at the time of initiating a SIP (Subject to a minimum under SIP i.e. 36 months), the SIP is deemed as discontinued.</p> <p>Units will be allotted at the Applicable NAV of the respective dates on which the investments are sought to be made. In case the date falls on a Holiday or falls during a Book Closure period, the immediate next Business Day will be considered for this purpose</p>
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	<p>An extension of an existing SIP will be treated as a new SIP on the date of such application, and all the above conditions need to be met with. The Load structure prevailing at the time of submission of the SIP application (whether fresh or extension) will apply for all the Installments indicated in such application.</p> <p>The installment after the NFO period should be dated after the date of declaration of first NAV. Any payments intended for the interim period will not be processed and will be treated void.</p> <p>The AMC has the authority to make available SIP by way of a salary savings scheme for a group of employees through an arrangement with their employers.</p> <p>For applicable Load on Purchases through SIP, please refer paragraph 'Load Structure' given in the document.</p> <p>The AMC reserves the right to change / modify Load structure and other terms and conditions under the SIP prospectively at a future date. Please refer to the SIP Enrolment Form for terms & conditions before enrolment.</p> <p>Micro Systematic Investment Plan</p> <p>Systematic Investment Plans (SIPs) where aggregate of installments in a financial year i.e. April to March does not exceed Rs. 50,000/- (per financial year per investor).</p> <p>Micro Systematic Investment Plan</p> <p>The Unit holders will have the facility of Micro SIP under the current SIP facility. The key features of the facility are as under:</p> <ol style="list-style-type: none"> 1. Minimum amount per SIP installment is Rs. 100/- and in multiples of Re. 1 thereafter. 2. The minimum redemption amount will be Rs. 300/-. 3. Where the Mutual Fund fails to get the proceeds from six Installments out of a continuous series of Installments submitted at the time of initiating a SIP (Subject to a minimum under SIP i.e. 36 months), the SIP may be discontinued by the AMC. 4. All other features / guidelines of Systematic Investment Plan with reference to Standing
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	<p>Instruction / Direct Debit will be equally applicable for a Micro SIP.</p> <p>Investors with PAN are not eligible for simplified KYC procedure for Micro SIP investments – details of which have been provided in the Statement of Additional Information.</p> <p>For details, investors are requested to refer to the Micro SIP application form.</p> <p><u>Purchase / Redemption of units if the Scheme through Stock Exchange Infrastructure</u></p> <p>Investors can subscribe to the Units of Axis Mutual Fund through the mutual fund trading platforms of the Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE") – with NSDL and CDSL as depositories for such units of the mutual fund.</p> <p>NSE has introduced Mutual Fund Service System (MFSS) Platform and BSE has introduced BSE StAR MF Platform.</p> <p>The following are the salient features of the new facility introduced:</p> <ol style="list-style-type: none"> 1. The facility i.e. purchase/redemption/SIP (Systematic Investment Plan) is available for both existing and new investors. Switch Facility is not available. 2. The Investors will be eligible to purchase/redeem units of the Scheme. 3. Maximum subscription: <p>The investors can purchase units of the above listed schemes by using NSE MFSS/ BSE StAR platform for transaction value less than Rs. 1 Crore.</p> 4. List of additional Official Point of Acceptance <p>The following shall be the additional Official Point of Acceptance of Transactions for the scheme:</p> <p>All trading members of BSE & NSE who are registered with AMFI as Mutual Fund Advisors and also registered with BSE & NSE as Participants ("AMFI registered stock exchange brokers") will be eligible to offer this facility to investors and shall be treated as official point of acceptance.</p> <p>Units of mutual fund schemes shall be permitted to be</p>
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	<p>transacted through clearing members of the registered Stock Exchanges.</p> <p>Clearing members and Depository participants will be considered as Official Points of Acceptance (OPA) of Axis Mutual Fund and conditions stipulated in SEBI Circular No. SEBI /IMD / CIR No.11/183204/2009 dated November 13, 2009 for stock brokers viz. AMFI /NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund, shall be applicable for such Clearing members and Depository participants as well.</p> <p>5. The units of the Scheme are not listed on BSE & NSE and the same cannot be traded on the Stock Exchange. The window for purchase/redemption of units on BSE StAR & NSE MFSS will be available between 9 a.m. and 3 p.m. or such other timings as may be decided.</p> <p>6. Investors shall hold the units in dematerialized form only.</p> <p>7. Investors will be able to purchase/redeem units in the Scheme in the following manner:</p> <p>(i) Investors shall receive redemption amount (if units are redeemed) and units (if units are purchased) through broker/ clearing member's pool account. Axis Asset Management Company Limited (the "AMC")/Axis Mutual Fund (the "Mutual Fund") shall pay proceeds to the broker/clearing member (in case of redemption) and broker/clearing member in turn to the respective investor and similarly units shall be credited by the AMC/ Mutual Fund into broker/clearing member's pool account (in case of purchase) and broker/clearing member in turn shall credit the units to the respective investor's demat account.</p> <p>(ii) Payment of redemption proceeds to the broker/clearing members by AMC/Mutual Fund shall discharge AMC/Mutual Fund of its obligation of payment to individual investor. Similarly, in case of purchase of units, crediting units into broker/clearing member pool account shall discharge AMC/Mutual Fund of its obligation to allot units to individual investor.</p> <p>8. Applications for purchase/redemption of units which are incomplete /invalid are liable to be rejected.</p>
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9. For all the transactions done through these platforms, separate Folio. No. shall be allotted to the existing and the new investors. The bank a/c number, address, nomination details etc. shall be the same as per the Demat account of the investor. In case of non-financial requests/applications such as change of address, change of bank details, etc. investors should approach the respective Depository Participant(s).
10. Investors will have to comply with Know Your Customer (KYC) norms as prescribed by BSE/NSE/CDSL/ NSDL and Axis Mutual Fund to participate in this facility.
11. Investors should get in touch with Investor Service Centres (ISCs) of Axis Mutual Fund for further details.

Systematic Transfer Plan

This facility will be available to the investors only during the Ongoing Offer period.

Investors can opt for the Systematic Transfer Plan by investing a lumpsum amount in Axis Triple Advantage Fund and providing a standing instruction to transfer sums at regular intervals [Weekly option (every Wednesday), Fortnightly (every alternative Wednesday), Monthly (on specified dates i.e. 1st, 7th, 10th, 15th, 25th of every month) into any other scheme (as maybe permitted by the Scheme Information Document of the respective schemes) of Axis Mutual Fund. Investors could also opt for STP from an existing account by quoting their account / folio number. The investors would have to opt for a minimum of 6 transfers of Rs. 1000 in any of the frequencies.

A minimum period of 7 days shall be required for registration under STP.

Units will be allotted/redeemed at the applicable NAV of the respective dates of the Scheme on which such investments/withdrawals are sought from the Scheme.

The AMC reserves the right to introduce STPs at any other frequencies or on any other dates as the AMC may feel appropriate from time to time. In the event that such a day is a Holiday, the transfer would be affected on the next Business Day.

The STP may be terminated on a written notice of 7 days by a Unit holder of the Scheme and it will terminate automatically if all Units are liquidated or withdrawn from

the account or upon the Funds' receipt of notification of death or incapacity of the Unit holder.

Further, in case of a last STP, where the balance amount is less than the STP amount, the entire amount will be transferred to the transferee scheme.

Systematic Withdrawal Plan (SWP)

Existing Unitholders have the benefit of availing the choice of SWP on pre-specified dates. The SWP allows the Unitholder to withdraw a specified sum of money each month/quarter from his investments in the Scheme.

The amount thus withdrawn by redemption will be converted into Units at Applicable NAV based prices and the number of Units so arrived at will be subtracted from the Units balance to the credit of that Unitholder.

Unitholders may start the facility/change the amount of withdrawals or the period of withdrawals by giving a 15 days written intimation/notice. The SWP may be terminated by a Unitholder by giving 15 days written intimation/notice and it will terminate automatically if all the Units are liquidated or withdrawn from the account or the holdings fall below the SWP installment amount.

There are two options available under SWP viz-Monthly option and quarterly option, the details of which are given below:

	Monthly Option	Quarterly Option
Minimum value of SWP	Rs. 1,000	
Additional amount in multiples of	Re.1	
Dates of SWP Installment	1/5/10/15/25*	
Minimum No of SWP	Six	Four

* In the event that such a day is a holiday, the withdrawals would be affected on the next business day.

Contingent Deferred Sales Charge (CDSC)/Exit Load, if any, is applicable to SWP.

The AMC reserves the right to accept SWP applications of different amounts, dates and frequency.

Unitholders can enroll themselves for the facility by submitting the duly completed Systematic Withdrawal enrolment Form at any of the Investor Service

	<p>Centres(ISCs)/Official Points of Acceptance(OPAs). The AMC / Trustee reserve the right to change / modify the terms and conditions under the SWP prospectively at a future date.</p> <p>Switching Options</p> <p>(a) Inter - Scheme Switching option Unit holders under the Scheme have the option to Switch part or all of their Unit holdings in the Scheme to any other scheme offered by the Mutual Fund from time to time. The Mutual Fund also provides the Investors the flexibility to Switch their investments from any other scheme(s) / plan (s) offered by the Mutual Fund to this Scheme. This option will be useful to Unit holders who wish to alter the allocation of their investment among the scheme(s) / plan(s) of the Mutual Fund in order to meet their changed investment needs.</p> <p>The Switch will be effected by way of a Redemption of Units from the Scheme at Applicable NAV, subject to Exit Load, if any and reinvestment of the Redemption proceeds into another scheme offered by the Mutual Fund at Applicable NAV and accordingly the Switch must comply with the Redemption rules of switch out Scheme and the Subscription rules of the switch in scheme.</p> <p>(b) Intra -Scheme Switching option</p> <p>Unit holders under the Scheme have the option to Switch their Unit holding from one option to another option (i.e. Growth to Dividend and vice-a-versa). The Switches would be done at the Applicable NAV based prices and the difference between the NAVs of the two options will be reflected in the number of Unit allotted.</p> <p>Switching shall be subject to the applicable "Cut off time and Applicable NAV" stated elsewhere in the Scheme Information Document. In case of "Switch" transactions from one scheme to another, the allocation shall be in line with Redemption payouts.</p> <p>Transaction on Fax.</p> <p>In order to facilitate quick processing of transaction and / or instruction of investment of Investor the AMC/ Trustee/ Mutual Fund may (at its sole discretion and without being obliged in any manner to do so and without being responsible and/ or liable in any manner whatsoever) accept and process any application, supporting documents and / or instructions submitted by</p>
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	<p>an Investor / Unit holder by facsimile (Fax Submission) and the Investor / Unit holder voluntarily and with full knowledge takes and assumes any and all risk associated therewith. The AMC / Trustee/ Mutual Fund shall have no obligation to check or verify the authenticity or accuracy of Fax Submission purporting to have been sent by the Investor and may act thereon as if same has been duly given by the Investor. In all cases the Investor will have to immediately submit the original documents/ instruction to AMC/ Mutual Fund.</p> <p>Online Transactions</p> <p>Axis Mutual Fund will allow Transactions including by way of Lumpsum Purchase/ Redemption / Switch of Units by electronic mode through the AMC web –site. The Subscription proceeds, when invested through this mode, are by way of direct debits to the designated bank through payment gateway. The Redemption proceeds, (subject to deduction of tax at source, if any) through this mode, are directly credited to the bank account of the Investors who have an account at the designated banks with whom the AMC has made arrangements from time to time or through NEFT/RTGS or through cheque/Payorder/Demand draft issuance. The AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.</p> <p>Investment amount through this facility may be restricted by the AMC from time to time in line with prudent risk management requirements and to protect the overall interest of the Investors.</p> <p>For details of the facility, investors are requested to refer to the website of the AMC.</p> <p>Easy Call Facility</p> <p>All individual investors in the scheme applying on “Sole” or “Anyone or Survivor” basis in their own capacity shall be eligible to avail of Easy Call facilities for permitted transactions inter alia on the following terms and conditions: “Terms and Conditions” mean the terms and conditions set out below by which the Facility shall be used/availed by the Investor/s and shall include all modifications and supplements made by AMC thereto from time to time.</p> <p>Axis Mutual Fund will allow transactions including by way of Lumpsum Purchase/ Redemption / Switch of Units over phone. Initial Investment has to be through the physical mode wherein he has to sign a one time debit mandate</p>
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	<p>for bank accounts pertaining to designated banks with which the AMC may have an arrangement. This facility is extended to the bank with which the Fund would have an arrangement from time to time. Investment amount may be restricted by the AMC from time to time in line with prudent risk management requirements and to protect the overall interest of the Investors. Investor will be allowed transactions over phone after 30 days from the date of submission of one time mandate. Investor will not be permitted to avail the Easy call facility for Redemptions/Switch transactions if bank mandate is changed within last 15 days. AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.</p> <p>The AMC has a right to ask such information (Key Information) from the available data of the Investor/s before allowing him access to avail the Facility. If for any reason, the AMC is not satisfied with the replies of the Investor/s, the AMC has at its sole discretion the right of refusing access without assigning any reasons to the Investor/s.</p> <p>It is clarified that the Facility is only with a view to accommodate /facilitate the Investor/s and offered at the sole discretion of the AMC. The AMC is not bound and/or obliged in any way to give access to Facility to Investor/s.</p> <p>The Investor/s shall check his/her account records carefully and promptly. If the Investor/s believes that there has been a mistake in any transaction using the Facility, or that unauthorized transaction has been effected, the Investor/s shall notify the AMC immediately. If the Investor/s defaults in intimating the discrepancies in the statement within a period of fifteen days of receipt of the statements, he waives all his rights to raise the same in favour of the AMC, unless the discrepancy /error is apparent on the face of it. By opting for the facility the Investor/s hereby irrevocably authorizes and instructs the AMC to act as his /her agent and to do all such acts as AMC may find necessary to provide the Facility.</p> <p>The Investor/s shall at all times be bound by any modifications and/or variations made to these Terms and Conditions by the AMC at their sole discretion and without notice to them.</p> <p>The Investor/s agrees and confirms that the AMC has the right to ask the Investor/s for an oral or written confirmation of any transaction request using the Facility and/or any additional information regarding the</p>
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	<p>Account of the Investor/s.</p> <p>The Investor/s agrees and confirms that the AMC may at its sole discretion suspend the Facility in whole or in part at any time without prior notice.</p> <p>The Investor/s shall not assign any right or interest or delegate any obligation arising herein.</p> <p>The Investor/s shall take responsibility for all the transactions conducted by using the Facility and will abide by the record of transactions generated by the AMC. Further, the Investor/s confirms that such records generated by the AMC shall be conclusive proof and binding for all purposes and may be used as evidence in any proceedings and unconditionally waives all objections in this behalf.</p> <p>The Investor/s agrees that use of the Facility will be deemed acceptance of the Terms and Conditions and the Investor/s will unequivocally be bound by these Terms and Conditions. The Investor agrees that all calls received shall be eligible for same day NAV subject to necessary formalities to be complied by the AMC in case of transaction through Easy Call Facility on or before the uniform cut off time.</p> <p>Requests like change in bank mandate, change of nomination, change in mode of holding, change of address or such other requests as the AMC may decide from time to time will not be permitted using the Easy Call facility.</p> <p>INDEMNITIES IN FAVOUR OF THE AMC: The Investor/s shall not hold the AMC liable for the following:</p> <ol style="list-style-type: none"> 1) For any transaction using the Facilities carried out in good faith by the AMC on instructions of the Investor/s. 2) For the unauthorized usage/unauthorized transactions conducted by using the Facility. 3) For any loss or damage incurred or suffered by the Investor/s due to any error, defect, failure or interruption in the provision of the Facility arising from or caused by any reason whatsoever. 4) For any negligence / mistake or misconduct by the Investor/s. 5) For any breach or non-compliance by the Investor/s of the rules/terms and conditions stated in this Document. 6) For accepting instructions given by any one of the Investor/s in case of joint account/s having mode
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	<p>of operations as "Either or Survivor" or "anyone or survivor".</p> <ol style="list-style-type: none"> 7) For not verifying the identity of the person giving the telephone instructions in the Investor/s name. 8) For not carrying out any such instructions where the AMC has reason to believe (which decision of the AMC the Investor/s shall not question or dispute) that the instructions given are not genuine or are otherwise improper, unclear, vague or raise a doubt. 9) For carrying out a transaction after such reasonable verification as the AMC may deem fit regarding the identity of the Investor/s 10) In case of error in NAV communication. 11) For accepting instructions given by any one of the Investor/s or his / her authorized person. <p>MISCELLANEOUS:</p> <ol style="list-style-type: none"> 1) The Investor/s agrees and understands that while this Facility is being introduced without any charges being levied; in case charges are to be levied on a future date he agrees to pay such charges and nonpayment in such an event can lead to termination of these services. 2) Any dispute arising out of or in connection with these Terms and Conditions, will be referred to the arbitration of a sole arbitrator to be appointed by the AMC, in accordance with the Arbitration & Conciliation Act, 1996. 3) These Terms and Conditions are subject to applicable SEBI (Mutual Funds) Regulations, 1996 as amended from time to time and includes Guidelines, Circular press release or Notification that may be issued. <p>Application via electronic mode:</p> <p>Subject to the Investor fulfilling certain terms and conditions stipulated by the AMC as under, Axis Asset Management Company Limited, Axis Mutual Fund or any other agent or representative of the AMC, Mutual Fund, the Registrar & Transfer Agents may accept transactions through any electronic mode including fax/web/ electronic transactions as permitted by SEBI or other regulatory authorities :</p> <ol style="list-style-type: none"> a) The acceptance of the fax/web/electronic transactions will be solely at the risk of the transmitter of the fax/web/ electronic transactions
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	<p>and the Recipient shall not in any way be liable or responsible for any loss, damage caused to the transmitter directly or indirectly, as a result of the transmitter sending or purporting to send such transactions.</p> <p>b) The recipient will also not be liable in the case where the transaction sent or purported to be sent is not processed on account of the fact that it was not received by the Recipient.</p> <p>c) The transmitter's request to the Recipient to act on any fax/web/electronic transmission is for the transmitter's convenience and the Recipient is not obliged or bound to act on the same.</p> <p>d) The transmitter acknowledges that fax/web/electronic transactions is not a secure means of giving instructions/ transactions requests and that the transmitter is aware of the risks involved including those arising out of such transmission.</p> <p>e) The transmitter authorizes the recipient to accept and act on any fax/web/ electronic transmission which the recipient believes in good faith to be given by the transmitter and the recipient shall be entitled to treat any such fax/web/ electronic transaction as if the same was given to the recipient under the transmitter's original signature.</p> <p>f) The transmitter agrees that security procedures adopted by the recipient may include signature verification, telephone call backs which may be recorded by tape recording device and the transmitter consents to such recording and agrees to cooperate with the recipient to enable confirmation of such fax/web/ electronic transaction requests.</p> <p>g) The transmitter accepts that the fax/web/ electronic transactions, where applicable shall not be considered until time stamped as a valid transaction request in the Scheme in line with the Regulations.</p> <p>In consideration of the recipient from time to time accepting and at its sole discretion acting on any fax/ web/electronic transaction request received / purporting to be received from the transmitter, the transmitter agrees to indemnify and keep indemnified the AMC, Directors, employees, agents, representatives</p>
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	<p>of the AMC, Axis Mutual Fund and Trustee from and against all actions, claims, demands, liabilities, obligations, losses, damages, costs and expenses of whatever nature (whether actual or contingent) directly or indirectly suffered or incurred, sustained by or threatened against the indemnified parties whatsoever arising from or in connection with or any way relating to the indemnified parties in good faith accepting and acting on fax/web/ electronic transaction requests including relying upon such fax/ electronic transaction requests purporting to come from the Transmitter even though it may not come from the Transmitter.</p> <p>The AMC reserves the right to discontinue the facility at any point of time.</p>
Accounts Statements	<p>For normal transactions (other than SIP/STP/SWP) during ongoing Sales and Repurchase:</p> <ul style="list-style-type: none"> • The Account Statement reflecting the new or additional subscription as well as redemption / switch of Units shall be dispatched to the Unit holder within 5 days from the date of receipt of request from the unit holder. • However, 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. • For those unit holders who have provided an e-mail address, the AMC will send the account statement by e-mail. • Unit holders will be required to download and print the documents after receiving e-mail from the Mutual Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties. • The Unit holder may request for a physical account statement by writing/calling the AMC/ISC/R&T. <p>For SIP / STP / SWP transactions;</p> <ul style="list-style-type: none"> • Account Statement for SIP, SWP, STP will be despatched once every quarter ending March, June,

	<p>September and December within 10 working days of the end of the respective quarter.</p> <ul style="list-style-type: none"> • A soft copy of the Account Statement shall be mailed to the Investors under SIP/STP/SWP to their e-mail address on a monthly basis, if so mandated. • However, the first Account Statement under SIP/STP/SWP shall be issued within 10 working days of the initial investment/transfer/withdrawal. • In case of specific request received from Investors, Mutual Funds shall provide the account statement (SIP/STP/SWP) to the Investors within 5 working days from the receipt of such request without any charges. <p>Annual Account Statement:</p> <ul style="list-style-type: none"> • The Mutual Funds shall provide the Account Statement to the Unit holders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Unit prior to the date of generation of the account statement, • The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme. <p>Alternately, soft copy of the account statements shall be mailed to the Investors' e-mail address, instead of physical statement, if so mandated.</p>
Dividend	<p>The Dividend warrants/cheque/demand draft shall be dispatched to the Unit holders within 30 days of the date of declaration of the Dividend.</p> <p>The Dividend proceeds will be paid by way of ECS / EFT / NEFT / RTGS / Direct credits/ any other electronic manner if sufficient banking account details are available with Mutual Fund for Investor.</p> <p>In case of specific request for Dividend by warrants/cheques/demand drafts or unavailability of sufficient details with the Mutual Fund, the Dividend will be paid by warrant/cheques/demand drafts and payments will be made in favour of the Unit holder (registered holder of the Units or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Mutual Fund (please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI).</p>
Redemption	How to Redeem

	<p>A Transaction Slip can be used by the Unit Holder to request for Redemption. The requisite details should be entered in the Transaction Slip and submitted at an ISC/Official Point of Acceptance. Transaction Slips can be obtained from any of the ISCs/Official Points of Acceptance. Investor can also place redemption through Telephone using Easy Call facility or may redeem Online through the AMC's website subject to the terms and conditions as maybe stipulated from time to time.</p> <p>Procedure for payment of redemption.</p> <p>1. Resident Investors</p> <p>Redemption proceeds will be paid to the investor through Real Time Gross Settlement (RTGS), NEFT, Direct Credit, Cheque or Demand Draft.</p> <ol style="list-style-type: none"> If investor had provided IFSC code in the application form, by default redemption proceeds shall be to be credited to Investor's account through RTGS/NEFT. If Investor has neither provided RTGS code nor the NEFT code but have a bank account with Banks with whom the Fund would has an arrangement for Direct Credit from time to time, the proceeds will be paid through direct credit. Incase if investor bank account does not fall in the above a to b categories, redemption proceeds will be paid by cheques/demand drafts, marked "Account Payee only" and drawn in the name of the sole holder / first-named holder (as determined by the records of the Registrar). The bank name and bank account number, as specified in the Registrar's records, will be mentioned in the cheque/demand draft. The cheque will be payable at par at all bank branch or specific cities. If the Unit Holder resides in any other city, he will be paid by a demand draft payable at the city of his residence and the demand draft charges shall be borne by the AMC (please refer SAI for details). <p>The redemption proceeds will be sent by courier or (if the addressee city is not serviced by the courier) by registered post/UCP. The dispatch for the purpose of delivery through the courier / postal department, as the case may be, shall be</p>
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	<p>treated as delivery to the investor. The AMC / Registrar are not responsible for any delayed delivery or non-delivery or any consequences thereof, if the dispatch has been made correctly as stated in this paragraph.</p> <p>The AMC reserves the right to change the sequence of payment from (a) to (c) without any prior notice</p> <p>For Unit holders who have given specific request for Cheque/Demand Draft Redemption proceeds will be paid by cheque/demand drafts and payments will be made in favour of the Unit holder with bank account number furnished to the Mutual Fund</p> <p>(Please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI). Redemption cheques will be sent to the Unit holder's address.</p> <p>The Mutual Fund will endeavor to dispatch the redemption proceeds within 10 Business Days from the date of Redemption. If the payment is not made within the period stipulated in the Regulations, the Unit Holder shall be paid interest @15% p.a. or as specified by SEBI for the delayed period and the interest shall be borne by the AMC.</p> <p>The Trustee, at its discretion at a later date, may choose to alter or add other modes of payment.</p> <p>2. Non-Resident Investors</p> <p>For NRIs, Redemption proceeds will be remitted depending upon the source of investment as follows:</p> <p>(i) Repatriation basis</p> <p>When Units have been purchased through remittance in foreign exchange from abroad or by cheque / draft issued from proceeds of the Unit Holder's FCNR deposit or from funds held in the Unit Holder's Non Resident (External) account kept in India. The proceeds can also be sent to his Indian address for crediting to his NRE / FCNR / non-resident (Ordinary) account, if desired by the Unit Holder.</p> <p>(ii) Non-Repatriation basis</p> <p>When Units have been purchased from funds held in the Unit Holder's non-resident (Ordinary) account, the proceeds will be sent to the Unit Holder's Indian address</p>
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	<p>for crediting to the Unit Holder's non-resident (Ordinary) account.</p> <p>For FIs, the designated branch of the authorized dealer may allow remittance of net sale / maturity proceeds (after payment of taxes) or credit the amount to the Foreign Currency account or Non-resident Rupee account of the FI maintained in accordance with the approval granted to it by the RBI. The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations, while converting the rupee amount in foreign exchange in the case of transactions with NRIs / FIs. The Fund may make other arrangements for effecting payment of redemption proceeds in future.</p> <p>Effect of Redemptions</p> <p>The number of Units held by the Unit Holder in his / her / its folio will stand reduced by the number of Units Redeemed. Units once redeemed will be extinguished and will not be re-issued.</p> <p>The normal processing time may not be applicable in situations where such details are not provided by investors/Unit holders. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques and/or any delay/loss in transit.</p> <p>Unclaimed Redemptions and Dividends</p> <p>As per circular no. MFD / CIR / 9 / 120 / 2000, dated November 24, 2000 issued by SEBI, the unclaimed Redemption and dividend amounts shall be deployed by the Fund in money market instruments only. The unclaimed Redemption and dividend amounts shall be deployed 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. The circular also specifies that investors who claim these amounts during a period of three years from the due date shall be paid at the prevailing NAV. Thus, 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. In terms of the circular, the onus is on the AMC to make a continuous effort to remind investors through letters to take their unclaimed amounts. The details of such unclaimed amounts shall be disclosed in the annual report sent to the Unit Holders.</p> <p>AMC reserves the right to provide the facility of redeeming Units of the Scheme through an alternative</p>
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	<p>mechanism including but not limited to online transactions on the Internet, as may be decided by the AMC from time to time. The alternative mechanism may also include electronic means of communication such as redeeming Units online through the AMC Website or any other website etc. The alternative mechanisms would be applicable to only those investors who opt for the same in writing and/or subject to investor fulfilling such conditions as AMC may specify from time to time.</p> <p>Signature mismatches If the AMC / Registrar finds a signature mismatch, while processing the redemption/ switch out request, then the AMC/ Registrar reserves the right to process the redemption only on the basis of supporting documents confirming the identity of the investors. List of such documents would be notified by AMC from time to time on its website.</p> <p>Important Note: All applicants for Purchase of Units /Redemption of Units must provide a bank name, bank account number, branch address, and account type in the Application Form.</p>
Delay in payment of redemption / repurchase proceeds	<p>The AMC shall be liable to pay interest to the Unit holders at 15% or such other rate as may be prescribed by SEBI from time to time, in case the Redemption / Repurchase proceeds are not made within 10 Business Days of the date of Redemption / Repurchase. However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC / Trustee is required to obtain from the Investor / Unit holders verification of identity or such other details relating to Subscription for Units under any applicable law or as may be requested by a Regulatory Agency or any government authority, which may result in delay in processing the application.</p>

C. PERIODIC DISCLOSURES

<p>Net Asset Value</p> <p>This is the value per Unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your Unit balance.</p>	<p>The AMC will calculate and disclose the NAV of the Scheme on all the Business Days. The NAV of the Scheme and purchase/Redemption price shall be published at least in two daily newspapers on daily basis in accordance with the Regulations. The AMC shall update the NAVs on the website of the AMC (www.axismf.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 9.00 p.m. on every Business Day. If the NAVs are not available before the commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.</p>
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	Information regarding NAV can be obtained by the Unit holders / Investors by calling or visiting the nearest ISC.		
Half yearly Disclosures: Portfolio / Financial Results This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.	<p>The Mutual Fund shall publish a complete statement of the Scheme portfolio and the unaudited financial results, within one month from the close of each half year (i.e. 31st March and 30th September), by way of an advertisement at least, in one National English daily and one regional newspaper in the language of the region where the head office of the Mutual Fund is located.</p> <p>The Mutual Fund may opt to send the portfolio to all Unit holders in lieu of the advertisement (if applicable).</p> <p>The Portfolio Statement will also be displayed on the website of the AMC and AMFI.</p>		
Half Yearly Results	<p>The Mutual Fund and AMC shall before the expiry of one month from the close of each half year i.e. 31st March and on 30th September, publish its unaudited financial results in one national English daily newspaper and in a regional newspaper published in the language of the region where the Head Office of the Mutual Fund is situated.</p> <p>The unaudited financial results will also be displayed on the website of the AMC and AMFI.</p>		
Annual Report	<p>The Scheme wise annual report or an abridged summary thereof shall be mailed (emailed, where e mail id is provided unless otherwise required) to all Unit holders not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year) and full annual report shall be available for inspection at the Head Office of the Mutual Fund and a copy shall be made available to the Unit holders on request on payment of nominal fees, if any. Scheme wise annual report shall also be displayed on the website of the AMC (www.axismf.com) and Association of Mutual Funds in India (www.amfiindia.com).</p>		
Associate Transactions	Please refer to Statement of Additional Information (SAI).		
Taxation The information is provided for general information only. However, in view of the individual nature of the	Axis Triple Advantage Fund – a non equity oriented fund – taxation as applicable to a debt fund		
		Resident Investors	Mutual Fund

implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.	Tax on Dividend	Nil	Dividend Distribution Tax (DDT) Individual / HUF - 14.1625% Others - 22.66%*
	Capital Gains: Long Term	10%/20%	Nil
	Short Term	Income tax rate applicable to the Unit holders as per their income slabs.	Nil
	1. Axis Mutual Fund is a Mutual Fund registered with the Securities & Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from income tax in accordance with the provisions of Section 10(23D) of the Income-tax Act 2. On Income Distribution if any, made by the Mutual Fund, additional income-tax is payable under section 115R of the Act, in the case of its schemes (other than equity-oriented funds and a money market mutual fund or a liquid fund). The additional income-tax on distribution of income to an individual / Hindu Undivided family (HUF) shall be payable by the Mutual fund at the rate of 14.1625%* and at the rate of 22.66%* on distribution of income to any other investor. * including applicable surcharge, education cess and secondary and higher education cess.		
	For further details on taxation please refer to the clause on Taxation in the SAI		
Investor services	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" (toll-free number) or 4325 5100 (at local call rate for enquiring at AMC ISC's) or email – 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.		

	<p>Any complaints should be addressed to Mr. Milind Vengurlekar who has been appointed as the Investor Relations Officer and can be contacted at:</p> <p>Address : Axis House, 1st Floor, Bombay Dyeing Mill Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 025 Phone no.: 022 43254138/4123</p> <p>For any grievances with respect to transactions through BSE StAR and / or NSE MFSS, the investors / Unit Holders should approach either the stock broker or the investor grievance cell of the respective stock exchange.</p>
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D. COMPUTATION OF NAV

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

The Net Assets Value (NAV) of the Units under the Scheme shall be calculated as shown below:

$$\text{NAV (Rs.)} = \frac{\text{Market or Fair Value of Scheme + including Accrued - and Provisions Investments} + \text{Current Assets Income} - \text{Current Liabilities}}{\text{No. of Units outstanding under Scheme on the Valuation Day}}$$

The NAV shall be calculated up to two decimal places. However the AMC reserves the right to declare the NAVs up to additional decimal places as it deems appropriate. Separate NAV will be calculated and disclosed for each Option. The NAVs of the Growth Option and the Dividend Option will be different after the declaration of the first Dividend.

The AMC will calculate and disclose the NAV of the Scheme on all the Business Days.

IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the scheme.

A. NEW FUND OFFER (NFO) EXPENSES

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

In accordance with the provisions of SEBI Circular no. SEBI/ IMD/CIR No. 1/64057/06 dated April 04, 2006 and SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009, the

Scheme, being an open-ended scheme, the NFO expenses shall be borne by the AMC/Sponsor.

B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the Scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:

The AMC has estimated that up to 2.5% of the daily average net assets of the Scheme will be charged to the Scheme as expenses. For the actual current expenses being charged, the Investor should refer to the website of the AMC.

Particulars	% of Net Assets
Investment Management & Advisory Fee	1.25
Service Tax on Investment Management & Advisory Fee	0.13
Custodial Fees	0.05
Registrar & Transfer Agent Fees including cost related to providing accounts statement, Dividend/Redemption cheques/warrants etc.	0.10
Marketing & Selling Expenses including Agents Commission and statutory advertisement	0.62
Brokerage & Transaction Cost pertaining to the distribution of units	-
Audit Fees / Fees and expenses of trustee	0.10
Costs related to Investor communications	0.15
Costs of fund transfer from location to location	-
Other Expenses*	0.10
Total Recurring Expenses	2.50

*Any other expenses which are directly attributable to the scheme maybe charged with the approval of the Trustee within the overall limits as specified in the Regulations except those expenses which are specifically prohibited.

These estimates have been made in good faith as per the information available to the Investment Manager and are subject to change inter-se or in total subject to prevailing Regulations. The AMC may incur actual expenses which may be more or less than those estimated above under any head and/or in total. Type of expenses charged shall be as per the Regulations.

The AMC will charge the Scheme such actual expenses incurred, subject to the statutory limit prescribed in the Regulations.

The recurring expenses of the Scheme (including the Investment Management and Advisory Fees) shall be as per the limits prescribed under the SEBI (MF) Regulations. These are as follows:

On the first Rs. 100 crores of the average weekly net assets - 2.50%

On the next Rs. 300 crores of the average weekly net assets - 2.25%

On the next Rs. 300 crores of the average weekly net assets – 2.00%

On the balance of the assets - 1.75%

The AMC may charge the Mutual Fund with investment and advisory fee as prescribed in the SEBI (MF) Regulations from time to time and as permitted by the Investment Management Agreement. Presently, the SEBI (MF) Regulations permit fees as follows:

- i) 1.25% of the weekly average net assets outstanding in each accounting year for the Scheme concerned as long as the net assets do not exceed Rs.100 crore, and
- ii) 1% of the excess amount over Rs.100 crore, where net assets so calculated exceed Rs.100 crore.

The total expenses of the Scheme(s) including the investment management and advisory fee shall not exceed the limit stated in Regulation 52(6) of the SEBI (MF) Regulations.

Any expenditure in excess of the SEBI regulatory limits shall be borne by the AMC or the Sponsor.

The current expense ratios will be updated on the AMC website viz. www.axismf.com within two working days mentioning the effective date of the change.

C. LOAD STRUCTURE

Load is an amount which is presently paid by the Investor to redeem the Units from the Scheme. This amount is used by the AMC to pay commission to the distributors and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, Investors may refer to the website of the AMC (www.axismf.com) or may call at **1800 3000 3300** or you can contact your distributor.

SEBI vide its circular No. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes.

Type of Load	Load chargeable (as %age of NAV)
Entry Load	NA
Exit Load	1% if redeemed within 1 year from date of allotment.

Units issued on reinvestment of Dividends shall not be subject to Load.

The above mentioned load structure shall be equally applicable to the special products such as SIP, switches, etc. offered by the AMC. Further, for switches between the Growth and Dividend Option, no load will be charged by the scheme.

Of the Exit Load or CDSC charged to the Investor, a maximum of 1% of the Redemption proceeds can be maintained in a separate account which can be used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Any balance is to be credited to the Scheme immediately.

The Investor is requested to check the prevailing Load structure of the Scheme before investing.

For any change in Load structure AMC will issue an addendum and display it on the website/Investor Service Centres.

Under the Scheme, the AMC/Trustee reserves the right to change / modify the Load structure if it so deems fit in the interest of smooth and efficient functioning of the Mutual Fund. The AMC/Trustee reserves the right to introduce / modify the Load depending upon the circumstances prevailing at that time subject to maximum limits as prescribed under the Regulations.

The Redemption Price however, will not be lower than 93% of the NAV. Any imposition or enhancement of Load in future shall be applicable on prospective investments only. The difference between the Redemption price and Sale price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time which is presently 7% calculated on the Sale Price.

At the time of changing the Load Structure:

1. An Addendum detailing the changes will be attached to Scheme Information Document (s) and Key Information Memorandum. The addendum may be circulated to all the distributors / brokers so that the same can be attached to all Scheme Information Documents and Key Information Memoranda already in stock.
2. The addendum will be displayed on the website of the AMC and arrangements will be made to display the addendum in the form of a notice in all the Investor Service Centres and distributors / brokers' office.
3. The introduction of the Exit Load/ CDSC along with the details may be stamped in the acknowledgement slip issued to the Investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such Load/CDSC.
4. A public notice shall be given in respect of such changes 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.
5. Any other measure which the Mutual Fund may consider necessary.

Any change in Load structure shall be only on a prospective basis i.e. any such changes would be chargeable only for Redemptions from prospective purchases (applying first in first out basis).

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Not applicable

V. RIGHTS OF UNIT HOLDERS

Please refer to SAI for details.

VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

This section shall contain the details of penalties, pending litigation, and action taken by SEBI and other regulatory and Govt. Agencies.

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed.

Not Applicable

2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.

Reserve Bank of India has levied penalty of Rs. Fifteen lacs on Axis Bank Ltd. in April 2011 for inadequacies seen in adherence to guidelines on derivatives transactions. The penalty of Rs. Fifteen lacs has been paid by Axis Bank Ltd. on May 5, 2011 to Reserve Bank of India.

3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and rules and regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.

Nil

4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.

Nil

5. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustee/Trustee Company which SEBI has specifically advised to be disclosed in the Scheme Information Document, or which has been notified by any other Regulatory Agency, shall be disclosed.

Nil

The Scheme under this Scheme Information Document was approved by the Trustee Company on January 29, 2010. The Trustee has ensured that the Scheme is a new product offered by Axis Mutual Fund and is not a minor modification of its existing schemes.

Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

**for and on behalf of
Axis Asset Management Company Limited
(Investment Manager to Axis Mutual Fund)**

Sd/-

**Rajiv Anand
Managing Director &
Chief Executive Officer**

**Date: June 30, 2011
Place: Mumbai**

OFFICIAL POINTS OF ACCEPTANCE FOR ONGOING TRANSACTIONS

Ahmedabad Ground Floor, Shop No 4, Megha House, Opp. Kotak Bank, Mithakali Law Garden Road, Ellisbridge, Ahmedabad 380006 • **Bhopal** C/o Axis Securities & Sales Limited, Akansha Building, 1st Floor, Opposite Navbharat Press Complex, Zone -1, M. P. Nagar, Bhopal - 462 011 • **Bhubaneswar** C/o Axis Securities & Sales Limited, Axis Mutual Fund, Agrani Press, Mallick commercial complex 1st floor, Block BPN A/69, Khavela Nagar, Bhubaneswar-751001 • **Bangalore** Embassy Square, Building No. 148, Unit No 306, 3rd Floor, Infantry Road, Bangalore 560001 • **Chandigarh** 1st Floor, ScoNo 147-48, Sec 9c, Chandigarh 160017 • **Chennai** 5th Floor, Maalavika Center, 144 - 145 New No 60, Kodambakkam High Road, Nungambakkam, Chennai 600034 • **Kochi** C/o Axis Securities & Sales Limited, Door No 1053-B1, Rani Tower, 1st Floor, Chittoor Road, Ernakulam, Kochi 682018 • **Coimbatore** C/o Axis Securities & Sales Limited, Door No 1437, Red Rose Chambers, 2nd Floor, Trichy Road, Coimbatore 641018 • **Guwahati** C/o Axis Securities & Sales Limited, 3rd Floor, Sarojini Commercial Complex, Opposite Ayakar Bhavan, Christian Basti, G.S.Road, Guwahati 781005 • **Hyderabad** 2nd Floor, Nerella House, Panjagutta, Hyderabad 500082 • **Indore** C/o Axis Securities & Sales Limited, 201, 2nd Floor, Silver Sanchora Castle, 8/2 R.N.T. Marg, Indore 452 003, India • **Jaipur** 305, 3rd Floor, Ganpati Plaza, M I Road, Jaipur 302001 • **Jamshedpur** C/o Axis Securities & Sales Limited, Shatabdi Tower, 1 SNP Area, Sakchi, Jamshedpur 831001 • **Kanpur** 210, 2nd Floor, Kan Chambers, Civil Lines, Kanpur 208001 • **Kolkata** 3 - F, 3rd Floor, Shristi, 12 Hochiminh Sarani, Kolkata 700071 • **Lucknow** Unit No 5, 6 & 7, Halwasiya's Commerce House, 2nd Floor, Habibullah Estate, 11, M.G.Marg, Hazratganj, Lucknow 226001 • **Ludhiana** Axis Asset Management Co. Ltd., SCO - 28, First Floor, Feroz Gandhi Market, Ludhiana - 141001 • **Mumbai** Axis House, 1st Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025, India • **Mangalore** C/o Axis Securities & Sales Limited, Somayaji House, Door No 15-7-330/56, 5th Floor, Bunts Hostel Road, Mangalore 575003 • **Nagpur** C/o Axis Securities & Sales Limited, Sitarang Smriti, 2nd Floor, West High Court Road, Dharampeth, Nagpur 440010 • **Nasik** C/o Axis Securities & Sales Limited, Office No. 19/22, Gr. Floor, Suyojit Modern Point, Opposite Police Parade Ground, Sharanpur Road, Nasik 422002 • **New Delhi** 702-705, 7th Floor, Narain Manzil, Barakhamba Road, Connaught Place, New Delhi • **Panaji** C/o Axis Securities & Sales Limited, 103, 1st Floor, Unitech City Centre, M.G.Road, Panjim 403001 • **Patna** DG-11, Dumraon Place, Frazier Road, Patna - 800 001 • **Pune** 927, 204-205, 2nd Floor, Sanas Memories Apartment, Fergusson College Road, Shivaji Nagar, Pune 411004 • **Raipur** C/o Axis Securities & Sales Limited, Parthivi Pacific, Tatibandh, GE Road, Raipur 492 099. • **Rajkot** C/o Axis Securities & Sales Limited, 2nd Floor, Adjacent Kos Hospital, 150 Feet Ring Road, Opp. Amin Marg, Juction, Rajkot 360001 • **Surat** C/o Axis Securities & Sales Limited, Centre Point, 106/a, First Floor, Ring Road, Surat 395002 • **Trivandrum** C/o Axis Securities & Sales Limited, Haji M. Bava Sahib Commercial Complex, TC25/2890(12), Ambujavilasam Road, Trivandrum 695001 • **Vadodra** C/o Axis Securities & Sales Limited, Chitarakash Complex, 1st Floor, 19, Punit Nagar, Old Padra Road, Vadodra 390007.

KARVY COMPUTERSHARE PRIVATE LIMITED INVESTOR SERVICE CENTERS

Agartala Jagannath Bari Road, Bidur Kottar, Choumani, Agartala 799001 • **Agra** Deepak Wasan Plaza, Behind Holiday Inn, Opp Megdoot Furnitures, Sanjay Place, Agra 282002 (U.P.) • **Ahmedabad** 201, Shail Building, Opp Madhusudan House, Near Navrangpura Telephone Exchange, Navrangpura, Ahmedabad 380006 • **Ajmer** 1-2, II Floor, Ajmer Tower, Kutchary Road, Ajmer 305001 • **Akola** Shop No-30, Ground Floor, Yamuna Tarang Complex, N H No 06, Murtizapur Road, Akola 444004 • **Aligarh** 1st Floor, Kumar Plaza, Aligarh 202001 Uttar Pradesh • **Allahabad** RSA Towers, 2nd Floor, Above Sony TV Showroom, 57, S P Marg, Civil Lines, Allahabad 211001 • **Alleppy** 2nd Floor, JP Towers Near West of Zilla Court Bridge, Mullakkal Alleppy 688011 • **Alwar** 101, Saurabh Towers Road No # 2, Bhagat Singh Circle Alwar 301001 • **Amaravathi** Shop No 13 & 27, First Floor Gulshan Plaza, Raj Peth, Badnera Road, Amaravathi 444605 • **Ambala** 6349, Nicholson Road, Adjacent Kos Hospital, Ambala Cantt, Ambala 133001 • **Amritsar** 72-A, Taylor's Road, Aga Heritage Gandhi Ground, Amritsar 143001 • **Anand** F-6, Chitrangana Complex, Opp. Motikaka Chawl, V V Nagar, Anand 388001 • **Ananthapur** # 15-149, 1st Floor, S R Towers, Opp. Lalithakala Parishat Subash Road, Anantapur 515001 • **Angul** Durga Shankar Road, Main Road, Infront of AXIS Bank Angul 759122 • **Ankleshwar** Shop No. FF 4 & 5, Shree Narmada Arcade, Old N H No 8, Opp. HDFC Bank, Ankleshwar 393001 • **Asansol** Hotal Askok, 2nd Floor 18, G T Road, Asansol 713301 • **Aurangabad** Shop No 214/215 Tapadiya City Centre, Nirala Bazar, Aurangabad 431001 • **Azamgarh** Below Central Bank of India, Sadawarti Chowk, Azamgarh 276001 • **Balasore** M S Das Street, Gopalgaon, Balasore 756001 • **Bangalore** No 51/25, 1st Floor, Surya Building, Ratna Avenue, Richmond Road, Bangalore 560025 • **Bankura** Ambika Market, Natunganj Bankura 722101 • **Bareilly** 1st Floor, 165, Civil Lines, Opposite Hotel Bareilly Palace, Near Rly Station Road, Bareilly 243001 • **Barhampore** (WB) 180, Netaji Road, Komal Gandhar Apartment, PO Khagra, City Berhampore Dist. Murshidabad, Barhampore 742103 • **Baroda** Piccadilly, Office # 5, First Floor, Opp. Adani Super Market, Jetapur Road, Vadodra 390007 Gujarat • **Begusarai** Hotel Diamond Surbhi Complex, Near I.O.C Township Gate, Kapasiya Chowk, Begusarai 851117 • **Belgaum** FK-1, Ambedkar Road, Opp Civil Hospital Belgaum 590001 • **Bellary** No 1 KHB Colony, Gandhinagar, Bellary 583101 • **Behrampur** (OR) amlingam Tank Road, Berhampur, Orissa 760002 • **Betul** 107, Hotel Utkarsh, Awasthi Complex, J H College Road, Civil Lines, Beetul 460001 • **Bhagalpur** 2nd Floor, Chandralok Complex, Ghantaghar, Radha Rani Sinha Road, Bhagalpur 812001 • **Bharuch** Ground Floor, Office No 6, Aditya Complex, Opp. Kasak Temple, Bharuch 392001 • **Bhatinda** 2048, 1st Floor, Opp. Canara Bank, The Mall Road, Bhatinda 151001 • **Bhavnagar** Surabhi Mall 301, 3rd Floor, Waghawadi Road, Bhavnagar 364001 • **Bhilai** No 138, New Civic Centre, Bhilai 490006 Dist Durg, Chattishgarh • **Bhilwara** 27-28, 1st Floor, Hira Panna Complex, Pur Road, Bhilwara 311001 • **Bhopal** Kay Kay Busniss Centre, 133 Zone, I M P Nagar, Bhopal 462021 • **Bhubaneswar** Plot No 104/105(P), Jaydev Vihar, Besides Hotel Pal Heights, Bhubaneswar 751013, Orissa • **Bikaner** 2nd Floor, Plot No 70 & 71, Panchshati Circle, Sardul Gunj Scheme, Bikaner 334003 • **Bilaspur** Shop No 201/202, V R Plaza, Link Road, Bilaspur 495001 • **Borivali** Karvy Stock Broking Pvt Ltd Ground Floor, Himanshu Bldg, Sodawala Lane, Lina Chandawarkar Road, Borivali West. - 400091 • **Bokaro** B-1, 1st Floor, Near Sona Chandi Jewellers, City Centre, Sector 4, Bokaro Steel, City 827004 (Jharkhand) • **Burdwan** 63 G T Road, Birhata, Halder Complex, 1st Floor, Burdwan 713101 • **Calicut** Sowbhagya Shopping Complex, Areyadathupalam Mavoor Road, Calicut 673004 • **Chandigarh** Sco-371-372, First Floor, Above HDFC Bank, Sector 35B Chandigarh 160022 • **Chandrapur** Shop No 5, Office No 2, 1st Floor, Routs Raghuvanshi Complex, Beside Azad Garden, Main Road, Chandrapur 442402 • **Chennai** Flat No F11, First Floor, Akshya Plaza, (Erstwhile Harris Road), Opp Chief City Metropolitan Court, # 108, Adhithanar Salai, Egmore, Chennai 600002 • **Chinsura** JC Ghosh Sarani Near Bus Stand Chinsura 712101 • **Cochin** Room No 2, IIInd Floor, Jewel Arcade, (Above Oriental Insurance Ltd) Layam Road, Cochin 682011 • **Coimbatore** 29/1, 1st Floor, Chinthamani Nagar, Opp To Indian Overseas Bank, Nsr Road, Saibaba Colony, Coimbatore 641011 • **Coonoor** 76 Cammellia Terrace, Grays Hills, Coonoor 643101 • **Cuttack** Dargha Bazar, Opp Dargha Bazar Police Station, Buxibazar, Cuttack 753001 • **Deoria** 1st Floor, Shanti Niketan, Opp Zila Panchayat, Civil Lines Deoria 274001 • **Dalhousie** Karvy Stock Broking Pvt. Ltd., Mr.Baskar Malakar 033 - 22437863 - 69 / 90 / 89 19, R N Mukherjee Road, 2nd Floor, Dalhousie Kolkata - 700 001 • **Darbhanga** Ground Floor, Trade Point, Hassan Chowk, Lal Bagh, Darbanga 846004 • **Davangere** # 15/9, Sobagu Complex, 1st Floor, 2nd Main Road, P J Extension, Davangere 577002 Dehradun Kaulagarh Road, Near Sirmaur Marg, Above Reliance Webworld, Dehradun 248001 • **Dewas** 27 Rmo House, Station Road, Dewas 455001 • **Dhanbad** 208, New Market, 2nd Floor, Katras Road, Bank More, Dhanbad 826001 • **Dharwad** G7 & 8, Sri Banashankari Avenue Ramnagar, Opp Nttfb Road Dharwad 580001 • **Dhule** Ashoka Estate, Shop No 14/A, Upper Ground Floor, Sakri Road, Opp. Santoshi Mata Mandir, Dhulev 424002 • **Dindigul** No 9, Old No 4/B, New Aghraharam, Palani Road, Dindigul 624001 • **Durgapur** Old Dutta Automobiles Building 1st Floor, Nachan Road, Benachity, Durgapur 713213 • **Eluru** 23A-3-32, Gubbalavari Street, R R Pet, Eluru 534002 • **Erode** No 4, KMY Salai, Veerappan Traders Complex, Opp Erode Bus Stand, Sathy Road, Erode 638003 • **Faridabad** A-2B, 1st Floor, Nehru Ground, Neelam Bata Road, Nit, Faridabad 121001 • **Ferozpur** 2nd Floor, Malwal Road, Opp H M School, Ferozpur City 152002 • **Gandhidham** Office No 14, First Floor, Komal Complex, Plot No 305, Sector 12B, Nr Shivaji Park, Gandhidham 370201 • **Gandhinagar** 27, Suman Tower, Near Hotel Haveli, Sector No.11, Gandhinagar, Ahmedabad 382011 • **Gaya** 1st Floor, Lal Bhawan, Tower Chowk, Near Kiran Cinema, Gaya 823001 • **Ghaziabad** 1st Floor, C-7, Lohia Nagar, Ghaziabad 201001 • **Ghaziipur** Shubhra Hotel Complex, 2nd Floor, Mahaubagh, Ghaziipur 233001 • **Gonda** 1st Floor, Sri Krishna Talkies, Opp Dukhharan Nath Mandir, Station Road, Gonda 271003 • **Gondia** Shop No 9, Raj Laxmi Complex, aill Toly, Gondia 441614 • **Gorakhpur** Above V I P House Adjacent A D Girls Inter College, Bank Road, Gorakpur 273001 • **Gulbarga** No 23 Sri Giri Nilaya, Sharan Nagar, Tank Bund Road, Gulbarga 585103 • **Guntur** Door No 6-10-18, Sai House, 10 / 1, Arundelpet , Guntur 522002 • **Gurgaon** Shop No 18, Ground Floor, Sector 14, Opp AKD Tower, Near Huda Office, Gurgaon 122001 • **Guwahati** 54 Sagarika Bhawan R G Baruah Road, (AIDC Bus Stop) Guwahati 781024 • **Gwalior** Shindi Ki Chawani, Nadi Gate Pul, MLB Road, Gwalior 474001 • **Hajipur** Ramraja Complex, Kacheri Road, Near Canara Bank, Hajipur 844101 • **Haldwani** 4 Durga City Center, 1st Floor, Near MBPG College, Parao, Nainital Road, Haldwani 263139 Uttarakhand • **Haridwar** 8, Govind Puri, Opp LIC 2, Above Vijay Bank, Main Road, Ranipur More, Haridwar 249401 • **Hassan** St. Anthony's Complex, Ground Floor, H N Pura Road, Hassan 573201 • **Hazaribagh** C/o Hemlata Jain Kalibari Road, Hazaribagh 825301 • **Hissar** Sco 71, 1st Floor, Red Square Market, Hissar 125001 • **Hoshiarpur** 1st Floor, The Mall Tower, Opp Kapila Hospital, Sutheri Road, Near Maharaj Palace, Hoshiarpur 146001 • **Hubli** 8&9, Upper Ground Floor, C Block, Akshaya Park, Gokul Road Hubli 580030 • **Hyderabad** 8-2-596 Karvy Plaza, Avenue 4, Street No 1, Banjara Hills, Hyderabad 500034 • **Indore** LG 3, Bombay Trade Centre, Lower Ground Floor, Grand Hotel, Opp Bombay Hospital , Scheme No 54, Indore 452010 • **Jabalpur** 43, Naya Bazar, Opposite Shyam Talkies, Jabalpur (MP) 482001 • **Jaipur** S-16 A, 3rd Floor, Land Mark, Opposite Jaipur Club, Mahavir Marg, C- Scheme, Jaipur 302001 • **Jalandhar** Lower Ground Floor, Office No 3, Arora Prime Tower, Plot No 28, G T Road, Jalandhar 144004 • **Jalgaon** 148 Navi Peth, Opp Vijaya Bank Near, Bharat Dudhalay, Jalgaon 425001 • **Jalpaiguri** D B C Raod, Near Rupasree Cinema Hall, Beside Kalamandir, PO & Dist Jalapiguri 735101 • **Jammu** 29 D/C, Near Service Selection Commission Office, Gandhi Nagar, Jammu 180004 • **Jamnagar** 108 Madhav Plaza, Opp SBI Bank, Near Lal Bangalov, Jamnagar 361001 • **Jamshedpur** Kanchan Tower, 3rd Floor, Chhaganlal Dayalji @ Sons 3-S B Shop Area, (Near Traffic Signal) Main Road, Bistupur,

Jamshedpur 831001 • **Jaunpur** R N Complex, 1-1-9-G (In Front of Pathak Honda) Ummarpur Jaunpur 222002 • **Jhansi** 371/01, Narayan Plaza, Gwalior Road, Near Jeevan Shah Chauraha, Jhansi 284001 • **Jodhpur** 203, Modi Arcade, Chupasni Road, Jodhpur 342001 • **Jorhat** New Medical Store Complex, 3rd Floor, A T Road, Opp Chowk Bazar, Jorhat 785001 • **Junagadh** 124/125, Punit Shopping Center, Ranavat Chowk, Junagadh Gujarat 362001 • **Kanchipuram** New No 357, Old No 230 Gandhi Road, Next To IDBI Bank, Kanchipuram 631501 • **Kannur** 2nd Floor, Prabhat Complex, Fort Road, Kannur 689107 • **Kanpur** 15/46, Opp Muir Mills, Civil Lines, Kanpur 208001 • **Karaikudi** Gopi Arcade, 100 Feet Road, Karaikudi 630001 • **Karimnagar** H No 4-2-130/131, Above Union Bank, Jafri Road, Rajeev Chowk, Karimnagar 505001 • **Karnal** Sco 26, Kunjpura Road, Nehru Place, Karnal 132001 • **Karur** No6, Old No 1304 Thiru-Vi-Ka Road, Near G R Kalyan Mahal Karur 639001 • **Keonjhar** 2nd Floor, Maruti Arcade, Thanna Square, Keonjhar 758001 • **Kharagpur** Malancha Road, Beside UTI Bank, Kharagpur 721304 • **Kolhapur** 610 K Vardhaman Chambers, 2nd Lane, Shahupuri, Kolhapur 416001 • **Kolkata** 16 Jatin Bagchi Road, Kolkata 700029, (**Dalhousie**) 19, R N Mukherjee Road, 2nd Floor, Dalhousie, Kolkata 700 001 • **Kollam** Ground Floor, Vigneshwara Bhavan, Below Reliance Web World, Kadappakkada Kollam 691008 • **Kota** H No 29, First Floor, Near Lala Lajpat Rai Circle Shopping Centre, Kota, Rajasthan 324007 • **Kottayam** 1st Floor, CSI Ascension Church Complex, Kottayam 686001 • **Korba** 1st Floor, 35 Indira Complex, T P Nagar, Korba (CG) 495677 • **Krishnagar** 52 R N Tagore Road, High Street, Krishnagar, Nadia 741101 • **Kurnool** Shop No 43, 1st Floor S V Complex, Railway Station Road, Kurnool 518004 • **Lucknow** Usha Sadan, 24, Prem Nagar, Ashok Marg, Lucknow 226001 • **Ludhiana** SCO - 136, First Floor, Above Airtel Show Room, Feroze Gandhi Market, Ludhiana - 141 001. • **Malda** Sahistuli Under Ward No-6, English Bazar, Municipality, No-1 Govt Colony, Malda 732101 • **Madurai** Rakesh Towers, 30-C, Bye Pass Road, 1st Floor, Opp Nagappa Motors, Madurai 625010 • **Mangalore** Ground Floor, Mahendra Arcade, Kodial Bail, Mangalore 575003 • **Margao** 2nd Floor, Dalal Commercial Complex, Opp Hari Mandir, Pajifond, Margao-Goa 403601 • **Mathura** 3538-3540, Infront of BSA College, Gaushala Road, Mathura 281004 • **Meerut** 1st Floor, Medi Centre Complex, Opp ICICI Bank, Hapur Road, Meerut 250002 • **Mehsana** Ul-47, Appolo Enclave, Opp Simandhar Temple, Modhera Char Rasta Highway, Mehsana 384002 • **Mirzapur** Girja Sadan, Dankin Gunj Mirzapur 231001 • **Moga** Near Dharamshala Brat Ghar, Civil Line, Dutt Road, Moga 142001 • **Moradabad** Om Arcade, Parker Road, Above Syndicate Bank, Tari Khana Chowk, Moradabad 244001 • **Morena** Moti Palace, Near Ramjanki Mandir, Jiwaaji Ganj, Morena 476001 • **Mumbai - (Fort)** DAS Chambers, Ground Floor, Opp BSE & Next to Corporation Bank, Dalal Street, Fort, Mumbai 400023, (**Borivali**) Ground Floor, Himanshu Bldg, Sodawala Lane, Lina Chandawarkar Road, Borivali (West), Mumbai 400091, (**Thane**) First Floor, Jeevan Chaya Bldg, Near Adidas Show Room, Ram Maruti Road, Thane (West), Mumbai 400601 • **Muzaffarpur** 1st Floor, Umba Market, Near Thana Gumti, Motijheel, Muzaffarpur, Bihar 842001 • **Mysore** L-350, Silver Tower, Clock Tower, Ashoka Road, Mysore 570001 • **Nadiad** 105 GF City Point, Near Paras Cinema, Nadiad 387001 • **Nagarkoil** 3A, South Car Street, Parfan Complex, Nr The Laxmi Villas Bank, Nagarkoil 629001 • **Nagpur** 1st Floor, Sadoday Arcade, WHC Road, Above Top N Town, Dharampeth, Nagpur 440001 • **Namakkal** 105/2, Arun Towers, Paramathi Street, Namakkal 637 001 • **Nanded** Shop No 1,2,3 & 4, First Floor, Opp Bank of India, Santkrupa Market, Gurudwara Road, Nanded 431602 • **Nasik** S-12, Second Floor, Suyojit Sankul, Sharanpur Road, Nasik 422002 • **Navsari** 1st Floor, Chinmay Arcade, Opp Sattapir, Tower Road, Navsari 396445 • **New Delhi** 2E/23, Jhandewalan Extn. New Delhi 110055 • **Nellore** 16/112, Pogathota Nellore 524001 • **Nizamabad** H No 4-9-55, 1st Floor, Uppala Rameshwara Complex, Jawahar Road, Nizamabad 503001 • **Noida** 307 Jaipuria Plaza, D 68 A, 2nd Floor, Opp Delhi Public School, Sector 26, Noida 201301 • **Palghat** 12/310, (No.20 & 21), Metro Complex, Head Post Office Road, Sultanpet, Palghat 678001 • **Panipat** 1st Floor, Krishna Tower, Near HDFC Bank, Opp Railway Road, G T Road, Panipat 132103 • **Panjim** City Business Centre, Coelho Pereira Building, Room Nos 18,19 & 20 Dada Vaidya Road, Panjim 403001 • **Patiala** Sco 27 D, Chhoti Baradari Patiala 147001 • **Patna** 3A, 3rd Floor, Anand Tower, Beside Chankya Cinema Hall, Exhibition Road, Patna 800001 • **Pathankot** 1st Floor, 9A, Improvement Trust Building, Near HDFC Bank, Patel Chowk, Pathankot 145001 • **Pollachi** S S Complex, New Scheme Road, Pollachi 642002 • **Pondicherry** First Floor No.7, Thiayagaraja Street Pondicherry 605001 • **Porbandar** 3rd Floor, R D Complex, Opp Sahyog Hospital, M G Road, Porbandar 360575 • **Pudukottai** Sundaram Masilamani Towers, TS No 5476-5479, PM Road, Old Tirumayam Salai, Near Anna Statue, Jublie Arts, Pudukottai 622001 • **Pune** Srinath Plaza, C Wing, Office No 58 & 59, 3rd Floor, Dyaneshwar Paduka Chowk, Survy No 184/4, F C Road, Pune411004 • **Puri** Ground Floor, VIP Road, Near PKDA Office, P S Puri, Puri 752001 • **Raipur** Room No TF 31, 3rd Floor, Millennium Plaza, Behind Indian Coffee House, G E Road, Raipur 492001 • **Rajahmundry** Dr No 6-1-4, First Floor, Rangachary Street, T Nagar, Rajahmundry 533101 • **Rajapalayam** Professional Couriers Building, 40/C (1), Hospital Road, Rajapalayam 626117 • **Rajkot** 104, Siddhi Vinayak Complex, Dr Yagnik Road, Opp Ramkrishna Ashram Rajkot 360001 • **Ranchi** Commerce Towers, 3rd Floor, Room No 307, Beside Mahabir Towers, Main Road, Ranchi 834001 • **Ratlam** 1Nagpal Bhavan, Freeganj Road, Tobatti, Ratlam 457001 • **Renukoot** Shop No 18, Near Complex Birla Market, Renukoot 231217 • **Rewa** 1st Floor, Angoori Building, Besides Allahabad Bank, TransUniversity Road, Civil Lines, Rewa 485001 • **Rohtak** 1st Floor, Ashoka Plaza, Delhi Road, Rohtak 124001 • **Roorkee** Shree Ashadeep Complex, 16 Civil Lines, Near Income Tax Office, Roorkee, Uttaranchal 247667 • **Rourkela** 1st Floor, Sandhu Complex, Kanchery Road, Udit Nagar, Rourkela 769012 • **Sagar** Above Poshak Garments, 5 Civil Lines, Opposite Income Tax Office, Sagar 470002 • **Saharanpur** 18 Mission Market, Court Road, Saharanpur 247001 Uttar Pradesh • **Salem** Old No 17, New No 49, Fort Main Road, First Floor, Shevapet, Salem 636002 • **Sambalpur** Quality Massion, 1st Floor, Above Bata Shoe, Shop/ Preeti Auto Combine, Nayapara, Sambalpur 768001 • **Satna** 1st Floor, K B Complex, Beside Bank of Maharashtra, Rewa Road, Satna 485001 • **Shaktinagar** 1st/A-375, V V Colony Dist Sonebhadra Shaktinagar 231222 • **Shivpuri** 1st Floor, M P R P Building, Near Bank of India, Shivpuri 473551 • **Shillong** Mani Bhawan, Thana Road, Lower Police Bazar, Shillong 739001 • **Shimla** Triveni Building, By Pas Chowk, Khallini, Shimla 171002 • **Shimoga** Uday Ravi Complex, LLR Road, Durgi Gudi, Shimoga 577201 • **Sikar** 1st Floor, Super Towers Behind Ram Mandir, Station Road, Sikar 332001 • **Silchar** 1st Floor, Chowchakra Complex, N N Dutta Road, Premtala Silchar 788001 • **Siliguri** Nanak Complex, Near Church Road, Sevoke Road, Siliguri 734001 • **Sitapur** 12/12-A Surya Complex, Arya Nagar, Opp Mal Godam, Sitapur 261001 • **Sivakasi** 363, Thiruthangal Road, Opp TNEB, Sivakasi 626123 • **Solan** Sahni Bhawan, Adjacent Anand Cinema Complex, The Mall Solan 173212, • **Solapur** Siddeshwar Securities, No 6, Vaman Road, Vijaypur Road, Vaman Nagar, Solapur 413004 • **Surat** G-6 Empire State Building, Near Parag House, Udhna Darwaja, Ring Road, Surat 395002 • **Sonepat** 205 R Model Town, Above Central Bank of India, Sonepat • **Sri Ganganagar** 35-E-Block, Opp Sheetla Mata Vatika, Sri Ganga Nagar 335001 • **Srikakulam** 4-1-28/1, Venkateshwara Colony Day & Night Junction, Srikakulam 532001 • **Sultanpur** Rama Shankar Complex, Civil Lines, Faizabad Road, Sultanpur 228001 • **Thanjavur** Nalliah Complex, No 70, Srinivasam Pillai Road, Thanjavur 613001 Thane Karvy Stock Broking Pvt Ltd First Floor, Jeevan Chaya Bldg, Near Adidas Show Room, Ram Maruti Road, Thana West - 400601 • **Theni Ramesh Murugan Complex, Near Sriram Theatre, Subban Chetty Street, Theni 625531 • Tezpur 1st Floor, Mayur Bhawan, Binraj Road, Tezpur 784001 • Thodupuzha First Floor, Pulimoottil Pioneer Pala Road, Thodupuzha 685584 • Tirunelveli Jeney Building, 55/18, S N Road, Near Arvind Eye Hospital, Tirunelveli 627001 • Tirupur First Floor, 224 A, Selvakumar Departmental Stores, 1st Floor, Kamaraj Road, Opp To Cotton Market Complex, Tirupur 641604 • Tirupathi #330, Tilak Road, Near Four Pillar Mandapam, Tirupati 517501 • Tiruvalla 2nd Floor, Erinjery Complex, Near Kotak Securites, Ramanchira Tiruvalla 689107 • Trichur 2nd Floor, Brother's Complex, Near Dhana Laxmi Bank Head Office, Naikkanal Junction, Trichur 680001 • Trichy Sri Krishna Arcade, 1st Floor, 60 Thennur High Road, Trichy 620017 • Trivandrum 2nd Floor, Akshaya Towers, Above Jetairways, Sasthamangalam, Trivandrum 695010 • Tuticorin 4 B, A34, A37, Mangalmal, Mani Nagar, Opp Rajaji Park, Palayamkottai Road, Tuticorin 628003 • Udaipur 201-202, Madhav Chambers, Opp G P O Chetak Circle, Madhuban, Udaipur 313001 • Ujjain 101, Aastha Tower, 13/1, Dhanwantri Marg, Free Gunj Ujjain 456010 • Valsad Shop No 2, Phiroza Corner, Opp Next Showroom, Titthal Road, Valsad 396001 • Vapi Shop No 5, Phikhaji Residency, Opp DCB Bank, Vapi Silvassa Road, Vapi 396195 • Varanasi D-64/132, KA 1st Floor, Anant Complex, Sigra, Varanasi 221010 • Vellore No 1, M N R Arcade, Officer's Line, Krishna Nagar, Vellore 632001 • Vijayawada 39-10-7 Opp Municipal Water Tank, Labbipet, Vijayawada 520010 • Visakhapatnam 47-14-5/1 Eswar Paradise, Dwaraka Nagar, Main Road, Visakhapatnam 530016 • Vijayanagaram Soubhagya, 19-6-13/1, IInd Floor, Near SBI Fort Branch, Vizianagaram 535002 • Warangal 5-6-95, 1st Floor, Opp, B.Ed Collage, Lashkar Bazar, Chandra Complex, Hanmakonda, Warangal 500601 • Yamuna Nagar Jagdhari Road, Above UCO Bank, Near D AV Grils College, Yamuna Nagar 135 001.**

Axis Asset Management Company Limited (Investment Manager to Axis Mutual Fund)

Axis House, 1st Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025, India.

Tel 91 22 4325 5161 Fax 91 22 4325 5199 www.axismf.com

SCHEME INFORMATION DOCUMENT

AXIS MIDCAP FUND

An Open-ended Equity Scheme

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

New Fund Offer Opens on 31st January 2011

New Fund Offer Closes on 14th Feb 2011

Scheme re-opens on or before 25th Feb 2011

Name of the Sponsor	: Axis Bank Limited
Name of Mutual Fund	: Axis Mutual Fund
Name of Asset Management Company	: Axis Asset Management Company Limited
Name of Trustee Company	: Axis Mutual Fund Trustee Limited
Addresses, Website of the AMC, Trustee & Mutual Fund	: 11 th Floor, Nariman Bhavan, Vinay K Shah Marg, Nariman Point, Mumbai – 400 021 www.axismf.com

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations or the Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the Asset Management Company (AMC). The Units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Axis Mutual Fund, Tax and Legal issues and general information on www.axismf.com.

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

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated January 11, 2011

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HIGHLIGHTS/SUMMARY OF THE SCHEME

Investment objective

To achieve long term capital appreciation by investing predominantly in equity & equity related instruments of mid size companies. The focus of the fund would be to invest in relatively larger companies within this category.

Liquidity

The Scheme offers Units for Subscription and Redemption at NAV based prices on all Business Days on an ongoing basis, commencing not later than 5 business days from the date of allotment. Under normal circumstances the AMC shall dispatch the redemption proceeds within 10 business days from date of receipt of request from the Unit holder.

Benchmark

BSE Midcap Index

Transparency/NAV Disclosure

The AMC will calculate and disclose the NAVs on all Business Days. The NAV of the Scheme shall be published at least in two daily newspapers. The AMC shall update the NAVs on its website (www.axismf.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 9.00 p.m. on every Business Day. If the NAVs are not available before the commencement of business hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.

The AMC will disclose the portfolio of the Scheme within one month from the close of each half year (i.e. 31st March and 30th September) either by sending a complete statement to all the Unit holders or by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The portfolio statement will also be displayed on the website of the AMC and AMFI.

The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year.

Minimum Application Amount

Rs. 5,000 in multiples of Re. 1/- thereafter

Minimum Additional Purchase Amount

Rs.100 and in multiples of Re. 1/- thereafter

Minimum application amount is applicable only at the time of creation of new folio.

Loads

Entry Load: Not Applicable

Exit Load: an Exit Load of 1% is payable if Units are redeemed / switched-out within 1 year from the date of allotment.

SEBI vide its circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder (AMFI registered Distributor) directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

For more details on Load Structure, please refer paragraph "Load Structure".

I. INTRODUCTION

A. RISK FACTORS

(i) Standard Risk Factors:

- Investment in mutual fund units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- Axis Midcap Fund is the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects and returns.
- The sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1 lakh made by it towards setting up the Fund.
- Axis Midcap Fund is not a guaranteed or assured return *scheme*.

(ii) Scheme Specific Risk Factors

Risks associated with investments in equities

- Equity and equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme portfolio would result at times, in potential losses to the Scheme, should there be a subsequent decline in the value of securities held in the Scheme portfolio. Also, the value of the Scheme investments may be affected by interest rates, currency exchange rates, changes in law/policies of the government, taxation laws and political, economic or other developments which may have an adverse bearing on individual Securities, a specific sector or all sectors.
- Investments in equity and equity related securities involve a degree of risk and investors should not invest in the equity Schemes unless they can afford to take the risk of losing their investment.
- Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed

on the exchanges or offer other exit options to the investors, including put options. The AMC may choose to invest in unlisted securities that offer attractive yields within the regulatory limit. This may however increase the risk of the portfolio. Additionally, the liquidity and valuation of the Scheme investments due to its holdings of unlisted securities may be affected if they have to be sold prior to the target date of disinvestment.

Mid & small size companies may be more volatile & less liquid than larger companies. However, the scheme will try to lower the risk by primarily investing in larger mid cap companies which combine the high growth features of mid and small size companies with the proven management and liquidity of larger companies.

Risks associated with investments in Fixed Income Securities

Interest-Rate Risk: Fixed income securities such as government bonds, corporate bonds, and money market instruments and derivatives run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices depends upon the coupon and maturity of the security. It also depends upon the yield level at which the security is being traded.

Re-investment Risk: Investments in fixed income securities carry re-investment risk as interest rates prevailing on the coupon payment or maturity dates may differ from the original coupon of the bond.

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

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

Liquidity Risk: The liquidity of a bond may change, depending on market conditions leading to changes in the liquidity premium attached to the price of the bond. At the time of selling the security, the security can become illiquid, leading to loss in value of the portfolio.

Credit Risk: This is the risk associated with the issuer of a debenture/bond or a money market instrument defaulting on coupon payments or in paying back the principal amount on maturity. Even when there is no default, the price of a security may change with expected changes in the credit rating of the issuer. It is to be noted here that a Government Security is a sovereign security and is the safest. Corporate bonds carry a higher amount of credit risk than Government securities. Within corporate bonds also there are different levels of safety and a bond rated higher by a particular rating agency is safer than a bond rated lower by the same rating agency.

Liquidity Risk on account of unlisted securities: The liquidity and valuation of the Scheme investments due to their holdings of unlisted securities may be affected if they have to be sold prior to their target date of divestment. The unlisted security can go down in value

before the divestment date and selling of these securities before the divestment date can lead to losses in the portfolio.

Settlement Risk: Fixed income securities run the risk of settlement which can adversely affect the ability of the fund house to swiftly execute trading strategies which can lead to adverse movements in NAV

Risk Associated with Securitized Debt

The Scheme may invest in domestic securitized debt such as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are securitized debts where the underlying assets are receivables arising from various loans including automobile loans, personal loans, loans against consumer durables, etc. MBS are securitized debts where the underlying assets are receivables arising from loans backed by mortgage of residential / commercial properties.

At present in Indian market, following types of loans are securitized:

1. Auto Loans (cars / commercial vehicles /two wheelers)
2. Residential Mortgages or Housing Loans
3. Consumer Durable Loans
4. Personal Loans
5. Corporate Loans

In terms of specific risks attached to securitization, each asset class would have different underlying risks. Residential Mortgages generally have lower default rates than other asset classes, but repossession becomes difficult. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Asset classes like personal loans, credit card receivables are unsecured and in an economic downturn may witness higher default. A corporate loan/receivable, depend upon the nature of the underlying security for the loan or the nature of the receivable and the risks correspondingly fluctuate.

The rating agencies define margins, over collateralisation and guarantees to bring risk in line with similar AAA rated securities. The factors typically analyzed for any pool are as follows:

a. Assets securitized and Size of the loan: This indicates the kind of assets financed with the loan and the average ticket size of the loan. A very low ticket size might mean more costs in originating and servicing of the assets.

b. Diversification: Diversification across geographical boundaries and ticket sizes might result in lower delinquency

c. Loan to Value Ratio: Indicates how much % value of the asset is financed by borrower's own equity. The lower this value the better it is. This suggests that where the borrowers own contribution of the asset cost is high; the chances of default are lower.

d. Average seasoning of the pool: This indicates whether borrowers have already displayed repayment discipline. The higher the number, the more superior it is. The other main risks pertaining to Securitised debt are as follows:

Prepayment Risk: This arises when the borrower pays off the loan sooner than expected. When interest rates decline, borrowers tend to pay off high interest loans with money borrowed at a lower interest rate, which shortens the average maturity of ABSs. However, there is some prepayment risk even if interest rates rise, such as when an owner pays off a mortgage when the house is sold or an auto loan is paid off when the car is sold.

Reinvestment Risk: Since prepayment risk increases when interest rates decline, this also introduces reinvestment risk, which is the risk that the principal can only be reinvested at a lower rate.

Risks associated with investments in derivatives

- The Scheme may invest in derivative products in accordance with and to the extent permitted under the Regulations and by RBI. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Trading in derivatives carries a high degree of risk although they are traded at a relatively small amount of margin which provides the possibility of great profit or loss in comparison with the principal investment amount. Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme.
- The derivatives market in India is nascent and does not have the volumes that may be seen in other developed markets, which may result in volatility to the values.
- Investment in derivatives also requires the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme.
- The Scheme may face execution risk, whereby the rates seen on the screen may not be the rate at which the ultimate execution of the derivative transaction takes place.
- The Scheme may find it difficult or impossible to execute derivative transactions in certain circumstances. For example, when there are insufficient bids or suspension of trading due to price limit or circuit breakers, the Scheme may face a liquidity issue.
- The options buyer's risk is limited to the premium paid, while the risk of an options writer is unlimited. However the gains of an options writer are limited to the premiums earned.
- The exchange may impose restrictions on exercise of options and may also restrict the exercise of options at certain times in specified circumstances and this could impact the value of the portfolio.

- The writer of a put option bears the risk of loss if the value of the underlying asset declines below the exercise price. The writer of a call option bears a risk of loss if the value of the underlying asset increases above the exercise price.
- Investments in index futures face the same risk as the investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks.
- The Scheme bears a risk that it may not be able to correctly forecast future market trends or the value of assets, indices or other financial or economic factors in establishing derivative positions for the Scheme.
- The risk of loss in trading futures contracts can be substantial, because of the low margin deposits required, the extremely high degree of leverage involved in futures pricing and the potential high volatility of the futures markets.
- There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. The counter party may default on a transaction before settlement and therefore, the Scheme is compelled to negotiate with another counterparty at the then prevailing (possibly unfavourable) market price.
- Derivatives also carry a market liquidity risk where the derivatives cannot be sold (unwound) at prices that reflect the underlying assets, rates and indices.
- Where derivatives are used for hedging, such use may involve a basis risk where the instrument used as a hedge does not match the movement in the instrument/underlying asset being hedged. The risk may be inter-related also e.g. interest rate movements can affect equity prices, which could influence specific issuer/industry assets.
- Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor.
- Execution of investment strategies depends upon the ability of the fund manager(s) to identify such opportunities which may not be available at all times. Identification and execution of the strategies to be pursued by the fund manager(s) involve uncertainty and decision of fund manager(s) may not always be profitable. No assurance can be given that the fund manager(s) will be able to identify or execute such strategies.
- The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

The following are certain additional risks involved with use of fixed income derivatives:

Interest rate risk: Derivatives carry the risk of adverse changes in the price due to change in interest rates.

Liquidity risk: During the life of the derivative, the benchmark might become illiquid and might not be fully capturing the interest rate changes in the market, or the selling, unwinding prices might not reflect the underlying assets, rates and indices, leading to loss of value of the portfolio.

Risks associated with investing in foreign securities/overseas investments/offshore securities

- Subject to necessary approvals and within the investment objectives of the Scheme, the Scheme may invest in overseas markets which carry risks related to fluctuations in the foreign exchange rates, the nature of the securities market of the country, repatriation of capital due to exchange controls and political circumstances.
- Since the Scheme would invest only partially in foreign securities, there may not be readily available and widely accepted benchmarks to measure performance of such Scheme. To manage risks associated with foreign currency and interest rate exposure, the Fund may use derivatives for efficient portfolio management and hedging and portfolio rebalancing and in accordance with conditions as may be stipulated under the Regulations and by RBI from time to time.
- Investment in Foreign Securities involves a currency risk. To the extent that the assets of the Scheme will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.

Risks associated with Securities lending

The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of another party, to comply with the terms of agreement entered into between the lenders of securities i.e. any scheme and the approved intermediary/counterparty. Such failure to comply can result in the possible loss of rights in the collateral put up by the borrower of the securities, the inability of the approved intermediary/counterparty to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary. The Fund may not be able to sell such lent securities and this can lead to temporary illiquidity.

Risks associated with Short Selling

The Scheme may enter into short selling transactions, subject to SEBI and RBI Regulations. Short positions carry the risk of losing money and these losses may grow unlimited theoretically if the price of the stock increases without any limit. This may result in major loss to the Scheme. At times, the participants may not be able to cover their short positions, if the price increases substantially. If numbers of short sellers try to cover their position simultaneously, it may lead to disorderly trading in the stock and thereby can briskly escalate the price even further making it difficult or impossible to liquidate short position quickly at reasonable prices. In addition, short selling also carries the risk of

inability to borrow the security by the participants thereby requiring the participants to purchase the securities sold short to cover the position even at unreasonable prices.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme/Plan shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme/Plan(s). However, if such limit is breached during the NFO of the Scheme, the Fund will endeavor to ensure that within a period of three months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. In case the Scheme / Plan(s) does not have a minimum of 20 investors in the stipulated period, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme / Plan(s) shall be wound up and the units would be redeemed at applicable NAV. The two conditions mentioned above shall also be complied within each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable Net Asset Value on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. SPECIAL CONSIDERATIONS, if any

- Prospective investors should study this Scheme Information Document and Statement of Additional Information carefully in its entirety and should not construe the contents hereof as advice relating to legal, taxation, financial, investment or any other matters and are advised to consult their legal, tax, financial and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, before making a decision to invest/redeem/hold Units.
- Neither this Scheme Information Document, Statement of Additional Information nor the Units have been registered in any jurisdiction. The distribution of this Scheme Information Document or Statement of Additional Information in certain jurisdictions may be restricted or totally prohibited to registration requirements and accordingly, persons who come into possession of this Scheme Information Document or Statement of Additional Information are required to inform themselves about and to observe any such restrictions and/ or legal compliance requirements.
- The AMC, Trustee or the Mutual Fund have not authorized any person to issue any advertisement or to give any information or to make any representations, either oral or written, other than that contained in this Scheme Information Document or the Statement of Additional Information or as is provided by the AMC in connection with this offering. Prospective investors are advised not to rely upon any information or representation not incorporated in the Scheme Information Document or Statement of Additional Information or provided by the AMC as having been authorized by the Mutual Fund, the AMC or the Trustee.

- Redemption due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any such tax consequences that may arise due to such redemptions.
- The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise, in the event that the Scheme is wound up for the reasons and in the manner provided in 'Statement of Additional Information ('SAI')'.
- The tax benefits described in this Scheme Information Document and Statement of Additional Information are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India as on the date of this Scheme Information Document and the Unit holders should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Unit holder is advised to consult his / her own professional tax advisor.
- The Mutual Fund may disclose details of the investor's account and transactions thereunder to those intermediaries whose stamp appears on the application form or who have been designated as such by the investor. In addition, the Mutual Fund may disclose such details to the bankers, as may be necessary for the purpose of effecting payments to the investor. The Fund may also disclose such details to regulatory and statutory authorities/bodies as may be required or necessary.
- In case the AMC or its Sponsor or its Shareholders or their affiliates/associates or group companies make substantial investment, either directly or indirectly in the Scheme redemption of Units by these entities may have an adverse impact on the performance of the Scheme. This may also affect the ability of the other Unit holders to redeem their Units.
- As the liquidity of the Scheme investments may sometimes be restricted by trading volumes and settlement periods, the time taken by the Fund for Redemption of Units may be significant in the event of an inordinately large number of Redemption Requests or of a restructuring of the Scheme portfolio. In view of this, the Trustee has the right, in its sole discretion, to limit redemptions under certain circumstances - please refer to the paragraph "Right to Limit Redemptions".
- Pursuant to the provisions of Prevention of Money Laundering Act, 2002, if after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, on failure to provide required documentation, information, etc. by the Unit holder the AMC shall have absolute discretion to report such suspicious transactions to FIU-IND and / or to freeze the folios of the investor(s), reject any application(s) / allotment of Units.
- Investor Protection: The Scheme is designed to support longer- term investment and active trading is discouraged. Short term or excessive trading into and out of the Scheme may affect its performance by disrupting portfolio management strategies

and by increasing expenses. The Fund and the distributors may refuse to accept applications for Purchase, especially where transactions are deemed disruptive, particularly from market timers or investors who, in their opinion, have a pattern of short term or excessive trading or whose trading has been or may be disruptive for the Scheme.

If in the opinion of the AMC, a Unit holder is indulging in short term or excessive trading as above, it shall, under powers delegated by the Trustee, have absolute discretion to reject any application, prevent further transaction by the Unit holder or redeem the Units held by the Unit holder at any time prior to the expiry of 30 Business Days from the date of the application.

D. DEFINITIONS

"AMC" or "Asset Management Company" or "Investment Manager"	Axis Asset Management Company Limited, incorporated under the provisions of the Companies Act, 1956 and approved by Securities and Exchange Board of India to act as the Asset Management Company for the scheme(s) of Axis Mutual Fund.
"Applicable NAV"	The NAV applicable for purchase or redemption or Switching of Units based on the time of the Business Day on which the application is time stamped.
"Book Closure"	The time during which the Asset Management Company would temporarily suspend Sale, redemption and Switching of Units.
"Business Day"	<p>A day other than:</p> <ul style="list-style-type: none"> (i) Saturday and Sunday; (ii) A day on which the banks in Mumbai and/or RBI are closed for business /clearing; (iii) A day on which the National Stock Exchange of India Limited and / or the Stock Exchange, Mumbai are closed; (iv) A day which is a public and /or bank Holiday at an Investor Service Centre/Official Point of Acceptance where the application is received; (v) A day on which Sale / Redemption / Switching of Units is suspended by the AMC; (vi) A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time. <p>The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres/Official Points of Acceptance.</p>
"Business Hours"	Presently 9.30 a.m. to 5.30 p.m. on any Business Day or such other time as may be applicable from time to time.
"Custodian"	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board

	of India (Custodian of Securities) Regulations 1996, which for the time being is Deutsche Bank AG.
"Depository"	Depository as defined in the Depositories Act, 1996 (22 of 1996).
"Derivative"	Derivative includes (i) a security derived from a debt instrument, share, loan whether secured or unsecured, risk instrument or contract for differences or any other form of security; (ii) a contract which derives its value from the prices, or index of prices, or underlying securities.
"Dividend"	Income distributed by the Mutual Fund on the Units.
"Equity Related Instruments"	"Equity Related Instruments" includes convertible bonds and debentures, convertible preference shares, warrants carrying the right to obtain equity shares, equity derivatives and any other like instrument.
"FI"	Foreign Institutional Investor, registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
"Floating Rate Debt Instruments"	Floating rate debt instruments are debt securities issued by Central and / or State Government, corporates or PSUs with interest rates that are reset periodically. The periodicity of the interest reset could be daily, monthly, quarterly, half-yearly, annually or any other periodicity that may be mutually agreed with the issuer and the Fund. The interest on the instruments could also be in the nature of fixed basis points over the benchmark gilt yields.
"Foreign Securities"	ADRs / GDRs/ equity / debt securities of overseas companies listed on the recognized stock exchanges overseas or other securities as may be specified and permitted by SEBI and/or RBI from time to time.
"Gilts" or "Government Securities"	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.
"GOI"	Government of India
"Holiday"	Holiday means the day(s) on which the banks (including the Reserve Bank of India) are closed for business or clearing in Mumbai or their functioning is affected due to a strike / bandh call made at any part of the country or due to any other reason.
"Investment Management Agreement"	The agreement dated June 27, 2009 entered into between Axis Mutual Fund Trustee Limited and Axis Asset Management Company Limited, as amended from time to time.
"Investor Service Centres" or "ISCs"	Offices of Axis Asset Management Company Limited or such other centres / offices as may be

	designated by the AMC from time to time.
"Larger mid-cap companies" or "Relatively Larger Companies"	Larger mid-cap companies are those with a market cap greater than or equal to the median stock of the BSE Mid-Cap Index. The range of capitalization for this definition will be monitored on a quarterly basis.
"Load"	<p>In the case of Redemption / Switch out of a Unit, the sum of money deducted from the Applicable NAV on the Redemption / Switch out (Exit Load) and in the case of Sale / Switch in of a Unit, a sum of money to be paid by the prospective investor on the Sale / Switch in of a Unit (Entry Load) in addition to the Applicable NAV.</p> <p>Presently, entry load cannot be charged by mutual fund schemes.</p>
"Mid-cap companies" or "Mid Size Companies"	Mid-cap companies are defined to be those companies with a market capitalization within the range of the constituents of BSE Mid-Cap Index. The range of capitalization for this definition will be monitored on a quarterly basis.
"Money Market Instruments"	Includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time.
"Mutual Fund" or "the Fund"	Axis Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882.
"Net Asset Value" or "NAV"	Net Asset Value per Unit of the Scheme, calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
"NRI"	A Non-Resident Indian or a Person of Indian Origin residing outside India.
"Official Points of Acceptance"	Places, as specified by AMC from time to time where application for Subscription / Redemption / Switch will be accepted on ongoing basis.
"Person of Indian Origin"	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in sub-clause (a) or (b).
"Rating"	Rating means an opinion regarding securities, expressed in the form of standard symbols or in any other standardized manner, assigned by a credit rating agency and used by the issuer of such securities, to comply with any requirement of the SEBI (Credit Rating Agencies) Regulations, 1999.
"RBI"	Reserve Bank of India, established under the Reserve

	Bank of India Act, 1934, (2 of 1934)
"Registrar and Transfer Agent" or "Registrar"	Karvy Computershare Pvt. Ltd., Hyderabad, currently acting as registrar to the Scheme, or any other Registrar appointed by the AMC from time to time.
"Redemption / Repurchase"	Redemption of Units of the Scheme as permitted.
"Regulatory Agency"	GOI, SEBI, RBI or any other authority or agency entitled to issue or give any directions, instructions or guidelines to the Mutual Fund
"Repo"	Sale/Purchase of Securities with simultaneous agreement to repurchase / resell them at a later date.
"Statement of Additional Information" or "SAI"	The document issued by Axis Mutual Fund containing details of Axis Mutual Fund, its constitution, and certain tax, legal and general information. SAI is legally a part of the Scheme Information Document.
"Sale / Subscription"	Sale or allotment of Units to the Unit holder upon subscription by the Investor / applicant under the Scheme.
"Scheme"	Axis Midcap Fund
"Scheme Information Document"	This document issued by Axis Mutual Fund, offering for Subscription of Units of Axis Midcap Fund (including Options thereunder)
"SEBI"	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992.
"SEBI (MF) Regulations" or "Regulations"	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
"Short Selling"	Short selling means selling a stock which the seller does not own at the time of trade.
Smaller Mid-Cap companies	Smaller mid-cap companies would have a market cap below the median constituent of the BSE Mid-Cap Index. The range of capitalization for this definition will be monitored on a quarterly basis.
"Sponsor"	Axis Bank Limited
"Switch"	Redemption of a Unit in any Scheme (including the Plans / options therein) of the Mutual Fund against purchase of a Unit in another Scheme (including the Plans /options therein) of the Mutual Fund, subject to completion of Lock-in Period, if any.
"Stock Lending"	Lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio.
"Systematic Investment Plan" / "SIP"	A plan enabling investors to save and invest in the Scheme on a periodic basis submitting post dated cheques / payment instructions.
"Trust Deed"	The Trust Deed dated June 27, 2009 made by and between Axis Bank Limited and Axis Mutual Fund Trustee Limited thereby establishing an irrevocable trust, called Axis Mutual Fund.
"Trustee" or "Trustee Company"	Axis Mutual Fund Trustee Limited incorporated

	under the provisions of the Companies Act, 1956 and approved by SEBI to act as the trustee to the Scheme of the Mutual Fund.
"Unit"	The interest of the Unit holder which consists of each Unit representing one undivided share in the assets of the Scheme.
"Unit holder" or "Investor"	A person holding Units in Axis Midcap Fund.

INTERPRETATION

For all purposes of this Scheme Information Document, 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 Dollars 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 a non Business Day.

E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

- The draft Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed Scheme.
- The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

Place: Mumbai
Date: September 30, 2010

Signed: Sd/-
Name : Miten Chawda
Designation: Head – Compliance & Company Secretary

Note: The aforesaid Due Diligence Certificate dated September 30, 2010 was submitted to the Securities and Exchange Board of India on October 01, 2010.

II. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

An open-ended equity scheme

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

To achieve long term capital appreciation by investing predominantly in equity & equity related instruments of mid size companies. The focus of the fund would be to invest in relatively larger companies within this category.

C.HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Under normal circumstances, the asset allocation pattern will be:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Minimum	Maximum	High/Medium/Low
Equity and Equity Related Instruments of Midcap companies# of which: Larger midcap Companies – 75% – 100% Smaller mid-cap Companies – 0 – 25%	80	100	High
Equity and Equity Related Instruments of Non mid-cap Companies#	0	20	High
Debt and Money Market Instruments*#	0	20	Low to Medium

Including derivatives instruments to the extent of 100% of the Net Assets as permitted vide SEBI Circular no. DNPd/Cir 29/2005 dated September 14, 2005 and SEBI Circular No. DNPd/Cir-30/2006 dated January 20, 2006, SEBI circular No. SEBI/DNPd/Cir-31/2006 dated September 22, 2006 and SEBI Circular No. Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010. The Scheme may use derivatives for such purposes as maybe permitted by the Regulations, including for the purpose of hedging and portfolio balancing, based on the opportunities available and subject to guidelines issued by SEBI from time to time. The Scheme may also use fixed income derivative instruments subject to the guidelines as maybe issued by SEBI and RBI and for such purposes as maybe permitted from time to time.

*Investment in Securitized debt (excluding foreign securitized debt), if undertaken, would not exceed 20% of the net assets of the Scheme.

Investment in Foreign Securities

The Scheme may seek investment opportunities in foreign securities including ADRs / GDRs / Foreign equity and debt securities subject to SEBI (MF) Regulations. Such Investment shall not exceed 40% of the net assets of the Scheme.

Investment in Short Term Deposits

Pending deployment of the funds in securities in terms of investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of the Scheduled Commercial Banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, as may be amended from time to time.

Stock Lending by the Fund

The scheme shall adhere to the following limits should it engage in Stock Lending.

1. Not more than 25% of the net assets of the Scheme can generally be deployed in Stock Lending.
2. Not more than 5% of the net assets of the Scheme can generally be deployed in Stock Lending to any single counter party.

Short Selling by the Fund

The Fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.

The Scheme retains the flexibility to invest across all the securities in the equity, debt and Money Markets Instruments and mutual fund units. The portfolio may hold cash depending on the market condition. Investment in mutual fund units shall be pending deployment of funds in line with the investment objective of schemes.

Subject to the Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute. These proportions can vary substantially depending upon the perception of the fund manager; the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the investment pattern will be for short term and for defensive considerations only. In the event of deviations, the fund manager will endeavour to carry out rebalancing within 30 Business Days. Where the portfolio is not rebalanced within 30 Business Days, justification for the same shall be placed before the Investment Review Committee and reasons for the same shall be recorded in writing. The Investment Review committee shall then decide on the course of action. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.

'Axis Midcap Fund, an open ended equity scheme is a new scheme offered by Axis Mutual Fund and is not a minor modification of any other existing scheme/product of Axis Mutual Fund. Differentiation as follows:

Name of the existing scheme	Asset Allocation Pattern			Primary Investment Objective	Differentiation	AUM as on Decem ber 31, 2010(Rs. In crores)	No. of Folios as on December 31, 2010
Axis Equity Fund				To achieve long term capital appreciation by investing in a diversified portfolio predominantly consisting of equity and equity related securities including derivatives. However, there can be no assurance that the investment objective of the Scheme will be achieved.	Diversified portfolio predominantly consisting of equity and equity related securities	Rs. 823.17 Crore	1,75,917
	Instruments	Indicative Allocation (% of net assets)					
		Minimu m	Maximum				
	Equity and Equity Related Instruments	80%	100%				
	Debt and Money Market Instruments	0%	20%				
Axis Tax Saver Fund				The investment objective of the Scheme is to generate income and long-term capital appreciation from a diversified portfolio of predominantly equity and equity-related Securities. However, there can be no assurance that the investment objective of the Scheme will be achieved.	Lock in period of 3 years from date of allotment – portfolio of predominantly with tax benefits under section 80C of the Income Tax Act, 1961.	Rs. 60.39 Crore	20,141
	Instruments	Indicative Allocation (% of net assets)					
		Minimu m	Maximu m				
	Equity and equity- related Securities	80	100				
	Debt and money market instruments	0	20				

Axis Equity Fund and Axis Tax Saver Fund seek to build a diversified portfolio of equity and equity related instruments across the entire spectrum of market capitalizations. Axis Midcap fund seeks to build a portfolio comprising primarily of equity and equity related securities of mid cap companies. Accordingly, Axis Midcap Fund is different from existing equity schemes of Axis Mutual Fund.

D.Where will the Scheme invest?

The corpus of the Scheme will be invested in Equity & Equity Related Instruments, Debt Instruments, Money Market Instruments and other permitted securities which will include but not limited to:

Equity and Equity Related Instruments:

1. Equity share is a security that represents ownership interest in a company.
2. Equity Related Instruments are securities which give the holder of the security right to receive Equity Shares on pre agreed terms. It includes convertible bonds, convertible debentures, equity warrants, convertible preference shares, etc.
3. Equity Derivatives are financial instruments, generally traded on an exchange, the price of which is directly dependent upon (i.e., "derived from") the value of equity shares or equity indices. Derivatives involve the trading of rights or obligations based on the underlying, but do not directly transfer property.
4. Foreign equity and Equity Related Instrument as may be permitted by SEBI/RBI from time to time.

5. Equity Derivatives:

Futures:

Futures are exchange-traded contracts to sell or buy financial instruments for future delivery at an agreed price. There is an agreement to buy or sell a specified quantity of financial instrument on a designated future date at a price agreed upon by the buyer and seller at the time of entering into a contract. To make trading possible, the exchange specifies certain standardized features of the contract. A futures contract involves an obligation on both the parties to fulfill the terms of the contract.

SEBI has permitted futures contracts on indices and individual stocks with maturity of 1 month, 2 months and 3 months on a rolling basis. The futures contracts are settled on last Thursday (or immediately preceding trading day if Thursday is a trading holiday) of each month. Currently, the futures are settled in cash. The final settlement price is the closing price of the underlying stock(s)/index.

Options:

Option is a contract which provides the buyer of the option (also called holder) the right, without the obligation, to buy or sell a specified asset at the agreed price on or upto a particular date. For acquiring this privilege, the buyer pays premium (fee) to the seller. The seller on the other hand has the obligation to buy or sell specified asset at the agreed price and for this obligation he receives premium. The premium is determined considering number of factors such as the market price of the underlying asset/security, number of days to expiry, risk free rate of return, strike price of the option and the volatility of the underlying asset. Option contracts are of two types viz:

Call Option - The option that gives the buyer the right but not the obligation to buy specified quantity of the underlying asset at the strike price is a call option. The buyer of the call option (known as the holder of call option) can call upon the seller of the option (writer of the option) and buy from him the underlying asset at the agreed price at any time on or before the expiry of the option.

The seller (writer of the option) on the other hand has the obligation to sell the underlying asset if the buyer of the call option decides to exercise his option to buy.

Put Option - The option that gives the buyer the right but not the obligation to sell is called put option. A Put option gives the holder (buyer) the right to sell specified quantity of the underlying asset at the strike price. The seller of the put option (one who is short Put) however, has the obligation to buy the underlying asset at the strike price if the buyer decides to exercise his option to sell.

There are two kind of options based on the date of exercise of right. The first is the European Option which can be exercised only on the maturity date. The second is the American Option which can be exercised on or before the maturity date.

Debt Instruments & Money Market Instruments

Collateralized Borrowing and Lending Obligations (CBLO)

Collateralized Borrowing and Lending Obligations (CBLO) is a money market instrument that enables entities to borrow and lend against sovereign collateral security. The maturity ranges from 1 day to 90 days and can also be made available upto 1 year.

Central Government securities including T-bills are eligible securities that can be used as collateral for borrowing through CBLO.

Certificate of Deposit (CD) of scheduled commercial banks and development financial institutions

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

Commercial Paper (CP)

Commercial Paper (CP) is an unsecured negotiable money market instrument issued in the form of a promissory note, generally issued by the corporates, primary dealers and all India Financial Institutions as an alternative source of short term borrowings. CP is traded in secondary market and can be freely bought and sold before maturity.

Treasury Bill (T-Bill)

Treasury Bills (T-Bills) are issued by the Government of India to meet their short term borrowing requirements. T-Bills are issued for maturities of 14 days, 91 days, 182 days and 364 days.

Bill (bills of exchange/promissory notes of public sector and private sector corporate entities) Rediscounting

Repos

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

Securities created and issued by the Central and State Governments as may be permitted by RBI, securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills). State Government securities (popularly known as State Development Loans or SDLs) are issued by the respective State Government in co-ordination with the RBI.

Non convertible debentures and bonds

Non convertible debentures as well as bonds are securities issued by companies / institutions promoted / owned by the Central or State Governments and statutory bodies which may or may not carry a Central/State Government guarantee, Public and private sector banks, all India Financial Institutions and Private Sector Companies. These instruments may be secured or unsecured against the assets of the Company and generally issued to meet the short term and long term fund requirements.

The scheme may also invest in the non convertible part of convertible debt securities.

Floating rate debt instruments

Floating rate debt instruments are instruments issued by Central / state governments, corporates, PSUs, etc. with interest rates that are reset periodically.

Securitized Assets: Securitization is a structured finance process which involves pooling and repackaging of cashflow producing financial assets into securities that are then sold to investors. They are termed as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are backed by other assets such as credit card, automobile or consumer loan receivables, retail installment loans or participations in pools of leases. Credit support for these securities may be based on the underlying assets and/or provided through credit enhancements by a third party. MBS is an asset backed security whose cash flows are backed by the principal and interest payments of a set of mortgage loans. Such Mortgage could be either residential or commercial properties. ABS/MBS instrument reflect the undivided interest in the underlying assets and do not represent the obligation of the issuer of ABS/MBS or the originator of underlying receivables. Securitization often utilizes the services of SPV.

Pass through Certificate (PTC) (Pay through or other Participation Certificates) represents beneficial interest in an underlying pool of cash flows. These cash flows represent dues against single or multiple loans originated by the sellers of these loans. These loans are given by banks or financial institutions to corporates. PTCs may be backed, but not exclusively, by receivables of personal loans, car loans, two wheeler loans and other assets subject to applicable regulations.

The following are certain additional disclosures w.r.t. investment in securitized debt:

1. How the risk profile of securitized debt fits into the risk appetite of the scheme

Securitized debt is a form of conversion of normally non-tradable loans to transferable securities. This is done by assigning the loans to a special purpose vehicle (a trust), which in turn issues Pass-Through-Certificates (PTCs). These PTCs are transferable securities with fixed income characteristics. The risk of investing in securitized debt is similar to investing in debt securities. However it differs in two respects.

Typically the liquidity of securitized debt is less than similar debt securities. For certain types of securitized debt (backed by mortgages, personal loans, credit card debt, etc.), there is an additional pre-payment risk. Pre-payment risk refers to the possibility that loans are repaid before they are due, which may reduce returns if the re-investment rates are lower than initially envisaged.

Because of these additional risks, securitized debt typically offers higher yields than debt securities of similar credit rating and maturity. If the fund manager judges that the additional risks are suitably compensated by the higher returns, he may invest in securitized debt up to the limits specified in the asset allocation table above.

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

The originator is the person who has initially given the loan. The originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). An analysis of the originator is especially important in case of retail loans as this affects the credit quality and servicing of the PTC. The key risk is that of the underlying assets and not of the originator. For example, losses or performance of earlier issuances does not indicate quality of current series. However such past performance may be used as a guide to evaluate the loan standards, servicing capability and performance of the originator.

Originators may be: Banks, Non Banking Finance Companies, Housing Finance Companies, etc. The fund manager / credit analyst evaluates originators based on the following parameters

- Track record
- Willingness to pay, through credit enhancement facilities etc.
- Ability to pay
- Business risk assessment, wherein following factors are considered:
 - Outlook for the economy (domestic and global)
 - Outlook for the industry
 - Company specific factors

In addition a detailed review and assessment of rating rationale is done including interactions with the originator as well as the credit rating agency.

The following additional evaluation parameters are used as applicable for the originator / underlying issuer for pool loan and single loan securitization transactions:

- Default track record/ frequent alteration of redemption conditions / covenants
- High leverage ratios of the ultimate borrower (for single-sell downs) – both on a standalone basis as well on a consolidated level/ group level
- Higher proportion of reschedulement of underlying assets of the pool or loan, as the case may be
- Higher proportion of overdue assets of the pool or the underlying loan, as the case may be
- Poor reputation in market
- Insufficient track record of servicing of the pool or the loan, as the case may be.

3. Risk mitigation strategies for investments with each kind of originator

An analysis of the originator is especially important in case of retail loans as the size and reach affects the credit quality and servicing of the PTC. In addition, the quality of the collection process, infrastructure and follow-up mechanism; quality of MIS; and credit enhancement mechanism are key risk mitigants for the better originators / servicers.

In case of securitization involving single loans or a small pool of loans, the credit risk of the underlying borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk. The credit analyst looks at ageing (i.e. how long the loan has been with the originator before securitization) as one way of evaluating the performance potential of the PTC. Securitization transactions may include some risk mitigants (to reduce credit risk). These may include interest subvention (difference in interest rates on the underlying loans and the PTC serving as margin against defaults), overcollateralization (issue of PTCs of lesser value than the underlying loans, thus even if some loans default, the PTC continues to remain protected), presence of an equity / subordinate tranche (issue of PTCs of differing seniority when it comes to repayment - the senior tranches get paid before the junior tranche) and / or guarantees.

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

In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk.

The credit analyst looks at ageing (i.e. how long the loan has been with the originator before securitization) as one way of judging the performance potential of the PTC. Additional risk mitigants may include interest subvention, over collateralization, presence of an equity / subordinate tranche and / or guarantees. The credit analyst also uses analyses by credit rating agencies on the risk profile of the securitized debt.

Currently, the following parameters are used while evaluating investment decision relating to a pool securitization transaction. The Investment Review Committee may revise the parameters from time to time.

Characteristics/Type of Pool	Mortgage Loan	Commercial Vehicle and Construction Equipment	CAR	2 wheelers	Micro Finance Pools *	Personal Loans *	Single Sell Downs	Others
Approximate Average maturity (in Months)	Up to 10 years	Up to 3 years	Up to 3 years	Up to 3 years	NA	NA	Refer Note 1	Refer Note 2
Collateral margin (including cash ,guarantees, excess interest spread , subordinate tranche)	>10%	>10%	>10%	>10%	NA	NA	"	"
Average Loan to Value Ratio	<90%	<80%	<80%	<80%	NA	NA	"	"
Average seasoning of the Pool	>3 months	>3 months	>3 months	>3 months	NA	NA	"	"
Maximum single exposure range	<1%	<1%	<1%	<1%	NA	NA	"	"
Average single exposure range %	<1%	<1%	<1%	<1%	NA	NA	"	"

* Currently, the Schemes will not invest in these types of securitized debt

Note 1: In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. The investment limits applicable to the underlying borrower are applied to the single loan sell-down.

2: Other investments will be decided on a case-to-case basis

The credit analyst may consider the following risk mitigating measures in his analysis of the securitized debt:

- Size of the loan
- Average original maturity of the pool
- Loan to Value Ratio

- Average seasoning of the pool
- Default rate distribution
- Geographical Distribution
- Credit enhancement facility
- Liquid facility
- Structure of the pool

5. Minimum retention period of the debt by originator prior to securitization

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements. In addition, RBI has proposed minimum holding period of between nine and twelve months for assets before they can be securitized. The minimum holding period depends on the tenor of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

6. Minimum retention percentage by originator of debts to be securitized

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements, including maximum exposure by the originator in the PTCs. In addition, RBI has proposed minimum retention requirement of between five and ten percent of the book value of the loans by the originator. The minimum retention requirement depends on the tenor and structure of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

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

The key risk is securitized debt relates to the underlying borrowers and not the originator. In a securitization transaction, the originator is the seller of the debt(s) and the fund is the buyer. However, the originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). As the originators may also invest in the scheme, the fund manager shall ensure that the investment decision is based on parameters as set by the Investment Review Committee (IRC) of the asset management company and IRC shall review the same at regular interval.

8. The resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt

The fund management team including the credit analyst has the experience to analyze securitized debt. In addition, credit research agencies provide analysis of individual instruments and pools. On an on-going basis (typically monthly) the servicer provides reports regarding the performance of the pool. These reports would form the base for ongoing evaluation where applicable. In addition, rating reports indicating rating changes would be monitored for changes in rating agency opinion of the credit risk.

When issued

When, as and if issued' (commonly known as "**when-issued**" (**WI**) **security**) refers to a security that has been authorized for issuance but not yet actually issued. WI trading takes place between the time a new issue is announced and the time it is actually issued. All "when issued" transactions are on an "if" basis, to be settled if and when the actual security is issued.

SEBI has on April 16, 2008 in principle allowed Mutual Funds to undertake 'When Issued (WI)' transactions in Central Government securities, at par with other market participants.

- Open Position in the 'WI' market are subject to the following limits:

Category	Reissued Security	Newly Issued Security
Non-PDs	Long Position, not exceeding 5 percent of the notified amount.	Long Position, not exceeding 5 percent of the notified amount.

Debt derivative instruments:

Interest Rate Swap - An Interest Rate Swap (IRS) is a financial contract between two parties exchanging or swapping a stream of interest payments for a "notional principal" amount on multiple occasions during a specified period. Such contracts generally involve exchange of a "fixed to floating" or "floating to fixed rate" of interest. Accordingly, on each payment date that occurs during the swap period, cash payments based on fixed/ floating and floating rates are made by the parties to one another.

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

Interest Rate Futures

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

Characteristics of Interest Rate Futures

1. Obligation to buy or sell a bond at a future date
2. Standardized contract.
3. Exchange traded
4. Physical settlement
5. Daily mark to market

Investment in foreign securities

The Scheme may also invest in suitable investment avenues in foreign securities in overseas financial markets for the purpose of diversification, commensurate with the

Scheme objectives and subject to necessary stipulations by SEBI / RBI. Towards this end, the Mutual Fund may also appoint overseas investment advisors and other service providers, to the extent permissible under the Regulations.

The Scheme may, with the approval of SEBI / RBI, where required invest in:

- ADRs (American Depositary Receipts)/ GDRs (Global Depositary Receipts) issued by Indian or foreign companies
- Equity of overseas companies listed on recognized stock exchanges overseas
- Initial and follow on public offerings for listing at recognized stock exchanges overseas
- Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies
- Money market instruments rated not below investment grade
- Repos in the form of investment, where the counterparty is rated not below investment grade; repos shall not however, involve any borrowing of funds by the mutual funds
- Government securities where the countries are rated not below investment grade
- Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities
- Short term deposits with banks overseas where the issuer is rated not below investment grade
- Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, or (b) unlisted overseas securities (not exceeding 10% of their net assets).

Note: The Scheme will not invest in foreign securitized debt.

As per SEBI Circular SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007, mutual funds can make overseas investments subject to a maximum of US \$300 million or such limits as may be prescribed by SEBI from time to time. Subject to the approval of RBI / SEBI and conditions as may be prescribed by them, the Mutual Fund may open one or more foreign currency accounts abroad either directly, or through the custodian/sub-custodian, to facilitate investments and to enter into/deal in forward currency contracts, currency futures, interest rate futures / swaps, currency options for the purpose of hedging the risks of assets of a portfolio or for its efficient management. However, the use of such instruments shall be as permitted from time to time. All the requirement of the SEBI circular dated September 26, 2007, would be adhered to by the AMC for investment in foreign securities.

Investment in overseas securities shall be made in accordance with the requirements stipulated by SEBI and RBI from time to time.

Investment in Short Term Deposits and mutual fund units

Pending deployment of the funds in securities in terms of investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of the Scheduled Commercial Banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, as may be amended from time to time. Pending deployment, such funds may also be invested in units of debt and liquid mutual fund schemes.

The securities / instruments mentioned above and such other securities the Scheme is permitted to invest in could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity.

The securities may be acquired through initial public offering (IPOs), secondary market, private placement, rights offers, negotiated deals. Further investments in debentures, bonds and other fixed income securities will be in instruments which have been assigned investment grade rating by the Credit Rating Agency.

Investment in unrated debt instruments shall be subject to complying with the provisions of Regulations and within the limit as specified in Schedule VII to the Regulations. Pursuant to SEBI Circular No. MFD/CIR/9/120/2000 dated November 24, 2000, the AMC may constitute committee(s) to approve proposals for investments in unrated debt instruments. The AMC Board and the Trustee shall approve the detailed parameters for such investments. However, in case any unrated debt security does not fall under the parameters, the prior approval of Board of AMC and Trustee shall be sought.

For applicable regulatory investment limits please refer paragraph "Investment Restrictions."

Details of various derivative instruments along with derivative strategies have been provided under the section "Derivatives Strategy"

The Fund Manager may invest in any other security as maybe permitted from time to time and which are in line with the investment objectives of the Scheme.

E.WHAT ARE THE INVESTMENT STRATEGIES

Axis Mid Cap Fund endeavours to generate capital appreciation through an actively managed diversified portfolio of primarily larger mid-cap companies.

Larger mid-cap companies combine the flexible, innovative, high-growth features of mid and small size companies with the proven management and liquidity of larger companies.

Larger mid-cap companies are usually more flexible & are able to respond swiftly to opportunities in the market leading to higher growth as compared to large-caps. As a result, these companies have a better growth potential compared to their more established counterparts. Many of these have grown from their smaller cap roots through this superior growth profile. At the same time, Larger mid cap companies have established track-records, both financial and in products and services, along with experienced management teams, larger market shares, stronger name recognition, and global exposure. These aspects, in turn, make them less risky compared to smaller companies.

The Fund intends to benefit from this "best of both worlds" characteristic of larger mid-cap companies.

The portfolio will be built utilising a bottom-up stock selection process, focusing on appreciation potential of individual stocks from a fundamental perspective. The AMC employs a "Fair value" based research process to analyse the appreciation potential of each stock in its universe (Fair value is a measure of the intrinsic worth of a company).

The universe of stocks is carefully selected to include companies having a robust business models and enjoying sustainable competitive advantages as compared to their competitors.

The Fund will, mainly, invest in mid-cap companies. Mid-cap companies, as they are in a stage of growth, may be valued higher than their fair value. However, the Fund intends to identify such strong growth companies & take advantage of their future appreciation.

The Fund by utilising a holistic risk management strategy will endeavour to manage risks associated with investing in equity markets. The Fund has identified the following risks and designed risk management strategies, which are embedded in the investment process to manage these risks

- i. Quality Risk - Risk of investing in unsustainable / weak companies.
- ii. Price Risk - Risk of overpaying for a company
- iii. Liquidity Risk - High Impact cost of entry and exit
- iv. Volatility Risk - Volatility in price due to company or portfolio specific factors
- v. Event Risk - Price risk due to a company / sector specific or market event

PORTFOLIO TURNOVER

The Scheme is an open-ended scheme. It is expected that there would be a number of subscriptions and redemptions on a daily basis. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio.

There may be an increase in transaction cost such as brokerage paid, if trading is done frequently. However, the cost would be negligible as compared to the total expenses of the Scheme. Frequent trading may increase the profits which will offset the increase in costs. The fund manager will endeavor to optimize portfolio turnover to maximize gains and minimize risks keeping in mind the cost associated with it. However, it is difficult to estimate with reasonable accuracy, the likely turnover in the portfolio of the Scheme. The Scheme has no specific target relating to portfolio turnover

RISK CONTROL

Risk is an inherent part of the investment function. Effective Risk Management is critical to Fund Management for achieving financial soundness. Investments by the Scheme shall be made as per the investment objectives of the Scheme and provisions of the Regulations.

Risk control would include managing risk in order to keep it in line with the investment objective of the Scheme. The AMC has incorporated adequate safeguards to manage risk in the portfolio construction process. The risk control process involves identifying & measuring the risk through various Risk Measurement Tools. Further, the AMC has implemented the Bloomberg Portfolio Management System as Front Office System (FOS) for managing risk. The system has inbuilt feature which enables the Fund Manager calculate various risk ratios and analyze the same.

The AMC has experienced investment professionals to help limit investment universe to carefully selected high quality businesses. The fund manager would also consider hedging the portfolios in case of predictable events with uncertain outcomes.

The Scheme would invest in a diversified portfolio of equity and equity related securities which would help alleviate the sector/market capitalization related concentration risk.

Mid & small size companies may be more volatile & less liquid than larger companies. However, the scheme will try to lower the risk by primarily investing in larger mid cap companies which combine the high growth features of mid and small size companies with the proven management and liquidity of larger companies.

DERIVATIVES STRATEGY

The Scheme may invest in various derivative instruments which are permissible under the applicable regulations. Such investments shall be subject to the investment objective and strategy of the Scheme and the internal limits if any, as laid down from time to time. These include but are not limited to futures (both stock and index) and options (stock and index).

Derivatives are financial contracts of pre-determined fixed duration, like stock futures/options and index futures and options, whose values are derived from the value of an underlying primary financial instrument such as: interest rates, exchange rates, commodities, and equities.

Derivatives can be either exchange traded or can be over the counter (OTC). Exchange traded derivatives are listed and traded on stock exchanges whereas OTC derivative transactions are generally structured between two counterparties.

The objectives of the various strategies include hedge stock / portfolio against market gyrations.

The risks associated with derivatives are similar to those associated with underlying investments. The additional risks of using derivative strategies could be on account of:

- Illiquidity;
- Potential mis - pricing of the Futures/Options;
- Lack of opportunity
- Inability of derivatives to correlate perfectly with the underlying (Indices, Assets, Exchange Rates);
- Cost of hedge can be higher than adverse impact of market movements;
- An exposure to derivatives in excess of the hedging requirements can lead to losses;
- An exposure to derivatives can also limit the profits from a genuine investment transaction.
- The prices which are seen on the screen need not be the same at which execution will take place.

For detailed risks associated with use of derivatives, please refer paragraph "Scheme Specific Risk Factors"

Exchange traded derivative contracts in stocks and indices in India are currently cash settled at the time of maturity.

Concepts and Examples of derivatives which maybe used by the fund manager:

Futures

Futures (Index & Stocks) are forward contracts traded on the exchanges & have been introduced both by BSE and NSE. Generally futures of 1 month (near month), 2 months (next month) and 3 months (far month) are presently traded on these exchanges. These futures expire on the last working Thursday of the respective months.

Illustration with Index Futures

In case the Nifty near month future contract is trading at say, Rs. 3,510, and the fund manager has a view that it will depreciate going forward; the Scheme can initiate a sale transaction of Nifty futures at Rs. 3,510 without holding a portfolio of equity stocks or any other underlying long equity position. Once the price falls to Rs. 3,400 after say, 20 days, the Scheme can initiate a square-up transaction by buying the said futures and book a profit of Rs. 110.

Correspondingly, if the fund manager has a positive view he can initiate a long position in the index / stock futures without an underlying cash/ cash equivalent subject to the extant regulations.

There are futures based on stock indices as mentioned above as also futures based on individual stocks. The profitability of index /stock future as compared to an individual security will inter-alia depend upon:

- The carrying cost,
- The interest available on surplus funds, and
- The transaction cost.

Example of a typical future trade and the associated costs

Particulars	Index Future	Actual Purchase of Stocks
Index at the beginning of the month	3500	3500
Price of 1 month future	3510	
A. Execution cost: Carry and other index future costs	10	
B. Brokerage cost: Assumed at	7.02	8.75
0.2% of Index Future		
0.25% for spot Stocks		
C. Gains on surplus fund: (Assumed 8% p.a. return on 85% of the money left after paying 15% margin) (8%*3500*85%*30 days/365)	19.56	0
Total Cost (A+B-C)	-2.54	8.75

Some strategies that employ stock /index futures and their objectives:

(a) Arbitrage

(1) Selling spot and buying future: In case the Scheme holds the stock of a company "A" at say Rs. 100 while in the futures market it trades at a discount to the spot price say at Rs. 98, then the Scheme may sell the stock and buy the futures.

On the date of expiry of the stock future, the Scheme may reverse the transactions (i.e. buying at spot & selling futures) and earn a risk-free Rs. 2 (2% absolute) on its holdings without any dilution of the view of the fund manager on the underlying stock.

Further, the Scheme can still benefit from any movement of the price in the upward direction, i.e. if on the date of expiry of the futures, the stock trades at Rs. 110 which would be the price of the futures too, the Scheme will have a benefit of Rs 10 whereby the Scheme gets the 10% upside movement together with the 2% benefit on the arbitrage and thus getting a total return of 12%. The corresponding return in case of holding the stock would have been 10%.

Note: The same strategy can be replicated with a basket of Nifty- 50 stocks (Synthetic Nifty) and the Nifty future index.

(2) Buying spot and selling future: Where the stock of a company "A" is trading in the spot market at Rs. 100 while it trades at Rs. 102 in the futures market, then the Scheme may buy the stock at spot and sell in the futures market thereby earning Rs. 2.

Buying the stock in cash market and selling the futures results into a hedge where the Scheme has locked in a spread and is not affected by the price movement of cash market and futures market. The arbitrage position can be continued till expiry of the future contracts when there is a convergence between the cash market and the futures market. This convergence enables the Scheme to generate the arbitrage return locked in earlier.

(b) Buying/ Selling Stock future:

When the Scheme wants to initiate a long position in a stock whose spot price is at say, Rs.100 and futures is at 98, then the Scheme may just buy the futures contract instead of the spot thereby benefiting from a lower cost.

In case the Scheme has a bearish view on a stock which is trading in the spot market at Rs.98 and the futures market at say Rs. 100, the Scheme may subject to regulations, initiate a short position in the futures contract. In case the prices align with the view and the price depreciates to say Rs. 90, the Scheme can square up the short position thereby earning a profit of Rs.10 vis a vis a fall in stock price of Rs 8.

(c) Hedging:

The Scheme may use exchange-traded derivatives to hedge the equity portfolio. Both index and stock futures and options may be used to hedge the stocks in the portfolio.

(d) Alpha Strategy:

The Scheme will seek to generate alpha by superior stock selection and removing market risks by selling appropriate index. For example, one can seek to generate positive alpha by buying a bank stock and selling Bank Nifty future.

Execution of these strategies depends upon the ability of the fund manager to identify and execute based on such opportunities. These involve significant uncertainties and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

Option Contracts (Stock and Index)

An Option gives the buyer the right, but not the obligation, to buy (call) or sell (put) a stock at an agreed-upon price during a certain period of time or on a specific date.

Options are used to manage risk or as an investment to generate income. The price at which underlying security is contracted to be purchased or sold is called the Strike Price. Options that can be exercised on or before the expiration date are called American Options while, Options that can be exercised only on the expiration date are called European Options.

Options Risk / Return Pay-off Table

	Stock / Index Options	Buy Call	Buy Put
1	View on underlying	Positive	Negative
2	Premium	Pay	Pay
3	Risk Potential	Limited to premium paid	Limited to premium paid
4	Return Potential	Unlimited	Unlimited

Option contracts are of two types - Call and Put.

Call Option: A call option gives the buyer, the right to buy specified quantity of the underlying asset at the set strike price on or before expiration date and the seller (writer) of call option however, has the obligation to sell the underlying asset if the buyer of the call option decides to exercise the option to buy.

Put Option: A put option gives the buyer the right to sell specified quantity of the underlying asset at the set strike price on or before expiration date and the seller (writer) of put option however, has the obligation to buy the underlying asset if the buyer of the put option decides to exercise his option to sell.

Index Options / Stock Options

Index options / Stock options are termed to be an efficient way of buying / selling an index/stock compared to buying / selling a portfolio of physical shares representing an index for ease of execution and settlement. The participation can be done by buying / selling either Index futures or by buying a call/put option.

The risk are also different when index /stock futures are bought/sold visa- a- vis index/ stocks options as in case of an index future there is a mark to market variation and the risk is much higher as compared to buying an option, where the risk is limited to the extent of premium paid.

The illustration below explains how one can gain using Index call / put option. These same principles of profit / loss in an Index option apply in toto to that for a stock option.

Call Option

Suppose an investor buys a Call option on 1 lot of CNX Nifty (Lot Size: 50 units)

- Nifty index (European option).
- Nifty 1 Lot Size: 50 units
- Spot Price (S): 3500
- Strike Price (x): 3550 (Out-of-Money Call Option)
- Premium: 100

Total Amount paid by the investor as premium $[50 \times 100] = 5000$

There are two possibilities i.e. either the index moves up over the strike price or remains below the strike price.

Case 1- The index goes up

- An investor sells the Nifty Option described above before expiry:

Suppose the Nifty index moves up to 3600 in the spot market and the premium has moved to Rs 200 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1 Nifty call option as the option now is In the Money.

His gains are as follows:

- Nifty Spot: 3600
- Current Premium: Rs.200
- Premium paid: Rs.100
- Net Gain: $\text{Rs.}200 - \text{Rs.}100 = \text{Rs.}100$ per unit
- Total gain on 1 lot of Nifty (50 units) = $\text{Rs.}5000$ (50×100)

In this case the premium of Rs.200 has an intrinsic value of Rs.50 per unit and the remaining Rs.150 is the time value of the option.

- An investor exercises the Nifty Option at expiry

Suppose the Nifty index moves up to 3700 in the spot market on the expiry day and the investor decides to reverse his position in the market by exercising the Nifty call option as the option now is in The Money.

His gains are as follows:

- Nifty Spot: 3700
- Premium paid: Rs.100
- Exercise Price: 3550
- Receivable on exercise: $3700 - 3550 = 150$
- Total Gain: $\text{Rs.}2500 \{ (150 - 100) \times 50 \}$

In this case the realised gain is only the intrinsic value, which is Rs.50, and there is no time value.

Case 2 - The Nifty index moves to any level below 3550

Then the investor does not gain anything but on the other hand his loss is limited to the premium paid:

Net Loss is Rs.5000 (Loss is capped to the extent of Premium Paid)

(Rs 100 Premium paid * Lot Size: 50 units).

Put Option

Suppose an investor buys a Put option on 1 lot of CNX Nifty.

- Nifty 1 Lot Size: 50 units
- Spot Price (S): 3500
- Strike Price (x): 3450 (Out-of-Money Put Option)
- Premium: 30
- Total Amount paid by the investor as premium $[50 \times 30] = 1500$

There are two possibilities i.e. either the index moves over the strike price or moves below the strike price.

Let us analyze these scenarios.

Case 1 - The index goes down

- An investor sells the Nifty Option before expiry:

Suppose the Nifty index moves down to 3400 in the spot market and the premium has moved to Rs. 80 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1 Nifty Put Option as the option now is In The Money. His gains are as follows:

- Nifty Spot: 3400
- Premium paid: Rs.30
- Net Gain: $\text{Rs.80} - \text{Rs.30} = \text{Rs.50}$ per unit
- Total gain on 1 lot of Nifty (50 units) = Rs.2500 (50×50)

In this case the premium of Rs.80 has an intrinsic value of Rs.50 per unit and the remaining Rs.30 is the time value of the option.

An investor exercises the Nifty Option at expiry (It is an European Option)

Suppose the Nifty index moves down to 3400 in the spot market on the expiry day and the investor decides to reverse his position in the market by exercising the Nifty Put Option as the option now is In The Money.

His gains are as follows:

- Nifty Spot: 3400
- Premium paid: Rs.30
- Exercise Price: 3450
- Gain on exercise: $3450 - 3400 = 50$
- Total Gain: Rs.1000 $\{(50 - 30) \times 50\}$

In this case the realised amount is only the intrinsic value, which is Rs.50, and there is no time value in this case.

Case 2 - If the Nifty index stays over the strike price which is 3450, in the spot market then the investor does not gain anything but on the other hand his loss is limited to the premium paid.

- Nifty Spot: > 3450
- Net Loss Rs.1500 (Loss is capped to the extent of Premium Paid)
(Rs 30 Premium paid * Lot Size: 50 units).

Investment in Fixed Income Derivative Instruments:

The Scheme may use Derivative instruments like interest rate swaps like overnight indexed swaps (OIS), forward rate agreements, interest rate futures(as and when permitted) or such other Derivative instruments as may be permitted under the applicable regulations. Derivatives will be used for the purpose of hedging, and portfolio balancing or such other purpose as may be permitted under the regulations and Guidelines from time to time.

The Fund will be allowed to take exposure in interest rate swaps only on a non-leveraged basis. A swap will be undertaken only if there is an underlying asset in the portfolio. In terms of Circular No. MFD.BC.191/07.01.279/1999-2000 and MPD.BC.187/07.01.279/1999-2000 dated November 1, 1999 and July 7, 1999 respectively issued by RBI permitting participation by Mutual Funds in interest rate swaps and forward rate agreements, the Fund will use Derivative instruments for the purpose of hedging and portfolio balancing. The Fund may also use derivatives for such purposes as maybe permitted from time to time. Further, the guidelines issued by RBI from time to time for forward rate agreements and interest rate swaps and other derivative products would be adhered to by the Mutual Fund.

IRS and FRAs do also have inherent counterparty and settlement risks. However, these risks are substantially reduced as they are limited to the interest streams and not the notional principal amounts.

Investments in Derivatives will be in accordance with the extant SEBI regulations / guidelines. Presently Derivatives shall be used for hedging and / or portfolio balancing purposes, as permitted under the Regulations. The circumstances under which such transactions would be entered into would be when, for example using the IRS route it is possible to generate better returns / meet the objective of the Scheme at a lower cost. e.g. if buying a 2 Yr Mibor based instrument and receiving the 2 Yr swap rate yields better return than the 2 Yr AAA corporate, the Scheme would endeavor to do that. Alternatively, the Scheme would also look to hedge existing fixed rate positions if the view on interest rates is that it would likely rise in the future.

The following information provides a basic idea as to the nature of the Derivative instruments proposed to be used by the Fund and the benefits and risks attached therewith. Please note that the examples have been given for illustration purposes only.

Using Overnight Indexed Swaps

In a rising interest rate scenario, the Scheme may enhance returns for the Investor by hedging the risk on its fixed interest paying assets by entering into an OIS contract where the Scheme agrees to pay a fixed interest rate on a specified notional amount, for a pre determined tenor and receives floating interest rate payments on the same notional amount. The fixed returns from the Scheme assets and the fixed interest payments to be made by the Scheme on account of the OIS transaction offset each other and the Scheme benefits on the floating interest payments that it receives. The Scheme may enter into an opposite position in case of a falling interest rate scenario, i.e. to hedge the floating rate assets in its portfolio the Scheme enters into an OIS transaction wherein it receives a fixed interest rate on a specified notional amount for a specified time period and pays a floating interest rate on the same notional amount. The floating interest payments that the Scheme receives on its floating rate securities and the floating interest payments that the Scheme has to pay on account of the OIS transaction offset each other and the Scheme benefits on the fixed interest payments that it receives in such a scenario.

Swap

Assume that the Scheme has a Rs. 20 crore floating rate investment linked to MIBOR (Mumbai Inter Bank Offered Rate). Hence, the Scheme is currently running an interest rate risk and stands to lose if the interest rate moves down. To hedge this interest rate risk, the Scheme can enter into a 6 month MIBOR swap. Through this swap, the Scheme will receive a fixed predetermined rate (assume 12%) and pays the "benchmark rate" (MIBOR), which is fixed by the NationNSE or any other agency such as Reuters. This swap would effectively lock-in the rate of 12% for the next 6 months, eliminating the daily interest rate risk. This transaction is usually routed through an intermediary who runs a book and matches deals between various counterparties. The steps will be as follows:

Assuming the swap is for Rs. 20 Crores for June 1, 2009 to December 1, 2009. The Scheme is a fixed rate receiver at 12% and the counterparty is a floating rate receiver at the overnight rate on a compounded basis (say NSE MIBOR).

On June 1, 2009 the Scheme and the counterparty will exchange only a contract of having entered this swap. This documentation would be as per International Swap Dealers Association (ISDA) norms.

On a daily basis, the benchmark rate fixed by NSE will be tracked by them.

On December 1, 2009 they will calculate the following:

- The Scheme is entitled to receive interest on Rs. 20 Crores at 12% for 184 days i.e. Rs. 1.21 Crores, (this amount is known at the time the swap was concluded) and will pay the compounded benchmark rate.
- The counterparty is entitled to receive daily compounded call rate for 184 days & pay 12% fixed.
- On December 1, 2009, if the total interest on the daily overnight compounded benchmark rate is higher than Rs. 1.21 Crores, the Scheme will pay the difference to the counterparty. If the daily compounded benchmark rate is lower, then the counterparty will pay the Scheme the difference.
- Effectively the Scheme earns interest at the rate of 12% p.a. for six months without lending money for 6 months fixed, while the counterparty pays interest @ 12% p.a. for 6 months on Rs. 20 Crores, without borrowing for 6 months fixed.

The above example illustrates the use of Derivatives for hedging and optimizing the investment portfolio. Swaps have their own drawbacks like credit risk, settlement risk. However, these risks are substantially reduced as the amount involved is interest streams and not principal.

Forward Rate Agreement

Assume that on June 30, 2009, the 30 day commercial paper (CP) rate is 4% and the Scheme has an investment in a CP of face value Rs. 50 Crores, which is going to mature on July 31, 2009. If the interest rates are likely to remain stable or decline after July 31, 2009, and if the fund manager, who wants to re-deploy the maturity proceeds for 1 more month does not want to take the risk of interest rates going down, he can then enter into a following Forward Rate Agreement (FRA) say as on June 30, 2009:

He can receive 1 X 2 FRA on June 30, 2009 at 4.00% (FRA rate for 1 months lending in 1 months time) on the notional amount of Rs. 50 Crores, with a reference rate of 30 day CP benchmark. If the CP benchmark on the settlement date i.e. July 30, 2009 falls to 3.75%, then the Scheme receives the difference 4.00 – 3.75 i.e. 25 basis points on the notional amount Rs. 50 Crores.

Interest Rate Futures

Assume that the Fund holds an Indian ten year benchmark and the fund manager has a view that the yields will go up in the near future leading to decrease in value of the investment and subsequent decrease in Net Asset Value of the fund. The fund house decides to use Interest Rate Futures to mitigate the risk of decline of Net Asset Value of the fund.

12th October 2009

- The benchmark ten year paper 6.88 2009, is trading at INR 98.00 at a yield of 7.19%.
- December 2009 futures contract on the ten year notional 7% coupon bearing Government paper is trading at a yield of 7.29% at a price of INR 98.50.

- The mutual fund decides to hedge the exposure by taking a short position in December 2009 interest rate futures contract.

25th November 2009

- As expected by the fund manager the yield of the benchmark ten year paper has increased to 8% and the price has decreased to 92.70.
- The December 2009 futures contract is trading at a price of INR 93.17 indicating a yield of 8.05%
- The mutual fund unwinds the short position by buying the December 2009 futures contract. The transaction results in profit from the futures position, against the corresponding loss from the Government of India security position.

For details of risk factors relating to use of Derivatives, the investors are advised to refer to Scheme Specific Risk Factors.

F: FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the Scheme, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

(i) Type of a Scheme

(ii) Investment Objective

(iii) Terms of Issue

- Liquidity provisions such as listing, Repurchase, Redemption.
- Aggregate fees and expenses charged to the Scheme.
- Any safety or guarantee net provided:

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustee shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unit holders is carried out unless:

- 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
- The Unit holders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE ?

The Scheme performance would be benchmarked against BSE Midcap Index. BSE Mid-Cap index tracks the performance of companies with relatively mid-size market capitalization. As the Fund intends to primarily invest in such companies, BSE Mid-Cap is an appropriate benchmark for the Fund.

The Trustee/AMC may change the benchmark in future if a benchmark better suited to the investment objective of the Scheme is available.

H. WHO MANAGES THE SCHEME?

Name of Fund Manager	Age and Qualification	Experience of the Fund Manager in the last 10 years	Names of other schemes under his management
Mr. Pankaj Murarka	33 B. Com, ACA	<p>Mr. Pankaj Murarka has over 11 years of experience in the equity markets.</p> <ul style="list-style-type: none"> Fund Manager - Equity, Axis Asset Management Co. Ltd.(November 3 2009 till date) Principal Officer, Pipal Capital Management Private Limited (From April 2009 till November 2009) Portfolio Manager, DSP Merrill Lynch Ltd (From June 2006 – March 2009) Head of Research & Fund Manager, Rare Enterprises (From June 2004- June 2006) Equity Sales, Motilal Oswal Securities Ltd. (From April 2003 – May 2004) Fund Management & Research, UTI Asset Management Company Ltd.(February 1998 to January 2003) 	Axis Income Saver (along with Mr. R. Sivakumar)

The Fixed Income Fund Managers of the Mutual Fund will be involved in management of the Debt Component of the Scheme. Further, presently the Trustee/AMC has not designated a dedicated Fund Manager for investment in Foreign Securities. However, it shall be ensured that there is a dedicated fund manager for investment in foreign securities as and when the fund makes investment in foreign securities.

I. WHAT ARE THE INVESTMENT RESTRICTIONS?

Pursuant to Regulations, specifically the Seventh Schedule and amendments thereto, the following investment restrictions are currently applicable to the Scheme:

1. The Scheme shall not invest more than 10 per cent of its NAV in the equity shares or equity related instruments of any company
2. The Scheme shall not invest more than 5% of its NAV in the unlisted equity shares or equity related instruments
3. The Mutual Fund under all its Scheme(s) shall not own more than ten per cent of any company's paid up capital carrying voting rights.
4. The Scheme shall not invest more than 15% of its NAV in debt instruments issued by a single issuer, which are rated not below investment grade by a credit rating agency authorized to carry out such activities under the SEBI Act, 1992. Such investment limit may be extended to 20% of the NAV of the Scheme with the prior approval of the Trustee and the Board of AMC.

Such limit shall not be applicable for investment in Government Securities.

In case of investment in money market instruments, the Scheme shall not invest more than 30% of its net assets in Money Market Instruments issued by a single issuer. The limit shall not be applicable to investment in CBLOs, GSecs and T-Bills.

Investments within such limit can be made in the mortgaged backed securitised debt, which are rated not below investment grade by a credit rating agency, registered with SEBI.

5. The Scheme shall not invest more than 10% of its NAV in un-rated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the Scheme. All such investments shall be made with the prior approval of the Trustee and Board of AMC.
6. The Scheme may invest in other schemes of the Mutual Fund or any other mutual fund without charging any fees, provided the aggregate inter-scheme investment made by all the schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the Net Asset Value of the Fund.
7. The Scheme shall not make any investment in :
 - a) any unlisted security of an associate or group company of the sponsor; or
 - b) any security issued by way of private placement by an associate or group company of the sponsor; or
 - c) the listed securities of group companies of the sponsor which is in excess of 25% of the net assets; or
8. The Mutual Fund shall get the securities purchased transferred in the name of the Fund on account of the concerned Scheme, wherever investments are intended to be of a long-term nature.
9. Transfer of investments from one scheme to another scheme in the same Mutual Fund is permitted provided:
 - a. such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and
 - b. the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.
10. The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities:

Provided that the Mutual Fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.

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

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

11. The Scheme shall not make any investment in any fund of funds scheme.
12. The Scheme will comply with the following restrictions for trading in exchange traded derivatives, as specified by SEBI vide its circular DNPd/Cir-29/2005 dated September 14, 2005, Circular DNPd/Cir-30/2006 dated January 20, 2006 and Circular DNPd/Cir-31/2006 dated September 22, 2006:

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

- a. The Mutual Fund position limit in all index options contracts on a particular underlying index shall be Rs. 500 crores or 15% of the total open interest of the market in index options, whichever is higher, per stock exchange.
- b. This limit would be applicable on open positions in all options contracts on a particular underlying index.

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

- a. The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be Rs.500 crores or 15% of the total open interest of the market in index futures, whichever is higher, per stock exchange.
- b. This limit would be applicable on open positions in all futures contracts on a particular underlying index.

iii. Additional position limit for hedging

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

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

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

The Mutual Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts, is defined in the following manner:-

- a. For stocks having applicable market-wide position limit ('MWPL') of Rs. 500 crores or more, the combined futures and options position limit shall be 20% of applicable MWPL or Rs. 300 crores, whichever is lower and within which stock futures position cannot exceed 10% of applicable MWPL or Rs. 150 crores, whichever is lower.
- b. For stocks having applicable MWPL less than Rs. 500 crores, the combined futures and options position limit would be 20% of applicable MWPL and futures position cannot exceed 20% of applicable MWPL or Rs. 50 crores whichever is lower.

v. Position limit for each scheme of a Mutual Fund

The scheme-wise position limit / disclosure requirements shall be:

- a. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a Mutual Fund shall not exceed the higher of 1% of the free float market capitalization (in terms of number of shares)
or
5% of the open interest in the derivative contract on a particular underlying stock (in terms of number of contracts).
- b. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
- c. For index based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

- 13 Pending deployment of the funds of the Scheme in securities in terms of the investment objective of the Scheme, the AMC may park the Funds of the Scheme in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007 as may be amended from time to time:

The Scheme will comply with the following guidelines/restrictions for parking of funds in short term deposits:

- i. "Short Term" for such parking of funds by the Scheme shall be treated as a period not exceeding 91 days. Such short-term deposits shall be held in the name of the Scheme.
- ii. The Scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustee.
- iii. Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
- iv. The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
- v. The Scheme shall not park funds in short term deposit of a bank which has invested in that Scheme.

However, the above provisions will not apply to term deposits placed as margins for trading in cash and derivatives market.

- 14 The Scheme shall not advance any loans.

- 15 The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of repurchase/redemption of Units or payment of interest and/or dividend to the Unit holders.

Provided that the Fund shall not borrow more than 20% of the net assets of the individual Scheme and the duration of the borrowing shall not exceed a period of 6 month The Scheme will comply with the other Regulations applicable to the investments of Mutual Funds from time to time.

16. Further, SEBI vide its circular no. Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010 has

prescribed the following investment restrictions w.r.t. investment in derivatives:

S. No.	Particulars								
I	The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the scheme. Cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure.								
II	The Scheme shall not write options or purchase instruments with embedded written options.								
III	The total exposure related to option premium paid shall not exceed 20% of the net assets of the scheme.								
IV	<p>Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:</p> <ol style="list-style-type: none"> Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken. 								
V	Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.								
VI	<p>Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:</p> <table border="1"> <thead> <tr> <th>Position</th><th>Exposure</th></tr> </thead> <tbody> <tr> <td>Long Future</td><td>Futures Price * Lot Size * Number of Contracts</td></tr> <tr> <td>Short Future</td><td>Futures Price * Lot Size * Number of Contracts</td></tr> <tr> <td>Option bought</td><td>Option Premium Paid * Lot Size * Number of Contracts.</td></tr> </tbody> </table>	Position	Exposure	Long Future	Futures Price * Lot Size * Number of Contracts	Short Future	Futures Price * Lot Size * Number of Contracts	Option bought	Option Premium Paid * Lot Size * Number of Contracts.
Position	Exposure								
Long Future	Futures Price * Lot Size * Number of Contracts								
Short Future	Futures Price * Lot Size * Number of Contracts								
Option bought	Option Premium Paid * Lot Size * Number of Contracts.								
VII	The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases shall not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions shall not exceed 10% of the net assets of the scheme.								

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

Apart from the Investment Restrictions prescribed under the Regulations, internal risk parameters for limiting exposure to a particular scrip or sector may be prescribed from time to time to respond to the dynamic market conditions and market opportunities.

The AMC/Trustee may alter these above stated restrictions from time to time to the extent the Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its respective investment objective.

J. HOW HAS THE SCHEME PERFORMED?

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

K. Investments by the AMC

Subject to the Regulations, the AMC may invest either directly or indirectly, in the Scheme during the NFO and / or Ongoing Offer Period. However, the AMC shall not charge any investment management fee on such investment in the Scheme.

III. UNITS AND OFFER

This section provides details you need to know for investing in the Scheme.

A. NEW FUND OFFER (NFO)

<p>New Fund Offer Period</p> <p>This is the period during which a new scheme sells its Units to the investors.</p>	<p>NFO opens on: January 31, 2011 NFO closes on: February 14, 2011 The AMC/Trustee reserves the right to close the NFO of the Scheme before the above mentioned date.</p> <p>The AMC/Trustee reserves the right to extend the closing date of the New Fund Offer Period, subject to the condition that the New Fund Offer shall not be kept open for more than 15 days.</p>
<p>New Fund Offer Price:</p> <p>This is the price per Unit that the investors have to pay to invest during the NFO.</p>	<p>Rs. 10/- per Unit</p>
<p>Minimum Amount for Application /Switch in in the NFO</p>	<p>Rs. 5,000 in multiples of Re 1/- thereafter</p>
<p>Minimum Target amount</p> <p>This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return. However, if AMC fails to refund the amount within 5</p>	<p>Rs. 1 crore</p>

business days from date of closure of NFO, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of 5 business days from the date of closure of NFO.	
Maximum amount to be raised (if any)	None
Plans / Options offered	<p>The Scheme offers the following options:</p> <p>a) Growth Option</p> <p>b) Dividend Option.</p> <ol style="list-style-type: none"> 1. Dividend Payout Facility 2. Dividend Reinvestment Facility <p>a) Growth Option Dividends will not be declared under this Option. The income attributable to Units under this Option will continue to remain invested in the Scheme and will be reflected in the Net Asset Value of Units under this Option.</p> <p>b) Dividend Option Under this Option, dividends will be declared at the discretion of the Trustee, subject to availability of distributable surplus calculated in accordance with SEBI (MF) Regulations. On payment of dividend, the NAV of the units under Dividend option will fall to the extent of the dividend payout and applicable statutory levies, if any.</p> <p>It must be distinctly understood that the actual declaration of dividend and frequency thereof is at the sole discretion of Board of Directors of the Trustee Company. There is no assurance or guarantee to the Unit holders as to the rate of dividend distribution nor that the dividend will be paid regularly.</p> <p><u>Dividend Payout Facility</u> Under this facility, dividend declared, if any, will be paid (subject to deduction of dividend distribution tax and statutory levy, if any) to those Unit holders, whose names appear in the register of Unit holders on the notified record date.</p> <p><u>Dividend Reinvestment Facility</u> Under this facility, the dividend due and payable to the Unit holders will be compulsorily and without any further</p>

	<p>act by the Unit holder, reinvested in the Dividend option at a price based on the prevailing ex-dividend Net Asset Value per Unit. The amount of dividend re-invested will be net of tax deducted at source, wherever applicable. The dividends so reinvested shall constitute a constructive payment of dividends to the Unit holders and a constructive receipt of the same amount from each Unit holder for reinvestment in Units.</p> <p>On reinvestment of dividends, the number of Units to the credit of Unit holder will increase to the extent of the dividend reinvested divided by the Applicable NAV. There shall, however, be no Load on the dividend so reinvested.</p> <p>Default Option The investor must clearly specify his choice of option/facility. In the absence of such clear instruction, it will be assumed that the investor has opted for 'default' option / facility and the application will be processed accordingly. The default option / facility are:</p> <p>Default Option: Growth (between Growth and Dividend)</p> <p>Default Facility: Dividend Reinvestment facility (between Dividend Reinvestment and Dividend Payout facility)</p>
Dividend Policy	<p>Under the Dividend option, the Trustee will have the discretion to declare the dividend, subject to availability of distributable surplus calculated in accordance with the Regulations. The actual declaration of dividend and frequency will inter-alia, depend on availability of distributable surplus calculated in accordance with SEBI (MF) Regulations and the decisions of the Trustee shall be final in this regard. There is no assurance or guarantee to the Unit holders as to the rate of dividend nor that the dividend will be paid regularly.</p> <p>The AMC/Trustee reserves the right to change the frequency of declaration of dividend or may provide for additional frequency for declaration of dividend.</p> <p>Dividend Distribution Procedure</p> <p>In accordance with SEBI Circular no. SEBI/ IMD/ Cir No. 1/ 64057/06 dated April 4, 2006, the procedure for Dividend distribution would be as under:</p> <ol style="list-style-type: none"> 1. Quantum of dividend and the record date will be fixed by the Trustee. Dividend so decided shall be paid, subject to availability of distributable surplus.

	<ol style="list-style-type: none"> 2. Within one calendar day of decision by the Trustee, the AMC shall issue notice to the public communicating the decision about the dividend including the record date, 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. 3. Record date shall be the date, which will be considered for the purpose of determining the eligibility of investors whose names appear on the register of Unit holders for receiving dividends. The Record Date will be 5 calendar days from the date of issue of notice. 4. The notice will, in font size 10, bold, categorically state that pursuant to payment of dividend, the NAV of the Scheme would fall to the extent of payout and statutory levy (if applicable). 5. The NAV will be adjusted to the extent of dividend distribution and statutory levy, if any, at the close of business hours on record date. 6. Before the issue of such notice, no communication indicating the probable date of dividend declaration in any manner whatsoever will be issued by Mutual Fund.
Allotment	<p>Full allotment will be made to all valid applications received during the New Fund Offer Period. Allotment of Units, shall be completed not later than 5 business days after the close of the New Fund Offer Period.</p> <p>An account statement stating the number of Units purchased and allotted will be sent through ordinary post or courier and/or electronic mail to each Unit holder not later than 5 business days of closure of NFO. The Account Statement is non-transferable. Despatch 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.</p>

Refund	Fund will refund the application money to applicants whose applications are found to be incomplete, invalid or have been rejected for any other reason whatsoever. Refund instruments will be dispatched within 5 business days of the closure of NFO period. In the event of delay beyond 5 business days, the AMC shall be liable to pay interest at 15% per annum or such other rate of interest as maybe prescribed from time to time. Refund orders will be marked "A/c Payee only" and drawn in the name of the applicant (in the case of a sole applicant) and in the name of the first applicant in all other cases. All refund orders will be sent by registered post or as permitted by Regulations.
<p>Who can invest</p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.</p>	<p>The following persons (subject to, wherever relevant, purchase of Units of mutual funds, being permitted under respective constitutions, and relevant statutory regulations) are eligible and may apply for Subscription to the Units of the Scheme:</p> <ol style="list-style-type: none"> 1. Resident adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis; 2. Hindu Undivided Family (HUF) through Karta; 3. Minor through parent / legal guardian; 4. Partnership Firms; 5. Proprietorship in the name of the sole proprietor; 6. Companies, Bodies Corporate, Public Sector Undertakings (PSUs.), Association of Persons (AOP) or Bodies of Individuals (BOI) and societies registered under the Societies Registration Act, 1860(so long as the purchase of Units is permitted under the respective constitutions); 7. Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions; 8. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as "Public Securities" as required) and Private trusts authorised to invest in mutual fund schemes under their trust deeds; 9. Non-Resident Indians (NRIs) / Persons of Indian origin (PIOs) residing abroad on repatriation basis or on non-repatriation basis; 10. Foreign Institutional Investors (FIIs) and their sub-

	<p>accounts registered with SEBI on repatriation basis;</p> <p>11. Army, Air Force, Navy and other para-military units and bodies created by such institutions;</p> <p>12. Scientific and Industrial Research Organisations;</p> <p>13. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / RBI;</p> <p>14. Provident/ Pension/ Gratuity Fund to the extent they are permitted;</p> <p>15. Other schemes of Axis Mutual Fund or any other mutual fund subject to the conditions and limits prescribed by the Regulations;</p> <p>16. The Trustee, AMC or Sponsor or their associates may subscribe to Units under the Scheme;</p> <p>17. Such other investor as the AMC may prescribe from time to time.</p>
Who cannot invest	<p>1. Any individual who is a foreign national or any other entity that is not an Indian resident under the Foreign Exchange Management Act, 1999 (FEMA Act) except where registered with SEBI as a FII or sub account of FII or otherwise explicitly permitted under FEMA Act/ by RBI/ by any other applicable authority.</p> <p>2. Pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) can not invest in Mutual Funds.</p> <p>3. Such other persons as may be specified by AMC from time to time.</p>
Where can you submit the filled up applications.	Please refer the back cover page of the Scheme Information Document
How to Apply	Please refer to the SAI and Application form for the instructions.
Listing	The Scheme is an open ended equity scheme under which Sale and Repurchase will be made on a continuous basis and therefore listing on stock exchanges is not envisaged. However, the Trustee reserves the right to list the Units as and when open-end Schemes are permitted to be listed under the Regulations, and the Trustee considers it necessary in the interest of Unit holders of the Fund.
Special Products / facilities available during the NFO	Systematic Investment Purchase (SIP), Switch In facility, Easy call and online transaction facility would be available.

	For details investors are requested to refer to paragraph 'Special Products available' under given in the document under Ongoing Offer Details.
The policy regarding reissue of repurchased Units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.	Units once redeemed will be extinguished and will not be reissued.
Restrictions, if any, on the right to freely retain or dispose of Units being offered.	<p>Pledge of Units</p> <p>The Units under the Scheme (subject to completion of Lockin Period, if any) may be offered as security by way of a pledge / charge in favour of scheduled banks, financial institutions, non-banking finance companies (NBFCs), or any other body. The AMC and / or the ISC will note and record such Pledged Units. The AMC shall mark a lien only upon receiving the duly completed form and documents as it may require. Disbursement of such loans will be at the entire discretion of the bank / financial institution / NBFC or any other body concerned and the Mutual Fund assumes no responsibility thereof.</p> <p>The Pledger will not be able to redeem Units that are pledged until the entity to which the Units are pledged provides written authorisation to the Mutual Fund that the pledge / lien charge may be removed. As long as Units are pledged, the Pledgee will have complete authority to redeem such Units. Dividends declared on Units under lien will be paid / re-invested to the credit of the Unit Holder and not the lien holder unless specified otherwise in the lien letter.</p> <p>Lien on Units</p> <p>On an ongoing basis, when existing and new Investors make Subscriptions, a lien on Units allotted will be created and such unit shall not be available for redemption until the payment proceeds are realised by the Scheme. In case a unit holder redeems units soon after making purchases, the redemption cheque will not be dispatched until sufficient time has elapsed to provide reasonable assurance that cheques or drafts for Units purchased have been cleared.</p> <p>In case the cheque / draft is dishonoured by the bank, the transaction shall be reversed and the Units allotted earlier shall be cancelled, and a fresh Account Statement / Confirmation slip shall be dispatched to the Unit holder. For NRIs, the Scheme may mark a lien on Units in case documents which need to be submitted are</p>

	<p>not given in addition to the application form and before the submission of the redemption request. However, the AMC reserves the right to change operational guidelines for lien on Units from time to time.</p> <p>Right to Limit Redemptions</p> <p>The Trustee may, in the general interest of the Unit holders of the Scheme and when considered appropriate to do so based on unforeseen circumstances / unusual market conditions, limit the total number of Units which may be redeemed on any Business Day to 5% of the total number of Units then in issue under the Scheme and option(s) thereof or such other percentage as the Trustee may determine. Any Unit which consequently are not redeemed on a particular Business Day will be carried forward for Redemption to the next Business Day, in order of receipt. Redemptions so carried forward will be priced on the basis of the Applicable NAV (subject to the prevailing Load, if any) of the Business Day on which Redemption is made. Under such circumstances, to the extent multiple Redemption requests are received at the same time on a single Business Day, redemptions will be made on a prorata basis based on the size of each Redemption request, the balance amount being carried forward for Redemption to the next Business Day. In addition, the Trustee reserves the right, in its sole discretion, to limit redemptions with respect to any single account to an amount of Rs. 1,00,000/- in a single day.</p> <p>Also refer to the paragraph 'Suspension of Purchase and Redemption of Units' in the Statement of Additional Information.</p>
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B. ONGOING OFFER DETAILS

<p>Ongoing Offer Period</p> <p>This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period.</p>	On or before February 25, 2011
<p>Ongoing price for subscription (purchase)/switch-in (from other schemes/plans of the mutual fund) by investors.</p> <p>This is the price you need to pay for purchase/switch-in.</p>	At the Applicable NAV
Ongoing price for redemption (sale) /switch outs (to other schemes/plans)	At the Applicable NAV subject to prevailing Exit Load.

<p>of the Mutual Fund) by investors.</p> <p>This is the price you will receive for redemptions/switch outs.</p>	<p>Ongoing price for redemption /Switch out (to other Schemes/Plans of the Mutual Fund) is price which a Unit holder will receive for redemption/Switch-outs. During the continuous offer of the Scheme, the Unit holder can redeem the Units at Applicable NAV, subject to payment of Exit Load, if any. It will be calculated as follows:</p> <p>Redemption Price = Applicable NAV*(1-Exit Load, if any) Example: If the Applicable NAV is Rs. 10, Exit Load is 2% then redemption price will be: = Rs. 10* (1-0.02) = Rs. 9.80</p> <p>Investors/Unit holders should note that the AMC/Trustee has right to modify existing Load structure and to introduce Loads subject to a maximum limits prescribed under the Regulations.</p> <p>Any change in Load structure will be effective on prospective basis and will not affect the existing Unit holder in any manner.</p> <p>However, the Mutual Fund will ensure that the Redemption Price will not be lower than 93% of the Applicable NAV provided that the difference between the Redemption Price and the Subscription /Purchase Price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time, which is currently 7% calculated on the Subscription/ Purchase Price. The Purchase Price shall be at applicable NAV.</p>
<p>Cut off timing for subscriptions/ redemptions/ switches</p> <p>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p>Subscriptions/Purchases including Switch - ins: The following cut-off timings shall be observed by the Mutual Fund in respect of purchase of Units of the Scheme, and the following NAVs shall be applied for such purchase:</p> <ol style="list-style-type: none"> 1. where the application is received upto 3.00 pm with a local cheque or demand draft payable at par at the place where it is received – closing NAV of the day of receipt of application; 2. where the application is received after 3.00 pm with a local cheque or demand draft payable at par at the place where it is received – closing NAV of the next Business Day ; and 3. where the application is received with an outstation cheque or demand draft which is not payable on par at the place where it is received – closing NAV of day on which the cheque or demand draft is credited.

	<p>Redemptions including Switch - outs: The following cut-off timings shall be observed by the Mutual Fund in respect of Repurchase of Units:</p> <ol style="list-style-type: none"> 1. where the application received upto 3.00 pm – closing NAV of the day of receipt of application; and 2. an application received after 3.00 pm – closing NAV of the next Business Day.
Where can the applications for purchase/redemption switches be submitted?	Refer Back Cover Page
Minimum amount for purchase/redemption/switches	<p>Minimum amount for purchase/Switch in</p> <p>Rs. 5,000 in multiples of Re 1/- thereafter</p> <p>Minimum Additional Purchase Amount</p> <p>Rs.100 and in multiples of Re. 1/- thereafter</p> <p>Minimum Redemption Amount/Switch Out Minimum Redemption - Rs. 1000 or 100 Units or account balance whichever is lower in respect of each Option. In case the Investor specifies the number of Units and amount the number of units shall be considered for Redemption. In case the unit holder does not specify the number or amount, the request will not be processed.</p>
Minimum balance to be maintained and consequences of non maintenance.	<p>Currently, there is no minimum balance requirement. However, the AMC / Trustee may decide to introduce minimum balance requirements later, if they so deem fit. In such case, in the event of non-maintenance of minimum balance for any particular situations, the Units may be compulsorily redeemed.</p> <p>In case balance in the account of the Unit holder does not cover the amount of Redemption request, then the Mutual Fund is authorized to redeem all the Units in the folio and send the Redemption proceeds to the Unit holder.</p>
Special Products available	<p>Systematic Investment Purchase(SIP)</p> <p>Unit holder can enroll for the SIP facility by submitting duly completed Enrolment Form at the Official Point(s) of Acceptance. An Investor shall have the option of choosing any date of the Month as his SIP date. Minimum amount per SIP installment is Rs 1,000 and in multiples of Re. 1 thereafter. Minimum number of installments under SIP is 36. If the SIP period is not</p>

	<p>specified by the unit holder then the SIP enrolment will be deemed to be for perpetuity and processed accordingly.</p> <p>SIP through post-dated cheques</p> <p>The date of the first cheque shall be the same as the date of the application while the remaining cheques shall be post dated cheques which shall be dated uniformly. Investors can invest in SIP by providing post-dated cheques to Official Point(s) of Acceptance. An Investor is eligible to issue only one cheque for each month in the same SIP enrolment form. All SIP cheques should be of the same amount and same date option. Cheques should be drawn in favour of the Fund and "A/c Payee only". A Letter will be forwarded to the Investor on successful registration of SIP. The Post Dated cheques will be presented on the dates mentioned on the cheque and subject to realization of the cheque.</p> <p>SIP through Electronic Clearing System (ECS)/Direct Debit</p> <p>'Investors / Unit holders may also enroll for SIP facility through Electronic Clearing Service (Debit Clearing) of the RBI or for SIP Direct Debit Facility available with specified Banks / Branches. In order to enroll for SIP ECS Debit facility or Direct Debit Facility, an Investor must fill up the Application Form for SIP ECS/ Direct Debit facility.</p> <p>In case of SIP with payment mode as ECS/Direct Debit/Standing Instructions, Investors shall be required to submit a cancelled cheque or a photocopy of a cheque of the bank account for which the ECS/debit mandate is provided with first installment through cheque. The Systematic Investment Plan facility will also be available through standing instructions/direct debit given by the investor (with all payment installments being made through standing instructions/direct debit). However, the SIP facility with direct debit will be available through selected distributors/Banks. The Asset Management Company reserves the right to add/modify/delete from the list of distributors/banks through whom such facility will be available to the investors.'</p> <p>All SIP cheques/payment instructions should be of the same amount and same date(excluding first cheque). However, there should be a gap of 30 days between first SIP Installment and the second installment in case of SIP started during ongoing offer.</p> <p>Investors will have the right to discontinue the SIP facility</p>
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	<p>at any time by sending a written request to any of the Official Point(s) of Acceptance. Notice of such discontinuance should be received at least 30 days prior to the due date of the next debit. On receipt of such request, the SIP facility will be terminated. It is clarified that if the Fund fails to get the proceeds from three Installments out of a continuous series of Installments submitted at the time of initiating a SIP (Subject to a minimum under SIP i.e. 36 months), the SIP is deemed as discontinued.</p> <p>Investors can avail of the SIP facility during the NFO period as well. However, in such a case the SIP must be through the ECS or Direct Debit. The first investment in SIP during the NFO shall be through a cheque only.</p> <p>Units will be allotted at the Applicable NAV of the respective dates on which the investments are sought to be made. In case the date falls on a Holiday or falls during a Book Closure period, the immediate next Business Day will be considered for this purpose</p> <p>An extension of an existing SIP will be treated as a new SIP on the date of such application, and all the above conditions need to be met with. The Load structure prevailing at the time of submission of the SIP application (whether fresh or extension) will apply for all the Installments indicated in such application.</p> <p>The installment after the NFO period should be dated after the date of declaration of first NAV. Any payments intended for the interim period will not be processed and will be treated void.</p> <p>The AMC has the authority to make available SIP by way of a salary savings scheme for a group of employees through an arrangement with their employers.</p> <p>For applicable Load on Purchases through SIP, please refer paragraph 'Load Structure' given in the document.</p> <p>The AMC reserves the right to change / modify Load structure and other terms and conditions under the SIP prospectively at a future date. Please refer to the SIP Enrolment Form for terms & conditions before enrolment.</p> <p>Systematic Withdrawal Plan(SWP)</p> <p>Existing Unitholders have the benefit of availing the choice of SWP on pre-specified dates. The SWP allows the Unitholder to withdraw a specified sum of money each month/quarter from his investments in the Scheme.</p>
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	The amount thus withdrawn by redemption will be converted into Units at Applicable NAV based prices and the number of Units so arrived at will be subtracted from the Units balance to the credit of that Unitholder.																
	Unitholders may start the facility/change the amount of withdrawals or the period of withdrawals by giving a 15 days written intimation/notice. The SWP may be terminated on a written notice of 15 days by a Unitholder and it will terminate automatically if all the Units are liquidated or withdrawn from the account or the holdings fall below the SWP installment amount.																
	There are two options available under SWP viz-Monthly option and quarterly option, the details of which are given below:																
	<table><tr><th></th><th>Monthly Option</th><th>Quarterly Option</th></tr><tr><td>Minimum value of SWP</td><td colspan="2">Rs. 1,000</td></tr><tr><td>Additional amount in multiples of</td><td colspan="2">Re.1</td></tr><tr><td>Dates of SWP Installment</td><td colspan="2">1/5/10/15/25</td></tr><tr><td>Minimum No of SWP</td><td>Six</td><td>Four</td></tr></table>		Monthly Option	Quarterly Option	Minimum value of SWP	Rs. 1,000		Additional amount in multiples of	Re.1		Dates of SWP Installment	1/5/10/15/25		Minimum No of SWP	Six	Four	
	Monthly Option	Quarterly Option															
Minimum value of SWP	Rs. 1,000																
Additional amount in multiples of	Re.1																
Dates of SWP Installment	1/5/10/15/25																
Minimum No of SWP	Six	Four															
	Contingent Deferred Sales Charge (CDSC)/Exit Load, if any, is applicable to SWP.																
	The AMC reserves the right to accept SWP applications of different amounts, dates and frequency.																
	Unitholders can enroll themselves for the facility by submitting the duly completed Systematic Withdrawal enrolment Form at any of the Investor Service Centres(ISCs)/Official Points of Acceptance(OPAs). The AMC / Trustee reserve the right to change / modify the terms and conditions under the SWP prospectively at a future date.																
	<u>Systematic Transfer Plan</u>																
	This facility will be available to the investors only during the Ongoing Offer period.																
	Investors can opt for the Systematic Transfer Plan by investing a lumpsum amount in certain schemes of Axis Mutual Fund (as maybe specified in the respective scheme information document) and providing a standing instruction to transfer sums at regular intervals [Weekly option (every Wednesday), Fortnightly (every alternative Wednesday), Monthly(on specified dates i.e.																

	<p>1st , 7th, 10th, 15th, 25th of every month) into Axis Midcap Fund. Investors could also opt for STP from an existing account by quoting their account / folio number. The investors would have to opt for a minimum of 6 transfers of Rs. 1000 in any of the frequencies.</p> <p>A minimum period of 7 days shall be required for registration under STP.</p> <p>Units will be allotted/redeemed at the applicable NAV of the respective dates of the Scheme on which such investments/withdrawals are sought from the Scheme.</p> <p>The AMC reserves the right to introduce STPs at any other frequencies or on any other dates as the AMC may feel appropriate from time to time. In the event that such a day is a Holiday, the transfer would be affected on the next Business Day.</p> <p>The STP may be terminated on a written notice of 7 days by a Unit holder of the Scheme and it will terminate automatically if all Units are liquidated or withdrawn from the account or upon the Funds' receipt of notification of death or incapacity of the Unit holder.</p> <p>Switching Options</p> <p>(a) Inter - Scheme Switching option</p> <p>Unit holders under the Scheme have the option to Switch part or all of their Unit holdings in the Scheme to any other scheme offered by the Mutual Fund from time to time. The Mutual Fund also provides the Investors the flexibility to Switch their investments from any other scheme(s) / plan (s) offered by the Mutual Fund to this Scheme. This option will be useful to Unit holders who wish to alter the allocation of their investment among the scheme(s) / plan(s) of the Mutual Fund in order to meet their changed investment needs.</p> <p>The Switch will be effected by way of a Redemption of Units from the Scheme at Applicable NAV, subject to Exit Load, if any and reinvestment of the Redemption proceeds into another scheme offered by the Mutual Fund at Applicable NAV and accordingly the Switch must comply with the Redemption rules of switch out Scheme and the Subscription rules of the switch in scheme. However, no load will be charged for switches between equity schemes.</p> <p>(b) Intra -Scheme Switching option</p> <p>Unit holders under the Scheme have the option to Switch</p>
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	<p>their Unit holdings from one option to another option (i.e. Growth to Dividend and vice-a-versa). The Switches would be done at the Applicable NAV based prices and the difference between the NAVs of the two options will be reflected in the number of Units allotted.</p> <p>Switching shall be subject to the applicable "Cut off time and Applicable NAV" stated elsewhere in the Scheme Information Document.</p> <p>In case of "Switch" transactions from one scheme to another, the allocation shall be in line with Redemption payouts.</p> <p>Transaction on Fax.</p> <p>In order to facilitate quick processing of transaction and / or instruction of investment of Investor the AMC/ Trustee/ Mutual Fund may (at its sole discretion and without being obliged in any manner to do so and without being responsible and/ or liable in any manner whatsoever) accept and process any application, supporting documents and / or instructions submitted by an Investor / Unit holder by facsimile (Fax Submission) and the Investor / Unit holder voluntarily and with full knowledge takes and assumes any and all risk associated therewith. The AMC / Trustee/ Mutual Fund shall have no obligation to check or verify the authenticity or accuracy of Fax Submission purporting to have been sent by the Investor and may act thereon as if same has been duly given by the Investor. In all cases the Investor will have to immediately submit the original documents/ instruction to AMC/ Mutual Fund.</p> <p>Online Transactions</p> <p>Axis Mutual Fund will allow Transactions including by way of Lumpsum Purchase/ Redemption / Switch of Units by electronic mode through the AMC web -site. The Subscription proceeds, when invested through this mode, are by way of direct debits to the designated bank through payment gateway. The Redemption proceeds, (subject to deduction of tax at source, if any) through this mode, are directly credited to the bank account of the Investors who have an account at the designated banks with whom the AMC has made arrangements from time to time or through NEFT/RTGS or through cheque/Payorder/Demand draft issuance. The AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.</p> <p>Investment amount through this facility may be restricted</p>
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	<p>by the AMC from time to time in line with prudent risk management requirements and to protect the overall interest of the Investors.</p> <p>For details of the facility, investors are requested to refer to the website of the AMC.</p> <p>Easy Call Facility</p> <p>All individual investors in the scheme applying on “Sole” or “Anyone or Survivor” basis in their own capacity shall be eligible to avail of Easy Call facilities for permitted transactions inter alia on the following terms and conditions: “Terms and Conditions” mean the terms and conditions set out below by which the Facility shall be used/availed by the Investor/s and shall include all modifications and supplements made by AMC thereto from time to time.</p> <p>Axis Mutual Fund will allow transactions including by way of Lumpsum Purchase/ Redemption / Switch of Units over phone. Initial Investment has to be through the physical mode wherein he has to sign a one time debit mandate for bank accounts pertaining to designated banks with which the AMC may have an arrangement. This facility is extended to the bank with which the Fund would have an arrangement from time to time. Investment amount may be restricted by the AMC from time to time in line with prudent risk management requirements and to protect the overall interest of the Investors. Investor will be allowed transactions over phone after 30 days from the date of submission of one time mandate. Investor will not be permitted to avail the Easy call facility for Redemptions/Switch transactions if bank mandate is changed with in last 15 days. AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.</p> <p>The AMC has a right to ask such information (Key Information) from the available data of the Investor/s before allowing him access to avail the Facility. If for any reason, the AMC is not satisfied with the replies of the Investor/s, the AMC has at its sole discretion the right of refusing access without assigning any reasons to the Investor/s.</p> <p>It is clarified that the Facility is only with a view to accommodate /facilitate the Investor/s and offered at the sole discretion of the AMC. The AMC is not bound and/or obliged in any way to give access to Facility to Investor/s.</p>
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	<p>The Investor/s shall check his/her account records carefully and promptly. If the Investor/s believes that there has been a mistake in any transaction using the Facility, or that unauthorized transaction has been effected, the Investor/s shall notify the AMC immediately. If the Investor/s defaults in intimating the discrepancies in the statement within a period of fifteen days of receipt of the statements, he waives all his rights to raise the same in favour of the AMC, unless the discrepancy /error is apparent on the face of it. By opting for the facility the Investor/s hereby irrevocably authorizes and instructs the AMC to act as his /her agent and to do all such acts as AMC may find necessary to provide the Facility.</p> <p>The Investor/s shall at all times be bound by any modifications and/or variations made to these Terms and Conditions by the AMC at their sole discretion and without notice to them.</p> <p>The Investor/s agrees and confirms that the AMC has the right to ask the Investor/s for an oral or written confirmation of any transaction request using the Facility and/or any additional information regarding the Account of the Investor/s.</p> <p>The Investor/s agrees and confirms that the AMC may at its sole discretion suspend the Facility in whole or in part at any time without prior notice.</p> <p>The Investor/s shall not assign any right or interest or delegate any obligation arising herein.</p> <p>The Investor/s shall take responsibility for all the transactions conducted by using the Facility and will abide by the record of transactions generated by the AMC. Further, the Investor/s confirms that such records generated by the AMC shall be conclusive proof and binding for all purposes and may be used as evidence in any proceedings and unconditionally waives all objections in this behalf.</p> <p>The Investor/s agrees that use of the Facility will be deemed acceptance of the Terms and Conditions and the Investor/s will unequivocally be bound by these Terms and Conditions. The Investor agrees that all calls received shall be eligible for same day NAV subject to necessary formalities to be complied by the AMC in case of transaction through Easy Call Facility on or before the uniform cut off time.</p> <p>Requests like change in bank mandate, change of nomination, change in mode of holding, change of</p>
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	<p>address or such other requests as the AMC may decide from time to time will not be permitted using the Easy Call facility.</p> <p>INDEMNITIES IN FAVOUR OF THE AMC: The Investor/s shall not hold the AMC liable for the following:</p> <ol style="list-style-type: none"> 1) For any transaction using the Facilities carried out in good faith by the AMC on instructions of the Investor/s. 2) For the unauthorized usage/unauthorized transactions conducted by using the Facility. 3) For any loss or damage incurred or suffered by the Investor/s due to any error, defect, failure or interruption in the provision of the Facility arising from or caused by any reason whatsoever. 4) For any negligence / mistake or misconduct by the Investor/s. 5) For any breach or non-compliance by the Investor/s of the rules/terms and conditions stated in this Document. 6) For accepting instructions given by any one of the Investor/s in case of joint account/s having mode of operations as "Either or Survivor" or "anyone or survivor". 7) For not verifying the identity of the person giving the telephone instructions in the Investor/s name. 8) For not carrying out any such instructions where the AMC has reason to believe (which decision of the AMC the Investor/s shall not question or dispute) that the instructions given are not genuine or are otherwise improper, unclear, vague or raise a doubt. 9) For carrying out a transaction after such reasonable verification as the AMC may deem fit regarding the identity of the Investor/s 10) In case of error in NAV communication. 11) For accepting instructions given by any one of the Investor/s or his / her authorized person. <p>MISCELLANEOUS:</p> <ol style="list-style-type: none"> 1) The Investor/s agrees and understands that while this Facility is being introduced without any charges being levied; in case charges are to be levied on a future date he agrees to pay such charges and nonpayment in such an event can lead to termination of these services. 2) Any dispute arising out of or in connection with these Terms and Conditions, will be referred to the arbitration of a sole arbitrator to be
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	<p>appointed by the AMC, in accordance with the Arbitration & Conciliation Act, 1996.</p> <p>3) These Terms and Conditions are subject to applicable SEBI (Mutual Funds) Regulations, 1996 as amended from time to time and includes Guidelines, Circular press release or Notification that may be issued.</p> <p>Application via electronic mode:</p> <p>Subject to the Investor fulfilling certain terms and conditions stipulated by the AMC as under, Axis Asset Management Company Limited, Axis Mutual Fund or any other agent or representative of the AMC, Mutual Fund, the Registrar & Transfer Agents may accept transactions through any electronic mode including fax/web/ electronic transactions as permitted by SEBI or other regulatory authorities :</p> <p>a) The acceptance of the fax/web/electronic transactions will be solely at the risk of the transmitter of the fax/web/ electronic transactions and the Recipient shall not in any way be liable or responsible for any loss, damage caused to the transmitter directly or indirectly, as a result of the transmitter sending or purporting to send such transactions.</p> <p>b) The recipient will also not be liable in the case where the transaction sent or purported to be sent is not processed on account of the fact that it was not received by the Recipient.</p> <p>c) The transmitter's request to the Recipient to act on any fax/web/electronic transmission is for the transmitter's convenience and the Recipient is not obliged or bound to act on the same.</p> <p>d) The transmitter acknowledges that fax/web/electronic transactions is not a secure means of giving instructions/ transactions requests and that the transmitter is aware of the risks involved including those arising out of such transmission.</p> <p>e) The transmitter authorizes the recipient to accept and act on any fax/web/ electronic transmission which the recipient believes in good faith to be given by the transmitter and the recipient shall be entitled to treat any such fax/web/ electronic transaction as if the same was given to the</p>
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	<p>f) The transmitter agrees that security procedures adopted by the recipient may include signature verification, telephone call backs which may be recorded by tape recording device and the transmitter consents to such recording and agrees to cooperate with the recipient to enable confirmation of such fax/web/ electronic transaction requests.</p> <p>g) The transmitter accepts that the fax/web/ electronic transactions, where applicable shall not be considered until time stamped as a valid transaction request in the Scheme in line with the Regulations.</p> <p>In consideration of the recipient from time to time accepting and at its sole discretion acting on any fax/ web/electronic transaction request received / purporting to be received from the transmitter, the transmitter agrees to indemnify and keep indemnified the AMC, Directors, employees, agents, representatives of the AMC, Axis Mutual Fund and Trustee from and against all actions, claims, demands, liabilities, obligations, losses, damages, costs and expenses of whatever nature (whether actual or contingent) directly or indirectly suffered or incurred, sustained by or threatened against the indemnified parties whatsoever arising from or in connection with or any way relating to the indemnified parties in good faith accepting and acting on fax/web/ electronic transaction requests including relying upon such fax/ electronic transaction requests purporting to come from the Transmitter even though it may not come from the Transmitter.</p> <p>The AMC reserves the right to discontinue the facility at any point of time.</p>
Accounts Statements	<p>For normal transactions (other than SIP) during ongoing sales and repurchase:</p> <ul style="list-style-type: none"> • The Account Statement reflecting the new or additional subscription as well as redemption / switch of Units shall be dispatched to the Unit holder within 30 days from the date of receipt of request from the Unit holder. • For those Unit holders who have provided an e-mail address, the AMC will send the account statement by e-mail. • Unit holders will be required to download and print

	<p>the documents after receiving e-mail from the Mutual Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties.</p> <ul style="list-style-type: none"> • The Unit holder may request for a physical account statement by writing/calling the AMC/ISC/Registrar. <p>For SIP transactions;</p> <ul style="list-style-type: none"> • Account Statement for SIP will be despatched once every quarter ending March, June, September and December within 10 working days of the end of the respective quarter. • A soft copy of the Account Statement shall be mailed to the investors under SIP to their e-mail address on a monthly basis, if so mandated. • However, the first Account Statement under SIP shall be issued within 10 working days of the initial investment/transfer. • In case of specific request received from investors, Mutual Funds shall provide the account statement (SIP) to the investors within 5 working days from the receipt of such request without any charges. <p>Annual Account Statement:</p> <ul style="list-style-type: none"> • The Mutual Fund shall provide the Account Statement to the Unit holders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement, • The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme. <p>Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.</p> <p>For normal transactions as stated above, in the event the account has more than one registered holder, the first named Unit holder shall receive the account statements.</p>
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	<p>The AMC shall issue Unit certificates within 30 days from the date of receipt of request where the applicant so desires.</p>
Dividend	<p>The Dividend warrants/cheque/demand draft shall be dispatched to the Unit holders within 30 days of the date of declaration of the Dividend.</p> <p>The Dividend proceeds will be paid by way of ECS / EFT / NEFT / RTGS / Direct credits/ any other electronic manner if sufficient banking account details are available with Mutual Fund for Investor.</p> <p>In case of specific request for Dividend by warrants/cheques/demand drafts or unavailability of sufficient details with the Mutual Fund, the Dividend will be paid by warrant/cheques/demand drafts and payments will be made in favour of the Unit holder (registered holder of the Units or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Mutual Fund (please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI).</p>
Redemption	<p>How to Redeem</p> <p>A Transaction Slip can be used by the Unit Holder to request for Redemption. The requisite details should be entered in the Transaction Slip and submitted at an ISC/Official Point of Acceptance. Transaction Slips can be obtained from any of the ISCs/Official Points of Acceptance. Investor can also place redemption through Telephone using Easy Call facility or may redeem Online through the AMC's website subject to the terms and conditions as maybe stipulated from time to time.</p> <p>Procedure for payment of redemption.</p> <p>1. Resident Investors</p> <p>Redemption proceeds will be paid to the investor through Real Time Gross Settlement (RTGS), NEFT, Direct Credit, Cheque or Demand Draft.</p> <ul style="list-style-type: none"> a) If investor had provided IFSC code in the application form, by default redemption proceeds shall be to be credited to Investor's account through RTGS/NEFT. b) If Investor has neither provided RTGS code nor the NEFT code but have a bank account with Banks with whom the Fund would has an

	<p>arrangement for Direct Credit from time to time, the proceeds will be paid through direct credit.</p> <p>c) In case if investor bank account does not fall in the above a to b categories, redemption proceeds will be paid by cheques/demand drafts, marked "Account Payee only" and drawn in the name of the sole holder / first-named holder (as determined by the records of the Registrar).</p> <p>The bank name and bank account number, as specified in the Registrar's records, will be mentioned in the cheque/demand draft. The cheque will be payable at par at all bank branch or specific cities. If the Unit Holder resides in any other city, he will be paid by a demand draft payable at the city of his residence and the demand draft charges shall be borne by the AMC (please refer SAI for details).</p> <p>The redemption proceeds will be sent by courier or (if the addressee city is not serviced by the courier) by registered post/UCP. The dispatch for the purpose of delivery through the courier / postal department, as the case may be, shall be treated as delivery to the investor. The AMC / Registrar are not responsible for any delayed delivery or non-delivery or any consequences thereof, if the dispatch has been made correctly as stated in this paragraph.</p> <p>The AMC reserves the right to change the sequence of payment from (a) to (c) without any prior notice</p> <p>For Unit holders who have given specific request for Cheque/Demand Draft Redemption proceeds will be paid by cheque/demand drafts and payments will be made in favour of the Unit holder with bank account number furnished to the Mutual Fund</p> <p>(Please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI). Redemption cheques will be sent to the Unit holder's address.</p> <p>The Mutual Fund will endeavor to dispatch the redemption proceeds within 10 Business Days from the date of Redemption. If the payment is not made within the period stipulated in the Regulations, the Unit Holder shall be paid interest @15% p.a. or as specified by SEBI for the delayed period and the interest shall be borne by</p>
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	<p>the AMC.</p> <p>The Trustee, at its discretion at a later date, may choose to alter or add other modes of payment.</p> <p>2. Non-Resident Investors</p> <p>For NRIs, Redemption proceeds will be remitted depending upon the source of investment as follows:</p> <p>(i) Repatriation basis</p> <p>When Units have been purchased through remittance in foreign exchange from abroad or by cheque / draft issued from proceeds of the Unit Holder's FCNR deposit or from funds held in the Unit Holder's Non Resident (External) account kept in India. The proceeds can also be sent to his Indian address for crediting to his NRE / FCNR / non-resident (Ordinary) account, if desired by the Unit Holder.</p> <p>(ii) Non-Repatriation basis</p> <p>When Units have been purchased from funds held in the Unit Holder's non-resident (Ordinary) account, the proceeds will be sent to the Unit Holder's Indian address for crediting to the Unit Holder's non-resident (Ordinary) account.</p> <p>For FIIs, the designated branch of the authorized dealer may allow remittance of net sale / maturity proceeds (after payment of taxes) or credit the amount to the Foreign Currency account or Non-resident Rupee account of the FII maintained in accordance with the approval granted to it by the RBI. The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations, while converting the rupee amount in foreign exchange in the case of transactions with NRIs / FIIs. The Fund may make other arrangements for effecting payment of redemption proceeds in future.</p> <p>Effect of Redemptions</p> <p>The number of Units held by the Unit Holder in his / her / its folio will stand reduced by the number of Units Redeemed. Units once redeemed will be extinguished and will not be re-issued.</p> <p>The normal processing time may not be applicable in situations where such details are not provided by investors/Unit holders. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques and/or any delay/loss in transit.</p>
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	<p>Unclaimed Redemptions and Dividends</p> <p>As per circular no. MFD / CIR / 9 / 120 / 2000, dated November 24, 2000 issued by SEBI, the unclaimed Redemption and dividend amounts shall be deployed by the Fund in money market instruments only. The unclaimed Redemption and dividend amounts shall be deployed 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. The circular also specifies that investors who claim these amounts during a period of three years from the due date shall be paid at the prevailing NAV. Thus, 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. In terms of the circular, the onus is on the AMC to make a continuous effort to remind investors through letters to take their unclaimed amounts. The details of such unclaimed amounts shall be disclosed in the annual report sent to the Unit Holders.</p> <p>AMC reserves the right to provide the facility of redeeming Units of the Scheme through an alternative mechanism including but not limited to online transactions on the Internet, as may be decided by the AMC from time to time. The alternative mechanism may also include electronic means of communication such as redeeming Units online through the AMC Website or any other website etc. The alternative mechanisms would be applicable to only those investors who opt for the same in writing and/or subject to investor fulfilling such conditions as AMC may specify from time to time.</p> <p>Signature mismatches</p> <p>If the AMC / Registrar finds a signature mismatch, while processing the redemption/ switch out request, then the AMC/ Registrar reserves the right to process the redemption only on the basis of supporting documents confirming the identity of the investors. List of such documents would be notified by AMC from time to time on its website.</p> <p>Important Note: All applicants for Purchase of Units /Redemption of Units must provide a bank name, bank account number, branch address, and account type in the Application Form.</p>
Delay in payment of redemption / repurchase proceeds	The AMC shall be liable to pay interest to the Unit holders at 15% or such other rate as may be prescribed by SEBI from time to time, in case the Redemption / Repurchase proceeds are not made within 10 Business Days of the

	date of Redemption / Repurchase. However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC / Trustee is required to obtain from the Investor / Unit holders verification of identity or such other details relating to Subscription for Units under any applicable law or as may be requested by a Regulatory Agency or any government authority, which may result in delay in processing the application.
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C. PERIODIC DISCLOSURES

<p>Net Asset Value</p> <p>This is the value per Unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your Unit balance.</p>	<p>The AMC will calculate and disclose the first NAV of the Scheme within a period of 5 business days from the date of allotment. Subsequently, the NAVs will be calculated and disclosed on all the Business Days. The NAV of the Scheme and purchase/Redemption price shall be published at least in two daily newspapers on daily basis in accordance with the Regulations. The AMC shall update the NAVs on the website of the AMC (www.axismf.com) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) before 9.00 p.m. on every Business Day. If the NAVs are not available before the commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.</p> <p>Information regarding NAV can be obtained by the Unit holders / Investors by calling or visiting the nearest ISC.</p>
<p>Half yearly Disclosures: Portfolio / Financial Results</p> <p>This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p>The Mutual Fund shall publish a complete statement of the Scheme portfolio and the unaudited financial results, within one month from the close of each half year (i.e. 31st March and 30th September), by way of an advertisement at least, in one National English daily and one regional newspaper in the language of the region where the head office of the Mutual Fund is located.</p> <p>The Mutual Fund may opt to send the portfolio to all Unit holders in lieu of the advertisement (if applicable).</p> <p>The Portfolio Statement will also be displayed on the website of the AMC and AMFI.</p>
<p>Half Yearly Results</p>	<p>The Mutual Fund and AMC shall before the expiry of one month from the close of each half year i.e. 31st March and on 30th September, publish its unaudited financial results in one national English daily newspaper and in a regional newspaper published in the language of the region where the Head Office of the Mutual Fund is situated.</p>

	The unaudited financial results will also be displayed on the website of the AMC and AMFI.		
Annual Report	The Scheme wise annual report or an abridged summary thereof shall be mailed (emailed, where e mail id is provided unless otherwise required) to all Unit holders not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year) and full annual report shall be available for inspection at the Head Office of the Mutual Fund and a copy shall be made available to the Unit holders on request on payment of nominal fees, if any. Scheme wise annual report shall also be displayed on the website of the AMC (www.axismf.com) and Association of Mutual Funds in India (www.amfiindia.com).		
Associate Transactions	Please refer to Statement of Additional Information (SAI).		
Taxation The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.	<u>Equity Fund</u>		
		Resident Investors	Mutual Fund
	Tax on Dividend	Nil	Nil
	Capital Gains: Long Term	Nil	Nil
	Short Term	15% (plus applicable surcharge and education cess)	Nil
	The scheme will attract securities transaction tax (STT) at 0.25% on the redemption value.		
	The Scheme being an equity oriented scheme, no additional tax under section 115R of the income tax, 1961 is payable on income distribution, if any, made by the scheme.		
	For further details on taxation please refer to the clause on Taxation in the SAI		
Investor services	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" (toll-free number) or 3940 3300 (at local call rate for enquiring at AMC ISC's) or email – 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		

	<p>transactions efficiently and to resolve any Investor grievances promptly.</p> <p>Any complaints should be addressed to Mr. Milind Vengurlekar who has been appointed as the Investor Relations Officer and can be contacted at:</p> <p>Address : 11th floor, Nariman Bhavan, Vinay K. Shah Marg, Nariman Point, Mumbai – 400 021 Phone no.: 022 30933830/817</p>
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D. COMPUTATION OF NAV

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

The Net Assets Value (NAV) of the Units under the Scheme shall be calculated as shown below:

$$\text{NAV (Rs.)} = \frac{\text{Market or Fair Value of Scheme + including Accrued - and Provisions Investments} + \text{Current Assets Income} - \text{Current Liabilities}}{\text{No. of Units outstanding under Scheme on the Valuation Day}}$$

The NAV shall be calculated up to two decimal places. However the AMC reserves the right to declare the NAVs up to additional decimal places as it deems appropriate. Separate NAV will be calculated and disclosed for each Option. The NAVs of the Growth Option and the Dividend Option will be different after the declaration of the first Dividend.

The AMC will calculate and disclose the first NAV of the Scheme within a period of 5 business days from the date of allotment. Subsequently, the NAVs will be calculated and disclosed on all the Business Days.

IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the scheme.

A. NEW FUND OFFER (NFO) EXPENSES

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

In accordance with the provisions of SEBI Circular no. SEBI/ IMD/CIR No. 1/64057/06 dated April 04, 2006 and SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009, the

Scheme, being an open-ended scheme, the NFO expenses shall be borne by the AMC/Sponsor.

B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the Scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:

The AMC has estimated that up to 2.50% of the daily average net assets of the Scheme will be charged to the Scheme as expenses. For the actual current expenses being charged, the Investor should refer to the website of the AMC.

Particulars	% of Net Assets
Investment Management & Advisory Fee	1.25
Service Tax on Investment Management & Advisory Fee	0.13
Custodial Fees	0.05
Registrar & Transfer Agent Fees including cost related to providing accounts statement, Dividend/Redemption cheques/warrants etc.	0.10
Marketing & Selling Expenses including Agents Commission and statutory advertisement	0.62
Brokerage & Transaction Cost pertaining to the distribution of units	-
Audit Fees / Fees and expenses of trustee	0.10
Costs related to Investor communications	0.15
Costs of fund transfer from location to location	-
Other Expenses*	0.10
Total Recurring Expenses	2.50

*Any other expenses which are directly attributable to the Scheme, maybe charged with the approval of the Trustee within the overall limits as specified in the Regulations except those expenses which are specifically prohibited.

These estimates have been made in good faith as per the information available to and estimates made by the Investment Manager and are subject to change inter-se or in total subject to prevailing Regulations. The AMC may incur actual expenses which may be more or less than those estimated above under any head and/or in total. Type of expenses charged shall be as per the Regulations.

The AMC will charge the Scheme such actual expenses incurred, subject to the statutory limit prescribed in the Regulations.

The recurring expenses of the Scheme (including the Investment Management and Advisory Fees) shall be as per the limits prescribed under the SEBI (MF) Regulations. These are as follows:

On the first Rs. 100 crores of the average weekly net assets - 2.50%

On the next Rs. 300 crores of the average weekly net assets - 2.25%

On the next Rs. 300 crores of the average weekly net assets – 2.00%

On the balance of the assets - 1.75%

The AMC may charge the Mutual Fund with investment and advisory fee as prescribed in the SEBI (MF) Regulations from time to time and as permitted by the Investment Management Agreement. Presently, the SEBI (MF) Regulations permit fees as follows:

i) 1.25% of the weekly average net assets outstanding in each accounting year for the Scheme concerned as long as the net assets do not exceed Rs.100 crore, and

ii) 1% of the excess amount over Rs.100 crore, where net assets so calculated exceed Rs.100 crore.

The total expenses of the Scheme(s) including the investment management and advisory fee shall not exceed the limit stated in Regulation 52(6) of the SEBI (MF) Regulations.

Any expenditure in excess of the SEBI regulatory limits shall be borne by the AMC or the Sponsor.

The current expense ratios will be updated on the AMC website viz. www.axismf.com within two working days mentioning the effective date of the change.

C. LOAD STRUCTURE

Load is an amount which is presently paid by the Investor to redeem the Units from the Scheme. This amount is used by the AMC to pay commission to the distributors and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, Investors may refer to the website of the AMC (www.axismf.com) or may call at **1800 3000 3300** or you can contact your distributor.

SEBI vide its circular No. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes.

Type of Load	Load chargeable (as %age of NAV)
Entry Load	NA
Exit Load	1% if redeemed within 1 year from date of allotment.

Units issued on reinvestment of Dividends shall not be subject to Load.

The above mentioned load structure shall be equally applicable to the special products such as SIP, switches, etc. offered by the AMC. However, for switches between equity schemes, no load will be charged by the AMC. Further, for switches between the Growth and Dividend Option, no load will be charged by the scheme.

Of the Exit Load or CDSC charged to the Investor, a maximum of 1% of the Redemption proceeds can be maintained in a separate account which can be used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Any balance is to be credited to the Scheme immediately.

The Investor is requested to check the prevailing Load structure of the Scheme before investing.

For any change in Load structure AMC will issue an addendum and display it on the website/Investor Service Centres.

Under the Scheme, the AMC/Trustee reserves the right to change / modify the Load structure if it so deems fit in the interest of smooth and efficient functioning of the Mutual Fund. The AMC/Trustee reserves the right to introduce / modify the Load depending upon the circumstances prevailing at that time subject to maximum limits as prescribed under the Regulations.

The Redemption Price however, will not be lower than 93% of the NAV. Any imposition or enhancement of Load in future shall be applicable on prospective investments only. The difference between the Redemption price and Sale price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time which is presently 7% calculated on the Sale Price.

At the time of changing the Load Structure:

1. An Addendum detailing the changes will be attached to Scheme Information Document (s) and Key Information Memorandum. The addendum may be circulated to all the distributors / brokers so that the same can be attached to all Scheme Information Documents and Key Information Memoranda already in stock.
2. The addendum will be displayed on the website of the AMC and arrangements will be made to display the addendum in the form of a notice in all the Investor Service Centres and distributors / brokers' office.
3. The introduction of the Exit Load/ CDSC along with the details may be stamped in the acknowledgement slip issued to the Investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such Load/CDSC.
4. A public notice shall be given in respect of such changes 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.
5. Any other measure which the Mutual Fund may consider necessary.

Any change in Load structure shall be only on a prospective basis i.e. any such changes would be chargeable only for Redemptions from prospective purchases (applying first in first out basis).

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Not applicable

V. RIGHTS OF UNIT HOLDERS

Please refer to SAI for details.

VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

This section shall contain the details of penalties, pending litigation, and action taken by SEBI and other regulatory and Govt. Agencies.

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed.

Not Applicable

2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.

Nil

3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and rules and regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.

Nil

4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.

Nil

5. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustee/Trustee Company which SEBI has specifically advised to be disclosed in the Scheme Information Document, or which has been notified by any other Regulatory Agency, shall be disclosed.

Nil

The Scheme under this Scheme Information Document was approved by the Trustee Company by passing a resolution on July 02, 2010. The Trustee has ensured that the Scheme is a new product offered by Axis Mutual Fund and is not a minor modification of its existing schemes.

Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

**for and on behalf of
Axis Asset Management Company Limited**

Sd/-

**Rajiv Anand
Managing Director &
Chief Executive Officer**

**Date: January 11, 2011
Place: Mumbai**

DURING NEW FUND OFFER PERIOD

AXIS AMC OFFICE ADDRESSES

Ahmedabad Ground Floor, Shop No 4, Megha House, Opp. Kotak Bank, Mithakali Law Garden Road, Ellisbridge, Ahmedabad 380006 • **Bhopal** C/o Axis Sales Limited, Akansha Building, 1st Floor, Opposite Navbharat Press Complex, Zone -1, M. P. Nagar, Bhopal - 462 011 • **Bhubaneswar** Axis Sales Ltd, Axis Mutual Fund, Agrani Press, Mallick commercial complex 1st floor, Block BPN A/69, Kharvela Nagar, Bhubaneswar-751001 • **Bangalore** Embassy Square, Building No. 148, Unit No 306, 3rd Floor, Infantry Road, Bangalore 560001 • **Chandigarh** 1st Floor, Sco No 147-48, Sec 9c, Chandigarh 160017 • **Chennai** 5th Floor, Maalavika Center, 144 - 145 New No 60, Kodambakkam High Road, Nungambakkam, Chennai 600034 • **Kochi** C/o Axis Sales Limited, Door No 1053-B1, Rani Tower, 1st Floor, Chittoor Road, Ernakulam, Kochi 682018 • **Coimbatore** C/o Axis Sales Limited, Door No 1437, Red Rose Chambers, 2nd Floor, Trichy Road, Coimbatore 641018 • **Guwahati** C/o Axis Sales Limited, 3rd Floor, Sarojini Commercial Complex, Opposite Ayakar Bhavan, Christian Basti, G.S. Road, Guwahati 781005 • **Hyderabad** 2nd Floor, Nerella House, Panjagutta, Hyderabad 500082 • **Indore** C/o Axis Sales Ltd, 201, 2nd Floor, Silver Sanchora Castle, 8/2 R.N.T. Marg, Indore 452 003, India • **Jaipur** 305, 3rd Floor, Ganpati Plaza, M I Road, Jaipur 302001 • **Jamshedpur** C/o Axis Sales Limited, Shatabdi Tower, 1 SNP Area, Sakchi, Jamshedpur 831001 • **Kanpur** 210, 2nd Floor, Kan Chambers, Civil Lines, Kanpur 208001 • **Kolkata** 3 - F, 3rd Floor, Shristi, 12 Hochiminh Sarani, Kolkata 700071 • **Lucknow** Unit No 5, 6 & 7, Halwasiya's Commerce House, 2nd Floor, Habibullah Estate, 11, M.G. Marg, Hazratganj, Lucknow 226001 • **Ludhiana** C/o Axis Sales Limited, 7th Floor, 108, The Mall, Surya Tower, Ludhiana 141002 • **Mumbai** 11th Floor, Nariman Bhavan, Vinay K Shah Marg, Nariman Point, Mumbai 400021, India. • **Nagpur** C/o Axis Sales Limited, Sitaram Smruti, 2nd Floor, West High Court Road, Dharampeth, Nagpur 440010 • **Nasik** C/o Axis Sales Limited, Office No. 19/22, Gr. Floor, Suyojit Modern Point, Opposite Police Parade Ground, Sharanpur Road, Nasik 422002 • **New Delhi** 702-705, 7th Floor, Narain Manzil, Barakhamba Road, Connaught Place, New Delhi • **Panajim** C/o Axis Sales Limited, 103, 1st Floor, Unitech City Centre, M.G. Road, Panaji 403001 • **Pune** 927, 204-205, 2nd Floor, Sanas Memories Apartment, Fergusson College Road, Shivaji Nagar, Pune 411004 • **Rajkot** C/o Axis Sales Limited, 2nd Floor, Solitaire Building, 150 Feet Ring Road, Opp. Amin Marg, Junction, Rajkot 360001 • **Surat** C/o Axis Sales Limited, Centre Point, 106/a, First Floor, Ring Road, Surat 395002 • **Trivandrum** C/o Axis Sales Limited, Haji M. Bava Sahib Commercial Complex, TC25/2890(12), Ambujavilasam Road, Trivandrum 695001 • **Vadodara** C/o Axis Sales Limited, Chitarakash Complex, 1st Floor, 19, Punit Nagar, Old Padra Road, Vadodara 390007.

AXIS BANK ADDRESSES

• **Amritsar** 29, Kennedy Avenue, Court Road, Amritsar 143001 Punjab • **Bangalore** No. 9, M. G. Road, Block A, Bangalore 560001 • **Chandigarh** Sco 343-344, Sector 35B, Chandigarh 160022 • **Chennai** 82, Dr. Radhakrishnan Salai, Mylapore, Chennai 600004 • **Coimbatore** Vigneshwar Cresta, No. 1095, Avinashi Road, Pappanaickenpalayam, Coimbatore 641037, Tamil Nadu • **Dehradun** Shri Ram Arcade, 74 (New No. 250/466), Rajpur Road, Dehradun 248001, Uttarakhand • **Guwahati** Ground Floor, Chibber House, G.S. Road, Dispur, Guwahati 781005, Assam • **Hyderabad** 6-3-879/B, G. Pulla Reddy Bldg., First Floor, Begumpet Road, Hyderabad 500016 • **Jaipur** O-15, Green House, Ashok Marg, C-Scheme, Jaipur 302001, Rajasthan • **Jalandhar** 50, Badri Dass Colony, Mahavir Marg, Near Bmc Chowk, Jalandhar 144 001 • **Jamshedpur** Voltas House, Near Ram Mandir, Bistupur, Jamshedpur 831001, Jharkhand State • **Kolkata** Lucknow, 25-B, Ashok Marg, Sikander Bagh, Chauraha, Lucknow 226 001, Uttar Pradesh • **Lucknow** 25-B, Ashok Marg, Sikander Bagh Chauraha, Lucknow 226001, Uttar Pradesh • **Ludhiana** Lower Ground Floor, Shop No. AG-01, 02, 03, 3 A, 04, 05, 05-A, 06, 07, 08, 09, 10, 11 Unit No. 1 & 2, The Boulevard, Plot No. 105, Mall Road, Ludhiana, Punjab 141001 • **Mumbai** Universal Insurance Bldg., Ground Floor, Sir P. M. Road, Fort, Mumbai 400001 • **Nagpur** M. G. House, Rabindranath Tagore Road, Besides Board Office, Civil Lines, Nagpur 440001, Maharashtra • **Nasik** Mazda Towers, Tryambak Naka, F.P. No. 183, C.T.S. No. 620.9, GPO Road, Nashik 422001, Maharashtra • **New Delhi** "Statesman House", 148, Barakhamba Road, New Delhi 110001 • **Patna** Lok Nayak Jay Prakash Bhawan, Dak Bungalow Crossing, Patna 800001, Bihar • **Pune** Sterling Plaza, Plot No. 1262/B, Jangli Maharaj Road, Near Deccan Gymkhana, Pune 411004

KOTAK BANK ADDRESSES

• **Agra** Shriram Hospita, IM.G.Road, Agra, Agra 282003 • **Ahmedabad** Ground Floor, Chandan House, Opp. Abhijeet III, Near Mithakali Six Roads, Navrangpura, Ahmedabad 380006 • **Allahabad** 2. Sardar Patel Marg, Civil Lines, Allahabad 21100 • **Amritsar** 10, Kennedy Avenue, The Main Mall Road, Amritsar 143001 • **Anand** P.M.Chambers, Mota Bazar, Vallab Vidya Nagar, Anand 388120 • **Ankleshwar** Shop # 11, 12 12 A, Narmada Arcade, Old Naitonal Highway no 8, Ankleshwar 393002 • **Aurangabad** CTS No 12995, Kandi Towers Near Rokadiya Hanuman Colony Jalna Road, Aurangabad 431001 • **Bangalore** 10/7, Umiya Land Mark, Next to Chancery Hotel, Lavelle Road, Bangalore 560001 • **Baroda** Panorama Building, R.C. Dutt Road, Alkapuri, Vadodara 390015 • **Bhavnagar** Bhavna Construction Company, Plot No 2108 /A, G.R.Sterling Centre Waghwadi Road, Bhavnagar 364001 • **Bhopal** 214, Bhagwan Complex, Zone 1, M P Nagar, Bhopal 462016 • **Bhubaneswar** 184, Ground Floor, Janpath, Bhubaneswar 751001 • **Chandigarh** SCO 153-154-155 Madhya Marg, Sector 9c, Chandigarh 160009 • **Chennai** Capitale', Ground Floor, 555, Anna Salai, Chennai 600018 • **Cochin** Ground Floor, Kumarapillai Estate, M G Road, Cochin 682031 • **Coimbatore** 727, Avinashi Road, Skanda Square, Coimbatore 641018 • **Dhanbad** Ground Floor, Ward No. 18, Ramson Arcade, Shastri Nagar, Dhanbad 826001 • **Guwahati** 4th Floor, Ganapati Enclave, G S Road, Uluvari, Opp. Bura Service Station, Guwahati 781007 • **Hyderabad** avani Jewel Tower, Ground Floor, Somajiguda, Hyderabad 500089 • **Indore** 580, M.G. Road, Indore 452001 • **Jaipur** 57, Krishna Tower, Sardar Patel Marg, C-Scheme, Jaipur 302001 • **Jalandhar** Midas Corporate Park, G T Road, Jalandhar 144001 • **Jamshedpur** Gayatri Enclave, K. Road, S. Town Bistupur, Jamshedpur 831001 • **Jodhpur** Bombay Motor Building, Bombay Motor Circle, 87/B-2 Chopasani Road, Jodhpur 342003 • **Jorhat** DR KC Dey's Building, Gar Ali Road, Junction of Rupahi Ali and Gar Ali Road, Jorhat 785001 • **Kanpur** 17/03, The Mal, IMeghdoot Hotel Building, Kanpur 208001 • **Kolhapur** Shop no B4-B8, Royal Prestige, Sai Extension, City Survey No 11127, E ward, Raja Rampuri Road, Kolhapur 416001 • **Kolkatta** Apeejay House 15, Parkstreet, Kolkatta 700016 • **Lucknow** 3GF, Speed Building, Shahanzaf Road, Lucknow 226001 • **Ludhiana** SCO 120, Ground Floor, Feroze Gandhi Market, Ludhiana 141001 • **Madurai** 1A West Perumal Maistry Street, Madurai Madurai 625001 • **Mehsana** Rajendra Estate, Opp Gayatri Temple, State Highway, Mehsana 384002 • **Moradabad** Sri Ganapati Complex, Near Ekta Dwar, Opp Mission School, Civil Lines, Moradabad 244001 • **Morbi** Shop No 5-8, Ground Floor, Silver Plaza, Ram Chowk, Savsar Plot Morbi 363641 • **Mumbai** 5 C/II, Mittal Court, 224, Nariman Point Mumbai 400001 • **Nagpur** Ground Floor, 345 Shree Mohini Complex, Kingsway, Nagpur 440001 • **Nashik** Shop No.1, Payas, Opp. B Y K College, Thatte Nagar Road, Nasik 422005 • **New Delhi** Ground Floor, Ambadeep, 14, K.G. Marg, New Delhi 110001 • **Panjim** Ground Floor, Hotel Park Plaza, Opp Azad Maidan, Panjim 403001 • **Patiala** Ground Floor, SCO 116-119, New Leela Bhavan, Patiala 147001 • **Patna** Shop No 3, 4, 5 Ahmad Husain Complex, Exhibition Road, Gandhi Maidan, Patna 800001 • **Pune** Bakre Avenue, FP NO 226/3, Bhandarkar Road, Pune 411004 • **Rajkot** Nath Complex, Ground Floor, Near Race Course, Dr. Yagnik Road, Rajkot 360007 • **Salem** Plot No 12, S No 98, Bharathi Street, Alagapuram, Salem 636001 • **Surat** Ground Floor, Kotak House, KG Point, Ghod Dod Road, Surat 395007 • **Trichy** B-17, Aishwaryam Building, Sasthiri Road, Thillai Nagar, Trichy 620017 • **Trivandrum** S I Properties, Ground Floor, White Haven, Vellayambalam, Trivandrum 695010 • **Valsad** Shop Nos 3-6, Sai Keval, Jalaram Road, Valsad 396001 • **Varanasi** D-37/37 Spice KCM Cineplex Complex, Godowlia Chowk, Varanasi 221001 • **Vijayawada** 40-1-48/1, M.G.Road, Labbipet, Vijayawada 520010 • **Visnagar** 1st Floor, Rajkamal Complex, Near Railway Station, Visnagar 384315 • **Udaipur** Trimurti Heights 8-C Bank Street, Madhuban, Udaipur 313004

Karvy, Registrar & Transfer Agents of Axis Mutual Fund having its office at Unit: Axis Mutual Fund, Karvy Plaza, No 8-2-596 Street No. 1, Banjara Hills, Hyderabad 500034 is the collection centre (New Fund Offer) and official Point of acceptance of transactions for electronic transactions received from specified banks, financial institutions, distribution channel etc.. (mobilized on behalf of their clients) with whom the AMC has entered or may enter into specific arrangements for purchase/sale/switch of units.

Website of the AMC (www.axismf.com) shall be official point of acceptance during NFO for existing investors.

Applicants availing ASBA facility shall submit application only at designated branches of SCSB's whose name appears in the list of SCSB available on SEBI/NSE/BSE website.

For any assistance please call us on our Toll Free No 1800 3000 3300

OFFICIAL POINTS OF ACCEPTANCE FOR ONGOING TRANSACTIONS UPON RE-OPENING OF THE SCHEME

AXIS AMC OFFICE ADDRESSES

Ahmedabad Ground Floor, Shop No 4, Megha House, Opp. Kotak Bank, Mithakali Law Garden Road, Ellisbridge, Ahmedabad 380006 • **Bangalore** Embassy Square, Building No. 148, Unit No 306, 3rd Floor, Infantry Road, Bangalore 560001 • **Chandigarh** 1st Floor, Sco No 147-48, Sec 9c, Chandigarh 160017 • **Chennai** 5th Floor, Maalavika Center, 144 - 145 New No 60, Kodambakkam High Road, Nungambakkam, Chennai 600034 • **Kochi** C/o Axis Sales Limited, Door No 1053-B1, Rani Tower, 1st Floor, Chittoor Road, Ernakulam, Kochi 682018 • **Coimbatore** C/o Axis Sales Limited, Door No 1437, Red Rose Chambers, 2nd Floor, Trichy Road, Coimbatore 641018 • **Guwahati** C/o Axis Sales Limited, 2nd Floor, Office Block No. 201, 8/2, Silver Sanchora Castle, R. N. T. Marg, Indore 452003 • **Jaipur** 305, 3rd Floor, Ganpati Plaza, M I Road, Jaipur 302001 • **Jamshedpur** C/o Axis Sales Limited, Shatabdi Tower, 1 SNP Area, Sakchi, Jamshedpur 831001 • **Kanpur** 210, 2nd Floor, Kan Chambers, Civil Lines, Kanpur 208001 • **Kolkata** 3 - F, 3rd Floor, Shristi, 12 Hochiminh Sarani, Kolkata 700071 • **Lucknow** Unit No 5, 6 & 7, Halwasiya's Commerce House, 2nd Floor, Habibullah Estate, 11, M.G. Marg, Hazratganj, Lucknow 226001 • **Ludhiana** C/o Axis Sales Limited, 7th Floor, 108, The Mall, Surya Tower, Ludhiana 141002 • **Mangalore** C/o Axis Sales Limited, Somayaji House, Door No. 15-7-330 / 56, 5th Floor, Bunts Hostel Road, Mangalore 575003 • **Mumbai** 11th Floor, Nariman Bhavan, Vinay K Shah Marg, Nariman Point, Mumbai 400021, India. • **Nagpur** C/o Axis Sales Limited, Sitaram Smruti, 2nd Floor, West High Court Road, Dharampeth, Nagpur 440010 • **Nasik** C/o Axis Sales Limited, Office No. 19/22, Gr. Floor, Suyojit Modern Point, Opposite Police Parade Ground, Sharanpur Road, Nasik 422002 • **New Delhi** 702-702A, 703-703A, 704-705-A, 7th Floor, Narain Manzil, Barakhamba Road, Connaught Place, New Delhi • **Panaji** C/o Axis Sales Limited, 103, 1st Floor, Unitech City Centre, M.G. Road, Panaji 403001 • **Pune** 927, 204-205, 2nd Floor, Sanas Memories Apartment, Fergusson College Road, Shivaji Nagar, Pune 411004 • **Rajkot** C/o Axis Sales Limited, 2nd Floor, Solitaire Building, 150 Feet Ring Road, Opp. Amin Marg, Junction, Rajkot 360001 • **Surat** C/o Axis Sales Limited, Centre Point, 106/a, First Floor, Ring Road, Surat 395002 • **Vadodara** C/o Axis Sales Limited, Chitarakash Complex, 1st Floor, 19, Punit Nagar, Old Padra Road, Vadodara 390007.

KARVY COMPUTERSHARE PRIVATE LIMITED INVESTOR SERVICE CENTERS

Agartala Jagannath Bari Road, Bidur Kottar, Choumani, Agartala 799001 • **Agra** Deepak Wasan Plaza, Behind Holiday Inn, Opp Megdoot Furnitures, Sanjay Plaza, Agra 282002 (U.P) • **Ahmedabad** 201, Shail Building, Opp Madhusudan House, Near Navrangpura Telephone Exchange, Navrangpura, Ahmedabad 380006 • **Ajmer** 1-2, Il Floor, Ajmer Tower, Kutchary Road, Ajmer 305001 • **Akola** Shop No-30, Ground Floor, Yamuna Tarang Complex, N H No 06, Murtizapur Road, Akola 444004 • **Aligarh** 1st Floor, Kumar Plaza, Aligarh 202001 Uttar Pradesh • **Allahabad** RSA Towers, 2nd Floor, Above Sony TV Showroom, 57, SP Marg, Civil Lines, Allahabad 211001 • **Alleppy** 2nd Floor, JP Towers Near West of Zilla Court Bridge, Mullakkal Alttar Prades 688011 • **Alwar** 101, Saurabh Towers Road No # 2, Bhagat Singh Circle Alwar 301001 • **Amaravathi** Shop No 13 & 27, First Floor Gulshan Plaza, Raj Peth, Badnera Road, Amaravathi 444605 • **Ambala** 6349, Nicholson Road, Adjacent Anod Hospital, Ambala Cantt, Ambala 133001 • **Amritsar** 72-A, Taylor's Road, Agra Heritage Gandhi Ground, Amritsar 143001 • **Anand** F-6, Chitrangana Complex, Opp. Motikaka Chavli, V V Nagar, Anand 388001 • **Ananthapur** # 15-149, 1st Floor, S R Towers, Opp. Lalithakala Parishat Subash Road, Anantapur 515001 • **Angul** Durga Shankar Road, Main Road, Infront of AXIS Bank Angul 751122 • **Ankleshwar** Shop No. FF 4 & 5, Shree Narmada Arcade, Old N H No 8, Opp. HDFC Bank, Ankleshwar 393001 • **Asansol** Hotel Askok, 2nd Floor 18, G T Road, Asansol 713301 • **Aurangabad** Shop No 214/215 Tapadiya City Centre, Nirala Bazar, Aurangabad 431001 • **Azamgarh** Below Central Bank of India, Sadawarti Chowk, Azamgarh 276001 • **Balasure** M S Das Street, Gopalgaon, Balasure 756001 • **Bangalore** No 51/25, 1st Floor, Surya Building, Ratna Avenue, Richmond Road, Bangalore 560025 • **Bankura** Ambika Market, Natunganj Bankura 722101 • **Bareilly** 1st Floor, 165, Civil Lines, Opposite Hotel Bareilly Plaza, Near Rly Station Road, Bareilly 243001 • **Barhampore** (WB) 180, Netaji Road, Komal Gandhar Apartment, PO Khagra, City Berhampore Dist. Murshidabad, Barhampore 742103 • **Baroda** Piccadilly, Office # 5, First Floor, Opp. Adani Super Market, Jetalpur Road, Vadodra 390007 Gujarat • **Begusarai** Hotel Diamond Surbhi Complex, Near I.O.C Township Gate, Kapasiya Chowk, Begusarai 851117 • **Belgaum** FK-1, Ambedkar Road, Opp Civil Hospital Belgaum 590001 • **Bellary** No 1 KHB Colony, Gandhinagar, Bellary 583101 • **Behrampur** (OR) Ramlingam Tank Road, Berhampur, Orissa 760002 • **Betul** 107, Hotel Utkarsh, Awasthi Complex, J H College Road, Civil Lines, Beetul 460001 • **Bhagalpur** 2nd Floor, Chandralok Complex, Ghantaghar, Radha Rani Sinha Road, Bhagalpur 812001 • **Bharuch** Ground Floor, Office No 6, Aditya Complex, Opp. Kasak Temple, Bharuch 392001 • **Bhatinda** 2048, 1st Floor, Opp. Canara Bank, The Mall Road, Bhatinda 151001 • **Bhavnagar** Surabhi Mall 301, 3rd Floor, Waghawadi Road, Bhavnagar 364001 • **Bhilai** No138, New Civic Centre, Bhilai 490006 Dist Durg, Chattishgarh • **Bhilwara** 27-28, 1st Floor, Hira Panna Complex, Pur Road, Bhilwara 311001 • **Bhopal** Kay Kay Bussiness Centre, 133 Zone, I M P Nagar, Bhopal 462021 • **Bhubaneswar** Plot No 104/105(P), Jaydev Vihar, Besides Hotel Pal Heights, Bhubaneswar 751013, Orissa • **Bikaner** 2nd Floor, Plot No 70 & 71, Panchshati Circle, Sardul Gunj Scheme, Bikaner 334003 • **Bilaspur** Shop No 201/202, V R Plaza, Link Road, Bilaspur 495001 • **Bokaro** B-1, 1st Floor, Near Sona Chandi Jewellers, City Centre, Sector 4, Bokaro Steel, City 827004 (Jharkhand) • **Burdwan** 63 G T Road, Birhata, Halder Complex, 1st Floor, Burdwan 713101 • **Calicut** Subhagya Shopping Complex, Areyadathupalam Mavor Road, Calicut 673004 • **Chandigarh** Shop 371-372, First Floor, Above HDFC Bank, Sector 35B Chandigarh 160022 • **Chandrapur** Shop No 5, Office No 2, 1st Floor, Rouths Raghuvanshi Complex, Beside Azad Garden, Main Road, Chandrapur 442402 • **Chennai** Flat No F11, First Floor, Akshya Plaza, (Erstwhile Harris Road), Opp Chief City Metropolitan Court, # 108, Adithanar Salai, Egmore, Chennai 600002 • **Chinsura** JC Ghosh Sarani Near Bus Stand Chinsura 712101 • **Cochin** room No 2, IInd Floor, Jewel Arcade, (Above Oriental Insurance Ltd) Layam Road, Cochin 682011 • **Coimbatore** 29/1, 1st Floor, Chinthamani Nagar, Opp To Indian Overseas Bank, Nsr Road, Saibaba Colony, Coimbatore 641011 • **Coonoor** 76 Cammellia Terrace, Grays Hills, Coonoor 643101 • **Cuttack** Dargha Bazar, Opp Dargha Bazar Police Station, Buxibazar, Cuttack 753001 • **Deoria** 1st Floor, Shanti Niketan, Opp Zila Panchayat, Civil Lines Deoria 274001 • **Darbhanga** Ground Floor, Trade Point, Hassan Chowk, Lal Bagh, Darbhanga 846004 • **Davangere** # 15/9, Sobagu Complex, 1st Floor, 2nd Main Road, P J Extension, Davangere 577002 Dehradun Kaulagarh Road, Near Sirmour Marg, Above Reliance Webworld, Dehradun 248001 • **Dewas** 27 Rmo House, Station Road, Dewas 455001 • **Dhanbad** 208, New Market, 2nd Floor, Katras Road, Bank More, Dhanbad 826001 • **Dharwad** 7 & 8, Sri Banashankari Avenue Ramnagar, Opp Nttfb Road Dharwad 580001 • **Dhule** Ashoka Estate, Shop No 14/A, Upper Ground Floor, Sakri Road, Opp. Santoshi Mata Mandir, Dhule424002 • **Dindigul** No 9, Old No 4/B, New Aghrahram, Palani Road, Dindigul 624001 • **Durgapur** Old Datta Automobiles Building 1st Floor, Nachan Road, Benachity, Durgapur 713213 • **Eluru** 23A-3-32, Gubbalavari Street, R R Pet, Eluru 534002 • **Erode** No 4, KMY Salai, Veerappan Traders Complex, Opp Erode Bus Stand, Sathy Road, Erode 638003 • **Faridabad** A-2B, 1st Floor, Nehru Ground, Neelam Bata Road, Nit, Faridabad 121001 • **Ferozpur** 2nd Floor, Malwal Road, Opp H M School, Ferozpur City 152002 • **Gandhidham** Office No 14, First Floor, Komal Complex, Plot No 305, Sector 12B, Nr Shivaji Park, Gandhidham 370201 • **Gandhinagar** 27, Suman Tower, Near Hotel Haveli, Sector No.11, Gandhinagar, Ahmedbad 382011 • **Gaya** 1st Floor, Lal Bhawan, Tower Chowk, Near Kiran Cinema, Gaya 823001 • **Ghaziabad** 1st Floor, C-7, Lohia Nagar, Ghaziabad 201001 • **Ghaziipur** Shubhra Hotel Complex, 2nd Floor, Mahaubagh, Ghaziipur 233001 • **Gonda** 1st Floor, Sri Krishna Talkies, Opp Dukhharan Nath Mandir, Station Road, Gonda 271003 • **Gondia** Shop No 9, Raj Laxmi Complex, Rail Tolly, Gondia 441614 • **Gorakhpur** Above V I P House Ajdacent A D Girls Inter College, Bank Road, Gorakpur 273001 • **Gulbarga** No 23 Sri Giri Nilaya, Sharan Nagar, Tank Bund Road, Gulbarga 585103 • **Guntur** Door No 6-10-18, Sai House, 10 / 1, Arundelpet, Guntur 522002 • **Gurgaon** Shop No 18, Ground Floor, Sector 14, Opp AKD Tour, Near Huda Office, Gurgaon 122001 • **Guwahati** 54 Sagarika Bhawan R G Baruah Road, (AIDC Bus Stop) Guwahati 781024 • **Gwalior** Shindi Ki Chawani, Nadi Gate Pul, MLB Road, Gwalior 474001 • **Hajipur** Ramraja Complex, Kacheri Road, Near Canara Bank, Hajipur 844101 • **Haldwani** 4 Durga City Centre, 1st Floor, Near MBPG College, Parao, Nainital Road, Haldwani 263139 Uttarakhand • **Haridwar** 8, Govind Puri, Opp LIC 2, Above Vijay Bank, Main Road, Ranipur More, Haridwar 249401 • **Hassan** St. Anthony's Complex, Ground Floor, H N Pura Road, Hassan 573201 • **Hazaribagh** C/o Hemlata Jain Kalibari Road, Hazaribagh 825301 • **Hissar** Sco 71, 1st Floor, Red Square Market, Hissar 125001 • **Hoshiarpur** 1st Floor, The Mall Tower, Opp Kapila Hospital, Sutheri Road, Near Maharaj Palace, Hoshiarpur 146001 • **Hubli** 88/9, Upper Ground Floor, C Block, Akshaya Park, Gokul Road Hubli 580030 • **Hyderabad** 8-2-596 Kavya Plaza, Avenue 4, Street No 1, Banjara Hills, Hyderabad 500034 • **Indore** LG 3, Bombay Trade Centre, Lower Ground Floor, Grand Hotel, Opp Bombay Hospital, Scheme No 54, Indore 452010 • **Jabalpur** 43, Naya Bazar, Opposite Shyam Talkies, Jabalpur (MP) 482001 • **Jaipur** 5-16 A, 3rd Floor, Land Mark, Opposite Jaipur Club, Mahavir Marg, C- Scheme, Jaipur 302001 • **Jalandhar** Lower Ground Floor, Office No 3, Arora Prime Tower, Plot No 28, G T Road, Jalandhar 144004 • **Jalgaon** 148 Navi Peth, Opp Vijaya Bank Near, Bharat Dudhalaj, Jalgaon 425001 • **Jalpauri** D B C Road, Near Rupasree Cinema Hall, Beside Kalamandir, PO & Dist Jalapurji 735101 • **Jammu** 29 D/C, Near Service Selection Commission Office, Gandhi Nagar, Jammu 180004 • **Jamnagar** 108 Madhav Plaza, Opp SBI Bank, Near Lal Bangalow, Jamnagar 361001 • **Jamshedpur** Kanchan Tower, 3rd Floor, Chhaganlal Dayalji @ Sons 3-5 B Shop Area, (Near Traffic Signal) Main Road, Bistupur, Jamshedpur 831001 • **Jaunpur** R N Complex, 1-1-9-G (In Front of Pathak Honda) Ummapur Jaunpur 222002 • **Jhansi** 371/01, Narayan Plaza, Gwalior Road, Near Jeevan Shah Chauraha, Jhansi 284001 • **Jodhpur** 203, Modi Arcade, Chupansai Road, Jodhpur 342001 • **Jorhat** New Medical Store Complex, 3rd Floor, A T Road, Opp Chowk Bazar, Jorhat 785001 • **Junagadh** 124/125, Punit Shopping Centre, Ranavat Chowk, Junagadh Gujarat 362001 • **Kanchipuram** New No 357, Old No 230 Gandhi Road, Next To IDBI Bank, Kanchipuram 631501 • **Kannur** 2nd Floor, Prabhat Complex, Fort Road, Kannur 689107 • **Kanpur** 15/46, Opp Muir Mills, Civil Lines, Kanpur 208001 • **Karaiikudi** Gopi Arcade, 100 Feet Road, Karaiikudi 630001 • **Karimnagar** H No 4-2-130/131, Above Union Bank, Jafri Road, Rajeev Chowk, Karimnagar 505001 • **Karnal** Sco 26, Kunjipura Road, Nehru Place, Karnal 132001 • **Karur** No 6, Old No 1304 Thiru-Vi-Ka Road, Near G R Kalyan Mahal Karur 639001 • **Keonjhar** 2nd Floor, Maruti Arcade, Thanna Square, Keonjhar 758001 • **Kharagpur** Malancha Road, Beside UTI Bank, Kharagpur 721304 • **Kolhapur** 610 K Vardhaman Chambers, 2nd Lane, Shahupuri, Kolhapur 416001 • **Kolkata** 16 Jatini Bagchi Road, Kolkata 700029, (Dalhousie) 19, R N Mukherjee Road, 2nd Floor, Dalhousie, Kolkata 700 001 • **Kollam** Ground Floor, Vigneshwara Bhawan, Below Reliance Web World, Kadapakkada Kollam 691008 • **Kota** H No 29, First Floor, Near Lala Lajpat Rai Circle Shopping Centre, Kota, Rajasthan 324007 • **Kottayam** 1st Floor, CSI Ascension Church Complex, Kottayam 686001 • **Korba** 1st Floor, 35 Indira Complex, T P Nagar, Korba (CG) 495677 • **Krishnagar** 52 R N Tagore Road, High Street, Krishnagar, Nadia 741101 • **Kurnool** Shop No 43, 1st Floor S V Complex, Railway Station Road, Kurnool 518004 • **Lucknow** Usha Sadan, 24, Prem Nagar, Ashok Marg, Lucknow 226001 • **Ludhiana** Sco 3, Bawa Building, Feroze Gandhi Market, Ludhiana 141001 • **Malda** Sahistuli Under Ward No-6, English Bazar, Municipality, No-1 Govt Colony, Malda 732101 • **Madurai** Rakesh Towers, 30-C, Bye Pass Road, 1st Floor, Opp Nagappa Motors, Madurai 625010 • **Mangalore** Ground Floor, Mahendra Arcade, Kodial Bal, Mangalore 575003 • **Margao** 2nd Floor, Dalal Commercial Complex, Opp Hari Mandir, Pajifond, Margao-Goa 403601 • **Mathura** 3538-3540, Infront of BSA College, Gausahla Road, Mathura 281004 • **Meerut** 1st Floor, Medi Centre Complex, Opp ICICI Bank, Hapur Road, Meerut 250002 • **Mehsana** Ul-47, Appolo Enclave, Opp Simandhar Temple, Modhera Char Rasta Highway, Mehsana 384002 • **Mirzapur** Girja Sadan, Dankin Gunj Mirzapur 231001 • **Moga** Near Dharashmala Brat Ghar, Civil Line, Dutt Road, Moga 142001 • **Moradabad** Om Arcade, Parker Road, Above Syndicate Bank, Tari Khana Chowk, Moradabad 244001 • **Morena** Moti Palace, Near Ramjanki Mandir, Jivaji Ganj, Morena 476001 • **Mumbai - (Fort)** DAS Chambers, Ground Floor, Opp BSE & Next to Corporation Bank, Dalal Street, Fort, Mumbai 400023, (Borivali) Ground Floor, Himanshu Bldg, Sodawala Lane, Lina Chandawarkar Road, Borivali (West), Mumbai 400091, (Thane) First Floor, Jeevan Chaya Bldg, Near Adidas Show Room, Ram Maruti Road, Thane (West), Mumbai 400601 • **Muzaffarpur** 1st Floor, Uma Market, Near Thana Gumti, Motiheel, Muzaffarpur, Bihar 842001 • **Mysore** L-355, Silver Tower, Clock Tower, Ashoka Road, Mysore 570001 • **Nadiad** 105 GF City Point, Near Paras Cinema, Nadiad 387001 • **Nagarkoil** 3A, South Car Street, Parfan Complex, Nr The Laxmi Villas Bank, Nagarkoil 629001 • **Nagpur** 1st Floor, Sadoday Arcade, WHC Road, Above Top N Town, Dharampeth, Nagpur 440001 • **Namakkal** 105/2, Arun Towers, Paramathi Street, Namakkal 637 001 • **Nanded** Shop No 1, 2, 3 & 4, First Floor, Opp Bank of India, Santkrupa Market, Gurudwara Road, Nanded 431602 • **Nasik** S-12, Second Floor, Suyojit Sankul, Sharanpur Road, Nasik 422002 • **Navsari** 1st Floor, Chinmay Arcade, Opp Sattapir, Tower Road, Navsari 396445 • **New Delhi** 2/23, Jhandewalan Extn. New Delhi 110055 • **Nellore** 16/112, Pogathota Nellore 524001 • **Nizamabad** H No 4-9-55, 1st Floor, Uppala Rameshwara Complex, Jawahar Road, Nizamabad 503001 • **Noida** 307 Jaipuria Plaza, D 68 A, 2nd Floor, Opp Delhi Public School, Sector 26, Noida 201301 • **Panaji** 12/10, (No.20 & 21), Metro Complex, Head Post Office Road, Sultanpet, Palghat 678001 • **Panipat** 1st Floor, Krishna Tower, Near HDFC Bank, Opp Railway Road, G T Road, Panipat 132103 • **Panjim** City Business Centre, Coelho Pereira Building, Room Nos 18, 19 & 20 Dada Vaidya Road, Panjim 403001 • **Patiala** Sco 27 D, Chhoti Baradari Patiala 147001 • **Patna** 3A, 3rd Floor, Anand Tower, Beside Chankya Cinema Hall, Exhibition Road, Patna 800001 • **Pathankot** 1st Floor, 9A, Improvement Trust Building, Near HDFC Bank, Patel Chowk, Pathankot 145001 • **Pollachi** S S Complex, New Scheme Road, Pollachi 642002 • **Pondicherry** First Floor No.7, Thiayagaraja Street Pondicherry 605001 • **Porbandar** 3rd Floor, R D Complex, Opp Sahyog Hospital, M G Road, Porbandar 360575 • **Pudukottai** Sundaram Masilamani Towers, TS No 5476-5479, PM Road, Old Tirumayam Salai, Near Anna Statue, Jublie Arts, Pudukottai 622001 • **Pune** Srinath Plaza, C Wing, Office No 58 & 59, 3rd Floor, Dyanseshwar Paduka Chowk, Suryv No 184/4, F C Road, Pune 411004 • **Puri** Ground Floor, VIP Road, Near PKDA Office, P S Puri, Puri 752001 • **Raipur** Room No TF 31, 3rd Floor, Millennium Plaza, Behind Indian Coffee House, G E Road, Raipur 492001 • **Rajahmundry** Dr No 6-1-4, First Floor, Rangachary Street, T Nagar, Rajahmundry 533101 • **Rajapalayam** Professional Couriers Building, 40/C (1), Hospital Road, Rajapalayam 626117 • **Rajkot** 104, Siddhi Vinayak Complex, Dr Yagnik Road, Opp Ramkrishna Ashram Rajkot 360001 • **Ranchi** Commerce Towers, 3rd Floor, Room No 307, Beside Mahabir Towers, Main Road, Ranchi 834001 • **Ratlam** 1 Nagpal Bhavan, Freeganj Road, Tobatti, Ratlam 457001 • **Renukoot** Shop No 18, Near Complex Birla Market, Renukoot 232127 • **Rewa** 1st Floor, Angoori Building, Besides Allahabad Bank, Trans University Road, Civil Lines, Rewa 485001 • **Rohtak** 1st Floor, Ashoka Plaza, Delhi Road, Rohtak 124001 • **Roorkee** Shree Ashardeep Complex, 16 Civil Lines, Near Income Tax Office, Roorkee, Uttaranchal 247667 • **Rourkela** 1st Floor, Sandhu Complex, Kanchery Road, Uditi Nagar, Rourkela 769012 • **Sagar** Above Poshak Garments, 5 Civil Lines, Opposite Income Tax Office, Sagar 470002 • **Sahanapur** 18 Mission Market, Court Road, Saharanpur 247001 Uttar Pradesh • **Salem** Old No 17, New No 49, Fort Main Road, First Floor, Shevapet, Salem 636002 • **Sambalpur** Quality Massion, 1st Floor, Above Bata Shoe, Shop/ Preeti Auto Combine, Nayapara, Sambalpur 768001 • **Satna** 1st Floor, K B Complex, Beside Bank of Maharashtra, Rewa Road, Satna 485001 • **Shaktinagar** 1stA-375, V V Colony Dist Sonebhadra Shaktinagar 231222 • **Shivpuri** 1st Floor, M P R P Building, Near Bank of India, Shivpuri 473551 • **Shillong** Mani Bhawan, Thana Road, Lower Police Bazar, Shillong 739001 • **Shimla** Triveni Building, By Pas Chowk, Khallini, Shimla 171002 • **Shimoga** Uday Ravi Complex, LLR Road, Durgi Gudi, Shimoga 577201 • **Sikar** 1st Floor, Super Towers Behind Ram Mandir, Station Road, Sikar 332001 • **Silchar** 1st Floor, Chowchakra Complex, N N Dutta Road, Premtala Silchar 788001 • **Siliguri** Nanak Complex, Near Church Road, Sevoke Road, Siliguri 734001 • **Sitapur** 12/12-A Surya Complex, Arya Nagar, Opp Mal Godam, Sitapur 261001 • **Sivakasi** 363, Thiruthangal Road, Opp TNEB, Sivakasi 626123 • **Solan** Sahni Bhawan, Adjacent Anand Cinema Complex, The Mall Solan 173212 • **Solapur** Siddeshwar Securities, No 6, Vaman Road, Vijaypur Road, Vaman Nagar, Solapur 413004 • **Surat** G-6 Empire State Building, Near Parag House, Udhna Darwaja, Ring Road, Surat 395002 • **Sonepat** 205 R Model Town, Above Central Bank of India, Sonepat • **Sri Ganganagar** 35-E-Block, Opp Sheelta Mata Vatik, Sri Ganga Nagar 335001 • **Srikakulam** 4-1-28/1, Venkateshwara Colony Day & Night Junction, Srikakulam 532001 • **Sultanpur** Rama Shankar Complex, Civil Lines, Faizabad Road, Sultanpur 228001 • **Thanjavur** Nalliah Complex, No 70, Srinivasam Pillai Road, Thanjavur 613001 • **Theni** Ramesh Murugan Complex, Near Srimam Theatre, Subban Chetty Street, Theni 625531 • **Tezpur** 1st Floor, Mayur Bhawan, Binraj Road, Tezpur 784001 • **Thodupuzha** First Floor, Pulimootil Pioneer Pala Road, Thodupuzha 685584 • **Tirunelveli** Jeney Building, 55/18, S N Road, Near Arvind Eye Hospital, Tirunelveli 627001 • **Tirupur** First Floor, 224 A, Selvakumar Departmental Stores, 1st Floor, Kamaraj Road, Opp To Cotton Market Complex, Tirupur 641604 • **Tirupathi** #330, Tilak Road, Near Four Pillar Mandapam, Tirupati 517501 • **Tiruvala** 2nd Floor, Enrinery Complex, Near Kotak Securities, Ramanchira Tiruvala 689107 • **Trichur** 2nd Floor, Brother's Complex, Near Dhana Laxmi Bank Head Office, Naikakanal Junction, Trichur 680001 • **Trichy** Sri Krishna Arcade, 1st Floor, 60 Thennur High Road, Trichy 620017 • **Trivandrum** 2nd Floor, Akshaya Towers, Above Jetairways, Sasthamangalam, Trivandrum 695010 • **Tuticorin** 4 B, A34, A37, Mangalmal, Mani Nagar, Opp Rajaji Park, Palayamkottai Road, Tuticorin 628003 • **Udaipur** 201-202, Madhav Chambers, Opp G P O Chetak Circle, Madhuban, Udaipur 313001 • **Ujjain** 101, Aastha Tower, 13/1, Dhanwantri Marg, Feroz Gunj Ujjain 456010 • **Valsad** Shop No 2, Phiroza Corner, Opp Next Showroom, Titthal Road, Valsad 396001 • **Vapi** Shop No 5, Pikhajai Residency, Opp DCB Bank, Vapi Silvasa Road, Vapi 396195 • **Varanasi** D-64/132, KA 1st Floor, Anant Complex, Siga, Varanasi 221010 • **Vellore** No 1, M N R Arcade, Officer's Line, Krishna Nagar, Vellore 632001 • **Vijayawada** 39-10-7 Opp Municipal Water Tank, Labbipet, Vijayawada 520010 • **Visakhapatnam** 47-14-5/1 Eswar Paradise, Dwaraka Nagar, Main Road, Visakhapatnam 530016 • **Vijayanagaram** Soubhagya, 19-6-13/1, IInd Floor, Near SBI Fort Branch, Vizianagaram 535002 • **Warangal** 5-6-95, 1st Floor, Opp. B.Ed Collage, Lashkar Bazar, Chandra Complex, Hanmakonda, Warangal 500601 • **Yamuna Nagar** Jagdhari Road, Above UCO Bank, Near D A V Grils College, Yamuna Nagar 135 001.

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