

**SCHEME INFORMATION DOCUMENT**  
**OPEN ENDED EQUITY FUNDS**

**MIRAE ASSET INDIA OPPORTUNITIES FUND (MAIOF)**  
**MIRAE ASSET GLOBAL COMMODITY STOCKS FUND (MAGCSF)**  
**MIRAE ASSET CHINA ADVANTAGE FUND (MACAF)**  
**MIRAE ASSET EMERGING BLUECHIP FUND (MAEBF)**  
**MIRAE ASSET INDIA-CHINA CONSUMPTION FUND (MAICCF)**

**(Continuous offer for units at NAV based prices)**

**Mirae Asset Mutual Fund**

Investment Manager:

**Mirae Asset Global Investments (India) Private Limited**

Trustee:

**Mirae Asset Trustee Company Private Limited**

**Registered & Corporate Office:**

Unit No.606, Windsor Building, Off C.S.T Road, Kalina, Santacruz (East), Mumbai – 400 098.

Tel. No.: 022-678 00 300 • Fax No.: 022- 6725 3940 - 47

Website: [www.miraeassetmf.co.in](http://www.miraeassetmf.co.in) • E-mail: [miraeasset@miraeassetmf.co.in](mailto:miraeasset@miraeassetmf.co.in)

**The particulars of the Scheme have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (hereinafter referred to as SEBI (Mutual Funds) Regulations) as amended till date and filed with SEBI, along with Due Diligence Certificate from the Asset Management Company. 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 combined Scheme Information Document – EQUITY sets forth concisely the information about the scheme(s) that a prospective investor ought to know before investing. The investor should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund/ Investor Service Centers/ Website/ Distributors or Brokers.

The Investors are advised to refer to the Statement of Additional Information (SAI) for details of Mirae Asset Mutual Fund, Tax and Legal issues and general information on [www.miraeassetmf.co.in](http://www.miraeassetmf.co.in)

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 long on to our website.

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

This Scheme Information Document is dated 27<sup>th</sup> June, 2011

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## SECTION I. HIGHLIGHTS / SUMMARY OF THE SCHEMES

SR. No.	HIGHLIGHTS OF THE SCHEME	MIRAE ASSET INDIA OPPORTUNITIES FUND (MAIOF)	MIRAE ASSET GLOBAL COMMODITY STOCKS FUND (MAGCSF)	MIRAE ASSET CHINA ADVANTAGE FUND (MACAF)
1	<b>Type of scheme</b>	An open ended equity oriented scheme	An open ended equity fund	An open ended fund of funds scheme
2	<b>Investment Objective</b>	The investment objective of the scheme is to generate long term capital appreciation by capitalizing on potential investment opportunities through predominantly investing in equities, equity related securities. There is no assurance or guarantee of returns	The investment objective of the scheme is to generate long term capital appreciation through an actively managed portfolio investing in equity and equity related securities of companies that are engaged in commodity and commodities related sectors/sub sectors/industries, with at least 65% of the corpus invested overseas in Asia Pacific and Emerging Markets. There is no assurance or guarantee of returns.	The investment objective of the scheme is to generate long-term capital appreciation by investing predominantly in units of Mirae Asset China Sector Leader Equity Fund and/ or units of other mutual fund schemes, units of exchange traded schemes that focus on investing in equities and equity related securities of companies domiciled in or having their area of primary activity in China and Hong Kong. The Scheme may also invest a certain portion of its corpus in debt and money market securities and/or units of debt/liquid schemes of Domestic Mutual Funds, in order to meet liquidity requirements from time to time. The Scheme does not guarantee or assure any returns.
3	<b>Plans Available</b>	Regular Plan and Institutional plan.	Regular Plan	Regular Plan
4	<b>Options Available</b>	Dividend Option and Growth Option.	Dividend Option and Growth Option.	Dividend Option and Growth Option.
5	<b>Minimum Application Amount</b>	(i) Regular Plan – Rs. 5,000/- and in multiples of Re. 1/- thereafter. (ii) Institutional Plan – Rs. 5 Crores and in multiples of Re.1/- thereafter.	(i) Regular Plan –Rs. 5,000/- and in multiples of Re. 1/- thereafter.	(i) Regular Plan – Rs. 5,000/- and in multiples of Re. 1/- thereafter.
6	<b>Minimum Application Amount (Subsequent Purchase)</b>	(i) Regular Plan – Rs. 1000 and in multiples of Re.1/- thereafter. (ii) Institutional Plan – Rs. 1 lakh and in multiples of Re.1/- thereafter.	(i) Regular Plan – Rs. 1000 and in multiples of Re.1/- thereafter.	(i) Regular Plan – Rs.1,000/- and in multiples of Re. 1/- thereafter.
7	<b>Minimum installment for SIP</b>	The minimum investment under SIP option will be for Rs.1,000/- in multiples of Re.1/- thereafter for a minimum of 6 monthly installments and for Rs.1,500/- in multiples of Re.1/- thereafter for a minimum of 4 quarterly installments.		
8	<b>Minimum installment for SWP and STP</b>	<b>SWP</b> - Investors can withdraw fixed amount of Rs. 1,000/- each and above at regular intervals. <b>STP</b> - Options Available and Minimum Amount: <ul style="list-style-type: none"> <li>● Daily Option</li> <li>● Weekly Option</li> <li>● Fortnightly Option</li> <li>● Monthly Option : Minimum 6 transfers of Rs. 1,000/- each and above.</li> <li>● Quarterly Option: Minimum 4 transfers of Rs. 1,500/- each and above.</li> </ul>		
9	<b>Entry Load</b>	<b>NIL for all schemes.</b> “In terms of SEBI circular No. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor effective August 1, 2009. Upfront commission shall be paid directly by the investor to the AMFI registered Distributors based on the investors’ assessment of various factors including the service rendered by the distributor”.		

SR. No.	HIGHLIGHTS OF THE SCHEME	MIRAE ASSET INDIA OPPORTUNITIES FUND (MAIOF)	MIRAE ASSET GLOBAL COMMODITY STOCKS FUND (MAGCSF)	MIRAE ASSET CHINA ADVANTAGE FUND (MACAF)
10	Exit Load	For Each Redemption Type		Load (% of Applicable NAV)
		Any Amount (Including Systematic Withdrawal Plan/ Systematic Investment Plan/ Systematic Transfer Plan applications)		
		Redemption within 1 year (365 days) from the date of allotment		1.00%
		Redemption after 1 year (365 days) from the date of allotment		NIL
		A Switch-Out/Withdrawal under SWP will also attract an exit load like any redemption. Exit load is applicable for all the Plans/Options under the Scheme by applying First in First Out basis. No Exit Load is chargeable in case of switches made between different Sub-options of the same plan. As per SEBI/IMD/CIR No. 14/120784/08 dated March 18, 2008, no load would be charged on Bonus units and of units allotted on reinvestment of Dividend		
Exit load/ Contingent deferred sales charge ("CDSC") With effect from August 01, 2009, exit load/ CDSC (if any) up to 1% of the redemption value charged to the unit holder by the Fund on redemption of units shall be retained by each of the schemes/ plans in a separate account and will be utilized for payment of commissions to the ARN Holder and to meet other marketing and selling expenses. Any amount in excess of 1% of the redemption value charged to the unit holder as exit load/ CDSC shall be credited to the respective scheme/ plan immediately. The above provisions shall be applicable on a prospective basis, effective from August 1, 2009.				
11	Liquidity	The Scheme will offer units for purchases/switch-ins and redemptions/switch-outs at NAV based prices on all business days on an ongoing basis.		
12	Benchmark Index	BSE 200	MSCI Asia Pacific ex-Japan Energy & Material Index (55%) + MSCI India Energy & Material Index - (35%) + MSCI Brazil Energy & Material Index - (10%) (with 10/40 Equity Index Methodology)	MSCI China Index (in INR Terms)
13	Transparency/ NAV Disclosure	NAVs will be disclosed at the close of every business day. The Scheme will disclose details of its portfolio on a half yearly basis as prescribed by SEBI (Mutual Fund) Regulations, 1996. Net Asset Value of the Units of the Scheme (including options there under) calculated in the manner provided in this Scheme Information Document or as may be prescribed by the Regulations from time to time. The NAV will be computed upto three decimal places.	NAVs will be disclosed at the close of every business day. The Scheme will disclose details of its portfolio on a half yearly basis as prescribed by SEBI (Mutual Fund) Regulations, 1996. Net Asset Value of the Units of the Scheme (including options there under) calculated in the manner provided in this Scheme Information Document or as may be prescribed by the Regulations from time to time. The NAV will be computed upto three decimal places.	The NAV will be announced at 10.00 a.m the following business day. The AMC shall update the NAVs on the website of the Fund - www.miraeassetmf.co.in and of the Association of Mutual Funds in India – AMFI (www.amfiindia.com). The AMC will disclose details of the portfolio of the Scheme every 6 months by either sending a complete statement to all the Unit Holders or by publishing such statement, by way of advertisement, in two daily newspapers. The same shall also be displayed on the website of the fund. The NAV will be computed upto three decimal places.
14	Minimum Redemption Amount	The minimum amount for redemption shall be of Rs. 1000 and in multiples of Re.1 thereafter or 100 units, whichever is lower. If the unit balance after any such redemption is less than or equal to 25 units and is identified at the time of processing such request, the AMC reserves the right to redeem such fractional units along with the redemption request received.		
15	Tax Treatment for Investors	Earnings of the fund are totally exempt from income tax under Section 10(23D) of the I.T Act.		

SR. No.	HIGHLIGHTS OF THE SCHEME	MIRAE ASSET EMERGING BLUECHIP FUND (MAEBF)	MIRAE ASSET INDIA-CHINA CONSUMPTION FUND (MAICCF)
1	Type of scheme	An open ended equity fund	An open ended equity oriented scheme
2	Investment Objective	To generate income and capital appreciation from a diversified portfolio predominantly investing in Indian equities and equity related securities of companies which are not part of the top 100 stocks by market capitalization and have market capitalization of atleast Rs. 100 Crores at the time of investment. <b>The Scheme does not guarantee or assure any returns.</b>	The investment objective of the scheme is to generate long term capital appreciation through an actively managed portfolio investing in equity and equity related securities of companies that are engaged in commodity and commodities related sectors/sub sectors/industries, with at least 65% of the corpus invested overseas in Asia Pacific and Emerging Markets. <b>There is no assurance or guarantee of returns.</b>
3	Plans Available	Regular Plan	
4	Options Available	Dividend Option and Growth Option.	
5	Minimum Application Amount	Regular Plan –Rs.5,000/- and in multiples of Re. 1/- thereafter.	
6	Minimum Application Amount (Subsequent Purchase)	Regular Plan –Rs.1,000 and in multiples of Re.1/- thereafter.	
7	Minimum installment for SIP	The minimum investment under SIP option will be for Rs.1,000/- in multiples of Re.1/- thereafter for a minimum of 6 monthly installments and for Rs.1,500/- in multiples of Re.1/- thereafter for a minimum of 4 quarterly installments.	
8	Minimum installment for SWP and STP	<b>SWP</b> - Investors can withdraw fixed amount of Rs. 1,000/- each and above at regular intervals. <b>STP</b> - Options Available and Minimum Amount: <ul style="list-style-type: none"><li>● Daily Option</li><li>● Weekly Option</li><li>● Fortnightly Option</li><li>● Monthly Option : Minimum 6 transfers of Rs. 1,000/- each and above.</li><li>● Quarterly Option: Minimum 4 transfers of Rs. 1,500/- each and above.</li></ul>	
9	Entry Load	<b>NIL for all schemes.</b> “In terms of SEBI circular No. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor effective August 1, 2009. Upfront commission shall be paid directly by the investor to the AMFI registered Distributors based on the investors’ assessment of various factors including the service rendered by the distributor”.	
10	Exit Load	<b>For Each Redemption Type</b>	
		<b>Load (% of Applicable NAV)</b>	
		<b>Any Amount (Including Systematic Withdrawal Plan/ Systematic Investment Plan/ Systematic Transfer Plan applications)</b>	
		Redemption within 1 year (365 days) from the date of allotment	1.00%
		Redemption after 1 year (365 days) from the date of allotment	NIL
		A Switch-Out/Withdrawal under SWP will also attract an exit load like any redemption. Exit load is applicable for all the Plans/Options under the Scheme by applying First in First Out basis. No Exit Load is chargeable in case of switches made between different Sub-options of the same plan. As per SEBI/IMD/CIR No. 14/120784/08 dated March 18, 2008, no load would be charged on Bonus units and of units allotted on reinvestment of Dividend	
<b>Exit load/ Contingent deferred sales charge (“CDSC”)</b> With effect from August 01, 2009, exit load/ CDSC (if any) up to 1% of the redemption value charged to the unit holder by the Fund on redemption of units shall be retained by each of the schemes/ plans in a separate account and will be utilized for payment of commissions to the ARN Holder and to meet other marketing and selling expenses. Any amount in excess of 1% of the redemption value charged to the unit holder as exit load/ CDSC shall be credited to the respective scheme/ plan immediately. The above provisions shall be applicable on a prospective basis, effective from August 1, 2009.			

SR. No.	HIGHLIGHTS OF THE SCHEME	MIRAE ASSET EMERGING BLUECHIP FUND (MAEBF)	MIRAE ASSET INDIA-CHINA CONSUMPTION FUND (MAICCF)
11	<b>Liquidity</b>	The Scheme will offer units for purchases/switch-ins and redemptions/switch-outs at NAV based prices on all business days on an ongoing basis.	
12	<b>Benchmark Index</b>	CNX MIDCAP Index	MSCI India Consumption Index (65%) + MSCI China Consumption Index (35%) (with quarterly rebalancing) (Price in INR)
13	<b>Transparency/ NAV Disclosure</b>	NAV's will be disclosed at the close of every business day. The Scheme will disclose details of its portfolio on a half yearly basis as prescribed by SEBI (Mutual Fund) Regulations, 1996. Net Asset Value of the Units of the Scheme (including options there under) calculated in the manner provided in this Scheme Information Document or as may be prescribed by the Regulations from time to time. The NAV will be computed upto three decimal places.	
14	<b>Minimum Redemption Amount</b>	The minimum amount for redemption under the scheme/ switch-out of units into any other scheme shall be of Rs. 1,000 and in multiples of Re.1 thereafter or 100 units or account balance, whichever is lower. If the unit balance after any such redemption is less than or equal to 25 units and is identified at the time of processing such request, the AMC reserves the right to redeem such fractional units along with the redemption request received.	
15	<b>Tax Treatment for Investors</b>	Earnings of the fund are totally exempt from income tax under Section 10(23D) of the I.T Act.	

## DEFINITIONS

The following definitions/terms apply throughout this Scheme Information Document unless the context requires otherwise:

<b>Account Statement</b>	A non-transferable statement indicating the number of units held by the investor on a particular date.
<b>Allotment Date</b>	The date on which allotment of the scheme unit is made to the successful applicants from time to time and includes allotment made pursuant to the New Fund Offer.
<b>AMC Fees</b>	Investment Management fee charged by the AMC to the Scheme.
<b>Applicable NAV</b>	For applications for Purchases / Redemptions, accepted during the Ongoing Offer Period at the Designated Investors' Service Centers of the Fund on a Business Day up to the Cut-off time of the Scheme, the NAV of that day; and For applications for Purchases / Redemptions accepted during the Ongoing Offer Period at the Investors' Service Centers of the Fund on a Business Day after the Cut-off time of the Scheme, the NAV of the next Business Day.
<b>Asset Management Company(AMC)/ Investment Manager</b>	Mirae Asset Global Investments (India) Private Limited, the asset management company, set up under the Companies Act, 1956, having its registered office at Unit No. 606, 6th Floor, Windsor, Off CST Road, Kalina, Santacruz (E), Mumbai – 400 098 authorized by SEBI to act as an Asset Management Company / Investment Manager to the schemes of Mirae Asset Mutual Fund.
<b>Area of primary activity</b>	A particular company will be considered by AMC of having an area of primary activity in a particular area if at the time of investment the company is either incorporated or having atleast 50% of the company's assets, gross income, cash flow, or net profits committed to or derived from that area.
<b>Business Day</b>	A day not being: (a) A Saturday or Sunday; (b) A day on which the Stock Exchanges, the BSE and/ or the NSE are closed; (c) A day on which Purchase and Redemption of Units is suspended or a book closure period is announced by the Trustee / AMC; or (d) 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. (e) A day on which the banks in Mumbai and / or RBI are closed for business/clearing in India  All applications received on these non-business days will be processed on the next business day at Applicable NAV. The AMC reserves the right to change the definition of Business Day. The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investors' Service Centers
<b>Call Option</b>	An agreement that gives an investor the right (but not the obligation) to buy a stock, bond, commodity, or other instrument at a specified price within a specific time period.
<b>CBLO</b>	Collateralized Borrowing and Lending Obligations is a Money Market Instrument, approved by RBI (developed by Clearing Corporation of India Ltd). CBLO is a discounted instrument issued in an electronic book entry form for maturity ranging from one day to one year.
<b>CDSC</b>	A charge to the Unit Holder upon exiting (by way of Redemption) based on the period of holding of Units. The Regulations provide that a CDSC may be charged only for a no-Load Scheme and only for the first four years after the Purchase and caps the percentage of NAV that can be charged in each year.
<b>Custodian</b>	Standard Chartered Bank & CITI Bank NA, Mumbai branch registered under the SEBI (Custodian of Securities) Regulations, 1996, or any other custodian who is approved by the Trustee. Presently, Standard Chartered Bank (SCB) acts as the custodian for Mirae Asset Global Commodity Stocks Fund and Mirae Asset China Advantage Fund and CITI Bank NA, Mumbai acts as the custodian for Mirae Asset India Opportunities Fund, Mirae Asset Emerging BlueChip Fund and Mirae Asset India-China Consumption Fund.

<b>Cut-off time</b>	A time prescribed in this Scheme Information Document up to which an investor can submit a Purchase request / Redemption request, to be entitled to the Applicable NAV for that Business Day.
<b>Collection Bank(s)</b>	The bank(s) with which the AMC has entered into an agreement, from time to time, to enable customers to deposit their applications for units during the NFO period. The names and addresses are mentioned at the end of this Scheme Information Document.
<b>Designated Collection Centers during the NFO</b>	Investors' Services Centers and branches of Collection Bank(s) designated by the AMC where the applications shall be received.
<b>Designated Collection Centers during Ongoing Offer</b>	ISCs designated by the AMC where the applications shall be received. The names and addresses are mentioned at the end of this Scheme information document.
<b>Entry Load</b>	A Load charged to an investor on Purchase of Units based on the amount of investment per application or any other criteria decided by the AMC.
<b>Exit Load</b>	A Load (other than CDSC) charged to the Unit Holder on exiting (by way of Redemption) based on period of holding, amount of investment, or any other criteria decided by the AMC.
<b>Foreign Institutional Investors / FII</b>	An entity registered with SEBI under Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 as amended from time to time.
<b>Fund / Mutual Fund/ Trust</b>	Mirae Asset Mutual Fund, a Trust registered with SEBI under the Regulations, vide Registration No: MF/055/07/03 dated November 30, 2007.
<b>Investor Service Centre / ISC</b>	Official points of acceptance of transaction / service requests from investors. These will be designated by the AMC from time to time. The names and addresses are mentioned at the end of this Scheme Information Document.
<b>Load</b>	A charge that may be levied to an investor at the time of Purchase of Units of the Scheme or to a Unit Holder at the time of Redemption of Units from the Scheme.
<b>MAIOF</b>	Mirae Asset India Opportunities Fund
<b>MAGCSF</b>	Mirae Asset Global Commodity Stocks Fund
<b>MACAF</b>	Mirae Asset China Advantage Fund
<b>MAEBF</b>	Mirae Asset Emerging BlueChip Fund
<b>MAICCF</b>	Mirae Asset India-China Consumption Fund
<b>MIBOR</b>	Mumbai Interbank Bid-Offer rate. MIBOR is equivalent to daily call rate. It is the overnight rate at which funds can be borrowed and changes every day.
<b>MSCI 10/40 Equity Index Methodology</b>	As per this methodology, the maximum weight of securities of a single issuer cannot exceed 10% of the market value of a benchmark portfolio and the sum of the weights of all issuers representing more than 5% of the market value of a portfolio cannot collectively exceed 40%.
<b>Net Asset Value / NAV</b>	Net Asset Value of the Units of the Scheme (including options there under) calculated in the manner provided in this Scheme Information Document or as may be prescribed by the Regulations from time to time. The NAV will be computed upto three decimal places for all schemes.
<b>New Fund Offer / NFO</b>	The offer for Purchase of Units at the inception of the Scheme, available to the investors during the NFO Period.
<b>Ongoing Offer</b>	Offer of Units under the Scheme when it becomes open ended after the closure of the New Fund Offer Period.
<b>Ongoing Offer Period</b>	The period during which the Units under the Scheme are offered for subscription/ redemption after the closure of New Fund Offer Period.
<b>Purchase / Subscription</b>	Subscription to / Purchase of Units by an investor from the Fund.
<b>Purchase Price</b>	The price (being Applicable NAV) at which the Units can be purchased and calculated in the manner provided in this Scheme Information Document.



<b>Put Option</b>	An option contract giving the owner the right, but not the obligation, to sell a specified amount of an underlying security at a specified price within a specified time. This is the opposite of a call option, which gives the holder the right to buy shares.
<b>Registrar and Transfer Agent</b>	Karvy Computershare Pvt. Ltd. appointed as the registrar and transfer agent for the Scheme, or any other registrar that may be appointed by the AMC.
<b>Redemption</b>	Repurchase of Units by the Fund from a Unit Holder.
<b>Redemption Price</b>	The price (being Applicable NAV minus Exit Load) at which the Units can be redeemed and calculated in the manner provided in this Scheme Information Document.
<b>Scheme(s)</b>	<b>MIRAE ASSET INDIA OPPORTUNITIES FUND, MIRAE ASSET GLOBAL COMMODITY STOCKS FUND, MIRAE ASSET CHINA ADVANTAGE FUND, MIRAE ASSET EMERGING BLUECHIP FUND &amp; MIRAE ASSET INDIA-CHINA CONSUMPTION FUND</b> (including as the context permits, the options there under).
<b>Scheme Information Document(s)</b>	This Scheme Information Document (SID) issued by Mirae Asset Mutual Fund offering units of <b>MIRAE ASSET INDIA OPPORTUNITIES FUND, MIRAE ASSET GLOBAL COMMODITY STOCKS FUND, MIRAE ASSET CHINA ADVANTAGE FUND, MIRAE ASSET EMERGING BLUECHIP FUND &amp; MIRAE ASSET INDIA-CHINA CONSUMPTION FUND</b> for subscription. Any modifications to the SID will be made by way of an addendum which will be attached to the SID. On issuance of addendum, the SID will be deemed to be updated by the addendum.
<b>SEBI Regulations / Regulations</b>	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time, including by way of circulars or notifications issued by SEBI and the Government of India.
<b>Securities</b>	As defined under Section 2(h) of the Securities Contracts (Regulations) Act, 1956 of India; and also include shares, stocks, bonds, debentures, warrants, instruments, obligations, money market instruments, debt instruments or any financial or capital market instrument of whatsoever nature made or issued by any statutory authority of body corporate, incorporated or registered by or under any law; or any other securities, assets or such other investments as may be permissible from time to time under the regulations.
<b>Statement of Additional Information</b>	The Statement of Additional Information (SAI) issued by Mirae Asset Mutual Fund containing details of Mirae Asset Mutual Fund, its constitution, and certain Tax and Legal issues and general information. SAI is incorporated by reference (is legally a part of SID). SID should be read in conjunction with SAI and not in isolation.
<b>Systematic Transfer Plan /STP</b>	A plan enabling Unit Holders to transfer sums on a monthly / quarterly basis from the Scheme to other schemes launched by the Fund from time to time by giving a single instruction.
<b>Systematic Withdrawal Plan/SWP</b>	A plan enabling Unit Holders to withdraw amounts from the Scheme on a monthly / quarterly basis by giving a single instruction.
<b>Trustee / Trustee Company</b>	Mirae Asset Trustee Company Private Limited, a company set up under the Companies Act, 1956, to act as the Trustee to Mirae Asset Mutual Fund.
<b>Trust Deed</b>	The Trust Deed dated October 11, 2007 made by and between the Sponsor and the Trustee, establishing Mirae Asset Mutual Fund, as amended from time to time
<b>Unit</b>	The interest of an investor in the scheme consisting of each unit representing one undivided share in the assets of the scheme, and includes any fraction of a unit which shall represent the corresponding fraction of one undivided share in the assets of the Scheme.
<b>Unit Holder</b>	Any registered holder for the time being, of a Unit of the Scheme offered under this Scheme Information Document including persons jointly registered.
<b>Valuation Day</b>	Business Day.
<b>Words and Expressions used in this Scheme Information Document and not defined</b>	Same meaning as in the Trust Deed

## ABBREVIATIONS & INTERPRETATION

In this SID the following abbreviations have been used:

<b>ABS</b>	Asset Backed Securities
<b>AMC</b>	Asset Management Company
<b>AMFI</b>	Association of Mutual Funds in India
<b>AML</b>	Anti-Money Laundering
<b>CAMS</b>	Computer Age Management Services Private Limited
<b>CBLO</b>	Collateralised Borrowing and Lending Obligation
<b>DFI</b>	Development Financial Institutions
<b>ECS</b>	Electronic Clearing System
<b>EFT</b>	Electronic Funds Transfer
<b>FII</b>	Foreign Institutional Investor
<b>FRA</b>	Forward Rate Agreement
<b>FOF</b>	Fund of Funds
<b>HUF</b>	Hindu Undivided Family
<b>IMA</b>	Investment Management Agreement
<b>IRS</b>	Interest Rate Swap
<b>ISC</b>	Investor Service Centre
<b>KYC</b>	Know Your Customer
<b>LTV</b>	Loan to Value Ratio
<b>MBS</b>	Mortgage Backed Securities
<b>MIP</b>	Monthly Income Payment
<b>NAV</b>	Net Asset Value
<b>NEFT</b>	National Electronic Funds Transfer
<b>NFO</b>	New Fund Offer
<b>NRI</b>	Non-Resident Indian
<b>OTC</b>	Over the Counter
<b>PIO</b>	Persons of Indian Origin
<b>PMLA</b>	Prevention of Money Laundering Act, 2002
<b>POS</b>	Points of Service
<b>PSU</b>	Public Sector Undertaking
<b>QIP</b>	Quarterly Income Payment
<b>RBI</b>	Reserve Bank of India
<b>RTGS</b>	Real Time Gross Settlement
<b>SEBI</b>	Securities and Exchange Board of India
<b>SI</b>	Standing Instruction
<b>SIP</b>	Systematic Investment Plan
<b>SWP</b>	Systematic Withdrawal Plan
<b>STP</b>	Systematic Transfer Plan
<b>STT</b>	Securities Transaction Tax

## SECTION II – 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 can go up or down depending on various factors and forces affecting capital markets and money markets.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- **MIRAE ASSET INDIA OPPORTUNITIES FUND, MIRAE ASSET GLOBAL COMMODITY STOCKS FUND, MIRAE ASSET CHINA ADVANTAGE FUND, MIRAE ASSET EMERGING BLUECHIP FUND & MIRAE ASSET INDIA-CHINA CONSUMPTION FUND** are the names of the Schemes, and this does not in any manner indicate the quality of the Schemes or their 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.1.00 Lac made by it towards setting up the Mirae Asset Mutual Fund.
- The present scheme is not a guaranteed or assured return scheme.

#### SCHEME SPECIFIC RISK FACTORS:

##### Scheme Specific Risk Factors

##### Risk Factors associated with Equities

Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments in equity and equity related securities. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances leading to delays in receipt of sale proceeds. The NAVs of the units of the Scheme can go up or down because of various factors that affect the capital markets in general. Macroeconomic factors like changes in tax rates, political uncertainties, changes in government regulations etc. and industry specific factors like competition, demand supply, etc. could impact the performance of the companies in which the Scheme invests.

##### Settlement Risk

Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Portfolio to make purchases in intended

securities due to settlement problems could cause the Portfolio to miss certain investment opportunities.

##### Regulatory Risk

The value of the securities may be affected by uncertainties such as changes in government policies, changes in taxation, and other developments in the laws and regulations.

##### Risk associated with Unlisted Securities

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 domestic 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's 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 Debt and Money Market Instruments

##### Interest Rate Risk / Price Risk

From the perspective of coupon rates, debt securities can be classified in two categories, i.e., Fixed coupon bearing securities and Floating coupon bearing securities. In Fixed coupon bearing securities, the coupon rate is determined at the time of investment and paid/received at the predetermined frequency. In the floating coupon bearing securities, on the other hand, the coupon rate changes – 'floats' – with the underlying benchmark rate, e.g., MIBOR, 1 yr. Treasury bill.

Fixed income securities (such as Government Securities, bonds, debentures and money market instruments) where a fixed return is offered, run price-risk. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, the payment-frequency of such coupon, days to maturity and the increase or decrease in the level of interest rates. The prices of Government Securities (existing and new) will be influenced only by movement in interest rates in the financial system and liquidity. Whereas, in the case of corporate or institutional fixed income securities, such as bonds or debentures, prices are influenced not only by the change in interest rates but also by credit rating of the security and liquidity thereof.

##### Reinvestment Risk

Investments in fixed income securities may carry reinvestment risk as interest rates prevailing in the market may differ from the original coupon of the bond. Consequently the proceeds from regular coupon and principal payments on due date may get invested at a lower rate.

## **Credit Risk**

**Credit Risk comprises three components.**

### **- Default Risk**

Securities carry a risk of repayment of principal or interest by the borrower. This is called as default risk. The default risk depends on micro economic factors such as financial soundness and ability of the borrower and macro economic factors such as industry performance, competition, trade barriers etc.

### **- Downgrade Risk**

It is the risk that credit rating agency downgrades the rating of an issuer based on earnings and cash flows generating capacity. The credit rating migration of issuance leads to increase in the credit spread and thus reduces the price of corporate bond.

### **- Spread Risk**

Though the sovereign yield curve might remain constant, investments in corporate bonds are exposed to the risk of spread widening between corporate bonds and gilts. Typically, if this spread widens, the prices of the corporate bonds tend to fall and so could the NAV of the Debt Schemes. Similar risk prevails for the investments in the floating rate bonds, where the benchmark might remain unchanged, but the spread over the benchmark might vary. In such an event, if the spread widens, the price and the NAV could fall.

## **Prepayment Risk**

The Borrower may prepay the receivables prior to their respective due dates. This may result in a change in the yield and tenor for the scheme.

## **Liquidity Risk**

This refers to the ease at which a security can be sold at or near its true value. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of some of these investments. Different segments of the Indian financial markets have different settlement periods, and such periods may be extended significantly by unforeseen circumstances. The length of time for settlement may affect the Scheme in the event it has to meet an inordinately large number of redemption or of restructuring of the Scheme's investment portfolio.

## **Risk associated with investing in ETF Units: (For MACAF)**

### **Tracking error risk: (For MACAF)**

The ETF returns may deviate from the underlying index due to a number of factors. For example, the fees and expenses of the Fund, imperfect correlation between the equity securities and equity related securities of constituents of index the fund

tracks, the need for the Manager to adopt a representative sampling strategy and the foreign exchange costs caused by the fact that the base currency could be different from base currency of the fund.

The, rounding of share prices, changes to the index and regulatory policies may affect the Manager's ability to achieve close correlation with the index. Further, the Fund may receive income (such as interests and dividends) from its assets while the index does not have such sources of income. The Fund may also suffer a greater tracking error than a typical exchange traded fund (which invests in the constituent securities of the underlying index) because the Fund could not invest in the underlying constituents of the index directly, and the Fund is also the ultimate party which bears the provision for the Capital Gain Charge and the Distribution Charge

## **Country Party Risk: (For MACAF)**

As the equity related securities such as warrants could be subjected to counterparty risk as these rank equally among themselves and with all other unsecured obligations of the issuer in case of liquidation of the issuer. Therefore, the value of the Fund's assets will, and may always, depend entirely on the credit risk of the issuer held by the Fund. In the event of liquidation or default of the issuer and that a replacement issuer cannot be appointed, dealing of the Units of the ETF may be suspended and the Fund may ultimately be terminated, in which case, the Fund may redeem all outstanding Units at the Net Asset Value which may differ from the trading price on the exchange which is affected by secondary market trading factors.

## **Risks associated with Derivatives**

**In case of MACAF:** To the extent underlying scheme(s) invests in derivatives, MACAF will be exposed to risk associated with derivatives. However, the scheme proposes not to invest in derivatives.

## **(FOR MAIOF, MAGCSF, MACAF, MAEBF & MAICCF):**

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 instruments. Such risks include mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

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.

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 writer of a call option bears a risk of loss if the value of

the underlying asset increases above the exercise price. The loss can be unlimited as underlying asset can increase to any levels. The writer of a put option bears the risk of loss if the value of the underlying asset declines below the exercise price and the loss is limited to strike price.

Investments in futures face the same risk as the investments in the underlying securities. The extent of loss is the same as in the underlying securities. However, 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.

The derivatives are also subject to liquidity risk as the securities in the cash markets. 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 in the values. For further details please refer to section "Investments Limitations and Restrictions in Derivatives" in this Scheme Information Document.

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

#### **Risk associated with Securities Lending**

For **MACAF**: To the extent underlying scheme(s) engage in securities lending MACAF will be exposed to risk associated with securities lending.

#### **(FOR MAIOF, MAGCSF, MACAF, MAEBF & MAICCF) :**

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.

In case the Scheme undertakes stock lending under the Regulations, it may, at times be exposed to counter party risk and other risks associated with the securities lending. Unitholders of the Scheme should note that there are risks inherent to 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 entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure can result in the possible loss of rights to the collateral put up by the borrower of the

securities, the inability of the approved intermediary 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.

#### **Risk associated with short selling**

**MACAF**: To the extent underlying scheme(s) engage in short selling, MACAF will be exposed to risk associated with short selling. However, the proposed scheme will not engage in short selling.

#### **(FOR MAIOF, MAGCSF, MACAF, MAEBF):**

Short-selling is the sale of shares 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 he shorted and returns the stock to close out the loan. If the price of the stock has fallen, he can buy the stock back for less than he received for selling it and profits from it (the difference between higher short sale price and the lower purchase price).

However, Short positions carry the risk of losing money and these losses may grow theoretically unlimited if the price increases without limit and shall result into major losses in the portfolio .

In addition, the short selling will also have the risk of inability to borrow the securities by the seller. Then, it might be possible that the short seller will be required to purchase the securities sold short to cover the short even if the price of the security is higher at the time of the short sale.

If a stock starts to rise and a large number of short sellers try to cover their positions at the same time, it can quickly drive up the price even further. This phenomenon is known as a short squeeze. This might result in major losses in the portfolio.

#### **Risk associated with Securitized Debt (FOR MAIOF, MAGCSF,MACAF, MAEBF):**

Securitized debt papers carry credit risk of the Obligor and are dependent on the servicing of the PTC / Contributions etc. However these are offset suitably by appropriate pool selection as well as credit enhancements specified by Rating Agencies. In cases where the underlying facilities are linked to benchmark rates, the securitized debt papers may be adversely impacted by adverse movements in benchmark rates. However this risk is mitigated to an extent by appropriate credit enhancement specified by rating agencies. Securitized debt papers also carry the risks of prepayment by the obligors. In case of prepayments of securities debt papers, it may result in reduced actual duration as compared to the expected duration of the paper at the time of purchase, which may adversely impact the portfolio yield. These papers also carry risk associated with the collection agent who is responsible for collection of receivables and depositing them. The Investment

team evaluates the risks associated with such investments before making an investment decision. The underlying assets in the case of investment in securitized debt could be mortgages or other assets like credit card receivables, automobile / vehicle / personal / commercial / corporate loans and any other receivables / loans / debt. The risks associated with the underlying assets can be described as under :

Credit card receivables are unsecured. Automobile / vehicle loan receivables are usually secured by the underlying automobile / vehicle and sometimes by a guarantor. Mortgages are secured by the underlying property. Personal loans are usually unsecured.

Corporate loans could be unsecured or secured by a charge on fixed assets / receivables of the company or a letter of comfort from the parent company or a guarantee from a bank / financial institution. As a rule of thumb, underlying assets which are secured by a physical asset / guarantor are perceived to be less risky than those which are unsecured. By virtue of this, the risk and therefore the yield in descending order of magnitude would be credit card receivables, personal loans, vehicle / automobile loans, mortgages and corporate loans assuming the same rating.

Liquidity in Securitized Debt may be affected by trading volumes, settlement periods and transfer procedures. These factors may cause potential losses from being not able to sell the securitized debt instruments at its fair value.

Different types of securities in which the scheme would invest as given in the Scheme Information Document carry different levels and types of risks. Accordingly, the scheme's risk may increase or decrease depending upon its investment pattern. e.g. corporate bonds carry a higher amount of risk than government securities. Further, even among corporate bonds, bonds which are AAA rated are comparatively less risky than bonds which are AA rated.

### **Risks associated with Foreign Securities**

The risk of investing in foreign securities carries exchange rate risks related to depreciation of foreign currency and the country risks, in addition to the risks of securities in domestic securities.

The country risks would include events such as change in regulations or political circumstances like introduction of extraordinary exchange rate controls, restrictions on repatriation of capital due to exchange rate controls, bi-lateral political tensions leading to immobilization of overseas financial assets and the prevalent tax laws of the respective jurisdiction for the execution of trades or otherwise. For further details please refer to section "Investments Limitations and Restrictions in Overseas Investments" in this Scheme Information Document.

**In case of MACAF:** To the extent underlying scheme(s) invests in foreign securities, MACAF will be exposed to risk associated with foreign securities.

### **Currency risk**

The foreign securities are issued and traded in foreign currencies. As a result, their values may be affected by changes in exchange rates between foreign currencies and the Indian Rupee as well as between currencies of countries other than India. Restrictions on currency trading that may be imposed by developing market countries will have an adverse effect on the value of the securities of companies that trade or operate in such countries.

### **FOR MACAF:**

#### **Scheme Specific Risk Factors / Risk Factors Associated with investments in Mirae Asset China Sector Leader Equity Fund (MACSLEF)**

- The fund proposes to invest primarily in overseas mutual funds or ETFs which invest in equities and equity related securities of companies domiciled in or having their area of primary activity in China and Hong Kong. Hence, movements in Net Asset Value of the underlying schemes would impact the performance of MACAF.
- Any change in the investment policies and fundamental attributes of underlying schemes will affect the performance of MACAF.
- The disclosures of portfolio for the Scheme will be limited to the particulars of the underlying schemes and money market securities where the Scheme has invested. Investors may, therefore, not be able to obtain specific details of the investments of the underlying schemes.
- The winding up of the Underlying Scheme may result in winding up of the Scheme itself, as per the provision and procedures as contained in the Regulations.
- The investor shall bear the scheme recurring expenses in addition to the scheme recurring expenses of underlying scheme. The load and the scheme recurring expenses charged by the underlying scheme may vary from time to time. Hence, the performance of the scheme may be impacted or may at times be lower than the returns that the investors directly investing in the underlying funds could obtain.
- Investors should note that investments in the Sub-Fund are exposed to the financial and market risks that company investments in equities and these have been set out in greater detail below. While equities may offer the potential for greater long-term growth than most debt securities, equities generally have higher volatility. The Sub-Fund is focused on investing in Chinese and Hong Kong Stocks. This concentration may lead to higher price volatility.

- Single country risk - Potential investors should note that because the Sub-Fund invests mainly in Chinese and Hong Kong stock markets, its investment is not as diversified as regional funds or global funds. This means that the Sub-Fund tends to be more volatile than other mutual funds and its portfolio value can be exposed to country specific risks and currency risk.
- Hong Kong and Chinese economies can be significantly affected by changes in Chinese government policy and general economic and political conditions of the Asia region and the world in general. The companies listed in these exchanges may be sensitive to political, economic or regulatory developments.
- The Sub-Fund invests in foreign securities, which involve special risks, including currency fluctuations, lower liquidity, political and economic uncertainties, and differences in accounting standards. The Sub-Fund may invest in small and medium capitalized companies, which may be more susceptible to price swings and less liquidity than larger capitalized companies.

#### **B. REQUIREMENT OF MINIMUM NUMBER OF INVESTORS AND MINIMUM HOLDING BY SINGLE INVESTOR**

*(Applicable for MIRAE ASSET INDIA OPPORTUNITIES FUND/ MIRAE ASSET GLOBAL COMMODITY STOCKS FUND/ MIRAE ASSET EMERGING BLUE-CHIP FUND/ MIRAE ASSET INDIA-CHINA CONSUMPTION FUND/MIRAE ASSET CHINA ADVANTAGE FUND)*

The Scheme(s)/Plan(s) shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme(s)/Plan(s) (at portfolio level). The two conditions mentioned above shall be complied within each subsequent calendar quarter, 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**

##### **Applicable for all the schemes**

- Mutual funds, like securities investments, are subject to market risks and there is no guarantee against loss in the Scheme or that the objective(s) of the scheme are achieved.
- In the event of receipt of very large number of redemption requests or very large value redemption requests or of the restructuring of the scheme's portfolio, there may be delays in the redemption of units.
- No person receiving a copy of SAI & SID or any accompanying application form in such jurisdiction may treat this SAI & SID or such application form as constituting an invitation to them to subscribe for Units nor should they in any event use any such application form unless, in the relevant jurisdiction such an invitation could lawfully be made to them and such application form could lawfully be used without compliance of any registration or other legal requirements.
- Investors should study the Statement of Additional Information along with the Scheme Information Document in its entirety and should not construe the contents as an advice relating to legal, taxation, investment or any other matters. Investors may, if they wish, consult their legal, tax, investment 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 Units.
- The tax benefits described in the 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 and the Investors 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 Investor is advised to consult his / her own professional tax advisor.
- The Statement of Additional Information, Scheme Information Document or the Units have not been registered in any jurisdiction. The distribution of this Scheme Information Document in certain jurisdictions may be restricted or totally prohibited due to registration requirements and accordingly, persons who come into possession of this Scheme Information Document are required to inform themselves about and to observe any such restrictions and or legal compliance requirements.
- No person has been authorized to issue any advertisement or to give any information or to make any representations other than that contained in this Scheme Information Document. Circulars in connection with this offering not authorized by the Mutual Fund and any information or representations not contained herein must not be relied upon as having been authorized by the Mutual Fund. Any subscription, Purchase or Sale made by any person on the basis of statements or representations which are not contained in this Scheme information document or which are inconsistent with the

information contained herein shall be solely at the risk of the investor.

- Prospective investors should review / study this Statement of Additional Information along with Scheme Information Document carefully and in its entirety and shall not construe the contents hereof or regard the summaries contained herein as an advice relating to legal, taxation, or financial / investment matters and are advised to consult their own professional advisor(s) as to the legal, tax, financial or any other requirements or restrictions relating to the subscription, gifting, acquisition, holding, disposal (by way of sale, switch or redemption or conversion into money) of Units and to the treatment of income (if any), capitalization, capital gains, any distribution, and other tax consequences relevant to their subscription, acquisition, holding, capitalization, disposal (by way of sale, transfer, switch or conversion into money) of Units within their jurisdiction of nationality, residence, incorporation, domicile etc. or under the laws of any jurisdiction to which they or any managed funds to be used to Purchase / gift Units are subject, and also to determine possible legal, tax, financial or other consequences of subscribing / gifting, purchasing or holding Units before making an application for Units.
- Mirae Asset Mutual Fund / the AMC have not authorized any person to give any information or make any representations, either oral or written, not stated in this Scheme Information Document in connection with issue of Units under the Scheme. Prospective investors are advised not to rely upon any information or representations not incorporated in this Scheme Information Document as the same have not been authorized by the Mutual Fund or the AMC. Any subscription, Purchase or Sale made by any person on

the basis of statements or representations which are not contained in this Scheme Information Document or which are inconsistent with the information contained herein shall be solely at the risk of the investor.

- From time to time and subject to the Regulations, funds managed by the affiliates / associates of the Sponsor may invest either directly or indirectly in the Scheme. The funds managed by these affiliates / associates may acquire a substantial portion of the Scheme's Units and collectively constitute a major investment in the Scheme.
- Accordingly, Redemption of Units held by such funds may have an adverse impact on the value of the Units of the Scheme because of the timing of any such Redemption and may affect the ability of other Unit Holders to redeem their respective 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 section “Right to Limit Purchase & Redemptions”.
- Special Facilities: The Fund reserves the right to amend or terminate or introduce special facilities in the Scheme Information Document. Such facilities for the time being include Switch Facility, Systematic Withdrawal Plan, Systematic Switch Plan, Dividend Reinvestment Plan and any such facility/plan that may be introduced in the future.



**D. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**

It is confirmed that:

- (i) This Combined Scheme Information Document - Equity has been prepared in terms of SEBI Circular SEBI/IMD/CIR No. 5/126096/08 dated May 23, 2008 and 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(s) 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 Combined Scheme Information Document - Equity 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 Combined Scheme Information Document - Equity and Statement of Additional Information is registered with SEBI and their registration is valid, as on date.

For **Mirae Asset Global Investments (India) Private Limited**

sd/-

Name: **Ritesh Patel**

Designation: **Head - Compliance & Company Secretary**

Date : 27<sup>th</sup> June, 2011

Place : Mumbai

## SECTION III - INFORMATION ABOUT THE SCHEMES

### A. TYPE OF SCHEME / PLAN/ OPTIONS AND DEFAULT OPTION

Scheme	Type of the scheme / fund	Plans available	Options available	Default option
<b>MAIOF</b>	An open ended equity oriented scheme	1.Regular, 2.Institutional	Each plan will offer two options viz. 1.Growth and 2.Dividend – Payout, Transfer & reinvestment.	In case an investor fails to specify his preference, he shall be deemed to have opted to select the Regular Plan - Growth Option.  In case an investor fails to specify his preference, he shall be deemed to have opted to select the dividend reinvestment option.
<b>MAGCSF</b>	An open ended equity oriented fund.	Regular	Regular plan will offer two options viz. 1.Growth and 2. Dividend – Payout, Transfer & reinvestment.	
<b>MACAF</b>	An open ended fund of funds scheme	Regular	Regular plan will offer two options viz. 1. Growth and 2. Dividend – Payout & reinvestment.	
<b>MAEBF</b>	An open ended equity fund	Regular	Regular plan will offer two options viz. 1. Growth and 2. Dividend – Payout & reinvestment.	
<b>MAICCF</b>	An open-ended equity oriented Scheme	Regular	Regular plan will offer two options viz. 1. Growth and 2. Dividend – Payout & reinvestment.	

### B. WHAT ARE THE INVESTMENT OBJECTIVES OF THE SCHEMES?

Scheme	Investment Objective
<b>MAIOF</b>	The investment objective of the scheme is to generate long term capital appreciation by capitalizing on potential investment opportunities through predominantly investing in equities, equity related securities. The Scheme does not guarantee or assure any returns.
<b>MAGCSF</b>	The investment objective of the scheme is to generate long term capital appreciation through an actively managed portfolio investing in equity and equity related securities of companies that are engaged in commodity and commodities related sectors/sub sectors/industries, with at least 65% of the corpus invested overseas in Asia Pacific and Emerging Markets. There is no assurance or guarantee of returns.
<b>MACAF</b>	The investment objective of the scheme is to generate long-term capital appreciation by investing predominantly in units of Mirae Asset China Sector Leader Equity Fund and/or units of other mutual fund schemes, units of exchange traded schemes that focus on investing in equities and equity related securities of companies domiciled in or having their area of primary activity in China and Hong Kong. The Scheme may also invest a certain portion of its corpus in debt and money market securities and/or units of debt/liquid schemes of Domestic Mutual Funds, in order to meet liquidity requirements from time to time. The Scheme does not guarantee or assure any returns.
<b>MAEBF</b>	To generate income and capital appreciation from a diversified portfolio predominantly investing in Indian equities and equity related securities of companies which are not part of the top 100 stocks by market capitalization and have market capitalization of atleast Rs. 100 Crores at the time of investment. From time to time, the fund manager may also seek participation in other Indian equity and equity related securities to achieve optimal Portfolio construction. The Scheme does not guarantee or assure any returns.
<b>MAICCF</b>	The investment objective of the scheme is to generate long term capital appreciation through an actively managed portfolio investing in equity and equity related securities of companies that are likely to benefit either directly or indirectly from consumption led demand in India/China. The Scheme does not guarantee or assure any returns.

**There is no assurance that the objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.**

### C. HOW WILL THE SCHEMES ALLOCATE THEIR ASSETS?

#### Asset Allocation in the normal circumstances:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Minimum	Maximum	
<b>MAIOF</b>			
Indian Equities and Equity Related Securities*	65%	100%	High
Money market instruments / debt securities Instruments** (Including upto 25% of corpus in securitized debt)	0%	35%	Low to Medium

\* Equity and Equity related instruments include convertible debentures, equity warrants, convertible preference shares, equity derivatives etc. The scheme can invest upto 50% of Net Assets of Scheme into equity derivatives instruments

\*\* Debt instruments include securitized debt upto 25% of corpus.

Under current regulations, the fund managers will seek to invest more than 65% of corpus in equity shares of Indian/domestic companies and the balance portion of corpus in domestic debt and money market instruments in order to avail of the prevailing tax benefit of long term capital gains. However, investments in equity instruments are subjected to change in case of amendment in the tax laws subject to SEBI regulations.

Provided further and subject to the above, any change in the asset allocation pattern affecting the investment profile of the Scheme shall be effected only in accordance with the provisions of sub-regulation 15A of Regulation 18 of the SEBI (MF) Regulations.

The corpus of the Scheme shall be predominantly invested in equity and equity related securities including convertible debentures, equity warrants, convertible preference shares, equity derivatives etc. in Indian markets. 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 only, for defensive considerations and the intention being at all times to protect the interests of the Unit Holders.

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Minimum	Maximum	
<b>MAGCSF</b>			
Asia Pacific and/or Emerging Markets Equities and Equity Related Securities (excluding Indian equities and equities related securities) of companies that are engaged in commodity and commodities related sectors/ sub sectors/ industries *	65%	100%	High
Indian Equities and Equity Related Securities, including but not limited to those that are engaged in commodity and commodities related sectors/sub sectors/industries *	0%	35%	High
Money market instruments / debt securities Instruments** (Including upto 25% of corpus in securitized debt)	0%	35%	Low to Medium

\* Equity and Equity related instruments include convertible debentures, equity warrants, convertible preference shares, equity derivatives etc. The scheme can invest upto 50% of Net Assets of Scheme into equity derivatives instruments.

The Scheme does not intend to invest in units of overseas mutual fund.

\*\* Debt instruments include securitized debt upto 25% of corpus. The corpus of the Scheme shall be predominantly invested in Asia Pacific and Emerging markets equities and equity related securities of companies that are engaged in commodity and commodities related sectors/sub sectors/industries. 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 only, for defensive considerations and the intention being at all times to protect the interests of the Unit Holders.

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Minimum	Maximum	
<b>MACAF</b>			
Units of Mirae Asset China Sector Leader Equity Fund and/or units of other mutual fund schemes, units of ETFs investing in equities and equity related securities of companies domiciled in or having their area of primary activity in China and Hong Kong*	80%	100%	High
Money market instruments / debt securities Instruments** and/or units of debt/liquid schemes of domestic Mutual Funds.	0%	20%	Low to Medium

\*Equity and Equity related instruments include convertible debentures, equity warrants, convertible preference shares, equity derivatives etc.

\*\* Debt instruments include securitized debt upto 20% of corpus.

The scheme proposes not to invest in Derivatives. The proposed scheme does not intend to invest in overseas securities and will not engage in short selling.

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 only, for defensive considerations and the intention being at all times to protect the interests of the Unit Holders.

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Minimum	Maximum	
<b>MAEBF</b>			
Indian Equities and Equity Related Securities* of companies, which are not part of the top 100 stocks by market capitalization and have market capitalization of atleast Rs.100 Crores at the time of investment	65%	100%	High
Other Indian Equities and Equity Related Securities.*	0%	35%	High
Money market instruments (including CBLO) / debt securities Instruments** (Including upto 20% of corpus in securitized debt)	0%	35%	Low to Medium

\*Equity and Equity related instruments include investments in ADRs / IDRs convertible debentures, equity warrants, convertible preference shares, equity derivatives etc. The scheme can invest upto 30% of Net Assets of Scheme into equity derivatives instruments.

\*\* Debt instruments include securitized debt upto 20% of corpus.

Pending deployment of funds of a scheme in securities in terms of investment objectives of the scheme a mutual fund can invest the funds of the scheme in short term deposits of scheduled commercial banks. The investment in these deposits shall be in accordance with SEBI Circular dated April 16, 2007, October 26, 2007 and June 23, 2008.

The Scheme may propose to invest in securitized debt upto the limit of 20% of corpus and does not propose to underwrite issuances of securities of other issuers.

The Scheme may invest in ADRs / GDRs / IDRs / foreign Securities up to 25% of the net assets of the Scheme, subject to the approval from the Securities and Exchange Board of India and a maximum of US\$ 300 million per Mutual Fund as permitted under the Regulations.

The Scheme may invest upto 30% of net assets in various derivatives instruments including futures (index and stock), options (index and stock) and forward contracts that are available for investment in India and overseas from time to time and are permissible as per the applicable Regulations. Investment in derivative instruments will be made in accordance with the investment objective and the strategy of the Scheme to protect the value of the portfolio and to optimise returns or to undertake any other strategy as permitted under the SEBI Regulations. The investments shall be subject to such limits and restrictions as may be prescribed by the regulations or any other regulatory body.

The corpus of the Scheme shall be predominantly invested in an actively managed portfolio of equity and equity related securities of leading companies/leaders on the basis of market capitalization (as per NSE) or market share at the time of purchase in

various sectors/industries. 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 only, for defensive considerations and the intention being at all times to protect the interests of the Unit Holders.

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Minimum	Maximum	
<b>MAICCF</b>			
Indian Equities and Equity Related Securities of companies that are likely to benefit either directly or indirectly from consumption led demand.*	65%	90%	High
Chinese Equities and Equity Related Securities of companies that are likely to benefit either directly or indirectly from consumption led demand*	10%	35%	High
Money market instruments (including CBLO) / debt securities Instruments and/or units of debt/liquid schemes of domestic Mutual Funds.	0%	25%	Low to Medium

\*Equity and Equity related instruments include convertible debentures, equity warrants, convertible preference shares, equity derivatives etc.

The Indian equities & equity related securities of companies includes those securities listed on stock exchanges in India and includes ADRs & GDRs.

The Chinese equities and equity related securities of companies listed on stock exchanges in Mainland China and/or Hong Kong and ADRs/GDRs of companies listed in China.

The Scheme will not invest in securitized debt and will not engage in short selling.

The scheme can invest upto 50% of Net Assets of Scheme into equity derivatives instruments for the purpose of trading, hedging and portfolio rebalancing. However, the aggregate exposure to gross derivatives, debt instruments, money market instruments and equity will not exceed 100% of the net assets of the scheme.

Investments in foreign securities shall be within the permissible securities mentioned under circular no SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007. However, due to market conditions, the AMC may invest beyond the range set out above. Such deviations shall normally be for defensive considerations and the intention being at all times to protect the interests of the Unit Holders.

The AMC retains the option to alter the asset allocation of the Schemes as under:

Scheme	Review / Rebalancing
<b>MAIOF &amp; MAGCSF</b>	<p>In the event of deviations, rebalancing will normally be carried out within 20 business days. Investments other than in equity will be made for managing liquidity in the normal market circumstances. The preferred instruments will be debt and money market instruments include commercial papers, commercial bills, treasury bills, Government securities, CBLO or notice money, certificate of deposit and any other like instruments as specified by Reserve Bank of India from time to time.</p> <p>For the purpose of further diversification and liquidity, the Scheme may invest in other schemes managed by the same AMC or by the asset management company of any other mutual fund without charging any fees on such investments, provided that aggregate inter-scheme investment made in all schemes managed by the same AMC or in schemes managed by the AMC of any other mutual fund shall not exceed 5% of the net asset value of the Fund.</p> <p>The Scheme may propose to invest in securitized debt upto the limit of 25% of corpus and does not propose to underwrite issuances of securities of other issuers.</p>

	<p>The Scheme may invest upto 50% of net assets in various derivatives instruments including futures (index and stock), options (index and stock) and forward contracts that are available for investment in India and overseas from time to time and are permissible as per the applicable Regulations. Investment in derivative instruments will be made in accordance with the investment objective and the strategy of the Scheme to protect the value of the portfolio and to enhance returns. The investments shall also be subject to the internal limits as may be laid down from time to time and such limits and restrictions as may be prescribed by the regulations or any other regulatory body.</p>
<b>MACAF</b>	<p>In the event of deviations, portfolio rebalancing will normally be carried out within 30 business days. Investments other than in equity will be made for managing liquidity in the normal market circumstances. The preferred instruments will be debt and money market instruments include commercial papers, commercial bills, treasury bills, Government securities, CBLO or notice money, certificate of deposit and any other like instruments as specified by Reserve Bank of India from time to time.</p>
<b>MAEBF</b>	<p>In the event of deviations, rebalancing will normally be carried out within 60 business days. Investments other than in equity will be made for managing liquidity in the normal market circumstances. The preferred instruments will be debt and money market instruments include commercial papers, commercial bills, treasury bills, Government securities, CBLO or notice money, certificate of deposit and any other like instruments as specified by Reserve Bank of India from time to time. In case the rebalancing is not carried out within 60 business days, the same would be reported to the Investment Committee of the AMC. The Investment committee would then put forth their recommendations to the Board of the AMC and Trustee Company, for their direction.</p> <p>For the purpose of further diversification and liquidity, the Scheme may invest in other schemes managed by the same AMC or by the asset management company of any other mutual fund without charging any fees on such investments, provided that aggregate inter-scheme investment made in all schemes managed by the same AMC or in schemes managed by the AMC of any other mutual fund shall not exceed 5% of the net asset value of the Fund.</p> <p>The Scheme may propose to participate in stock lending as permitted by SEBI and as per the limits as specified by the relevant guidelines, circulars, regulations, etc, from time to time. The Fund will consider National Stock Exchange as the Stock Exchange for considering the top 100 stocks by market capitalization.</p>
<b>MAICCF</b>	<p>In the event of deviations, portfolio rebalancing will normally be carried out within 30 business days. Investments other than in equity will be made for managing liquidity in the normal market circumstances. The preferred instruments will be debt and money market instruments include commercial papers, commercial bills, treasury bills, Government securities, CBLO or notice money, certificate of deposit and any other like instruments as specified by Reserve Bank of India from time to time. In case the rebalancing is not carried out within 30 business days, the same would be reported to the Investment Committee of the AMC. The Investment committee would then put forth their recommendations to the Board of the AMC and Trustee Company, for their direction.</p>

#### **Overview of Debt Markets in India (FOR MAIOF, MAGCSF, MAEBF & MAICCF)**

Indian fixed income market, one of the largest and most developed in South Asia, is well integrated with the global financial markets. Screen based order matching system developed by the Reserve Bank of India (RBI) for trading in government securities, straight through settlement system for the same, settlements guaranteed by the Clearing Corporation of India and innovative instruments like CBLO have contributed in reducing the settlement risk and increasing the confidence level of the market participants.

The RBI reviews the monetary policy four times a year giving the guidance to the market on direction of interest rate movement, liquidity and credit expansion. The central bank has been operating as an independent authority, formulating the policies to

maintain price stability and adequate liquidity. Bonds are traded in dematerialized form. Credit rating agencies have been playing an important role in the market and are an important source of information to manage the credit risk.

Government (Central and State) is the largest issuer of debt in the market. Public sector enterprises, quasi government bodies and private sector companies are other issuers. Insurance companies, provident funds, banks, mutual funds, financial institutions, corporates and FIIs are major investors in the market. Government loans are available up to 30 years maturity. Variety of instruments available for investments including plain vanilla bonds, floating rate bonds, money market instruments, structured obligations and interest rate derivatives make it possible to manage the interest rate risk effectively. Daily average turnover in the market ranges from Rs. 500 crores to Rs. 10,000 crores. 80 to 90% of it is in gilts. The securities available are listed or unlisted, secured or unsecured, public issue or private placements.

Indicative levels of the instruments currently trading are as follows:

Instrument	Maturity	Tenure	Yield	Liquidity
CBLO / Repo	Short	Overnight	8.75%	Very High
CP/CD/T Bills	Short	3 months CP	10.35-11%	High
		3 months CD	9.70%	
		91D TB	7.20%	
		364D TB	7.64%	
Securitized Debt	Short/ Medium	6 m – 15 m	12-15%	Low
PSU / Corporate Bonds	Medium	3 - 5 years	9.23%	Medium
Central/ State Government Securities	Low to High	10 years	7.99%	High

These are only indicative levels as on May 2011 and are likely to change depending upon the prevailing market conditions.

#### (For MAGCSF)

#### Overview of Outlook on Commodities

After growing by nearly 5.0% in 2010, global GDP growth is poised to grow by 4.2% in 2011 — importantly, over 70% of this growth will come from the commodity-intensive emerging markets, with China and India poised to see GDP growth of 9.59% and 8.24%, respectively. We see most commodity prices moving higher in 2011 as global GDP poised to grow at 4.2%, bolsters demand, led again by emerging market economies. (Source: IMF, Apr 11)

Growing demand, together with a tightening supply side, provides the fodder for our broad optimism across the commodity space in 2011. We are very positive view on the commodity sector in the long-run as a combination of ongoing strong economic growth in emerging markets like China, increasing signs of recovery in the US and the prospect of extremely low interest rates in the US and Europe in 2011 is likely to fuel strong US and European investor flows into many commodities. Lingered sovereign risks, fears of policy missteps in the emerging markets, and bouts of USD strength could present headwinds to our positive view on the commodity sector in the long-run.

#### Agriculture Outlook:

Global 2010/11 wheat and Rice supplies are nearly unchanged as higher beginning stocks are mostly offset by lower world production. Global wheat trade is projected higher with imports raised for Turkey, Indonesia, Morocco, Yemen, Egypt, and Peru. If energy and food prices surge, it would raise the attractiveness of bio-fuels, made from farm commodities, pushing fertilizer prices higher. Down the value chain of commodities, any upward movement in energy prices affects sugar and corn prices

#### Base Metals & precious metals Outlook:

Ongoing very large infrastructure projects in developing countries should underpin demand for base metals. Among base metals, we prefer copper as demand for copper is high, for the next four years. Also no new big copper mine is coming on the surface. Copper should continue its move higher as strong OECD demand growth and resilient Chinese demand are contained by supply downgrades.

Following the earthquake in Japan on March 11th 2011, metals prices rebounded strongly on expectations that reconstruction efforts will boost metal demand in the medium term. Lead prices have jumped 20 percent on expected strong demand for lead batteries in Japan for back-up power generators for infrastructure, utilities and business.

We also expect gold prices to continue to benefit from investor hedging of medium-term inflation risks in a context of quantitative monetary easing. The risk of more fiscal spending and liquidity injections in Japan may provide renewed support, along with geopolitical concerns. With the interest-rate environment remaining benign for the sector, we believe the next catalyst for higher gold prices will be either a weaker U.S. dollar or additional central bank buying, or both.

## Energy Outlook

Solid consumption growth for transportation fuel in developing economies is likely to continue in 2011, which combined with stable OECD consumption and a moderate supply increase, could result in a substantial drop in oil inventories by second half of 2011. This could result in crude oil prices trending higher albeit at a moderate pace.

### D. Where the schemes will invest?

Scheme	
For MAIOF, MAGCSF, MAEBF & MAICCF	<p><b>Investment in Indian Equity securities:</b></p> <p>The Scheme will invest in Equity and Equity related instruments include convertible debentures, equity warrants, convertible preference shares, equity derivatives etc.</p> <p>The investment restrictions and limitations are specified in Schedule VII of SEBI (Mutual Funds) Regulations, 1996, the details of which are given below in “Section I – What are the Investment Restrictions”.</p> <p><b>Investment in Debt securities:</b></p> <p>The Scheme may invest in Money market instruments including, but not limited to Treasury Bills, Commercial Paper of Public Sector Undertakings and Private Sector Corporate Entities, Term Money, CBLO, Certificates of Deposit of Scheduled Commercial Banks, Financial Institutions and Development Financial Institutions, Government securities with unexpired maturity of one year or less and other Money Market securities as may be permitted by SEBI/RBI from time to time and in the manner prescribed under the Regulations.</p> <p>The Scheme may also invest into debt securities including, but not limited to, debt Obligations of the Government of India, State and Local Governments, Government Agencies, Statutory Bodies, Public Sector Undertakings, Public Sector Banks or Private Sector Banks or any other Banks, Financial Institutions, Development Financial Institutions, and Corporate Entities, Securitised debt (asset backed securities, mortgage backed securities, pass through certificates, collateralised debt obligations or any other instruments as may be prevailing and permissible under the Regulations from time to time).</p>
For MAGCSF, MACAF, MAEBF, MAICCF	<p><b>Investment in Foreign Securities:</b></p> <p>In accordance with series of SEBI's circulars SEBI/IMD/CIR No. 7/104753/07 dated September 26, 2007 and SEBI/IMD/CIR No.2/1222577/08 dated April 8, 2008, the following conditions shall apply to the Scheme's participation in the overseas investments. Please note that the investment restrictions applicable to the Scheme's participation in overseas investments will be as prescribed or varied by SEBI or by the Trustees (subject to SEBI requirements) from time to time. The regulations pertaining to investment in ADRs/ GDRs/Foreign Securities and Overseas ETFs by mutual funds, have now been decided as under:</p> <ul style="list-style-type: none"> <li>● The aggregate ceiling for overseas investments is now been enhanced from US \$ 5 billion to US \$7 billion as per the Circular SEBI/IMD/CIR No. 2/122577/08 dated April 8 2008.</li> <li>● Within the overall limit of US \$ 7 billion, mutual funds can make overseas investments subject to a maximum of US \$300 million per mutual fund. The permissible investments Mutual Funds can invest in:</li> <li>● ADRs/ GDRs / IDRs issued by Indian or foreign companies.</li> <li>● Equity of overseas companies listed on recognized stock exchanges overseas</li> <li>● Initial and follow on public offerings for listing at recognized stock exchanges overseas</li> <li>● 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</li> <li>● Money market instruments rated not below investment grade</li> <li>● Repos in the form of investment, where the counterparty is rated not below investment grade; repos should not however, involve any borrowing of funds by mutual funds.</li> <li>● Government securities where the countries are rated not below investment grade</li> <li>● Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities</li> <li>● Short term deposits with banks overseas where the issuer is rated not below investment grade</li> </ul>



	<ul style="list-style-type: none"> <li>Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, (b) Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or (c) unlisted overseas securities (not exceeding 10% of their net assets).</li> <li>The Limits for Investment in Overseas Exchange Traded Funds (ETFs): The overall ceiling for investment in overseas ETFs that invest in securities is US \$1 billion subject to a maximum of US \$ 50 million per Mutual Fund.</li> </ul> <p>The restriction on the investments in mutual fund units upto 5% of net assets and prohibits charging of fees, shall not be applicable to investments in mutual funds in foreign countries made in accordance with SEBI Guidelines. However, the management fees and other expenses charged by the mutual fund in foreign countries along with the management fee and recurring expenses charged to the domestic mutual fund scheme shall not exceed the total limits on expenses as prescribed under Regulation 52(6). Where the scheme is investing only a part of the net assets in the foreign mutual fund(s), the same principle shall be applicable for that part of investment. The overseas securities markets offer new investment and portfolio diversification opportunities by enabling investments in the overseas markets. However, such investments also entail additional risks. Such investment opportunities may be pursued by the Mutual Fund provided they are considered appropriate in terms of the overall investment objectives of the Scheme. The Scheme may then, if necessary, seek applicable permission from SEBI and RBI to invest abroad in accordance with the investment objectives of the Scheme and in accordance with any guidelines issued by SEBI/RBI from time to time. These investments shall be made subject to any/all approvals, conditions thereof as may be stipulated by SEBI/RBI and provided such investments do not result in expenses to the Scheme in excess of the ceiling, if any, on expenses prescribed by SEBI for offshore investment, and if no such ceiling is prescribed by SEBI, the expenses to the Scheme shall be limited to the level which, in the opinion of the Trustee, is reasonable and consistent with costs and expenses attendant to international investing. The Mutual Fund may, where necessary appoint other intermediaries of repute for advising 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 overseas advisors, transaction costs, and overseas regulatory costs.</p>
<b>MACAF</b>	<p>The Scheme will invest predominantly in units of Mirae Asset China Sector Leader Equity Fund and/or units of other mutual fund schemes, units of ETFs investing in equities and equity related securities of companies domiciled in or having their area of primary activity in China and Hong Kong. The Scheme may also invest a certain portion of its corpus in money market/ debt securities and/or debt/ liquid schemes of Domestic Mutual Funds, in order to meet liquidity requirements from time to time.</p> <p>The Scheme may invest in Money market instruments including, but not limited to, Treasury Bills, Commercial Paper of Public Sector Undertakings and Private Sector Corporate Entities, Term Money, CBLO, Certificates of Deposit of Scheduled Commercial Banks, Financial Institutions and Development Financial Institutions, Government securities with unexpired maturity of one year or less and other Money Market securities as may be permitted by SEBI/RBI from time to time and in the manner prescribed under the Regulations.</p> <p>The Scheme may also invest into debt securities including, but not limited to, debt Obligations of the Government of India, State and Local Governments, Government Agencies, Statutory Bodies, Public Sector Undertakings, Public Sector Banks or Private Sector Banks or any other Banks, Financial Institutions, Development Financial Institutions, and Corporate Entities, Securitised debt (asset backed securities, mortgage backed securities, pass through certificates, collateralised debt obligations or any other instruments as may be prevailing and permissible under the Regulations from time to time).</p> <p>The scheme proposes not to invest in Derivatives. The proposed scheme does not intend to invest in overseas securities and will not engage in short selling.</p> <p>Pending deployment of funds of a scheme in securities in terms of investment objectives of the scheme a mutual fund can invest the funds of the scheme in short term deposits of scheduled commercial banks. The investment in these deposits shall be in accordance with SEBI Circular dated April 16, 2007, October 26, 2007 and June 23, 2008.</p>

	<p>The Scheme may propose to invest in securitized debt upto the limit of 20% of corpus and does not propose to underwrite issuances of securities of other issuers.</p> <p>The Scheme may also invest in any other like instruments as may be permitted by RBI/ SEBI/such other Regulatory Authority from time to time.</p> <p>The underlying scheme(s), on a continuous basis, shall comply with provisions of circular no. SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007 on overseas investment by the Mutual Fund.</p>
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## Investment in Derivatives: (for MAIOF, MAGCSF, MAEBF & MAICCF)

### Concepts and Examples of investing into Derivatives

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

#### ● Futures

A futures contract is an agreement between the buyer and the seller for the purchase and sale of a particular asset at a specific price on a specific future date. The price at which the underlying asset would change hands in the future is agreed upon at the time of entering into the contract. The actual purchase or sale of the underlying asset involving payment of cash and delivery of the instrument does not take place until the contracted date of delivery. A futures contract involves an obligation on both the parties to fulfill the terms of the contract.

Currently, futures contracts have a maximum expiration cycle of 3-months. Three contracts are available at any time for trading, with 1 month, 2 months and 3 months expiry respectively. Futures contracts typically expire on the last Thursday of the month. For example, a contract with the January expiration expires on the last Thursday of January.

A futures contract on the stock market index gives its owner the right and obligation to buy or sell the portfolio of stocks characterized by the index. Stock index futures are cash settled; there is no delivery of the underlying stocks.

Let us assume that the Nifty Index at the beginning of the month October 2010 was 5070 and three index futures as under were available:

Expiry Month	Bid Price	Offer Price
October 2010	5075	5080
November 2010	5085	5090
December 2010	5095	5100

The Scheme could buy an index future of October, 2010 at the offer price of Rs. 5080. The Fund will be required to pay the initial margin as required by the exchanges.

The following is a hypothetical example of a typical trade in index future and the costs associated with the trade.

Particulars	Index Future	Actual Purchase of Stocks
Index as on beginning October 2010	5070	5070
October 2010 Futures Price	5080	-
1. Carry Cost associated with Futures	10 (5080-5070)	
2. Brokerage Cost @ 0.02% for Index Future and 0.03% for Cash Markets	1.016 (0.02% of 5080)	1.521 (0.03% of 5070)
3. Securities Transaction Tax (STT) STT on purchase of index futures – NIL STT on purchase of stocks – 0.02%	NIL (0% of 5080)	1.014 (0.02% of 5070)
4. Gain on Surplus Funds (Assumed 6% returns on 75% of the money left after paying margin of 25%)	18.74 (6%*(100% of 5070 – 25% of 5080)*30/365)	NIL
Spot Market Price at the expiry of October Contract	5569	5569
5. Brokerage Cost on Sale @ 0.02% for Index Future and 0.03% for Cash Markets	1.114 (0.02% of 5569)	1.671 (0.03% of 5569)
6. Securities Transaction Tax STT on sale of index future – 0.02% STT on sale of stocks – 0.02%	1.114 (0.02% of 5569)	1.114 (0.02% of 5569)
<b>Total Cost (1+2+3-4+5+6)</b>	<b>-5.50</b>	<b>5.32</b>

Please note that the above example is based on assumptions and is used only for illustrative purposes (including an assumption that there will be a gain pursuant to investment in index futures). As can be seen in the above example, the costs associated with the trade in futures are less than that associated with the trade in actual stock. Thus, in the above example the futures trade seems to be more profitable than the trade in actual stock. However, buying of the index future may not be beneficial as compared to buying stocks if the execution and brokerage costs on purchase of index futures are high and the return on surplus funds are low. The actual returns may vary based on actuals and depends on final guidelines / procedures and trading mechanism as envisaged by stock exchanges and other regulatory authorities.

## ● Options

An option is a contract which provides the buyer of the option (also called the holder) the right, without the obligation, to buy or sell a specified asset at an agreed price on or upto a particular date. For acquiring this right the buyer has to pay a premium to the seller. The seller on the other hand has the obligation to buy or sell that specified asset at the agreed price. The premium is determined considering number of factors such as the underlying asset's market price, the number of days to expiration, strike price of the option, the volatility of the underlying asset and the risk less rate of return. The strike price, the expiration date and the market lots are specified by the exchanges.

An option contract may be of two kinds, viz., a call option or a put option. An option that provides the buyer the right to buy is a call option. The buyer of the call option (known as the holder of the option) can call upon the seller of the option (known as writer of the option) and buy from him the underlying asset at the agreed price at any time on or before the expiry date of the option. The seller of the option has to fulfill the obligation on exercise of the option.

The right to sell is called a put option. Here, the buyer of the option can exercise his right to sell the underlying asset to the seller of the option at the agreed price.

**Options are of two types:** European and American. In a European option, the holder of the option can only exercise his right on the date of expiration. In an American option, he can exercise this right anytime between the purchase date and the expiration date.

### Example of options

**Buying a Call option:** Assume that the Scheme buys a call option at the strike price of Rs. 5,000 and pays a premium of Rs. 100. If the market price of the underlying stock on the date of expiry of the option is Rs. 5,400 (i.e. more than Rs. 5,000 which is the strike price of an option), the Scheme will exercise the option. However, it may not result into profit. The profit is made only in those circumstances when the intrinsic value (5400 (spot price)-5000(strike price)) is greater than cost paid i.e. option premium (100). If on the date of the expiry of the option, the market price of the underlying stock is

Rs. 4,900, the Scheme will not exercise the option and it shall lose the premium of Rs. 100.

Thus, in the above example, the loss for the Scheme, as the buyer of the option, is limited to the premium paid by him while the gains are unlimited.

**Writing a Call Option:** Assume that the Scheme writes a call option at the strike price of Rs. 5,000 and earns a premium of Rs. 100. If the market price of the underlying stock on the date of expiry increases to Rs. 5,400 (i.e. more than Rs. 5,000) then the option is exercised. The Scheme earns the premium of Rs. 100/- but loses the difference between the market price and the exercise price i.e. Rs. 400/-. In case the market price of the underlying stock decreases to Rs. 4,900, the Scheme gets to keep the premium of Rs.100.

**Buying a Put Option:** Assume that the Scheme buys a put option at the strike price of Rs. 5,000 and pays a premium of Rs. 100. If the market price of the underlying stock decreases to Rs. 4,850 (i.e. less than strike price of 5000) the Scheme would be protected from the downside and would exercise the put option. However, it may not result into profit. The profit is resulted only when the intrinsic value (5000 (strike price)– 4850(spot price)) is greater than the cost paid i.e. option premium of 100. Whereas if the stock price moves up to say Rs. 5,150 the Scheme may let the option expire and forego the premium.

**Writing a Put Option:** Assume that the Scheme writes a put option at the strike price of Rs. 5,000 and earns a premium of Rs. 100. If the market value of the underlying stock decreases to Rs. 4,850, the put option will be exercised and the Scheme will earn the premium of Rs. 100 but loses the difference between the exercise price and the market price which is Rs. 150. However if the market price of the underlying stock is Rs. 5,150, the option-holder will not exercise the option. As a result of which the option will expire and the Scheme will earn the premium income of Rs. 100.

### In case of MAICCF only:

#### Investment in Derivatives:

In accordance with SEBI Circular dated August 18, 2010, the following investment restrictions shall apply with respect to investment in Derivatives:

1	The cumulative gross exposure through equity, debt and derivative positions will not exceed 100% of the net assets of the scheme. However, 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.

For further investment restrictions pertaining to investment in derivatives, please refer the section on "Investments Limitations and Restrictions in Derivatives".

**However, as per the SEBI circular dated August 18, 2010, the Schemes shall not write options or purchase instruments with embedded written options. The above explanations are only for illustrative purpose.**

A forward contract is a transaction in which the buyer and the seller agree upon the delivery of a specified quality (if commodity) and quantity of underlying asset at a predetermined rate on a specified future date.

**Please note that the above examples are based on assumptions and are used only for illustrative purposes.**

**Risks associated with investment strategy which may be followed by the fund managers for investment in derivatives:**

Execution of investment strategies depends upon the ability of the fund manager 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 involve uncertainty and decision of fund manager may not always be profitable.

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.

**Investments Limitations and Restrictions in Derivatives (for MAIOF, MAGCSF, MAEBF & MAICCF)**

In accordance with SEBI circulars dated September 14, 2005, January 20, 2006 and September 22, 2006, the following conditions shall apply to the Scheme's participation in the derivatives market. Please note that the investment restrictions applicable to the Scheme's participation in the derivatives market will be as prescribed or varied by SEBI or by the Trustees (subject to SEBI requirements) from time to time.

- **Position limit for the Fund in index options contracts**

- The Fund's 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.
- This limit would be applicable on open positions in all options contracts on a particular underlying index.

- **Position limit for the Fund in index futures contracts**

- The Fund's 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.
- This limit would be applicable on open positions in all futures contracts on a particular underlying index.

- **Additional position limit in index derivatives for hedging for the Fund**

In addition to the position limits above, the Fund may take exposure in equity index derivatives subject to the following limits:

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

- **Position limit for the Fund for stock based derivative contracts**

- For stocks having an applicable market-wise 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.
- For stocks having an applicable market-wise position limit (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.

- **Position limit for the Scheme:**

The position limit / disclosure requirements for the Scheme shall be as follows:

- For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of the Scheme 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 contracts on a particular underlying stock (in terms of number of contracts (Shares)).
- For index based contracts, the Fund shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a stock exchange.

The Trustee may alter the above restrictions from time to time to the extent that changes in the Regulations may allow and as deemed fit in the general interest of the Unit Holders.

**Differentiation of existing equity schemes of Mirae Asset Mutual Fund:**

<b>Scheme Name</b>	<b>Asset Allocation Pattern</b>	<b>Primary Investment Focus</b>	<b>Differentiation</b>
<b>Mirae Asset India Opportunities Fund (MAIOF)</b>	Indian Equities and Equity Related Securities* - 65% to 100%, Money market instruments / debt securities Instruments (Including upto 25% of corpus in securitized debt) – 0% to 35%.	The Primary Investment Focus of the scheme is to generate long term capital appreciation by capitalizing on potential investment opportunities through predominantly investing in equities, equity related securities.	The investment strategy of the scheme is such that the fund manager may not have any bias towards particular theme, sector, market cap or style in picking investment opportunities.
<b>Mirae Asset Global Commodity Stock Fund (MAGCSF)</b>	Asia Pacific and/or Emerging Markets Equities and Equity Related Securities (excluding Indian equities and equities related securities) of companies that are engaged in commodity and commodities related sectors/sub sectors/industries*- 65% to 100%, Indian Equities and Equity Related Securities, including but not limited to those that are engaged in commodity and commodities related sectors/sub sectors/industries*- 0% to 35%, Money market instruments / debt securities Instruments** (Including upto 25% of corpus in securitized debt) – 0% to 35%.	The Primary Investment Focus of the scheme is to generate long term capital appreciation through an actively managed portfolio investing in equity and equity related securities of companies that are engaged in commodity and commodities related sectors/sub sectors/industries, with at least 65% of the corpus invested overseas in Asia Pacific and Emerging Markets.	In MAGCSF, the fund manager has a bias towards companies that are engaged in commodity or commodity related sectors in Asia Pacific region and Emerging market countries.
<b>Mirae Asset China Advantage Fund (MACAF)</b>	Units of Mirae Asset China Sector Leader Equity Fund and / or units of other mutual fund schemes, units of ETFs investing in equities and equity related securities of companies domiciled in or having their area of primary activity in China and Hong Kong* – 80% - 100%, Money market instruments and debt Instruments** and/or units of debt/ liquid Schemes of Domestic Mutual Funds – 0% - 20%.	The Primary Investment Focus of the scheme is to generate long-term capital appreciation by investing predominantly in units of Mirae Asset China Sector Leader Equity Fund and/or units of other mutual fund schemes, units of exchange traded schemes that focus on investing in equities and equity related securities of companies domiciled in or having their area of primary activity in China and Hong Kong.	In MACAF, the scheme will invest predominantly in units of Mirae Asset China Sector Leader Equity Fund and/or units of other mutual fund schemes, units of ETFs investing in equities and equity related securities of companies domiciled in or exercising a large portion of their economic activity in China and Hong Kong.
<b>Mirae Asset Emerging Bluechip Fund (MAEBF)</b>	Indian Equities and Equity Related Securities* of companies, which are not part of the top 100 stocks by market capitalization and have market capitalization of atleast Rs.100 Crores at the time of investment - 65% to 100%. Other Indian Equities and Equity Related Securities.* - 0% to 35%. Money market instruments / debt securities Instruments** Including upto 20% of corpus in securitized debt) – 0% to 35%.	The Primary Investment Focus of the scheme is to generate income and capital appreciation from a diversified portfolio predominantly investing in Indian equities and equity related securities of companies which are not part of the top 100 stocks by market capitalization and have market capitalization of atleast Rs.100 Crores at the time of investment.	In MAEBF, the fund manager has a clear bias towards investing in Indian equities and equity related securities of companies which are not part of the top 100 stocks by market capitalization and have market capitalization of atleast Rs.100 Crores at the time of investment. Moreover, MAEBF is benchmarked to CNX Midcap Index.
<b>Mirae Asset India-China Consumption Fund (MAICCF)</b>	Indian Equities and Equity Related Securities of companies that are likely to benefit either directly or indirectly from consumption led demand – 65% - 90%, Chinese Equities and Equity Related Securities of companies that are likely to benefit either directly or indirectly from consumption led demand – 10% - 35%, Money market instruments (including CBLO) / debt securities Instruments and/or units of debt/liquid schemes of domestic Mutual Funds. – 0% - 25%.	The Primary Investment Focus of the scheme is to generate long term capital appreciation through an actively managed portfolio investing in equity and equity related securities of companies that are likely to benefit either directly or indirectly from consumption led demand in India/China. The Scheme does not guarantee or assure any returns.	In MAICCF, the scheme will invest predominantly invests in equity and equity related securities of companies that are likely to benefit either directly or indirectly from consumption led demand in India/China.

## E. WHAT ARE THE INVESTMENT STRATEGIES?

Schemes	Investment Strategy
<b>MAIOF</b>	<p>The Scheme aims to maximize the long term capital appreciation by finding investment opportunities resulting from Indian economic growth and its structural shifts through investing in equities, equities related securities with risk mitigating and controlling measures.</p> <p>The fund manager may not have any bias towards particular theme, sector, market cap or style in picking investment opportunities. However, the fund manager may have the flexibility to follow a focused approach on the investments and may relatively aggressively manage the portfolio in comparison to diversified equity fund.</p> <p>The fund manager broadly analyses the macro economy, industry trends and business cycles. He will invest in companies that benefit from macroeconomic, industry and sectoral trends (Top down Theme Overlay) after doing bottom up analysis and due diligence, quality of management in terms of corporate governance and commitment to minority shareholders etc.</p> <p>The Scheme may invest in equity derivatives instruments in accordance with applicable regulations to the extent upto 50% of Net Assets of the scheme for the purposes of portfolio hedging and portfolio balancing to optimize the returns. Hedging does not mean maximization of returns but only attempts to reduce risk that may be inherent in the investment.</p>
<b>MAGCSF</b>	<p>The investment objective of the scheme is to generate long term capital appreciation through an actively managed portfolio investing in equity and equity related securities of companies that are engaged in commodity and commodities related sectors/sub sectors/industries, with at least 65% of the corpus invested overseas in Asia Pacific and Emerging Markets. There is no assurance or guarantee of returns.</p> <p>The commodities may include, for example, energy commodities, metals &amp; materials, food and agricultural commodities and other commodities. The Energy Commodities include Crude Oil, Natural Gas, Gasoline, Coal and Coking Coal etc. The Metal and Materials include aluminum, copper, gold, zinc, silver, lead, platinum, steel, nickel, tin and iron ore, etc. The Food and Agro based Commodities include wheat, corn, cotton, sugar, rubber, soybeans, coffee, rice and meat etc.</p> <p>The companies that are engaged in commodity sectors include those companies which are considered to be principally engaged in activities like discovery, development, production, value enhancing, and distribution of commodities.</p> <p>A company that is engaged in commodity sector may include, for example, companies that:</p> <ul style="list-style-type: none"> <li>● Participate in the discovery and the development of commodities like Oil, Natural Gas, Metals &amp; Materials and Food &amp; Agricultural Commodities etc ;</li> <li>● Own or produce commodities such as oil, natural gas, metals and materials, and food and agricultural commodities;</li> <li>● Engage in distribution and processing of commodities such as Energy, Metals, metals and materials include precious metals and food &amp; agricultural commodities;</li> <li>● Value Enhancement of commodities would include companies engaged into processing / refining to produce downstream products viz. crude oil to gasoline/heating oil, sugarcane to sugar, etc.</li> </ul> <p>The companies that are engaged in commodities related sectors, include those that act as service providers and productivity facilitating to the above activities.</p> <p>A company that are engaged in commodity related sectors may include, for example, companies that</p> <ul style="list-style-type: none"> <li>● Engage in transportation of commodities;</li> <li>● Contribute innovation and technology to enhance productivity in production or efficient use of commodities,</li> <li>● Provide related services such as mining, drilling, rigging, chemicals, related parts and equipment, and financing of related activities and services.</li> <li>● Productivity facilitating services to commodities would include companies engaged into irrigation and farm equipment manufacturers, etc.</li> </ul>

	<p>A particular company will be considered by AMC to be principally engaged in commodity sectors / sub sectors/industries if at the time of investment atleast 50% of the company's assets, gross income, cash flow, or net profits is, committed to, or derived from, those sectors/sub sectors/industries. A company will also be considered to be principally engaged in commodities related sectors/sub sectors/industries if the AMC believes that the company has the potential for capital appreciation primarily as a result of particular products, technology, patents, or other market advantages in commodities related sectors/sub sectors/industries.</p> <p><b>Investment Strategy for investments in Overseas &amp; Indian Markets</b></p> <p>The fund manager may not have any bias towards particular market cap or style in selecting investment opportunities. However, the fund manager does have the flexibility to follow a focused approach on the investments by limiting his exposure to a few countries in Asia Pacific and Emerging Markets and may also choose to invest in Indian equities and equity related securities of companies that are engaged in commodity and commodities related sectors/sub sectors/industries.</p> <p>The Fund Manager analyses macro economic, political, regulatory, industry trends and business cycles. He will then invest in companies doing bottom up analysis of the companies' financial strength, competitive position, profitability, growth prospects and quality of management in terms of corporate governance and commitment to minority shareholders etc.</p> <p>Mirae Asset Global Investments (India) Private Limited ('MAGIM AMC') has tied up with Mirae Asset Global Investments (HK) Limited (MAGI – HK) for seeking portfolio advice on the international portion of the fund's portfolio. (MAGI - HK) is licensed by the Securities and Futures Commission (the "SFC") for type 4 (advising on securities) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance (the "SFO"). MAGI – HK has been acting as a sub-manager for Mirae Asset Global Investments Company Limited, Korea for managing certain funds for investments into India and other markets since 2003. The fees related to these services would be borne by the AMC and would not be charged to the scheme.</p> <p>As a part of this arrangement, MAGI – HK would create a model portfolio for the AMC using their internal methodologies. This model portfolio may be used for creation of the international portion of the scheme portfolio. The fund management of the Scheme (including the international portion) shall rest with the AMC.</p> <p>The Fund Managers will continuously monitor all investment decisions and its impact on performance of the scheme and carry out suitable adjustments at periodic intervals.</p> <p>The Scheme may invest in equity derivatives instruments to the extent permitted under and in accordance with the applicable Regulations, for the purposes of portfolio hedging and portfolio balancing to optimize the returns.</p> <p>Hedging does not mean maximization of returns but only attempts to reduce risk that may be inherent in the investment.</p>
<b>MACAF</b>	<p>The scheme will invest predominantly in units of Mirae Asset China Sector Leader Equity Fund and/or units of other mutual fund schemes, units of ETFs investing in equities and equity related securities of companies domiciled in or exercising a large portion of their economic activity in China and Hong Kong. The Scheme may also invest a certain portion of its corpus in money market/ debt securities and/or debt/liquid schemes of Domestic Mutual Funds, in order to meet liquidity requirements from time to time.</p> <p><b>Portfolio Turnover Policy</b></p> <p>Portfolio turnover is defined as the aggregate value of purchases or sales as a percentage of the corpus of a scheme during a specified period of time. The Scheme is open ended, with subscriptions and redemptions expected on a daily basis, resulting in net inflow/outflow of funds, and on account of the various factors that affect portfolio turnover, it is difficult to give an estimate, with any reasonable amount of accuracy.</p> <p><b>About Mirae Asset China Sector Leader Equity Fund</b></p> <p>Mirae Asset China Sector Leader Equity Fund is a sub-fund of Mirae Asset Global Discovery Fund(MAGDF). MAGDF is an open-ended investment company incorporated in Luxembourg as a société d'investissement à capital variable (SICAV) in July 2008. This collective investment scheme allows investors to combine their investments into a shared pool with other investors to create a portfolio of assets. Mirae Asset Global Investments (Hong Kong) is the principal investment manager and global distributor for these funds.</p>

	<p>The fund operates under an “umbrella fund” structure enabling investors to choose between one or more investment objectives by investing in one or more sub-funds. Investors can choose any number of sub-funds available to suit their specific risk and return expectations as well as their diversification needs. All sub-funds are managed with the same investment philosophy and by the same management team of the existing successful Korea-domiciled funds.</p> <p>The objective of Mirae Asset Global Discovery Fund is to provide a vehicle for investors to invest their capital in the main stock markets of the world. Investors can switch their investments between the sub-funds. In selecting the stocks to invest in, the fund manager will carry out bottom-up analysis, with an emphasis on individual stocks and their intrinsic values. The bottom-up approach is also supplemented by top-down analysis during the stock selection process.</p> <p>Mirae Asset China Sector Leader Equity Fund is one of the sub-funds which focuses largely on equity investments in Hong Kong stocks, H – shares, red chips and B – shares.</p> <p><b>H Shares</b> - A share of a company incorporated in the Chinese mainland that is listed on the Hong Kong Stock Exchange.</p> <p><b>B-Shares</b> - Shares in companies based in mainland China that trade on either the Shanghai or Shenzhen stock exchanges. B-Shares are eligible for foreign investment provided the investment account is in the proper currency.</p> <p><b>Red Chips</b> - A company based in Mainland China that is incorporated internationally and listed on the Hong Kong Stock Exchange. Red chip stocks are expected to maintain the filing and reporting requirements of the Hong Kong exchange.</p> <p>The portfolio manager will focus on bottom-up stock selections, identifying companies with global competitiveness, to build a portfolio of high conviction and high alpha stocks.</p> <p>The primary objective of Mirae Asset China Sector Leader Equity Fund is to achieve long term growth in the share price through capital appreciation, measured in US Dollars, of the underlying equity portfolio. The Investment Manager will seek to achieve the objective of the Sub-Fund by investing mainly in equities and equity related securities of sector leading companies domiciled in or exercising a large portion of their economic activity in China (limited to B Shares) and Hong Kong.</p> <p>The principal Investment Manager is Mirae Asset Global Investments (HK) Ltd having its office at Level 15, Three Pacific Place , 1 Queen’s Road East, Hong Kong and the Investment Manager is Mirae Asset Global Investments Company Limited</p> <p>The base currency of the underlying scheme is US\$.</p> <p>The performance of Mirae Asset China Sector Leader Equity Fund (in INR Terms*) upto May 31, 2011 was as under:</p>														
	<table><tr><th rowspan="2">Particulars</th><th colspan="2">CARG Returns (%)</th></tr><tr><th>Last 1 year</th><th>Since Inception</th></tr><tr><td>Mirae Asset China Sector Leader Equity Fund</td><td>27.74%</td><td>13.31%</td></tr><tr><td>Benchmark</td><td></td><td></td></tr><tr><td>MSCI China Index</td><td>12.90%</td><td>9.07%</td></tr></table> <p><b>Source: Bloomberg</b></p> <p>Past Performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.</p>	Particulars	CARG Returns (%)		Last 1 year	Since Inception	Mirae Asset China Sector Leader Equity Fund	27.74%	13.31%	Benchmark			MSCI China Index	12.90%	9.07%
Particulars	CARG Returns (%)														
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Mirae Asset China Sector Leader Equity Fund	27.74%	13.31%													
Benchmark															
MSCI China Index	12.90%	9.07%													
MAEBF	<p>The investment strategies for the scheme is as follows:</p> <ul style="list-style-type: none"><li>● The scheme aims to generate income and capital appreciation from a diversified portfolio predominantly investing in Indian equities and equity related securities of companies which are not part of the top 100 stocks by market capitalization and have market capitalization of atleast Rs. 100 Crores at the time of investment.</li><li>● From time to time, the fund manager may also seek participation in other Indian equity and equity related securities to achieve optimal Portfolio construction.</li><li>● The fund manager may not have any bias towards particular theme, sector or style in picking investment opportunities. However, the fund manager does have the flexibility to follow a focused approach on the investments.</li></ul>														



	<ul style="list-style-type: none"> <li>● The fund manager broadly analyses the macro economy, industry trends and business cycles. He will invest in companies that benefit from macroeconomic, industry and sectoral trends (Top down Theme Overlay) after doing bottom up analysis and due diligence, quality of management in terms of corporate governance and commitment to minority shareholders etc.</li> <li>● The Fund Manager will diversify its portfolio across various sectors instead of concentrating on few sectors to avoid sectoral risk.</li> <li>● The Fund Manager will try to have a large base of stocks in the portfolio to avoid concentration risk and liquidity risk.</li> <li>● The Fund Managers will monitor the trading volumes in a particular stock before investment to avoid liquidity risk.</li> <li>● The Scheme may invest in equity derivatives instruments to the extent permitted under and in accordance with the applicable Regulations, for the purposes of portfolio hedging, portfolio balancing to optimize the returns or to undertake any other strategy as permitted under the SEBI Regulations.</li> </ul> <p>Hedging does not mean maximization of returns but only attempts to reduce risk that may be inherent in the investment.</p> <p>Apart from the the investment restrictions prescribed under SEBI (MF) Regulations, the Fund does not follow any internal norms vis-à-vis limiting exposure to a particular scrip or sector etc.</p>
<b>MAICCF</b>	<p>The Scheme aims to maximize long term capital appreciation through an actively managed portfolio investing in equity and equity related securities of companies that are likely to benefit either directly or indirectly from consumption led demand in India/China. An illustrative list of these sectors include Consumer Discretionary, Consumer Staples, Autos, Realty, Healthcare, Education, Media &amp; Entertainment, Banks &amp; Financial Services, Telecom, Transportation, Food and Tourism &amp; Hospitality but not limited to the specified ones.</p> <p><b>Investment Strategy for investments in Indian &amp; Overseas Markets</b></p> <p>The fund manager may not have any bias towards particular market cap or style in selecting investment opportunities. The Fund Manager analyses macro economic, political, regulatory, industry trends and business cycles. He will then invest in companies doing bottom up analysis of the companies' financial strength, competitive position, profitability, growth prospects and quality of management in terms of corporate governance and commitment to minority shareholders etc.</p> <p>The Fund Managers will continuously monitor all investment decisions and its impact on performance of the scheme and carry out suitable adjustments at periodic intervals.</p> <p>The Fund Manager may choose to mitigate the risks in the scheme through diversifying the portfolio by increasing the number of sectors and stocks. The Fund Managers will continuously monitor all investment decisions and its impact on performance of the scheme and carry out suitable adjustments at periodic intervals.</p> <p>For managing the Chinese Equities, the AMC may avail the advisory services from Mirae Asset Global Investments (HK) Limited (MAGI – HK). (MAGI - HK) is licensed by the Securities and Futures Commission (the "SFC") for type 4 (advising on securities) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance (the "SFO"). MAGI – HK has been acting as a sub-manager for Mirae Asset Global Investments Company Limited, Korea for managing certain funds for investments into India and other markets like China since 2003. The fees related to these services would be borne by the AMC and would not be charged to the scheme.</p> <p>The Fund may also appoint any other advisor appointed by the AMC to advise on the overseas investments in equity and equity related securities in Chinese Markets to the AMC (dedicated Fund Manager).</p> <p>The Scheme may invest in equity derivatives instruments to the extent permitted under and in accordance with the applicable Regulations, including for the purposes of trading, portfolio hedging and portfolio balancing to optimize the returns.</p> <p>Hedging does not mean maximization of returns but only attempts to reduce risk that may be inherent in the investment.</p>

	<p><b>Portfolio Turnover Policy</b></p> <p>Portfolio turnover is defined as the aggregate value of purchases or sales as a percentage of the corpus of a scheme during a specified period of time. The Scheme is open ended, with subscriptions and redemptions expected on a daily basis, resulting in net inflow/outflow of funds, and on account of the various factors that affect portfolio turnover, it is difficult to give an estimate, with any reasonable amount of accuracy.</p> <p><b>Risk control</b></p> <p>The AMC will endeavor to mitigate risks by adopting the following measures:</p> <ol style="list-style-type: none"> <li>The Fund Manager may diversify its portfolio across various sectors instead of concentrating on few sectors to mitigate sectoral risk.</li> <li>The Fund Manager may try to have a large base of stocks in the portfolio to avoid concentration risk and liquidity risk.</li> <li>The Fund Managers may monitor the trading volumes in a particular stock before investment to avoid liquidity risk.</li> <li>Fund Managers will invest in companies that benefit from macroeconomic, industry and sectoral trends related to the investment objective of the scheme, (Top down Theme Overlay) after doing bottom up analysis and due diligence, quality of management in terms of corporate governance and commitment to minority shareholders etc.</li> </ol>
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#### Portfolio Turnover Policy (for MAIOF, MAGCSF & MAEBF)

Portfolio turnover is defined as the aggregate value of investment and disinvestment in equity / equity related securities (other than those caused by the Purchases and Redemptions by Unit Holders) as a percentage of the average corpus of the Scheme during a specified period of time. This would also exclude investments / disinvestments in money market instruments.

The fund managers normally will buy stocks which they believe 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, during volatile market conditions, the fund manager has the flexibility to churn the portfolio actively to optimize returns keeping in mind the cost associated with it.

#### Portfolio Turnover Policy (For MACAF & MAICCF)

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

#### F. FUNDAMENTAL ATTRIBUTES

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

##### (i) Type of Scheme

- Open ended Schemes
- For details, please refer “Type of the Schemes”.

##### (ii) Investment Objective

- Main Objective - Please refer “What are the investment objectives of the Schemes?”.
- Investment pattern – Please refer “How will the Schemes allocate their assets?”

##### (iii) Terms of Issue

- Liquidity provisions such as listing, repurchase, redemption.

#### Listing:

The Scheme being open ended, the Units are not proposed to be listed on any stock exchange and no transfer facility is provided.

#### Redemption of Units:

The Unit Holder has the option to request for Redemption either in amount in rupees or in number of Units. In case the request for Redemption specifies both, i.e. amount in rupees as well the number of Units to be redeemed, then the latter will be considered as the redemption request and redemption will be processed accordingly.

The minimum amount of an application for redemption under the scheme /switch-out of units into any other scheme must be of Rs. 1000 and in multiples of Re.1 thereafter or 100 units, whichever is lower. If the unit balance after any such redemption is less than or equal to 25 units and is identified at the time of processing such request, the AMC reserves the right to redeem such fractional units along with the redemption request received.

Units can be redeemed (sold back to the Fund) at the Redemption Price during the Ongoing Offer Period. If an investor has purchased Units of a Scheme on more than one Business Day the Units will be redeemed on a first-in-first-out basis. If multiple Purchases are made on the same day, the Purchase appearing earliest in the account statement will be redeemed first.

#### Redemption Price:

The Redemption Price of the Units is the price at which a Unit Holder can redeem Units of a scheme. It will be calculated as described below:

Redemption Price = Applicable NAV x (1 - Exit Load\* or CDSC\*)

\* Either Exit Load or CDSC, whichever is applicable, will be charged.

Redemption Price will be calculated for up to three decimal places for the Scheme.

For example, if the Applicable NAV of a Scheme is Rs.10, and it has a 2% Exit Load, the Redemption Price will be calculated as follows:

Redemption Price = 10 x (1 - 2.00%) i.e. 10 x 0.98 = 9.80

If the Scheme has no Exit Load and no CDSC, the Redemption Price will be equal to the Applicable NAV.

The Securities Transaction Tax levied under the Income Tax Act, 1961, at the rate of 0.25% (or such other applicable rate) on the amount of redemption will be reduced from the amount of redemption. To illustrate:

If a Redemption of 1,000 units is sought by the Unit Holder at a Redemption Price of Rs. 9.80 (as calculated above), the redemption amount is Rs. 9,800. This will be further reduced by Rs. 25 (i.e. Rs.  $9,800 \times 0.25\%$ , rounded off to the nearest rupee), making the net redemption amount Rs. 9,775.

If a Redemption of Rs. 10,000 is sought by the Unit Holder at a Redemption Price of Rs. 9.80 (as calculated above), the effective redemption amount will be grossed up to Rs. 10,025 (i.e.  $10,000 \div (1 - 0.25\%)$ ) and 959 units ( $10,025 \div 9.80$ ) will be redeemed. This is to ensure that the Unit Holder receives the net amount of Rs. 10,000 as desired.

Investors may note that the Trustee has a right to modify the existing Load structure in any manner or introduce an Exit Load or CDSC or a combination of Exit Load and / or CDSC and / or any other Load subject to a maximum as prescribed under the Regulations and with prospective effect only.

Please refer section – LOAD STRUCTURE.

#### **Right to Limit Purchase & 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 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) 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 pro-rata 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 Lakh in a single day.

- Aggregate fees and expenses charged to the Scheme. Please refer, “**Section VII. Fees and Expenses.**”
- Any safety net or guarantee provided – Not applicable.

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 SCHEMES BENCHMARK THEIR PERFORMANCE?

The Board adopted Benchmarks for comparing the performance of the Schemes are as under:

Scheme	Benchmark
MAIOF	BSE 200
MAGCSF	MSCI Asia Pacific ex Japan and India Energy & Materials Index (55%)+ MSCI Brazil Energy & Materials Index (10%) + MSCI India Energy & Material Index - (35%) (with 10/40 Equity Index Methodology)
MACAF	MSCI China Index (INR).
MAEBF	CNX MIDCAP Index
MAICCF	MSCI India Consumption Index (65%) + MSCI China Consumption Index (35%) (with quarterly rebalancing) (Price in INR)

## H. WHO WILL MANAGE THE SCHEMES?

The following are the details of the fund managers within the AMC who will manage the investments of the Schemes:

Sr. No.	Scheme	Name/ Designation	Qualifications	Brief Experience
1.	<b>MAIOF, MAEBF &amp; MACAF</b>	<b>Mr. Gopal Agrawal</b> CIO	B.E (Chemical), MBM	Mr. Agrawal was the Fund Manager with SBI Mutual Fund. He has also been associated with organizations like Kotak Securities, HDFC Securities, IDBI Capital, UTI Securities and IPCL. The other scheme being co-managed by Mr. Agrawal is Mirae Asset Global Commodity Stocks Fund & Mirae Asset India-China Consumption Fund.
		<b>Neelesh Surana –</b> Head – Equity	B.E. (Mechanical), MBA (Finance)	Neelesh has professional experience of more than 10 years and is responsible for Portfolio construction & monitoring. Prior to this assignment, Neelesh was associated with ASK Investment Managers Pvt Ltd where he was responsible for tracking sectors like Metals, FMCG and Pharma. The other scheme being co-managed by Mr. Surana is Mirae Asset Global Commodity Stocks Fund & Mirae Asset India-China Consumption Fund.
2	<b>MAGCSF &amp; MAICCF</b>	<b>Mr. Gopal Agrawal</b> CIO	B.E (Chemical), MBM	Mr. Agrawal was the Fund Manager with SBI Mutual Fund. He has also been associated with organizations like Kotak Securities, HDFC Securities, IDBI Capital, UTI Securities and IPCL. The other scheme being co-managed by Mr. Agrawal is Mirae Asset India Opportunities Fund, Mirae Asset China Advantage Fund & Mirae Asset Emerging Bluechip Fund
		<b>Neelesh Surana –</b> Head - Equity	B.E. (Mechanical), MBA (Finance)	Neelesh has professional experience of more than 10 years and is responsible for Portfolio construction & monitoring. Prior to this assignment, Neelesh was associated with ASK Investment Managers Pvt Ltd where he was responsible for tracking sectors like Metals, FMCG and Pharma. The other scheme being co-managed by Mr. Agrawal is Mirae Asset India Opportunities Fund, Mirae Asset China Advantage Fund & Mirae Asset Emerging Bluechip Fund.
		<b>Basavraj Shetty</b> Fund Manager (Oveseas Investments)	B. Tech and MBA (Finance)	He has 7½ years experience in Equity Research Analysis role. His primary responsibility includes Investment Analysis, Advisory & Fund Management. His last assignment was with Centrum Broking Pvt. Ltd., as an Equity Research Analyst. Prior to that, he was with J P Morgan India Pvt. Ltd as an Investment Banking – Associate. Mr. Shetty has also worked with Middle East Brokerage Company, Oman & First Global Stock Broking Pvt. Ltd. as an equity research analyst. He was also associated with IPCA Labs Ltd & ICI (India) Pvt. Ltd.

## I. WHAT ARE THE INVESTMENT RESTRICTIONS?

### Investment Limitations and Restrictions (FOR MAIOF, MAGCSF, MAEBF & MAICCF)

The following investment limitations and other restrictions, inter-alia, as contained in the Trust Deed and the Regulations apply to the Scheme:

- No Mutual Fund under all its schemes taken together should own more than ten percent of any company's paid up capital carrying voting rights.
- Interscheme transfers of investments from one scheme to another scheme in the same Mutual Fund shall be allowed only if such transfers are done at the prevailing market price for quoted instruments on spot basis. Explanation - "Spot basis" shall have same meaning as specified by stock exchange for spot transactions. The securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.
- The initial issue expenses shall not exceed 6% of the fund raised under the scheme.
- Every mutual fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relative securities and in all cases of sale, deliver the securities and shall in no case put itself in a position whereby it has to make short sale or carry forward transaction or engage in badla finance, provided that mutual funds shall enter into derivatives transactions in a recognized stock exchange subject to such guidelines as may be specified by SEBI.
- Every mutual fund shall get the securities purchased or transferred in the name of the mutual fund on account of the concerned scheme, wherever investments are intended to be of long-term nature.
- 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.
- No scheme of a mutual fund shall make any investment in any fund of funds scheme.
- The Mutual Fund having an aggregate of securities which are worth Rs.10 crores or more, as on the latest balance sheet date, shall subject to such instructions as may be issued from time to time by SEBI, settle their transactions entered on or after January 15, 1998 only through dematerialized securities. Further, all transactions in government securities shall be in dematerialized form.
- No Mutual Fund scheme shall invest more than 10% of its NAV in the listed equity shares or listed equity related instruments of any company or listed units/securities of venture capital funds provided that the limit of 10% shall not be applicable for investments in index scheme or sector or industry specific scheme.
- A Mutual Fund scheme shall not invest more than 5% of its NAV in the unlisted equity shares or equity related instruments of any company or unlisted units/securities

of venture capital funds in case of open ended scheme.

- Pending deployment of funds of a scheme in securities in terms of investment objectives of the scheme a mutual fund can invest the funds of the scheme in short term deposits of scheduled commercial banks. The investment in these deposits shall be in accordance with SEBI Circular dated April 16, 2007, October 26, 2007 and June 23, 2008.
- No mutual fund scheme shall invest more than thirty percent of its net assets in money market instruments of an issuer:

Provided that such limit shall not be applicable for investments in Government securities, treasury bills and collateralized borrowing and lending obligations.

The Scheme will comply with SEBI regulations and any other regulations applicable to the investments of Funds from time to time. The Trustee may alter the above restrictions from time to time to the extent that changes in the regulations may allow. All investment restrictions shall be applicable at the time of making investment.

### For MACAF:

The following investment limitations and other restrictions, inter-alia, as contained in the Trust Deed and the Regulations apply to the Scheme:

- The Scheme shall not invest its assets other than in schemes of mutual funds / ETFs, except to the extent of funds required for meeting the liquidity requirements for the purpose of repurchases or redemptions, as disclosed earlier.
- The Scheme shall not invest in any other fund of funds scheme.
- Transfer of investments from one scheme to another scheme in the same mutual fund shall be allowed only if:
  - a) such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and transfers of unquoted securities will be made as per the policy laid down by the Trustee from time to time; and
  - b) the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.
- The Fund shall get the securities purchased or transferred in the name of the Fund on account of the Scheme, wherever investments are intended to be of long term nature.
- Pending deployment of funds of a scheme in securities in terms of investment objectives of the scheme a mutual fund can invest the funds of the scheme in short term deposits of scheduled commercial banks. The investment in these deposits shall be in accordance with SEBI Circular dated April 16, 2007, October 26, 2007 and June 23, 2008.

The Scheme will comply with SEBI regulations and any other regulations applicable to the investments of Funds from time to time. The Trustee may alter the above restrictions from time

to time to the extent that changes in the regulations may allow. All investment restrictions shall be applicable at the time of making investment.

**Investments Limitations and Restrictions in Foreign Securities (FOR MAGCSF, MACAF, MAEBF & MAICCF)**

In accordance with series of SEBI's circulars SEBI/IMD/CIR No. 7/104753/07 dated September 26, 2007 and SEBI/IMD/CIR No.2/1222577/08 dated April 8, 2009, the following conditions shall apply to the Scheme's participation in the overseas investments. Please note that the investment restrictions applicable to the Scheme's participation in overseas investments will be as prescribed or varied by SEBI or by the Trustees (subject to SEBI requirements) from time to time. The regulations pertaining to investment in ADRs/GDRs/Foreign Securities and Overseas ETFs by mutual funds, have now been decided as under:

1. The aggregate ceiling for overseas investments is now been enhanced from US \$ 5 billion to US \$ 7 billion as per the Circular SEBI/IMD/CIR No. 2/122577/08 dated April 8 2009.
2. Within the overall limit of US \$ 7 billion, mutual funds can make overseas investments subject to a maximum of US \$300 million per mutual fund. The permissible investments Mutual Funds can invest in:
  - a. ADRs / GDRs / IDRs issued by Indian or foreign companies
  - b. Equity of overseas companies listed on recognized stock exchanges overseas
  - c. Initial and follow on public offerings for listing at recognized stock exchanges overseas
  - d. 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
  - e. Money market instruments rated not below investment grade
  - f. Repos in the form of investment, where the counterparty is rated not below investment grade; repos should not however, involve any borrowing of funds by mutual funds
  - g. Government securities where the countries are rated not below investment grade

- h. Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities
- i. Short term deposits with banks overseas where the issuer is rated not below investment grade
- j. Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, (b) Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or (c) unlisted overseas securities (not exceeding 10% of their net assets).
- j. The Limits for Investment in Overseas Exchange Traded Funds (ETFs): The overall ceiling for investment in overseas ETFs that invest in securities is US \$1 billion subject to a maximum of US \$ 50 million per Mutual Fund

The restriction on the investments in mutual fund units upto 5% of net assets and prohibits charging of fees, shall not be applicable to investments in mutual funds in foreign countries made in accordance with SEBI Guidelines. However, the management fees and other expenses charged by the mutual fund in foreign countries along with the management fee and recurring expenses charged to the domestic mutual fund scheme shall not exceed the total limits on expenses as prescribed under Regulation 52(6). Where the scheme is investing only a part of the net assets in the foreign mutual fund(s), the same principle shall be applicable for that part of investment. The overseas securities markets offer new investment and portfolio diversification opportunities by enabling investments in the overseas markets. However, such investments also entail additional risks. Such investment opportunities may be pursued by the Mutual Fund provided they are considered appropriate in terms of the overall investment objectives of the Scheme. The Scheme may then, if necessary, seek applicable permission from SEBI and RBI to invest abroad in accordance with the investment objectives of the Scheme and in accordance with any guidelines issued by SEBI/RBI from time to time.

The Trustee may alter the above restrictions from time to time to the extent that changes in the Regulations may allow and as deemed fit in the general interest of the Unit Holders.

Apart from the investment restrictions prescribed under SEBI(MF) Regulations, the Fund does not follow any internal norms vis-à-vis limiting exposure to a particular scrip or sector etc.

### Investments Limitations and Restrictions in Derivatives (FOR MAIOF, MAGCSF, MAEBF & MAICCF)

In accordance with SEBI Circular dated August 18, 2010, the following investment restrictions shall apply with respect to investment in Derivatives:

1	The cumulative gross exposure through equity, debt and derivative positions will not exceed 100% of the net assets of the scheme. However, 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: 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 shall not be taken for existing derivative positions. Exposure due to such positions shall be added and treated under gross cumulative exposure limits mentioned under Point 1. c. Any derivative instrument used to hedge shall have the same underlying security as the existing position being hedged. d. The quantity of underlying associated with the derivative position taken for hedging purposes shall not exceed the quantity of the existing position against which hedge has been taken.								
5	The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions shall 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.								
6	Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under gross cumulative exposure limits mentioned under Point 1.								
7	Each position taken in derivatives shall have an associated exposure as defined below. 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>Future Price*Lot Size*Number of Contracts</td></tr> <tr> <td>Short Future</td><td>Future Price*Lot Size*Number of Contracts</td></tr> <tr> <td>Option Future</td><td>Option premium Paid*Lot Size*Number of Contracts</td></tr> </tbody> </table>	Position	Exposure	Long Future	Future Price*Lot Size*Number of Contracts	Short Future	Future Price*Lot Size*Number of Contracts	Option Future	Option premium Paid*Lot Size*Number of Contracts
Position	Exposure								
Long Future	Future Price*Lot Size*Number of Contracts								
Short Future	Future Price*Lot Size*Number of Contracts								
Option Future	Option premium Paid*Lot Size*Number of Contracts								
8	Derivatives transactions shall be disclosed in the half-yearly portfolio / annual report of the schemes in line with requirements under SEBI Regulations.								

In accordance with SEBI circulars dated September 14, 2005, January 20, 2006 and September 22, 2006, the following conditions shall apply to the Scheme's participation in the derivatives market. Please note that the investment restrictions applicable to the Scheme's participation in the derivatives market will be as prescribed or varied by SEBI or by the Trustees (subject to SEBI requirements) from time to time.

#### ● Position limit for the Fund in index options contracts

- The Fund's 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.
- This limit would be applicable on open positions in all options contracts on a particular underlying index.

#### ● Position limit for the Fund in index futures contracts

- The Fund's 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.

- This limit would be applicable on open positions in all futures contracts on a particular underlying index.
- **Additional position limit in index derivatives for hedging for the Fund**

In addition to the position limits above, the Fund may take exposure in equity index derivatives subject to the following limits:

- Short positions in index derivatives (short futures, short calls and long puts) shall not exceed (in notional value) the Fund's holding of stocks.
- Long positions in index derivatives (long futures, long calls and short puts) shall not exceed (in notional value) the Fund's holding of cash, government securities, T-Bills and similar instruments.
- **Position limit for the Fund for stock based derivative contracts**
  - For stocks having an applicable market-wise 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.

- For stocks having an applicable market-wise position limit (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.

- **Position limit for the Scheme**

The position limit / disclosure requirements for the Scheme shall be as follows:

- For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of the Scheme 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 contracts on a particular underlying stock (in terms of number of contracts (Shares)).

- For index based contracts, the Fund shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a stock exchange.

The Trustee may alter the above restrictions from time to time to the extent that changes in the Regulations may allow and as deemed fit in the general interest of the Unit Holders

Apart from the investment restrictions prescribed under SEBI (MF) Regulations, the Fund does not follow any internal norms vis-à-vis limiting exposure to a particular scrip or sector etc.

**Investments in Scheme by AMC, Sponsor & Affiliates**

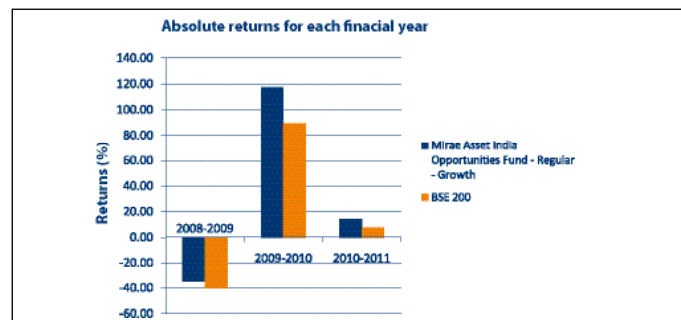
The AMC and investment companies managed by the Sponsor(s), their affiliates, their associate companies and subsidiaries may invest either directly or indirectly in the Schemes. The AMC shall not charge any fees on investment made by it in the units of the Schemes in accordance with sub-regulation 3 of Regulation 24 of the Regulations and shall charge fees on such amounts in future only if the SEBI Regulations so permit. The affiliates, associates, the Sponsor, subsidiaries of the Sponsor and/or the AMC may acquire a substantial portion of the Scheme's units and collectively constitute a major investment in the Schemes. Consequently in the event of repurchase of units held by such affiliates/associates and Sponsor, there be an adverse impact on the units of the Schemes as the timing of such repurchase may impact the ability of other unitholders to repurchase their units. The AMC reserves the right to invest its own funds in the Scheme as may be decided by the AMC from time to time and in accordance with SEBI Circular no. SEBI/IMD/CIR No. 10/22701/03 dated December 12, 2003 regarding minimum number of investors in the Scheme/ Plan.



## J. HOW HAVE THE SCHEMES PERFORMED?

### MIRAE ASSET INDIA OPPORTUNITIES FUND (MAIOF)

Compounded Annualised Growth Returns	Scheme Returns (%)	Benchmark Returns (%)
Since Inception	17.32	6.29
Last 1 Year	14.49	6.94
Last 3 Year	15.85	4.13
NAV as on 31 <sup>st</sup> May, 2011 of Mirae Asset India Opportunities Fund-Regular - Growth Option - Rs. 16.558		
Date of Allotment - 4th April, 2008		
Benchmark : BSE 200		
Data as on 31 <sup>st</sup> May, 2011		

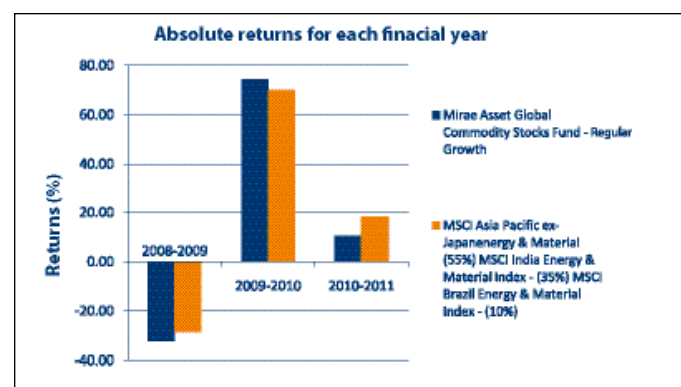


**Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.**

**Note:** As per the SEBI standards for performance reporting, the returns are calculated on Rs. 10/- invested at inception. For this purpose the inception date is deemed to be the date of allotment. The "Returns" shown are for the growth option. The calculations of returns shall assume reinvestment of all payouts at the then prevailing NAV.

### MIRAE ASSET GLOBAL COMMODITY STOCKS FUND (MAGCSF)

Compounded Annualised Growth Returns	Scheme Returns (%)	Benchmark Returns (%)
Since Inception	11.07	14.78
Last 1 Year	23.59	26.92
NAV as on 31 <sup>st</sup> May, 2011 of Mirae Asset Global Commodity Stocks Fund - Regular-Growth Option - Rs.13.385		
Date of Allotment - 20th August, 2008		
Benchmark : MSCI Asia Pacific ex-Japan Energy & Material Index (55%) + MSCI India Energy & Material Index - (35%) + MSCI Brazil Energy & Material Index - (10%) (with MSCI's 10/40 Equity Index Methodology)		
Data as on 31 <sup>st</sup> May, 2011		



**Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.**

**Note:** As per the SEBI standards for performance reporting, the returns are calculated on Rs. 10/- invested at inception. For this purpose the inception date is deemed to be the date of allotment. The "Returns" shown are for the growth option. The calculations of returns shall assume reinvestment of all payouts at the then prevailing NAV.

### MIRAE ASSET CHINA ADVANTAGE FUND (MACAF)

Compounded Annualised Growth Returns	Scheme Returns (%)	Benchmark Returns (%)
Since Inception	8.25	2.86
Last 1 year	25.53	12.90
NAV as on 31 <sup>st</sup> May, 2011 of Mirae Asset China Advantage Fund - Regular-Growth Option - Rs.11.323		
Date of Allotment - 5th November, 2009		
Benchmark : MSCI China Index (In INR Terms)		
Data as on 31 <sup>st</sup> May, 2011		

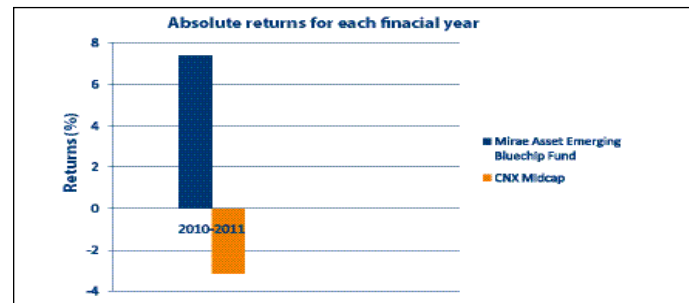


**Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.**

**Note:** As per the SEBI standards for performance reporting, the returns are calculated on Rs. 10/- invested at inception. For this purpose the inception date is deemed to be the date of allotment. The "Returns" shown are for the growth option. The calculations of returns shall assume reinvestment of all payouts at the then prevailing NAV.

### MIRAE ASSET EMERGING BLUECHIP FUND (MAEBF)

Absolute Returns	Scheme Returns (%)	Benchmark Returns (%)
Since Inception	12.87	-2.85
NAV as on 31 <sup>st</sup> May, 2011 of Mirae Asset Emerging Bluechip Fund-Regular - Growth Option - Rs. 11.287		
Date of Allotment - 9th July, 2010		
Benchmark : CNX Midcap Index		
Data as on 31 <sup>st</sup> May, 2011		

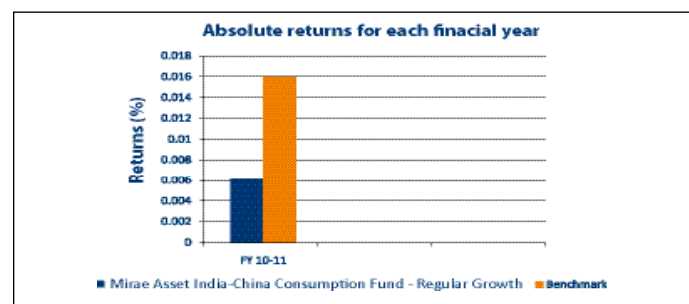


**Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.**

**Note:** As per the SEBI standards for performance reporting, the returns are calculated on Rs. 10/- invested at inception. For this purpose the inception date is deemed to be the date of allotment. The "Returns" shown are for the growth option. The calculations of returns shall assume reinvestment of all payouts at the then prevailing NAV. Absolute Returns are provided as the schemes has not completed one year.

### MIRAE ASSET INDIA-CHINA CONSUMPTION FUND (MAICCF)

Absolute Returns	Scheme Returns (%)	Benchmark Returns (%)
Since Inception	4.43	3.63
NAV as on 31 <sup>st</sup> May, 2011 of Mirae Asset India China Consumption Fund-Regular - Growth Option - Rs. 10.443		
Date of Allotment - 29th March, 2011		
Benchmark : MSCI India Consumption Index (65%) + MSCI China Consumption Index (35%) (Price in INR)		
Data as on 31 <sup>st</sup> May, 2011		



**Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.**

**Note:** As per the SEBI standards for performance reporting, the returns are calculated on Rs. 10/- invested at inception. For this purpose the inception date is deemed to be the date of allotment. The "Returns" shown are for the growth option. The calculations of returns shall assume reinvestment of all payouts at the then prevailing NAV. Absolute Returns are provided as the schemes has not completed one year.

## SECTION IV – UNITS AND OFFER

This section provides details an investor needs to know for investing in the Schemes.

### A. NFO DETAILS

This section does not apply to the Schemes covered in this SID, as the ongoing offer of the Schemes has commenced after the NFO, and the Units are available for continuous subscription and redemption.

### B. ONGOING OFFER DETAILS

Particulars	MAIOF	MAGCSF	MACAF	MAEBF	MAICCF
<b>Ongoing Offer Period</b> This is the date from which the scheme will reopen for subscription / redemption after the closure of the NFO period	<b>Allotment date: April 4, 2008</b> The Continuous Offer for the Schemes commenced from 9th April, 2008.	<b>Allotment date: August 20, 2008</b> The Continuous Offer for the Schemes commenced from 22nd August, 2008.	<b>Allotment date: November 5, 2009</b> The Continuous Offer for the Schemes commenced from 6th November, 2009.	<b>Allotment date: July 9, 2010</b> The Continuous Offer for the Schemes commenced from 24th May, 2010.	<b>Allotment date: March 29, 2011</b> The Continuous Offer for the Schemes commenced from 31st March, 2011.
Ongoing price for subscription (purchase)/switch-in (from other schemes/ plans of the mutual fund) by investors.	At the applicable NAV.				
Ongoing price for redemption (sale) / switch outs (to other schemes / plans of the Mutual Fund) by investors This is the price you will receive for redemptions/switch outs e.g. If the applicable NAV is Rs. 10 exit load is 2% then redemption price will be : $\text{Rs. } 10 * (1 - 0.02) = \text{Rs. } 9.80$	At the applicable NAV, subject to prevailing exit load.				
Cut off timing for subscriptions / redemptions / switches This is the time before which your application (complete in all respects) should reach the official points of acceptance	The Cut-off time for all the Schemes is 3 p.m., and the Applicable NAV will be as under: <ul style="list-style-type: none"> <li>In respect of valid Purchase (including Switch-in) (along with cheques / drafts / other payment instruments) / Redemption (including Switch-out) applications accepted at a Designated Collection Centre up to 3 p.m. on a Business Day, the closing NAV of that day will be applicable.</li> <li>In respect of valid Purchase (including Switch-in) (along with cheques / drafts / other payment instruments) / Redemption (including Switch-out) applications accepted at a Designated Collection Centre after 3 p.m. on a Business Day, the NAV of the next Business Day will be applicable.</li> </ul> The above will be applicable only for cheques / drafts / payment instruments payable locally in the city in which ISC is located. No outstation cheques/post dated cheques/non MICR cheques will be accepted. The Switch-in and Switch-out applications would be treated as Purchase and Redemption respectively.				
Where can the applications for purchase / redemption switches be submitted?	Corporate office/Branches/Investor Service Centres of Mirae Asset Global Investments (India) Pvt. Ltd. and Investor Service Centres of M/s Karvy Computershare Pvt Ltd. and any other official point of acceptance as declared by the AMC, from time to time.				

Minimum amount for purchase / redemption / switches	<b>Purchase :</b> <b>(i) Regular Plan</b> – Rs.5,000/- and in multiples of Re. 1/- thereafter. <b>(ii) Institutional Plan</b> – Rs. 5 Crores and in multiples of Re.1/- thereafter. <b>Redemption:</b> Rs. 1000.00 and in multiples of Re. 1/- thereafter or 100 units whichever is lower.	<b>Purchase :</b> <b>(i) Regular Plan</b> – Rs.5,000/- and in multiples of Re. 1/- thereafter. <b>Redemption:</b> Rs. 1000.00 and in multiples of Re. 1/- thereafter or 100 units whichever is lower.	<b>Purchase :</b> <b>(i) Regular Plan</b> – Rs.5,000/- and in multiples of Re. 1/- thereafter. <b>Redemption:</b> Rs. 1000.00 and in multiples of Re. 1/- thereafter or 100 units whichever is lower.	<b>Purchase :</b> <b>(i) Regular Plan</b> – Rs.5,000/- and in multiples of Re. 1/- thereafter. <b>Redemption:</b> Rs. 1000.00 and in multiples of Re. 1/- thereafter or 100 units or account balance, whichever is lower.	<b>Purchase :</b> <b>(i) Regular Plan</b> – Rs.5,000/- and in multiples of Re. 1/- thereafter. <b>Redemption:</b> Rs. 1000.00 and in multiples of Re. 1/- thereafter or 100 units or account balance, whichever is lower.
	<p>Each plan will offer Dividend and Growth Options.</p> <p>In case an investor fails to specify his preference, he shall be deemed to have opted to select the <b>Regular Plan - Growth Option</b>.</p> <p>Dividend Option shall have the choice of dividend payout, dividend reinvestment and dividend transfer options.</p> <p><b>Both Regular &amp; Institutional Plans will have a common portfolio.</b></p> <p>Systematic Investment Plan ("SIP") / Systematic Withdrawal Plan ("SWP") / Systematic Transfer Plan ("STP") will be available in the Scheme.</p> <p>In case an investor fails to specify his preference, he shall be deemed to have opted to select the dividend reinvestment option.</p> <p>However, in case the dividend payable to any unit holder is below Rs. 100/- then the same may be automatically reinvested.</p> <p><b>* SIP will be available only in the Regular Plan.</b></p>	<p>The Scheme shall have Regular Plan and offers Dividend and Growth Options.</p> <p>In case an investor fails to specify his preference, he shall be deemed to have opted to select the <b>Regular Plan - Growth Option</b>.</p> <p>Dividend Option shall have the choice of dividend payout, dividend reinvestment and dividend transfer options.</p> <p>Systematic Investment Plan ("SIP") / Systematic Withdrawal Plan ("SWP") / Systematic Transfer Plan ("STP") will be available in the Scheme.</p> <p>In case an investor fails to specify his preference, he shall be deemed to have opted to select the dividend reinvestment option.</p> <p>However, in case the dividend payable to any unit holder is below Rs. 500/- then the same may be automatically reinvested.</p>	<p>The Scheme shall have Regular Plan and offers Dividend and Growth Options.</p> <p>In case an investor fails to specify his preference, he shall be deemed to have opted to select the <b>Regular Plan - Growth Option</b>.</p> <p>The dividend option offers dividend payout &amp; dividend reinvestment facilities.</p> <p>Systematic Investment Plan ("SIP") / Systematic Withdrawal Plan ("SWP") / Systematic Transfer Plan ("STP") will be available in the Scheme.</p> <p>In case an investor fails to specify his preference, he shall be deemed to have opted to select the dividend reinvestment option.</p> <p>However, in case the dividend payable to any unit holder is below Rs. 500/- then the same may be automatically reinvested.</p>	<p>The Scheme shall have Regular Plan and offers Dividend and Growth Options.</p> <p>In case an investor fails to specify his preference, he shall be deemed to have opted to select the <b>Regular Plan - Growth Option</b>.</p> <p>The dividend option offers dividend payout &amp; dividend reinvestment facilities.</p> <p>Systematic Investment Plan ("SIP") / Systematic Withdrawal Plan ("SWP") / Systematic Transfer Plan ("STP") will be available in the Scheme.</p> <p>In case an investor fails to specify his preference, he shall be deemed to have opted to select the dividend reinvestment option.</p> <p>However, in case the dividend payable to any unit holder is below Rs. 500/- then the same may be automatically reinvested.</p>	<p>The Scheme shall have Regular Plan and offers Dividend and Growth Options.</p> <p>In case an investor fails to specify his preference, he shall be deemed to have opted to select the <b>Regular Plan - Growth Option</b>.</p> <p>The dividend option offers dividend payout &amp; dividend reinvestment facilities.</p> <p>Systematic Investment Plan ("SIP") / Systematic Withdrawal Plan ("SWP") / Systematic Transfer Plan ("STP") will be available in the Scheme.</p> <p>In case an investor fails to specify his preference, he shall be deemed to have opted to select the dividend reinvestment option.</p> <p>However, in case the dividend payable to any unit holder is below Rs. 500/- then the same may be automatically reinvested.</p>

<p><b>Minimum balance to be maintained and consequences of non maintenance.</b></p>	<p>(i) <b>(For MAIOF, MAGCSF and MACAF):</b>  <b>General:</b> The minimum amount of an application for redemption of units under the scheme must be of Rs. 1000 and in multiples of Re.1 thereafter or 100 units, whichever is lower. If the unit balance after any such redemption is less than or equal to 25 units and is identified at the time of processing such request, the AMC reserves the right to redeem such fractional units along with the redemption request received.  <b>(For MAEBF &amp; MAICCF)</b>  <b>General:</b> The minimum amount of an application for redemption of units under the scheme must be of Rs. 1000 and in multiples of Re.1 thereafter or 100 units or account balance, whichever is lower. If the unit balance after any such redemption is less than or equal to 25 units and is identified at the time of processing such request, the AMC reserves the right to redeem such fractional units along with the redemption request received.  <b>(For all schemes)</b></p> <p>(ii) <b>In the case of STP:</b> The only instance when minimum balance will be required is at the time of enrollment for STP facility. The minimum balance for enrolment of STP should be Rs. 6,000/-.</p>
<p><b>Special Products available</b></p>	<p>(i) <b>Systematic Investment Plan :</b>  This facility enables investors to save and invest periodically over a longer period of time. It is a convenient way to “invest as you earn” and affords the investor an opportunity to enter the market regularly, thus averaging the acquisition cost of Units. SIP Facility is available only under the Regular Plan of the Scheme and can be availed monthly/quarterly on the following dates: 1st, 10th, 15th, 21st and 28th. Investors can avail this facility either through Post dated Cheques OR through ECS (Debit Clearing) of the Reserve Bank of India (RBI) in select cities OR via Direct Debit in select banks / branches only. The minimum amount of each cheque / payment instruction shall be Rs. 1000 in case of Monthly Option and Rs.1500 in case of Quarterly Option. All the cheques / payment instructions (including the first cheque / payment instruction) shall be of equal amounts. Non MICR / Outstation cheques will not be accepted. MICR Code starting and/or ending with “000” are not valid for ECS. The aggregate of such cheques / payment instructions shall not be less than Rs. 6,000 inclusive of the first installment. There is no upper limit for the Purchase for a single cheque / payment instruction or in aggregate. Please note that SIP will be started subject to the realization of the first registration cheque. The AMC reserves the right to reject any application inter alia in the absence of fulfillment of any regulatory requirements, fulfillment of any requirements as per the Scheme information document, incomplete/incorrect documentation and furnishing necessary information to the satisfaction of the Mutual Fund/AMC.  <b>During the Ongoing Offer Period,</b> Investors can avail this facility either through Post dated Cheques OR through ECS (Debit Clearing) ) of the Reserve Bank of India (RBI) in select cities OR via Direct Debit in select banks / branches only.  The conditions for investing in SIP during the Ongoing Offer Period are as under:</p> <ul style="list-style-type: none"> <li>● In case of SIP submitted during the Ongoing Offer period, Investors can enroll themselves for SIP by submitting the enrolment form along with the relevant documents including post dated cheques / auto debit instructions along with the first cheque to start SIP and a cancelled cheque or a copy of cheque in case of Electronic Clearing System (ECS) or Instructions for Direct Debit as the case may be at any of our ISC's. In case of Post Dated Cheques the date of the first cheque shall be dated on or before the date of submission of the application form while the remaining cheques (minimum 5 in case of Monthly or 3 in case of Quarterly option) shall be post dated cheques (dated uniformly either the 1st, 10th, 15th or 25th of a month or quarter).</li> <li>● The first installment of the SIP will be processed subject to applicable NAV &amp; load, if any, on the date of submission on any Business Day. The second installment in case of monthly SIP will be processed on the available SIP dates (currently 1st, 10th, 15th, 21st or 28th of every month) indicated by the investor, but immediately following the expiry of 30 Business Days from the date of processing of the first SIP. If the choice of date for the second installment is not indicated by the investor, the second installment of SIP will be by default processed on the 10th of the month. In case of quarterly SIP, the default date for next installment will be 10th of the relevant month. If any of above dates falls on a holiday/ non-business day, the transaction will be taken as of the next Business Day. In case the end date is not mentioned by the investor, it will be registered for a default period of 12 months. If there is an ambiguity in the enrolment period of the SIP, the second installment of SIP will be by default processed for the SIP date chosen (10th of the month if not specified) following the expiry of 30 Business Days from the date of processing of the first SIP for a default period of 12 months.</li> </ul>

	<ul style="list-style-type: none"> <li>● 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.</li> <li>● Termination of SIP - For discontinuation of SIP the unit holder / investor should intimate the AMC/ISC at least 15 working days prior to the due date of next cheque / installment (1st, 10th, 15th, 21st or 28th of every month/quarter). On such request, SIP will be terminated and the balance post-dated cheques will be returned to the investor or the debit instruction given by the investor under ECS or Direct Debit will be cancelled.</li> <li>● In case of cancellation of a SIP or cheques returned un-cleared for SIP installments or payment instructions not honored, if no Entry Load had been charged, the AMC may reduce the number of Units allotted against the previous installments to the extent applicable Entry Load on such installments was waived.</li> <li>● Any Unit Holder can avail of this facility subject to certain terms and conditions detailed in the Application Form. <ul style="list-style-type: none"> <li>➤ In accordance with AMFI circular dated June 30, 2009, in case of micro schemes such as SIPs upto Rs. 50,000 per year per investor shall be exempted from the requirement of PAN. Mutual Funds shall accept any of other standard specified identification instruments like Voter ID card, Government/Defense ID card, Card of Reputed employer, Driving License, Passport in lieu of PAN with effect from August 1, 2009.</li> <li>➤ Systematic Investment Plans (SIPs) where aggregate of installments in a financial year i.e. April to March does not exceed Rs 50,000. (referred as "Micro SIP"). The following transactions will not be covered as they are currently not considered either for PAN or KYC requirement: <ul style="list-style-type: none"> <li>● Redemption</li> <li>● Switch</li> <li>● Systematic Transfer Plans</li> <li>● Systematic Withdrawal Plans</li> <li>● Dividend Reinvestments / Sweep transactions</li> </ul> </li> <li>➤ This exemption will also not be applicable to normal purchase transactions upto Rs. 50,000 which will continue to be subject to PAN requirement.</li> <li>➤ This exemption will be applicable ONLY to investments by individuals (including NRIs but not PIOs), Minors and Sole proprietary firms. HUFs and other categories will not be eligible for Micro SIPs.</li> <li>➤ The exemption is applicable to joint holders also.</li> <li>➤ Any one of the following PHOTO IDENTIFICATION documents can be submitted along with Micro SIP applications as proof of identification in lieu of PAN. <ul style="list-style-type: none"> <li>● Voter Identity Card</li> <li>● Driving License</li> <li>● Government / Defense identification card</li> <li>● Passport</li> <li>● Photo Ration Card</li> <li>● Photo Debit Card (Credit card not included because it may not be backed up by a bank account).</li> <li>● Employee ID cards issued by companies registered with Registrar of Companies</li> <li>● Photo Identification issued by Bank Managers of Scheduled Commercial Banks / Gazetted Officer / Elected Representatives to the Legislative Assembly / Parliament</li> <li>● ID card issued to employees of Scheduled Commercial / State / District Co-operative Banks.</li> <li>● Senior Citizen / Freedom Fighter ID card issued by Government.</li> <li>● Cards issued by Universities / deemed Universities or institutes under statutes like ICAI, ICWA, ICSI.</li> <li>● Permanent Retirement Account No (PRAN) card issued to New Pension System (NPS) subscribers by CRA (NSDL).</li> <li>● Any other photo ID card issued by Central Government / State Governments / Municipal authorities / Government organizations like ESIC / EPFO.</li> </ul> </li> </ul> </li> </ul>
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**(ii) Systematic Withdrawal Plan:**

This facility enables the Unit Holders to withdraw sums from their Unit accounts in the Scheme at periodic intervals through a one-time request. The withdrawals will commence from the Start Date mentioned by the Unit Holder in the Application Form for the facility. A minimum period of 15 days shall be required for registration under SWP. The Units will be redeemed at the Applicable NAV of the respective dates on which such withdrawals are sought. However, if any of the dates on which the redemption is sought is a non-Business Day, the Units will be redeemed at the Applicable NAV of the next Business Day.

● **Options available and Minimum Amount**

**Fixed withdrawal:** Investors can withdraw fixed amount of Rs. 1,000/- each and above at regular intervals.

**Appreciation withdrawal:** Investors can withdraw appreciation of Rs. 1,000/- and above at regular intervals. If the appreciation amount is less than Rs. 1,000/- or the specified amount, there will be no SWP in that month/quarter. The cumulative appreciation of this period and the immediately succeeding period shall be paid out subject to it being a minimum of Rs. 1,000/- or the specified amount.

- SWP is not available for investments under lock-in period and for investments which are pledged.
- The SWP payouts will be processed at the requested frequency. The investor can opt for direct credit of the redemption proceeds to their bank accounts (Currently direct credit offered for the following banks - Axis Bank, Citibank, HDFC Bank, ICICI Bank, IDBI Bank, Kotak Mahindra Bank, Standard Chartered Bank and The Royal Bank of Scotland). For investors banking with any other bank apart from above mentioned banks, the AMC /MF will endeavor to credit the payout directly to that bank account through available electronic mode(s) (ECS/ Direct Credit). The AMC/MF shall not be responsible if payout through electronic mode(s) (ECS/Direct Credit) does not get affected due to incomplete or incorrect information or any other technical/operational reasons. The AMC/MF reserves the right to use any other mode of payment as deemed appropriate.
- In case of Fixed Withdrawal, if the amount of installment is more than the amount available in that account for redemption, the entire available amount will be redeemed and the SWP will terminate automatically.
- In case of Appreciation Withdrawal, appreciation will be calculated on the units available for redemption at the time of the SWP installment.
- **Withdrawal Dates:** ●

**Fixed Withdrawal:** Investors can withdraw fixed amount on 1st or 10th or 15th or 21st or 28th of each month/quarter for minimum 12 months/ 4 quarters., By default, in case of any ambiguity in selection of withdrawal frequency, the SWP date will be 10th of each month.

**Appreciation withdrawal:** Investors can withdraw appreciation on the 1st of each month/quarter for minimum of 12 months/ 4 quarters.

For applicable load on Redemptions through SWP, please refer section 'LOAD STRUCTURE'.

**(iii) Systematic Transfer Plan (STP)**

This facility enables Unit Holders to transfer fixed sums from their Unit accounts in the Scheme to the other schemes launched by the Fund from time to time. The transfer will commence from the date mentioned by the Unit Holder in the Application Form for the facility. A minimum period of 15 days shall be required for registration under STP. The Units will be allotted / redeemed at the Applicable NAV of the respective dates of the Scheme on which such transfers are sought from the Scheme. In case the day on which the transfer is sought is a non-Business Day for the Scheme, then the application for the facility will be deemed to have been received on the immediately following Business Day. The facility of STP will not be available from any existing equity/equity oriented schemes to a non-equity scheme of the Fund.

	<ul style="list-style-type: none"> <li>● Options Available and Minimum Amount:</li> <li>● Daily Option</li> <li>● Weekly Option</li> <li>● Fortnightly Option</li> <li>● Monthly Option : Minimum 6 transfers of Rs. 1,000/- each and above.</li> <li>● Quarterly Option : Minimum 4 transfers of Rs. 1,500/- each and above.</li> <li>● Minimum clear balance in the Scheme at the time of enrollment for STP facility should be Rs. 6,000/-.</li> <li>● STP is not available for investments under lock-in period and for investments which are pledged.</li> <li>● In case of insufficient balance, the transfer will not be effected.</li> <li>● Transfer Dates:</li> <li>● Daily Option : Monday to Friday,</li> <li>● Weekly Option – Every Wednesday,</li> <li>● Fortnightly Option – Every Wednesday of the alternate week.</li> <li>● Monthly STP: Transfers can be on 1st or 10th or 15th or 21st or 28th of each month for a minimum of 6 months.</li> <li>● Quarterly STP: Transfers can be on 1st or 10th or 15th or 21st or 28th of each quarter for a minimum of 4 quarters.</li> <li>● Default Dates: In case of any ambiguity in selection of transfer date, the STP date will be 10th of each month / quarter.</li> </ul> <p><b>(iv) Interscheme Switching</b></p> <p>The Transaction Slip can be used by investors to make interscheme switches (during the NFO Period and the ongoing offer period) within the Fund. All valid applications for switch-out shall be treated as Redemption and for switch-in as Purchases with the respective Applicable NAVs of the Scheme / option.</p> <p><b>(v) Intrascheme Switching</b></p> <p>Investors can switch between different options under the Scheme, at the Applicable NAV. All valid applications for switch-out shall be treated as Redemption and for switch-in as Purchases with the respective Applicable NAVs of the option. As per current Load structure, no Entry or Exit Loads will be charged for intrascheme switching. However, AMC may change the Loads prospectively as indicated in section on LOAD STRUCTURE FOR THE SCHEME in this Scheme information document.</p> <p><b>(vi) Folio Number</b></p> <p>Unless otherwise requested by the Unit Holder, a single folio number may be assigned if an investor invests in different schemes of the Fund, and a consolidated account statement will then be provided for investments in all the schemes.</p> <p><b>(vii) Fractional Units</b></p> <p>Since a request for Purchase or Redemption is generally made in rupee amounts and not in terms of a fixed number of Units of the Scheme, an investor may be left with fractional Units. Fractional Units will be computed and accounted for up to three decimal places for the Scheme.</p> <p><b>(viii) Consolidation of folios</b></p> <p>In case an investor holds investments in multiple folios under the Fund, the AMC reserves the right to consolidate all the folios belonging to the same investor into one folio.</p>
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**(ix) Transaction through electronic mode**

The AMC may from time to time offer various facilities to the unit holders through electronic mode such as internet, mobile phones, Kiosk, etc. to facilitate transactions in units of the scheme. The AMC may enter into such arrangements/ agreements as it may deem fit to give effect to the above.

However, investors intending to take benefit of these facilities should note that they should use these services at their own risk. The Fund, the AMC, the Trustee, along with its directors, employees and representatives shall not be liable for any damages or injuries arising out of or in connection with the use of internet, mobile phones, Kiosk, etc or its non-use including, without limitation, non-availability or failure of performance, loss or corruption of data, loss of or damage to property (including profit and goodwill), work stoppage, computer failure or malfunctioning, or interruption of business; error, omission, interruption, deletion, defect, delay in operation or transmission, computer virus, communication line failure, unauthorized access or use of information.

**Permanent Account Number:**

In accordance with AMFI circular dated June 30, 2009, on exemption of PAN for Systematic Investment Plans (SIP) upto Rs. 50,000 per year per investor, in case of any micro schemes such as SIPs upto Rs. 50,000 per year per investor shall be exempted from the requirement of PAN. Mutual Funds shall accept any of other standard specified identification instruments like Voter ID card, Government/Defense ID card, Card of Reputed employer, Driving License, Passport, etc in lieu of PAN with effect from August 1, 2009. (Investors are requested to refer to Systematic Investment Plan for more details).

**KYC Procedure:**

Implementation of KYC under Prevention of Money Laundering Act (PMLA) through CDSL Ventures Ltd. (CVL) for Individual Investors w.e.f. January 1, 2011 :

In compliance with AMFI Circular No 35/MEM-COR/62/10-11 dated October 07, 2010, the threshold limit for individual investors shall be changed from Rs.50,000/- to Nil w.e.f. January 01, 2011. Hence, KYC compliance is a prerequisite for investment in mutual fund by individual investors from this effective date irrespective of the amount of investment.

**For Investors other than Micro SIP Investors:** With reference to AMFI Circular 35/MEM-COR/62/10-11 dated October 7, 2010, investors may kindly note w.e.f. January 1, 2011, it is mandatory for all investors to be KYC Compliant through the existing CVL platform, irrespective of the amount of investment.

Thus investments of any amount, on or after January 1, 2011 by all investors who are not KYC Compliant, are liable to be rejected.

In the event of KYC Form being subsequently rejected for lack of information/ deficiency/ insufficiency of mandatory documentation, the investment transaction will be cancelled and the amount may be redeemed at applicable NAV, subject to payment of exit load, wherever applicable. Such redemption proceeds will be dispatched within a maximum period of 21 days from date of acceptance of KYC forms by the central Agency.

**For Micro SIP Investors:** In accordance with AMFI circular dated June 30, 2009 and final AMFI Guidelines received on July 14, 2009, on exemption of PAN for Systematic Investment Plans (SIP) where aggregate of installments in a rolling 12 month period or in a financial year i.e. April to March does not exceed upto Rs. 50,000 per year per investor, in case of any micro schemes such as SIPs upto Rs. 50,000 per year per investor shall be exempted from the requirement of PAN. Mutual Funds shall accept any of other standard specified identification instruments like Voter ID card, Government/ Defense ID card, Card of Reputed employer, Driving License, Passport, etc in lieu of PAN with effect from August 1, 2009.

In view of the above, Investors are requested to enclose copies of any of the said document(s) which shall be self attested and also attested by the ARN Holder.

Investor with PAN are not eligible for simplified KYC Procedure.

In accordance with AMFI circular dated June 30, 2009, on exemption of PAN for Systematic Investment Plans (SIP) upto Rs. 50,000 per year per investor, with effect from August 1, 2009;

- Micro SIP will not be subject to common KYC process through CVL.
- Investors (including joint holders) must submit a photocopy of any one of the documents identified mentioned above along with Micro SIP applications.
- Supporting document must be current and valid.
- Supporting document copy shall be self attested by the investor.
- While making subsequent Micro SIP applications with a mutual fund, investor can quote the existing folio number where a Micro SIP has been registered and therefore need not resubmit the supporting document.

	<p>As per SEBI Circular no. SEBI /IMD / CIR No.11/183204/ 2009 dated November 13, 2009, where investor desires to hold units in dematerialised form, the KYC performed by DP in terms of SEBI Circular MRD/ DoP/ Dep/ Cir-29/2004 dated August 24, 2004 would be considered compliance with applicable requirements specified in this regard in terms of SEBI Circular ISD/AML/CIR-1/2008 dated December 19, 2008 by mutual funds /AMCs.</p>
<b>Accounts Statements</b>	<p>For normal transactions (Other than SIP/STP) during ongoing sales and repurchase:</p> <ul style="list-style-type: none"> <li>● The AMC shall issue to the investor whose application (other than SIP/STP) has been accepted, an account statement specifying the number of units allotted will be sent by ordinary post / courier / secured encrypted electronic mail to each Unit Holder, stating the number of Units purchased, generally within 3 Business days, but not later than 5 working days from date of acceptance of the valid Application Form / Transaction Slip.</li> <li>● For those unitholders who have provided an e-mail address, the AMC will send the account statement by e-mail.</li> <li>● The unit holder may request for a physical account statement by writing / calling the AMC/ISC/R&amp;T. Investors can enquire about NAVs, Unit Holdings, Valuation, Dividends, Account statements, etc or lodge any service request by calling the investor line of the AMC at “1800 1020 777” (toll-free from a MTNL / BSNL landline) or 44227777 (at local call rate from your mobile phone prefixing the local city code or non - MTNL / BSNL landline). Investors can also visit the website at <a href="http://www.miraeassetmf.co.in">www.miraeassetmf.co.in</a>, for complete details. In order to protect confidentiality of information, the service representatives may require personal information of the investor for verification of his / her identity. The AMC will at all times endeavor to handle transactions efficiently and to resolve any investor grievances promptly.</li> </ul> <p><b>For SIP / STP transactions :</b></p> <ul style="list-style-type: none"> <li>● Account Statement for SIP and STP will be dispatched once every quarter ending March, June, September and December within 10 working days of the end of the respective quarter.</li> <li>● A soft copy of the Account Statement shall be mailed to the investors under SIP/STP to their e-mail address on a monthly basis, if so mandated.</li> <li>● However, the first Account Statement under SIP/STP shall be issued within 10 working days of the initial investment / transfer.</li> <li>● In case of specific request received from investors, Mutual Funds shall provide the account statement (SIP/STP) to the investors within 5 working days from the receipt of which request without any charges.</li> </ul> <p><b>Annual Account Statement :</b></p> <ul style="list-style-type: none"> <li>● The Mutual Funds shall provide the Account Statement to the Unitholders 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.</li> <li>● The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme.</li> </ul> <p>Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statements, if so mandated.</p>
<b>Who can Invest</b>	<ul style="list-style-type: none"> <li>● Indian resident adult individuals, either singly or jointly (not exceeding three);</li> <li>● Minor through parent / lawful guardian; (please see the note below)</li> <li>● Companies, bodies corporate, public sector undertakings, association of persons or bodies of individuals and societies registered under the Societies Registration Act, 1860;</li> <li>● Partnership Firms constituted under the Partnership Act, 1932;</li> <li>● A Hindu Undivided Family (HUF) through its Karta;</li> <li>● Banking Company as defined under the Banking Regulation Act, 1949;</li> <li>● Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions;</li> <li>● Public Financial Institution as defined under the Companies Act, 1956;</li> <li>● Insurance Company registered with the Insurance Regulatory and Development Authority;</li> <li>● Non-Resident Indians (NRIs) / Persons of Indian Origin (PIO) on full repatriation basis or on non-repatriation basis;</li> <li>● Foreign Institutional Investors (FIIs) and Sub accounts registered with SEBI on full repatriation basis;</li> <li>● Army, Air Force, Navy and other para-military funds and eligible institutions;</li> </ul>

	<ul style="list-style-type: none"> <li>● Scientific and Industrial Research Organizations;</li> <li>● Provident / Pension / Gratuity and such other Funds as and when permitted to invest;</li> <li>● International Multilateral Agencies approved by the Government of India / RBI; and</li> <li>● The Trustee, AMC or Sponsor or their associates (if eligible and permitted under prevailing laws).</li> <li>● A Mutual Fund through its schemes, including Fund of Funds schemes.</li> <li>● Special Purpose Vehicles (SPVs) approved by appropriate authority (subject to RBI approval)</li> <li>● Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and Private Trusts authorized to invest in mutual fund schemes under their trust deeds;</li> <li>● Such other individuals/institutions/body corporate etc., as may be decided by the AMC from time to time, so long as wherever applicable they are in conformity with SEBI Regulations.</li> </ul> <p><b>Note: 1.</b> Minor Unit Holder on becoming major may inform the Registrar about attaining majority and provide his specimen signature duly authenticated by his banker as well as his details of bank account and a certified true copy of the PAN card as mentioned under the paragraph “Anti Money Laundering and Know Your Customer” to enable the Registrar to update their records and allow him to operate the Account in his own right.</p> <p><b>Note 2. Applicants under Power of Attorney:</b></p> <p>An applicant willing to transact through a power of attorney must lodge the photocopy of the Power of Attorney (PoA) attested by a Notary Public or the original PoA (which will be returned after verification) within 30 Days of submitting the Application Form / Transaction Slip at a Designated Collection Centre. Applications are liable to be rejected if the power of attorney is not submitted within the aforesaid period.</p> <p><b>It should be noted that the following entities cannot invest in the scheme:</b></p> <ul style="list-style-type: none"> <li>● Any individual who is a Foreign national or any other entity that is not an Indian resident under the Foreign Exchange Management Act, 1999, except where registered with SEBI as a FII or FII sub account. However, there is no restriction on a foreign national from acquiring Indian securities provided such foreign national meets the residency tests as laid down by Foreign Exchange Management Act, 1999.</li> <li>● Overseas Corporate Bodies (OCBs) shall not be allowed to invest in the Scheme. These would be firms and societies which are held directly or indirectly but ultimately to the extent of at least 60% by NRIs and trusts in which at least 60% of the beneficial interest is similarly held irrevocably by such persons (OCBs.)</li> <li>● Non-Resident Indians residing in the Financial Action Task Force (FATF) Non Compliant Countries and Territories (NCCTs)</li> <li>● The Fund reserves the right to include / exclude new / existing categories of investors to invest in the Scheme from time to time, subject to SEBI Regulations and other prevailing statutory regulations, if any.</li> </ul> <p>Subject to the Regulations, any application for Units may be accepted or rejected in the sole and absolute discretion of the Trustee. For example, the Trustee may reject any application for the Purchase of Units if the application is invalid or incomplete or if, in its opinion, increasing the size of any or all of the Scheme's Unit capital is not in the general interest of the Unit Holders, or if the Trustee for any other reason does not believe that it would be in the best interest of the Scheme or its Unit Holders to accept such an application.</p> <p><b>The AMC / Trustee may need to obtain from the investor verification of identity or such other details relating to a subscription for Units as may be required under any applicable law, which may result in delay in processing the application.</b></p> <p>It is mandatory for every applicant to provide the name of the bank, branch, address, account type and number as per SEBI requirements and any Application Form without these details will be treated as incomplete. Such incomplete applications will be rejected. The Registrar / AMC may ask the investor to provide a blank cancelled cheque or its photocopy for the purpose of verifying the bank account number.</p>
<b>Dividend</b>	The dividend warrants shall be dispatched to the unit holders within 30 days of the date of declaration of the dividend
<b>Redemption</b>	The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of redemption or repurchase.

<b>Delay in payment of redemption / repurchase proceeds</b>	The Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum)
<b>Listing</b>	The Schemes being open ended, the Units are not proposed to be listed on any stock exchange and no transfer facility is provided.
<b>Where can you submit the filled up applications.</b>	<b>Registrar &amp; Transfer Agent:</b> <b>Karvy Computershare Private Limited</b> Registered Office: Karvy Plaza; H No. 8-2-596, Avenue 4 Street No. 1, Banjara Hills, Hyderabad - 500 034. Website address: www.karvymfs.com Applications can be submitted at collecting bankers and Investor Service Centres of Mirae Asset Global Investments (India) Pvt. Ltd.
<b>How to apply?</b>	Please refer to the SAI and application form for the instructions.
<b>Facility for purchasing of the units of the Scheme through the order routing platform of the Stock Exchanges</b>	<p>The Mutual Fund may enter into an agreement with any stock exchange(s), as specified from time to time, for allowing transactions in the Scheme through the Stock Exchange Mutual Fund Platform.</p> <p>Accordingly, trading member of the stock exchange(s), as specified from time to time, can facilitate investors to subscribe and redeem the mutual fund units using their existing network and order collection mechanism provided by the Stock Exchange(s).</p> <p>The following are the salient features of this new facility, if introduced, for the benefit of investors:</p> <ol style="list-style-type: none"> <li>1. This facility i.e. purchase/redemption of units will be available to both existing and new investors. Switching of units will not be permitted.</li> <li>2. The investors will be eligible to only purchase /redeem units of the aforesaid schemes. The list of eligible schemes is subject to change from time to time.</li> <li>3. All trading members of the Stock Exchange(s) who are registered with AMFI as Mutual Fund Advisors and who have signed up with AMC and also registered with the Stock Exchange(s) as Participants ("AMFI certified stock exchange brokers") will be eligible to offer this facility to investors.</li> <li>4. It is an electronic platform introduced by the Stock Exchange(s) for transacting in units of mutual funds. The units of eligible Schemes are not listed on the exchange and the same cannot be traded on the Stock Exchange. The window for purchase/redemption of units on the Stock Exchange will be available between 9 a.m. and 3 p.m. or such other timings as may be decided.</li> <li>5. Investors who are interested in transacting in eligible schemes of Mirae Asset Mutual Fund should register themselves with AMFI certified stock exchange brokers. The AMC may enter into a similar agreement with any other stock exchange for providing the same facility as laid down herein. The AMC may notify the investors about the same, from time to time.</li> <li>6. The eligible AMFI certified stock exchange brokers will be considered as Official Points of Acceptance (OPA) of Mirae Asset Mutual Fund.</li> <li>7. Investors have an option to hold the units in physical or dematerialized form.</li> <li>8. Investors will be able to purchase/redeem units in eligible schemes in the following manner: <ol style="list-style-type: none"> <li><b>i. Purchase of Units :</b> <ol style="list-style-type: none"> <li><b>a. Physical Form</b>  The investor who chooses the physical mode is required to submit all requisite documents along with the purchase application (subject to applicable limits prescribed by the Stock Exchange(s), as specified from time to time) to the AMFI certified stock exchange brokers. The AMFI certified stock exchange broker shall verify the application for mandatory details and KYC compliance. After completion of the verification, the purchase order will be entered in the Stock Exchange system and an order confirmation slip will be issued to investor. The investor will transfer the funds to the AMFI certified stock exchange brokers. Allotment details will be provided by the AMFI certified stock exchange brokers to the investor.</li> </ol> </li> </ol> </li> </ol>

	<p><b>b. Dematerialized Form</b></p> <p>The investors who intend to deal in depository mode are required to have a demat account with CDSL/NSDL. The investor who chooses the depository mode is required to place an order for purchase of units (subject to applicable limits prescribed by stock exchange(s) as specified from time to time) with the AMFI certified stock exchange broker(s). The investor should provide their depository account details to the AMFI certified stock exchange brokers. The purchase order will be entered in the Stock Exchange system and an order confirmation slip will be issued to investor. The investor will transfer the funds to the AMFI certified stock exchange brokers. Allotment details will be provided by the AMFI certified stock exchange brokers to the investor.</p>
	<p><b>ii Redemption of Units:</b></p> <p><b>a. Physical Form</b></p> <p>The investor who chooses the physical mode is required to submit all requisite documents along with the redemption application (subject to applicable limits prescribed by the stock exchange as specified from time to time, to the AMFI certified stock exchange brokers. The redemption order will be entered in the Stock Exchange system and an order confirmation slip will be issued to investor. The redemption proceeds will be credited to the bank account of the investor, as per the bank account details recorded with Mirae Asset Mutual Fund.</p> <p><b>b. Dematerialized Form</b></p> <p>The investors who intend to deal in depository mode are required to have a demat account with CDSL/ NSDL and units converted from physical mode to demat mode prior to placing of redemption order. The investor who chooses the depository mode is required to place an order for redemption (subject to applicable limits prescribed by the stock exchange(s) as specified from time to time) with the AMFI certified stock exchange brokers. The investors should provide their Depository Participant with Depository Instruction Slip with relevant units to be credited to Clearing Corporation pool account. The redemption order will be entered in the system and an order confirmation slip will be issued to investor. The redemption proceeds will be credited to the bank account of the investor, as per the bank account details recorded with the Depository Participant.</p> <p>9. Applications for purchase/redemption of units which are incomplete /invalid are liable to be rejected.</p> <p>10. Separate folios will be allotted for units held in physical and demat mode. In case of non-financial requests/ applications like change of address, investors should approach Investor Service Centers (ISCs) of Mirae Asset Mutual Fund/ CDSL Ventures Ltd. For request/ applications like change of bank details etc. investor should approach Investor Service Centers (ISCs) of Mirae Asset Mutual Fund if units are held in physical mode and the respective Depository Participant(s) if units are held in demat mode.</p> <p>11. An account statement will be issued by Mirae Asset Mutual Fund to investors who purchase/ redeem their units under this facility in physical mode. In case of investors who intend to deal in units in depository mode, a demat statement will be sent by Depository Participant showing the credit/debit of units to their account which would be adequate compliance of the requirements in respect of the dispatch of the statement of accounts.</p> <p>12. The applicability of NAV will be subject to guidelines issued by SEBI on Uniform cut-off timings for applicability of NAV of Mutual Fund Scheme(s)/Plan(s). Currently, the cut-off time is 3.00 p.m. for these Schemes.</p> <p>13. In case units are desired to be held by investors in dematerialized form, the KYC performed by the Depository Participant(s) shall be considered as compliance with SEBI Circular ISD/AML/CIR-1/2008 dated December 19, 2008.</p> <p>14. Investors will have to comply with Know Your Customer (KYC) norms as prescribed by the Stock Exchange(s)/CDSL/ NSDL (or any other stock exchange as specified from time to time) and Mirae Asset Mutual Fund to participate in this facility.</p> <p>15. Investors should get in touch with Investor Service Centres (ISCs) of Mirae Asset Mutual Fund, for further details.</p> <p>The transactions carried out on the Stock Exchange Platform shall be subject to such guidelines as may be issued by the Stock Exchange(s) SEBI (Mutual Funds) Regulations, 1996 and circulars/guidelines issued there under from time to time or by any other stock exchange as specified from time to time.</p>

<p><b>Additional facility for purchase / redemption of Mutual Fund units of Eligible Schemes of Mirae Asset Mutual Fund</b></p>	<p>A new facility for purchase / redemption of units of Eligible Schemes of Mirae Asset Mutual Fund is introduced pursuant to SEBI Circular No.CIR/IMD/DF/17/2010 dated November 9, 2010, thus it is decided:</p> <ol style="list-style-type: none"> <li>that units of mutual funds schemes may be permitted to be transacted through clearing members of the registered Stock Exchanges;</li> <li>to permit Depository participants of registered Depositories to process only redemption request of units held in demat form.</li> </ol> <p>The following provision shall be applicable with respect to investors having demat account and purchasing and redeeming mutual funds units through stock exchange brokers and Clearing members:</p> <ol style="list-style-type: none"> <li>Investors shall receive redemption amount (if units are redeemed) and units (if units are purchased) through broker/clearing member's pool account. Mirae Asset Mutual Funds (MF) ("the Mutual Fund")/ Mirae Asset Global Investments (India) Pvt. Ltd. ("the AMC") would 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 AMC/Mutual Fund into broker/clearing member's pool account (in case of purchase) and broker/clearing member in turn to the respective investor's demat account.</li> <li>Payment of redemption proceeds to the broker/clearing members by AMC/Mutual Fund shall discharge MF / AMC 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 MF/ AMC of its obligation to allot units to individual investor.</li> </ol> <p>Investors should note that Clearing members and Depository participants will be considered as official points of acceptance (OPA) in accordance with SEBI Circular No. SEBI/IMD/CIR No.11/78450/06 dated October 11, 2006 and conditions stipulated in SEBI Circular 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>Investors should get in touch with Investor Service Centres (ISCs) of Mirae Asset Mutual Fund for further details. All other terms and conditions of the facility will remain unchanged. The Trustee reserves the right to change/modify the features of this facility from a prospective date.</p>
<p><b>Third Party payments</b></p>	<p>Mirae Asset Mutual Fund has decided to restrict the acceptance of Third Party Payments with effect from November 15, 2010 (Effective Date) in accordance with AMFI guidelines. Accordingly third party payment instruments for subscriptions/ investments shall not be accepted by the AMC except in the following cases:</p> <ol style="list-style-type: none"> <li>Payment by Parents / Grand-Parents / Related Persons* on behalf of a minor in consideration of natural love and affection or as gift for a value not exceeding Rs. 50,000 for each regular purchase or per SIP installment; however this restriction will not be applicable for payment made by a guardian whose name is registered in the records of Mutual Fund in that folio.</li> <li>Payment by employer on behalf of employee under Systematic Investment Plan (SIP) facility or lump sum / one-time subscription through payroll deductions.</li> <li>Custodian on behalf of an FII or a Client.</li> </ol> <p>* 'Related Person' means any person investing on behalf of a minor in consideration of natural love and affection or as a gift.</p> <p>In cases a payment is covered under above exceptions, the following additional documents are also required to be mandatorily provided together with the Application Form:-</p> <ol style="list-style-type: none"> <li>Mandatory KYC Acknowledgment letter for all investors (guardian in case of minor) and the person making the payment i.e. third party.</li> <li>Submission of a separate, duly filed and valid 'Third Party Payment Declaration Form' from the investors (guardian in case of minor) and the person making the payment i.e. third party. The said form shall be available on the AMC Website/ at Investor Service Centres.</li> </ol> <p>Investors transacting through BSE StAR MF Platform under the electronic order collection system will have to comply with norms / rules as prescribed by Stock Exchange(s).</p> <p>In case the application for subscription is not in accordance with the above provisions, the AMC reserves the right to reject the application.</p> <p>For further details, investors are requested to kindly refer to the Statement of Additional Information (SAI) of Mirae Asset Mutual Fund.</p> <p><b>Safe Mode for Writing / Drawing Cheques :</b> In order to prevent fraudulent practices, it is recommended that the subscription payment instruments such as cheque/ demand draft/ pay order be drawn in the favour of scheme account followed by the name of the sole or 1st joint holder/ his PAN/ folio number.</p> <p>For e.g."ABC Scheme A/c Permanent Account Number" or "ABC Scheme A/c First Investor Name" or "ABC Scheme A/c-Folio Number".</p>

<p><b>Registration of multiple bank accounts</b></p>	<p>In compliance with AMFI Best Practice Guidelines Circular No. 17/10-11 dated October 22, 2010, Mirae Asset Mutual Fund (Fund) offers its unitholders, a facility to register more than one bank account with the Fund to receive redemption/ dividend proceeds. The unitholder may choose to receive the redemption/ dividend proceeds in any of the bank accounts, the details of which are registered under the said facility by specifying the necessary details in the “Bank Account Registration form” which will be available at our Investor Service Centers/ Registrar and Transfer Agents offices and on the website of the Fund. Individuals, HUFs, Sole proprietor firms can register upto five bank accounts and non-individual investor can register upto ten bank accounts in a folio. Any more bank accounts (over and above the maximum as specified herein) even if mentioned or provided, will not be registered unless accompanied by deletion request to delete any existing registered bank account(s).</p> <p>For the purpose of registration of bank account(s), investor should submit Bank Mandate Registration Form together with Cancelled cheque leaf in respect of bank account to be registered or if the bank account number on the cheque leaf is handwritten or the name is not printed on the face of the cheque, a copy of the bank statement/ pass book page with the Investors bank account number, name and address shall be provided.</p> <p>The unitholder can choose any one of the registered bank accounts as default bank account. However, in case a unitholder does not specify the default bank account, the fund reserves the right to designate any one of the registered bank accounts as a default bank account. Unitholder may also note that a third party payment is not used for mutual fund subscription.</p> <p>If unit holder(s) provide a new and unregistered bank mandate or a change of bank mandate request with specific redemption/ dividend payment request (with or without necessary supporting documents) such bank account may not be considered for payment or redemption/ dividend proceeds, or the Fund may withheld the payment for upto 10 calendar days to ensure validation of new bank mandate mentioned.</p> <p>The Fund/ Registrar and Transfer Agent (RTA) shall adopt the same process of verification for above registration as is applicable for a registration/change in bank mandate.</p>
<p><b>Recommendations made by National Institute of Securities Market (NISM) on mutual fund services processes &amp; AMFI vide its Best Practice Circular Guidelines dated February 9, 2011, regarding implementation of standardized guidelines in respect of the following cases w.e.f. April 1, 2011</b></p>	<p><b>I. Investments made on behalf of Minors:</b></p> <p><b>1. “On behalf of Minor” Accounts:</b></p> <p>The Asset Management Company (AMC)/ Registrar and Transfer Agent (RTA) shall follow the below mentioned guidelines in respect of the same:</p> <ol style="list-style-type: none"> <li>The minor shall be the first and the sole holder in the folio. No joint holder will be allowed in a folio where the minor is the first or sole holder.</li> <li>Guardian in the folio on behalf of the minor should either be a natural guardian (i.e. father or mother) or a court appointed legal guardian.</li> <li>The AMC/ RTA shall obtain photo copy of Birth Certificate or School Leaving Certificate or Higher Secondary Board marksheet or Passport or any other suitable proof of the date of birth of the minor, in case of natural guardian and supporting documentary evidence in case of court appointed legal guardian.</li> </ol> <p><b>2. Minor Attaining Majority – Status Change:</b></p> <p>The AMC/ RTA shall follow the below mentioned guidelines in respect of the same:</p> <ol style="list-style-type: none"> <li>Prior to minor attaining majority, AMC/RTA shall send an advance notice to the registered correspondence address advising the guardian and the minor to submit an application form along with prescribed documents to change the status to “Major”.</li> <li>Till such time the said application form along with the requisite documents from the ‘Major’ are received by the AMC/RTA, the guardian will not be able to undertake any financial and non-financial transactions including fresh registration of SIP/STP/SWP after the date of the minor attaining majority. However, the AMC/RTA shall continue to process the existing standing instructions like SIP/STP/SWP registered prior to the minor attaining majority till the time an instruction from the ‘Major’ to terminate the existing standing instruction is received by the mutual fund.</li> <li>The AMC would send communication through email and mobile alerts if email ids and mobile numbers are available to the investor for intimating the processes as laid out in point (a) &amp; (b) above.</li> <li>In case the documents pertaining to change in status are not received by the date when the minor attains majority, the account shall be frozen (i.e. for redemptions &amp; switch-outs, etc) for operation by the guardian</li> </ol>

	<p><b>3. Change in Guardian:</b></p> <p>The AMC/ RTA shall register change in guardian either due to mutual consent or demise of existing guardian, subject to submission of various documents, including Bank attestation attesting the signature of the new guardian in a bank account of the minor and KYC Acknowledgment letter of the new guardian. The new guardian must be a natural guardian (i.e. father or mother) or a court appointed legal guardian.</p> <p>Investors are requested to refer the NISM recommendations &amp; AMFI Best Practice circular dated February 9, 2011 uploaded on our website <a href="http://www.miraeassetmf.co.in">www.miraeassetmf.co.in</a>, for the list of documents required in respect of change in guardian.</p> <p><b>II. Nomination Facility:</b></p> <p>The AMC/RTA shall follow the below mentioned guidelines in respect of the same:</p> <ol style="list-style-type: none"> <li>Nomination shall be mandatory for new folios/ accounts opened with sole/ single holding. Investors who do not wish to nominate must sign separately/indicate on the Application Form confirming their non-intention to nominate.</li> <li>Nomination shall be applicable for investments in all the Schemes in the folio or account.</li> <li>Nomination should be maintained at the folio or account level and should be applicable for investments in all schemes in the folio or account.</li> <li>All joint holders shall sign nomination/ cancellation of nomination form, irrespective of the mode of holding.</li> <li>Nomination form cannot be signed by Power of attorney (POA) holders and every new nomination shall overwrite the existing nomination in the folio/ account.</li> <li>Nomination shall not be allowed in a folio/ account held on behalf of a minor.</li> </ol> <p><b>III. Transmission Facility:</b></p> <ol style="list-style-type: none"> <li>Investors/ Unitholders are requested to refer the “Transmission Documents Matrix – Ready Reckoner” mentioned under Download section of our website <a href="http://www.miraeassetmf.co.in">www.miraeassetmf.co.in</a>, for ready reference of the various documents required under different scenarios of Transmission as mentioned below: <ul style="list-style-type: none"> <li>➤ To surviving unitholders in case of death of one or more unitholders;</li> <li>➤ To registered nominee(s) in case of death of sole or all unitholders;</li> <li>➤ To claimant(s) where nominee is not registered in case of death of sole or all unitholders;</li> <li>➤ Transmission in case of HUF due to death of Karta.</li> </ul> </li> <li>A copy of PAN or another proof of identity of nominee(s)/ claimant(s) may not be required if KYC issued by CVL is made available.</li> <li>In the event of transmission of units in favour of the minor, various documents like KYC, PAN, Bank details, indemnity etc should be of the guardian of the minor.</li> <li>The Fund/ AMC/ RTA may seek additional documents, if the amount of transmission is Rs. One Lakh and above, on a case to case basis. Investors/ Unitholders are requested to refer the Matrix, referred in point (a) above.</li> </ol> <p>The Fund/ AMC/ RTA may seek additional documents, apart from those mentioned in each of the above cases. Investors are requested to refer National Institute of Securities Market (NISM) guidelines on select mutual fund services processes &amp; AMFI vide its Best Practice Circular Guidelines dated February 9, 2011, on our website <a href="http://www.miraeassetmf.co.in">www.miraeassetmf.co.in</a>, for the list of prescribed documents required in respect of abovementioned cases and any other clarifications on the same.</p>
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### C. PERIODIC DISCLOSURES

Particulars	For all the schemes		
<b>Net Asset Value</b> 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 Mutual Fund shall declare the Net Asset Value of the Scheme on every business day on AMFI's website www.amfiindia.com by 9.00 pm for MAIOF, MAGCSF, MAEBF & MAICCF and by 10.00 am of the following business day for MACAF and also on the website www.miraeassetmf.co.in Investors may obtain NAV information on any Business Day by calling the office of the AMC or any of the Investor Service Centers.		
<b>Half yearly Disclosures : Portfolio / Financial Results</b> This is list of securities where the corpus of the scheme is currently invested. The market value of these investments is also slated 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.		
<b>Half Yearly Results</b>	The unaudited financial results will be published through an advertisement in one English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Registered Office of the Trustee is situated, before the expiry of one month from the close of each half year, that is the 31st of March and the 30th of September. The same will also be posted on the website of the Fund and that of AMFI.		
<b>Annual Report</b>	An annual report of the Scheme or an abridged format thereof will be prepared as at the end of each financial year (March 31) and copies of the same will be mailed to all Unit Holders as soon as possible but not later than 4 months from the closure of the relevant financial year. If the report is mailed in a summary form, the full report will be available for inspection at the registered office of the Trustee and a copy thereof on request to the Unit Holders on payment of a nominal fee.		
<b>Associate Transactions</b>	Please refer to Statement of Additional Information (SAI).		
<b>Taxation (for MAIOF, MAEBF &amp; MAICCF)</b> 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/ authorized dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes		<b>Resident Investors</b>	<b>Mutual Funds</b>
	Equity Schemes		
	Tax on Dividend or dividend distribution tax	Nil	Nil
	Capital Gains		
	Long Term	Nil	Nil
	Short Term	15%	Nil
	For further details on taxation please refer to the clauses on Taxation in SAI.		
<b>Taxation for (for MAGCSF, &amp; MACAF)</b> 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/authorized dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.		<b>Resident Investors</b>	<b>Mutual Funds</b>
	Equity Schemes (Overseas Investments)		
	Tax on Dividend or dividend distribution tax	Nil	(i) For Individuals and HUF: 12.50% + 5% Surcharge + 3% Education Cess = effective rate is 13.52% (ii) Others: 30% + 5% Surcharge + 3% Education Cess = effective rate is 32.45%

	Capital Gains		
	Long Term	10% (without indexation) 20% (with indexation)	Nil
	Short Term	At Marginal Rate	N. A.
	Equity scheme will also attract securities transaction tax (STT) at applicable rates. For further details on taxation please refer to the clauses on taxation in SAI.		
<b>Investor Services</b>	<b>Mr. Girish Dhanani</b> <b>Mirae Asset Mutual Fund,</b> 606, 6th Floor, Windsor Bldg, off CST Road, Kalina, Santacruz (E), Mumbai - 400 098. Telephone Nos.: 6780 0300 / 25 e-mail: dhanani.girish@miraeassetmf.co.in Investors are advised to contact any of the ISCs or the AMC by calling the investor line of the AMC at “1800 1020 777 “ (toll-free from a MTNL / BSNL landline) or 44227777 (at local call rate from your mobile phone prefixing the local city code or non - MTNL / BSNL landline) to know the latest position on Entry / Exit Load structure prior to investing. Investors can also visit the website at <a href="http://www.miraeassetmf.co.in">www.miraeassetmf.co.in</a> , for complete details.		

#### **D. COMPUTATION OF NAV**

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

NAV of Units under the Scheme or the Options there under can be calculated as shown below:

$$\text{NAV} = \frac{(\text{Market or Fair Value of Scheme's investments} + \text{Current assets including Accrued Income} - \text{Current Liabilities and provisions including accrued expenses})}{\text{No. of Units outstanding under the Scheme/Option.}}$$

In case of MAIOF, MAGCSF, MAEBF and MAICCF, the NAV and the sale and repurchase prices of the Units will be calculated and announced at the close of each working day and in case of MACAF, the NAV and the sale and repurchase prices of the Units will be calculated and announced by 10.00 am the following business day. The NAVs of all the Schemes will be computed and units will be allotted upto 3 decimals.

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

The NAV calculated as above and Sale/Repurchase rates of units will be published in two news papers on a daily basis, by way of press release / advertisement. The Fund also updates the NAV, Sale / Repurchase rates on AMFI /MF website on every business day. In addition, the NAV, Sale and Repurchase rates for all business days, will be available at our ISCs.

Computation of NAV will be done after taking into account dividends paid, if any, and the distribution tax thereon, if applicable. Therefore, once dividends are distributed under the Dividend Option, the NAV of the Units under the Dividend Option would always remain lower than the NAV of the Units issued under the Growth Option. The income earned and the profits realized in respect of the Units issued under the Growth Option remain invested and are reflected in the NAV of the Units.

Due to difference in time zones of different markets, in case the closing prices of securities are not available within a given time frame to enable the AMC to upload the NAVs for a Valuation Day, the AMC may use the last available traded price for the purpose of valuation. The use of the closing price / last available traded price for the purpose of valuation will also be based on the practice followed in a particular market. In case any particular security is not traded on the Valuation Day, the same shall be valued on a fair value basis by the Valuation Committee of the AMC.

#### **Foreign Securities (In case of MAGCSF, MACAF & MAICCF)**

On the Valuation Day, the securities issued outside India and listed on the stock exchanges outside India shall be valued at the closing price on the stock exchange at which it is listed or at the last available traded price. However in case a security is listed on more than one stock exchange, the AMC reserves the right to determine the stock exchange, the price of which would be used for the purpose of valuation of that security.

Further in case of extreme volatility in the international markets, the securities listed in those markets may be valued on a fair value basis. Due to difference in time zones of different markets, in case the closing prices of securities are not available within a given time frame to enable the AMC to upload the NAVs for a Valuation Day, the AMC may use the last available traded price for the purpose of valuation. The use of the closing price / last available traded price for the purpose of valuation will also be based on the practice followed in a particular market. In case any particular security is not traded on the Valuation Day, the same shall be valued on a fair value basis by the Valuation Committee of the AMC.

On the Valuation Day, all assets and liabilities denominated in foreign currency will be valued in Indian Rupees at the exchange rate available on Bloomberg / Reuters / RBI or any other standard reference rate at the close of banking hours in India. The Trustees reserve the right to change the source for determining the exchange rate. The exchange gain / loss resulting from the aforesaid conversion shall be recognized as unrealized exchange gain / loss in the books of the Scheme on the day of valuation. Further, the exchange gain / loss resulting from the settlement of assets / liabilities denominated in foreign currency shall be recognized as realized exchange gain / loss in the books of the scheme on the settlement of such assets / liabilities.

## SECTION V - 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 sale and distribution fees paid marketing and advertising, registrar expenses, printing and stationery, bank charges etc.

In accordance with SEBI circular dated June 30, 2009, Empowering investors through transparency in payment of commission and load structure, the investors shall decide the commission paid to distributors in accordance with the level of service received, to bring about more transparency in payment of commissions and to incentivise long term investment, it has been decided that:

- There shall be no entry load for all mutual fund schemes.
- The upfront commission shall be paid by the investor directly to the distributor, based on his assessment of various factors including the service rendered by the distributor.

The above shall be applicable for:

- Investments in mutual fund schemes (including additional purchases and switch-in to a scheme from other schemes) with effect from August 1, 2009;
- New mutual fund schemes launched on and after August 1, 2009; and
- Systematic Investment Plans (SIP) registered on or after August 1, 2009.
- In Terms of SEBI circular No. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009 read with AMFI circular dated July 21, 2009, Systematic Transfer Plan (STP) shall be treated on par with SIP and no entry load shall be charged on STP registered on or after August 1, 2009.

### B. ANNUALSCHEME RECURRING EXPENSES (FOR MAIOF, MAGCSF, MAEBF & MAICCF)

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:

Daily Average Net Assets	Maximum as a % of daily average net assets
First 100 Crores	1.25%
Balance Assets	1.00%

The AMC has estimated that upto 2.50% of the weekly/daily average net assets of the scheme will be charged to the scheme as expenses. As per the Regulations, the maximum recurring expenses including investment management and advisory fee that can be charged to the Scheme shall be subject to a percentage limit of weekly/daily average net assets as in the table below:

First Rs. 100 crores	Next Rs. 300 crores	Next Rs. 300 crores	Balance
2.50%	2.25%	2.00%	1.75%

#### In case of MACAF:

As per SEBI circular no MFD/CIR No. 04/11488/2003 dated June 12, 2003, in case of Funds of Fund scheme the investors bear the recurring expenses of the Scheme in addition to the expenses of the underlying schemes in which the Funds of Fund makes an investment.

Accordingly, the total expenses of the Scheme, being a fund of funds scheme, including the investment management and advisory fee, shall not exceed 0.75% of the daily or weekly average net assets. These expenses are over and above the expenses charged by the underlying scheme.

The management fees and other expenses charged by the Mirae Asset China Advantage fund including the management fees and recurring expenses charged by overseas mutual fund will be within the overall limit on expenses as prescribed under Regulation 52(6).

The recurring expenses of operating the Scheme on an annual basis, which shall be charged to the Scheme, are estimated to be as follows (each as a percentage per annum of the daily average net assets)

<b>Nature of Expense</b>	<b>Retail Plan (In case of MAIOF, MAGCSF, MAEBF &amp; MAICCF)</b>	<b>Institutional Plan (In case of MAIOF)</b>
Investment Management & Advisory Fee	1.25	1.25
Custodial Fees	0.02	0.02
Registrar & Transfer Agent Fees including cost related to providing accounts statement, dividend/redemption cheques/ warrants etc.	0.13	0.13
Marketing & Selling Expenses including Agents Commission and statutory advertisement	0.10	0.10
Brokerage & Transaction Cost pertaining to the distribution of units	0.75	0.25
Audit Fees / Fees and expenses of trustees	0.15	0.15
Costs related to investor communications	0.05	0.05
Costs of fund transfer from location to location	0.02	0.02
Other Expenses*	0.03	0.03
<b>Total Recurring Expenses</b>	<b>Upto 2.50</b>	<b>Upto 2.00</b>

**In case of MACAF:**

As per SEBI circular no MFD/CIR No. 04/11488/2003 dated June 12, 2003, in case of Funds of Fund scheme the investors bear the recurring expenses of the Scheme in addition to the expenses of the underlying schemes in which the Funds of Fund makes an investment.

Accordingly, the total expenses of the Scheme, being a fund of funds scheme, including the investment management and advisory fee, shall not exceed 0.75% of the daily or weekly average net assets. These expenses are over and above the expenses charged by the underlying scheme.

The management fees and other expenses charged by the Mirae Asset China Advantage fund including the management fees and recurring expenses charged by overseas mutual fund will be with in the overall limit on expenses as prescribed under Regulation 52(6).

The total recurring expenses of the Mirae Asset China Advantage Fund (MACAF) including the management fees shall be:-

- (A) management fees for the scheme not exceeding 0.75% of the daily or weekly average net assets;
- (B) other expenses relating to administration of the scheme; and
- (C) charges levied by the underlying schemes:

Provided that the sum total of (A), (B) and the weighted average of the total expense ratio of the underlying schemes shall not exceed 2.50% of the daily or weekly average net assets of the scheme.

Thus, the total recurring expenses of Mirae Asset China Advantage Fund on an annual basis, which shall be charged to the scheme, are estimated to be as follows (each as a percentage of per annum of the daily average net assets):

Particulars	% p.a. of daily average net assets
Investment Management & Advisory Fee	0.75
Custodial Fees	0.01
Registrar & Transfer Agent Fees including cost related to providing accounts statement, dividend/redemption cheques/warrants etc.	0.05
Marketing & Selling Expenses including Agents Commission and statutory advertisement/ cost related to investor communications	0.07
Brokerage & Transaction Cost pertaining to the distribution of units	0.55
Audit Fees / Fees and expenses of trustees	0.02
Costs related to investor communications	0.04
Costs of fund transfer from location to location	0.005
Charges levied by the underlying scheme i.e. Mirae Asset China Sector Leader Equity Fund (MACSLEF) or any other underlying scheme	1.00
<b>Other Expenses*</b>	<b>0.005</b>
<b>Total Recurring Expenses</b>	<b>2.50</b>

#### COMMON FOR ALL THE SCHEMES

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

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

The purpose of the above table is to assist the investor in understanding the various costs and expenses that an investor in the Scheme will bear directly or indirectly. While this estimate has been made in good faith on the basis of information available with the Fund, there can be no assurance that actual expense, under any particular head will not be more or less than such estimate. The AMC reserves the rights to revise the fees payable to the service providers from time to time. The total expenses, however, will be maintained within the limits mentioned under Regulation 52 (6) of SEBI Regulations.

Subject to the overall ongoing fees and expenses which would be charged to the Scheme not exceeding the limit laid down under Regulation 52(6) [as reproduced above], the AMC may at its discretion charge to the Scheme the Government levies in the form of any charges or applicable taxes including applicable surcharge either presently payable or which may be imposed in future. Currently, the Government has imposed Service Tax of 10.30% on the Management and Trustee Fees (including education cess) on Service Tax which would be charged to the Scheme subject to the overall expenses charged to the Scheme do not exceed the limits laid down under Regulation 52(6).

Further, as and when permitted by SEBI, the AMC may charge a higher fee. However, revision in fee charged shall be within the SEBI Regulations at all times.

#### C. LOAD STRUCTURE

Load is an amount which is paid by the investor to subscribe to the units or to redeem from the scheme. This amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time.

Investors are advised to contact any of the ISCs or the AMC by calling the investor line of the AMC at “1800 1020 777 “ (toll-free from a MTNL / BSNL landline) or 44227777 (at local call rate from your mobile phone prefixing the local city code or non - MTNL / BSNL landline) to know the current applicable load structure prior to investing. Investors can also visit the website at [www.miraeassetmf.co.in](http://www.miraeassetmf.co.in), for complete details.

Entry Load for Each Purchase	Load (% of Rs 10 or Applicable NAV as the case may be)
“In terms of SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor effective August 1, 2009. Upfront commission shall be paid directly by the investor to the AMFI registered Distributors based on the investors’ assessment of various factors including the service rendered by the distributor”.	

Exit Load for Each Redemption	Load (% of Applicable NAV)
Any Amount (Including Systematic Withdrawal Plan/ Systematic Investment Plan/ Systematic Transfer Plan applications)	
Redemption within 1 year (365 days) from the date of allotment	1.00%
Redemption after 1 year (365 days) from the date of allotment	NIL

No exit load is chargeable in case of switches made between different options of schemes, subject to regulations, the Trustee retains the right to change/impose an Exit Load. A Switch-Out/Withdrawal under SWP will also attract an exit load like any redemption. Exit load is applicable for all the Plans/Options under the Scheme by applying First in First Out basis No Exit Load is chargeable in case of switches made between different Sub-options of the same plan.

As per SEBI/IMD/CIR No. 14/120784/08 dated March 18, 2009 and SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, no exit load would be charged on Bonus units and of units allotted on reinvestment of Dividend.

#### Entry load

In accordance with the requirements specified by the SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009 no entry load will be charged with respect to applications for purchase / additional purchase / switch-in accepted by the Fund with effect from August 01, 2009.

Similarly, no entry load will be charged with respect to applications for registrations under systematic investment plans/ systematic transfer plans accepted by the Fund with effect from August 01, 2009.

The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

#### Exit load/ Contingent deferred sales charge ("CDSC")

With effect from August 01, 2009, exit load/ CDSC (if any) up to 1% of the redemption value charged to the unit holder by the Fund on redemption of units shall be retained by each of the schemes/ plans in a separate account and will be utilized for payment of commissions to the ARN Holder and to meet other marketing and selling expenses.

Any amount in excess of 1% of the redemption value charged to the unit holder as exit load/ CDSC shall be credited to the respective scheme/ plan immediately.

The above provisions shall be applicable on a prospective basis, effective from August 1, 2009.

A Switch-Out/Withdrawal under SWP will also attract an exit load like any redemption. Exit load is applicable for all the Plans/ Options under the Scheme by applying First in First Out basis No Exit Load is chargeable in case of switches made between different Sub-options of the same plan.

#### COMMON FOR ALL THE SCHEMES

As per SEBI/IMD/CIR No. 14/120784/08 dated March 18, 2008, no load would be charged on Bonus units and of units allotted on reinvestment of Dividend.

As per SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009, of the exit load or CDSC charged to the investor, a maximum of 1% of the redemption proceeds shall 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 shall be credited to the scheme immediately.

The distributors should disclose all the commissions (in the form of trail commission or any other mode) payable to them for the different competing schemes of various mutual funds from amongst which the scheme is being recommended to the investor.

The above shall be applicable on prospective basis with effect from August 1, 2009:

#### Entry load

In accordance with the requirements specified by the SEBI circular

no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009 no entry load will be charged with respect to applications for purchase / additional purchase / switch-in accepted by the Fund with effect from August 01, 2009.

Similarly, no entry load will be charged with respect to applications for registrations under systematic investment plans/ systematic transfer plans accepted by the Fund with effect from August 01, 2009.

The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

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.

The Mutual Fund may charge the load within the stipulated limit of 7% and without any discrimination to any specific group. The Repurchase Price however, will not be lower than 93% of the

NAV, and the Sale Price will not be higher than 107% of the NAV, provided that the difference between the Repurchase 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.

All Loads are intended to enable the AMC to recover expenses incurred for promotion or distribution and sales of the Units of the Scheme. The Fund/AMC shall retain the load, in the Scheme in a separate account and use it to cover the cost of raising/redeeming units on a continuous basis by way of providing redemption/distribution related services to the Fund relating to the sale, promotion, advertising and marketing of the units of the Scheme and costs associated with liquidating the Fund's investment securities, including payments for postage and also payments to brokers for their services in connection with the redemption/distribution of the units. Surplus of load, if any, charged over planned marketing and distribution expenses will be credited to the respective plans whenever felt appropriate by the AMC.

The Trustee reserves the right to modify/alter the load structure and may decide to charge an entry load/exit load or a combination of entry/exit loads or introduce a differential load structure on the Units with prospective effect, subject to the maximum limits as prescribed under the SEBI Regulations. At the time of changing the load structure, the AMC shall take the following steps:

- The addendum detailing the changes shall be attached to Scheme Information Documents and Key Information Memoranda. The addendum will be circulated to all the distributors so that the same can be attached to all Scheme Information Documents and Key Information Memoranda already in stock. The addendum shall also be sent along with the newsletter sent to the unitholders immediately after the changes.
- Arrangements shall be made to display the changes/modifications in the Scheme Information Document in the

form of a notice in all the Mirae Asset ISCs' and distributors' offices.

- The introduction of the exit load/ CDSC along with the details shall 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.
- 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.
- The Fund shall arrange to display a notice in the Mirae Asset ISCs' at least 1 (one) day before the change of the then prevalent load structure.

The AMC may change the load from time to time and in case of an exit/repurchase load this may be linked to the period of holding, while in case of entry load this may be linked to the amount of investment. The load charged could also be different as regards the amount/tenor of investment, etc. It may be noted that any such change in the load structure shall be applicable on prospective investment only.

All Loads are intended to enable the AMC to recover expenses incurred for promotion or distribution and sales of the Units of the Scheme. The Fund/AMC shall retain the load, in the Scheme in a separate account and use it to cover the cost of raising/redeeming units on a continuous basis by way of providing redemption/distribution related services to the Fund relating to the sale, promotion, advertising and marketing of the units of the Scheme and costs associated with liquidating the Fund's investment securities, including payments for postage and also payments to brokers for their services in connection with the redemption/distribution of the units. Surplus of load, if any, charged over planned marketing and distribution expenses will be credited to the respective plans whenever felt appropriate by the AMC.



**D. WAIVER OF ENTRY LOAD AND PAYMENT OF COMMISSION AND LOAD STRUCTURE: (common for all the scheme(s))**

**Entry load**

In accordance with the requirements specified by the SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009 no entry load will be charged with respect to applications for purchase / additional purchase / switch-in accepted by the Fund with effect from August 01, 2009.

Similarly, no entry load will be charged with respect to applications for registrations under systematic investment plans/ systematic transfer plans accepted by the Fund with effect from August 01, 2009.

The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

**Exit load/ Contingent deferred sales charge ("CDSC")**

With effect from August 01, 2009, exit load/ CDSC (if any) up to 1% of the redemption value charged to the unit holder by the Fund on redemption of units shall be retained by each of the schemes/ plans in a separate account and will be utilized for payment of commissions to the ARN Holder and to meet other marketing and selling expenses.

Any amount in excess of 1% of the redemption value charged to the unit holder as exit load/ CDSC shall be credited to the respective scheme/ plan immediately.

The above provisions shall be applicable on a prospective basis, effective from August 1, 2009.

The list of official collection points for depositing forms is available on the website of the AMC.

**SECTION VI - RIGHTS OF UNITHOLDERS (common for all the schemes)**

Please refer to SAI for details

**SECTION VII - PENALTIES AND PENDING LITIGATION (common for all the schemes)**

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.: None
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 default with respect to share holders or debenture holders and depositors or 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.: None

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 the 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.: None
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.: None
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.: None

*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.*

**THE TERMS OF THE SCHEME WERE APPROVED BY THE TRUSTEE VIDE A CIRCULAR RESOLUTION ON 7TH DECEMBER, 2007, 16TH APRIL, 2008, 8TH JUNE, 2009, 1ST SEPTEMBER, 2009 & 15TH MARCH, 2010 FOR MAIOF, MAGCSF, MACAF, MAEBF & MAICCF RESPECTIVELY. THE TRUSTEES HAVE ENSURED THAT THE SCHEMES APPROVED ARE NEW PRODUCTS OFFERED BY MIRAE ASSET MUTUAL FUND AND IS NOT A MINOR MODIFICATION OF THE EXISTING SCHEMES.**

For and on behalf of the Board of Directors of

**Mirae Asset Global Investments (India) Private Limited**  
**(Asset Management Company for Mirae Asset Mutual Fund)**

Sd/-

**Arindam Ghosh**  
Director & Chief Executive Officer

Place : Mumbai  
Date : June 27, 2011

## **SCHEME INFORMATION DOCUMENT COMBINED SID - DEBT**

### ***Open Ended Liquid Funds***

**MIRAE ASSET LIQUID FUND (MALF)  
MIRAE ASSET CASH MANAGEMENT FUND (MACMF)**

### ***Open Ended Debt Funds***

**MIRAE ASSET ULTRA SHORT TERM BOND FUND (MAUSTBF)  
MIRAE ASSET SHORT TERM BOND FUND (MASTBF)**

### ***An Open Ended Gilt Funds***

**MIRAE ASSET GILT FUND - INVESTMENT PLAN (MAGF-IP)  
MIRAE ASSET GILT FUND - SAVINGS PLAN (MAGF-SP)**

**(Continuous offer for units at NAV based prices)**

## **Mirae Asset Mutual Fund**

Investment Manager:

**Mirae Asset Global Investments (India) Private Limited**

Trustee:

**Mirae Asset Trustee Company Private Limited**

### **Registered & Corporate Office:**

Unit No.606, Windsor Building, Off. C.S.T Road, Kalina, Santacruz (East), Mumbai – 400098.

Tel. No.: 022-678 00 300 • Fax No.: 022- 6725 3940 - 47

Website: [www.miraeassetmf.co.in](http://www.miraeassetmf.co.in) • E-mail: [miraeasset@miraeassetmf.co.in](mailto:miraeasset@miraeassetmf.co.in)

The particulars of the Scheme have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (hereinafter referred to as SEBI (Mutual Funds) Regulations) as amended till date and filed with SEBI, along with Due Diligence Certificate from the Asset Management Company. 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 MIRAE ASSET LIQUID FUND / MIRAE ASSET ULTRA SHORT TERM BOND FUND / MIRAE ASSET CASH MANAGEMENT FUND / MIRAE ASSET GILT FUND – INVESTMENT PLAN & SAVINGS PLAN/ MIRAE ASSET SHORT TERM BOND FUND (MASTBF) that a prospective investor ought to know before investing. The investor should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund/ InvestorServiceCenters/ Website/ Distributors or Brokers.

The Investors are advised to refer to the Statement of Additional Information (SAI) for details of Mirae Asset Mutual Fund, Tax and Legal issues and general information on [www.miraeassetmf.co.in](http://www.miraeassetmf.co.in)

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 long on to our website.

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

This Scheme Information Document is dated 20th August, 2011.

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### HIGHLIGHTS/SUMMARY OF THE SCHEMES

SR. No.	HIGHLIGHTS OF THE SCHEME	MIRAE ASSET LIQUID FUND	MIRAE ASSET ULTRA SHORT TERM BOND FUND	MIRAE ASSET CASH MANAGEMENT FUND	MIRAE ASSET GILT FUND	MIRAE ASSET SHORT TERM BOND FUND
1	<b>Type of scheme</b>	An open ended liquid scheme	An open ended debt scheme	An open ended liquid scheme	An open ended gilt scheme	An open ended debt scheme
2	<b>Investment Objective</b>	The investment objective of the scheme is to seek to generate reasonable returns with low volatility and higher liquidity through a portfolio of debt and money market instruments. The Scheme does not guarantee any returns.	The investment objective of the scheme is to seek to generate returns with low volatility and higher liquidity through a portfolio of debt and money market instruments. The Scheme does not guarantee any returns.	The investment objective of the scheme is to seek to generate returns linked to short end rates like MIBOR and CBLO etc. and provide higher liquidity by investing in a portfolio of debt and money market instruments. The Scheme does not guarantee any returns.	<p><b>(a) Investment Plan:</b> The investment objective of the scheme is to seek to generate returns commensurate with low credit risk by predominantly investing in the portfolio comprising of sovereign securities issued and guaranteed by Central and State Government with residual maturity ranging from 1 year to 20 years or higher. The average portfolio maturity duration of the plan will exceed 4 years. The Scheme may also invest in money market instruments which include but is not limited to treasury bills, CBLO, repo/reverse repo and any other like instruments.</p> <p><b>(b) Savings Plan:</b> The investment objective of the scheme is to seek to generate returns commensurate with low credit risk by predominantly investing in the portfolio comprising of short to medium term Government securities guaranteed by Central and State Government with an average portfolio maturity duration not exceeding 5 years. The Scheme may also invest in money market instruments which include but is not limited to treasury bills, CBLO, repo/reverse repo and any other like instruments.</p> <p><b>The Scheme does not guarantee any returns.</b></p>	The investment objective of the scheme is to seek to generate returns through an actively managed diversified portfolio of debt and money market instruments. There is no assurance OR guarantee of any returns
3	<b>Plans Available</b>	Regular, Institutional & Super Institutional Plan	Regular, Institutional & Super Institutional Plan	Regular plan	Investment & Saving Plan	Regular & Institutional Plan

SR. No.	HIGHLIGHTS OF THE SCHEME	MIRAE ASSET LIQUID FUND	MIRAE ASSET ULTRA SHORT TERM BOND FUND	MIRAE ASSET CASH MANAGEMENT FUND	MIRAE ASSET GILT FUND	MIRAE ASSET SHORT TERM BOND FUND
4	<b>Options Available</b>	Growth, Bonus and Dividend.	Growth, Bonus and Dividend.	Growth, Bonus and Dividend.	Regular Sub-plan, Institutional Sub-plan, Bonus Sub-plan & Provident Fund Sub-plan.	Growth and Dividend.
5	<b>Minimum Application Amount (First Purchase)</b>	<p><b>(i) Regular Plan</b> –Rs. 5,000/- and in multiples of Re. 1/- thereafter</p> <p><b>(ii) Institutional Plan</b> –Re. 1 Crore and in multiples of Re.1/- thereafter.</p> <p><b>(iii) Super Institutional Plan</b> –Rs. 10 Crores and in multiples of Re.1/- thereafter.</p>	<p><b>(i) Regular Plan</b> –Rs. 5,000/- and in multiples of Re. 1/- thereafter</p> <p><b>(ii) Institutional Plan</b> –Re. 1 Crore and in multiples of Re.1/- thereafter.</p> <p><b>(iii) Super Institutional Plan</b> –Rs. 5 Crores and in multiples of Re.1/- thereafter.</p>	<b>Purchase :</b> Rs. 5000.00 and in multiples of Re. 1/- thereafter	<p><b>(i) Regular Sub-plan</b> - Rs. 5,000/- and in multiples of Re. 1/- thereafter.</p> <p><b>(ii) Institutional Sub-plan</b> - Rs. 10,00,000 and in multiples of Re.1/- thereafter.</p> <p><b>(iii) Bonus Sub-plan :</b> Rs. 5000 per application and in multiples of Re. 1 thereafter.</p> <p><b>(iv) Provident Fund Sub-plan :</b> Rs. 10,000 per application and in multiples of Re. 1 thereafter.</p>	<p><b>(i) Regular Plan</b> –Rs. 5,000/- and in multiples of Re. 1/- thereafter</p> <p><b>(ii) Institutional Plan</b> –Rs. 10 Lakhs and in multiples of Re.1/- thereafter.</p>
6	<b>Minimum Additional Application Amount (Subsequent Purchase)</b>	<p><b>(i) Regular Plan</b> –Rs.1,000 and in multiples of Re.1/- thereafter.</p> <p><b>(ii) Institutional Plan</b> –Rs. 1 lakh and in multiples of Re.1/- thereafter.</p> <p><b>(iii) Super Institutional Plan</b> –Rs. 10 lakhs and in multiples of Re.1/- thereafter.</p>	<p><b>(i) Regular Plan</b> –Rs.1000 and in multiples of Re.1/- thereafter.</p> <p><b>(ii) Institutional Plan</b> –Rs. 1 lakh and in multiples of Re.1/- thereafter.</p> <p><b>(iii) Super Institutional Plan</b> –Rs. 10 lakhs and in multiples of Re.1/- thereafter.</p>	<b>Additional Purchase:</b> Rs.1000 and in multiples of Re.1/- thereafter.	<p><b>(i) Regular Sub-Plan</b> – Rs.1000 and in multiples of Re.1/- thereafter.</p> <p><b>(ii) Institutional Sub-Plan</b> –Rs. 1000 and in multiples of Re.1/- thereafter.</p> <p><b>(iii) Super Institutional Sub-Plan</b> –Rs. 1000 and in multiples of Re.1/- thereafter.</p> <p><b>(iv) Provident Fund Sub-plan:</b> Rs. 1000 and in multiples of Re.1/- thereafter.</p>	<p><b>(i) Regular Plan</b> –Rs.1000 and in multiples of Re.1/- thereafter.</p> <p><b>(ii) Institutional Plan</b> –Rs. 10,000 and in multiples of Rs.1/- thereafter.</p>
7	<b>Minimum Redemption Amount</b>	Rs. 1000 and in multiples of Re.1 thereafter or 5 units, whichever is lower.	Rs. 1000 and in multiples of Re.1 thereafter or 5 units, whichever is lower.	Rs. 1000.00 and in multiples of Re. 1/- thereafter or 5 units whichever is lower	Rs. 1000 and in multiples of Re.1 thereafter or 100 units, whichever is lower.	Rs. 1000 and in multiples of Re.1 thereafter or 100 units, whichever is lower.
<b>The proceeds shall be dispatched to the unitholders within 10 working days from the date of redemption or repurchase.</b>						
8	<b>Minimum installment for SIP</b>	N. A.	Rs. 1000 in case of Monthly Option and Rs.1500 in case of Quarterly Option.	N. A.	N. A.	Rs. 1000 in case of Monthly Option and Rs.1500 in case of Quarterly Option.

SR. No.	HIGHLIGHTS OF THE SCHEME	MIRAE ASSET LIQUID FUND	MIRAE ASSET ULTRA SHORT TERM BOND FUND	MIRAE ASSET CASH MANAGEMENT FUND	MIRAE ASSET GILT FUND		MIRAE ASSET SHORT TERM BOND FUND	
9	Minimum installment for SWP and STP	Applicable for all schemes except MAGF: <b>In case of STP:</b> Options Available and Minimum Amount: Daily Option, Weekly Option, Fortnightly Option, Monthly Option: Minimum 6 transfers of Rs. 1,000/- each and above, Quarterly Option: Minimum 4 transfers of Rs. 1,500/- each and above. <b>In case of SWP (for regular plan only):</b> Investors can withdraw fixed amount of Rs. 1,000/- each and above at regular intervals.						
10	Entry Load	<b>NIL for all schemes.</b> “In terms of SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor effective August 1, 2009. Upfront commission shall be paid directly by the investor to the AMFI registered Distributors based on the investors’ assessment of various factors including the service rendered by the distributor”.						
11	Exit Load	Nil	Nil	Nil	For Each Purchase Type	Load	For Each Purchase Type	Load
					Savings Plan		Regular Plan	0.15% if redeemed within 15 days from the date of allotment. (Including STP/STP/ SWP)
					Regular	NIL		
					Institutional	NIL		
					Bonus	NIL		
					Provident Fund	NIL		
					For Each Purchase Type	Load	Institutional Plan	
					Investment Plan			
					Regular	0.15% if redeemed within 15 days from the date of allotment.		
					Institutional Plan			
					Bonus			
					Provident Fund			

**Applicable for MALF, MAUSTBF, MASTBF, MACMF:**

Switch-In and Switch-Outs are considered as Purchase and redemption, the exit loads will be charged accordingly, if levied, from time to time. A Switch-Out/Withdrawal under SWP will also attract an exit load like any redemption. Exit load is applicable for all the Plans/Options under the Scheme by applying First in First Out basis. No Load is chargeable in case of switches made between different Sub-options of the same plan.

As per SEBI/IMD/CIR No. 14/120784/08 dated March 18, 2008, no load would be charged on Bonus units and of units allotted on reinvestment of Dividend.

**Exit load/ Contingent deferred sales charge ("CDSC") (For All schemes)**

With effect from August 01, 2009, exit load/ CDSC (if any) up to 1% of the redemption value charged to the unit holder by the Fund on redemption of units shall be retained by each of the schemes/ plans in a separate account and will be utilized for payment of commissions to the ARN Holder and to meet other marketing and selling expenses.

Any amount in excess of 1% of the redemption value charged to the unit holder as exit load/ CDSC shall be credited to the respective scheme/ plan immediately.

The above provisions shall be applicable on a prospective basis, effective from August 1, 2009.

SR. No.	HIGHLIGHTS OF THE SCHEME	MIRAE ASSET LIQUID FUND	MIRAE ASSET ULTRA SHORT TERM BOND FUND	MIRAE ASSET CASH MANAGEMENT FUND	MIRAE ASSET GILT FUND	MIRAE ASSET SHORT TERM BOND FUND
12	<b>Liquidity</b>	The Scheme will offer units for purchases / switch-ins and redemptions / switch-outs at NAV based prices on all business days on an ongoing basis, subject to applicable load conditions.				
13	<b>Benchmark Index</b>	CRISIL Liquid Fund Index	CRISIL Liquid Fund Index	CCIL MIBOR	Investment Plan – I Sec Li-Bex Savings Plan – I Sec Si-Bex	CRISIL Short Term Bond Fund Index
14	<b>Ongoing Price</b>	At NAV based prices thereafter.				
15	<b>Transparency/NAV Disclosure</b>	<p>NAVs will be disclosed at the close of each business day. The Scheme will disclose details of its portfolio on a half yearly basis as prescribed by SEBI (Mutual Fund) Regulations, 1996.</p> <p>Net Asset Value of the Units of the Scheme (including options there under) calculated in the manner provided in this Scheme Information Document or as may be prescribed by the Regulations from time to time.</p> <p>The NAV will be computed upto 4 decimal places for all schemes.</p>				
16	<b>Tax treatment for Investors</b>	Earnings of the fund are exempt from income tax under Section 10(23D) of the I.T Act.				
17	<b>Repatriation Facility</b>	NRIs and FIIs may invest in the scheme on a full repatriation basis as per the relevant notifications and/or guidelines issued by RBI & FEMA in this regard.				

## ABBREVIATIONS & INTERPRETATION

In this SID the following abbreviations have been used:

ABS	:	Asset Backed Securities
AMC	:	Asset Management Company
AMFI	:	Association of Mutual Funds in India
AML	:	Anti-Money Laundering
CBLO	:	Collateralised Borrowing and Lending Obligation
DFI	:	Development Financial Institutions
ECS	:	Electronic Clearing System
EFT	:	Electronic Funds Transfer
FII	:	Foreign Institutional Investor
FRA	:	Forward Rate Agreement
FOF	:	Fund of Funds
HUF	:	Hindu Undivided Family
IMA	:	Investment Management Agreement
IRS	:	Interest Rate Swap
ISC	:	Investor Service Centre
KYC	:	Know Your Customer
MBS	:	Mortgage Backed Securities
NAV	:	Net Asset Value
NEFT	:	National Electronic Funds Transfer
NFO	:	New Fund Offer
NRI	:	Non-Resident Indian
OTC	:	Over the Counter
PIO	:	Persons of Indian Origin
PMLA	:	Prevention of Money Laundering Act, 2002
POS	:	Points of Service
PSU	:	Public Sector Undertaking
RBI	:	Reserve Bank of India
RTGS	:	Real Time Gross Settlement
SEBI	:	Securities and Exchange Board of India
SI	:	Standing Instruction
SIP	:	Systematic Investment Plan
SWP	:	Systematic Withdrawal Plan
STP	:	Systematic Transfer Plan
STT	:	Securities Transaction Tax



## SECTION 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 can go up or down depending on various factors and forces affecting capital markets and money markets.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- MIRAE ASSET LIQUID FUND /MIRAE ASSET ULTRA SHORT TERM BOND FUND / MIRAE ASSET GILT FUND – INVESTMENT & SAVINGS PLAN / MIRAE ASSET CASH MANAGEMENT FUND / MIRAE ASSET SHORT TERM BOND FUND are the names of the Schemes, and this does not in any manner indicate the quality of the Schemes or their 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.1.00 Lac made by it towards setting up the Mirae Asset Mutual Fund.
- The present scheme is not a guaranteed or assured return scheme.

#### SCHEME SPECIFIC RISK FACTORS:

##### Scheme Specific Risk Factors

##### Risks associated with Debt and Money Market Instruments

##### Interest Rate Risk / Price Risk

From the perspective of coupon rates, debt securities can be classified in two categories, i.e., Fixed coupon bearing securities and Floating coupon bearing securities. In Fixed coupon bearing securities, the coupon rate is determined at the time of investment and paid/received at the predetermined frequency. In the floating coupon bearing securities, on the other hand, the coupon rate changes – ‘floats’ – with the underlying benchmark rate, e.g., MIBOR, 1 yr. Treasury bill.

Fixed income securities (such as Government Securities, bonds, debentures and money market instruments) where a fixed return is offered, run price-risk. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, the payment-frequency of such coupon, days to maturity and the increase or decrease in the level of interest rates. The prices of Government Securities (existing and new) will be influenced only by movement in interest rates in the financial system and liquidity. Whereas, in the case of corporate or institutional fixed income securities, such as bonds or debentures, prices are influenced not only by the change in interest rates but also by credit rating of the security and liquidity thereof.

##### Reinvestment Risk

Investments in fixed income securities may carry reinvestment risk as interest rates prevailing in the market may differ from the original coupon of the bond. Consequently the proceeds from regular coupon and principal payments on due date may get invested at a lower rate.

##### Credit Risk

Credit Risk comprises three components.

##### - Default Risk

Securities carry a risk of repayment of principal or interest by the borrower. This is called as default risk. The default risk depends on micro economic factors such as financial soundness and ability of the borrower and macro economic factors such as industry performance, competition, trade barriers etc.

##### - Downgrade Risk

It is the risk that credit rating agency downgrades the rating of an issuer based on earnings and cash flows generating capacity. The credit rating migration of issuance leads to increase in the credit spread and thus reduces the price of corporate bond.

##### - Spread Risk

Though the sovereign yield curve might remain constant, investments in corporate bonds are exposed to the risk of spread widening between corporate bonds and gilts. Typically, if this spread widens, the prices of the corporate bonds tend to fall

and so could the NAV of the Debt Schemes. Similar risk prevails for the investments in the floating rate bonds, where the benchmark might remain unchanged, but the spread over the benchmark might vary. In such an event, if the spread widens, the price and the NAV could fall.

**Prepayment Risk**

The Borrower may prepay the receivables prior to their respective due dates. This may result in a change in the yield and tenor for the scheme.

**Liquidity Risk**

This refers to the ease at which a security can be sold at or near its true value. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of some of these investments. Different segments of the Indian financial markets have different settlement periods, and such periods may be extended significantly by unforeseen circumstances. The length of time for settlement may affect the Scheme in the event it has to meet an inordinately large number of redemption or of restructuring of the Scheme's investment portfolio.

**Settlement Risk**

Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Portfolio to make purchases in intended securities due to settlement problems could cause the Portfolio to miss certain investment opportunities.

**Regulatory Risk**

The value of the securities may be affected by uncertainties such as changes in government policies, changes in taxation, and other developments in the laws and regulations.

**Risk associated with Securitized Debt**

Securitized debt papers carry credit risk of the Obligor and are dependent on the servicing of the PTC / Contributions etc. However these are offset suitably by appropriate pool selection as well as credit enhancements specified by Rating Agencies. In cases where the underlying facilities are linked to benchmark rates, the securitized debt papers may be adversely impacted by adverse movements in benchmark rates. However this risk is mitigated to an extent by appropriate credit enhancement specified by rating agencies. Securitized debt papers also carry the risks of prepayment by the obligors. In case of prepayments of securities debt papers, it may result in reduced actual duration as compared to the expected duration of the paper at the time of purchase, which may adversely impact the portfolio yield. These papers also carry risk associated with the collection agent who is responsible for collection of receivables and depositing them. The Investment team evaluates the risks associated with such investments before making an investment decision. The underlying assets in the case of investment in securitized debt could be mortgages or other assets like credit card receivables, automobile / vehicle / personal / commercial / corporate loans and any other receivables / loans / debt. The risks associated with the underlying assets can be described as under :

Credit card receivables are unsecured. Automobile / vehicle loan receivables are usually secured by the underlying automobile / vehicle and sometimes by a guarantor. Mortgages are secured by the underlying property. Personal loans are usually unsecured.

Corporate loans could be unsecured or secured by a charge on fixed assets / receivables of the company or a letter of comfort from the parent company or a guarantee from a bank / financial institution. As a rule of thumb, underlying assets which are secured by a physical asset / guarantor are perceived to be less risky than those which are unsecured. By virtue of this, the risk and therefore the yield in descending order of magnitude would be credit card receivables, personal loans, vehicle / automobile loans, mortgages and corporate loans assuming the same rating.

Liquidity in Securitized Debt may be affected by trading volumes, settlement periods and transfer procedures. These factors may cause potential losses from being not able to sell the securitized debt instruments at its fair value.

Different types of securities in which the scheme would invest as given in the Scheme Information Document carry different levels and types of risks. Accordingly, the scheme's risk may increase or decrease depending upon its investment pattern. .e.g. corporate bonds carry a higher amount of risk than government securities. Further, even among corporate bonds, bonds which are AAA rated are comparatively less risky than bonds which are AA rated.

**Risks associated with Derivatives**

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 instruments. Such risks include mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

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.

Derivative products are highly leveraged instruments that require investment techniques and risk analyses different from those associated with traditional securities such as shares or bonds. 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.

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 writer of a call option bears a risk of loss if the value of the underlying asset increases above the exercise price. The loss can be unlimited as underlying asset can increase to any levels. The writer of a put option bears the risk of loss if the value of the underlying asset declines below the exercise price and the loss is limited to strike price.

Investments in futures face the same risk as the investments in the underlying securities. The extent of loss is the same as in the underlying securities. However, 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.

The derivatives are also subject to liquidity risk as the securities in the cash markets. 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 in the values. For further details please refer to section "Investments Limitations and Restrictions in Derivatives" in this Scheme Information Document.

#### **Risk associated with Securitized Debt**

Securitized debt papers carry credit risk of the Obligors and are dependent on the servicing of the PTC / Contributions etc. However these are offset suitably by appropriate pool selection as well as credit enhancements specified by Rating Agencies. In cases where the underlying facilities are linked to benchmark rates, the securitized debt papers may be adversely impacted by adverse movements in benchmark rates. However this risk is mitigated to an extent by appropriate credit enhancement specified by rating agencies. Securitized debt papers also carry the risks of prepayment by the obligors. In case of prepayments of securities debt papers, it may result in reduced actual duration as compared to the expected duration of the paper at the time of purchase, which may adversely impact the portfolio yield. These papers also carry risk associated with the collection agent who is responsible for collection of receivables and depositing them. The Investment team evaluates the risks associated with such investments before making an investment decision. The underlying assets in the case of investment in securitized debt could be mortgages or other assets like credit card receivables, automobile / vehicle / personal / commercial / corporate loans and any other receivables / loans / debt. The risks associated with the underlying assets can be described as under:

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Different types of securities in which the scheme would invest as given in the Scheme Information Document carry different levels and types of risks. Accordingly, the scheme's risk may increase or decrease depending upon its investment pattern. e.g. corporate bonds carry a higher amount of risk than government securities. Further, even among corporate bonds, bonds which are AAA rated are comparatively less risky than bonds which are AA rated.

#### **Risks associated with Foreign Securities(for MALF, MASTBF& MAUSTBF only)**

The risk of investing in foreign securities carries exchange rate risks related to depreciation of foreign currency and the country risks, in addition to the risks of securities in domestic securities.

The country risks would include events such as change in regulations or political circumstances like introduction of extraordinary exchange rate controls, restrictions on repatriation of capital due to exchange rate controls, bi-lateral political tensions leading to immobilization of overseas financial assets and the prevalent tax laws of the respective jurisdiction for the execution of trades or otherwise. For further details please refer to section "Investments Limitations and Restrictions in Overseas Investments" in this Scheme Information Document.

**Currency risk(for MALF, MASTBF & MAUSTBF only)**

The foreign securities are issued and traded in foreign currencies. As a result, their values may be affected by changes in exchange rates between foreign currencies and the Indian Rupee as well as between currencies of countries other than India. Restrictions on currency trading that may be imposed by developing market countries will have an adverse effect on the value of the securities of companies that trade or operate in such countries.

**Risk associated with Unlisted Securities (for MALF, MASTBF & MAUSTBF only)**

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 domestic 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's investments due to its holdings of unlisted securities may be affected if they have to be sold prior to the target date of disinvestment.

**Risk associated with 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.

In case the Scheme undertakes stock lending under the Regulations, it may, at times be exposed to counter party risk and other risks associated with the securities lending. Unitholders of the Scheme should note that there are risks inherent to 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 entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure can result in the possible loss of rights to the collateral put up by the borrower of the securities, the inability of the approved intermediary 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.

**Risk associated with short selling**

Short-selling is the sale of shares 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 he shorted and returns the stock to close out the loan. If the price of the stock has fallen, he can buy the stock back for less than he received for selling it and profits from it (the difference between higher short sale price and the lower purchase price).

However, Short positions carry the risk of losing money and these losses may grow theoretically unlimited if the price increases without limit and shall result into major losses in the portfolio.

In addition, the short selling will also have the risk of inability to borrow the securities by the seller. Then, it might be possible that the short seller will be required to purchase the securities sold short to cover the short even if the price of the security is higher at the time of the short sale.

If a stock starts to rise and a large number of short sellers try to cover their positions at the same time, it can quickly drive up the price even further. This phenomenon is known as a short squeeze. This might result in major losses in the portfolio.

**Sovereign Risk (for MAGF only)**

The Central Government of a country is the issuer of the local currency in that country. The Government raises money to meet its capital and revenue expenditure by issuing debt or discounted securities. Since payment of interest and principal amount has a sovereign status implying no default, such securities are known as securities with sovereign credit. For domestic borrowers and lenders, the credit risk on such Sovereign credit is near zero and is popularly known as "risk free security" or "Zero-Risk security". Thus Zero-Risk is the lowest risk, even lower than a security with "AAA" rating.

**B. REQUIREMENT OF MINIMUM NUMBER OF INVESTORS AND MINIMUM HOLDING BY SINGLE INVESTOR**

*(Applicable for all schemes)*

The Scheme(s)/Plan(s) shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme(s)/Plan(s) (at portfolio level). The two conditions mentioned above shall be complied within each subsequent calendar quarter, 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

Applicable for all the scheme

- Mutual funds, like securities investments, are subject to market risks and there is no guarantee against loss in the Scheme or that the objective(s) of the scheme are achieved.
- In the event of receipt of very large number of redemption requests or very large value redemption requests or of the restructuring of the scheme's portfolio, there may be delays in the redemption of units.
- No person receiving a copy of SAI & SID or any accompanying application form in such jurisdiction may treat this SAI & SID or such application form as constituting an invitation to them to subscribe for Units nor should they in any event use any such application form unless, in the relevant jurisdiction such an invitation could lawfully be made to them and such application form could lawfully be used without compliance of any registration or other legal requirements.
- Investors should study the Statement of Additional Information along with the Scheme Information Document in its entirety and should not construe the contents as an advice relating to legal, taxation, investment or any other matters. Investors may, if they wish, consult their legal, tax, investment 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 Units.
- The tax benefits described in the 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 and the Investors 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 Investor is advised to consult his / her own professional tax advisor.
- The Statement of Additional Information, Scheme Information Document or the Units have not been registered in any jurisdiction. The distribution of this Scheme Information Document in certain jurisdictions may be restricted or totally prohibited due to registration requirements and accordingly, persons who come into possession of this Scheme Information Document are required to inform themselves about and to observe any such restrictions and or legal compliance requirements.
- No person has been authorized to issue any advertisement or to give any information or to make any representations other than that contained in this Scheme Information Document. Circulars in connection with this offering not authorized by the Mutual Fund and any information or representations not contained herein must not be relied upon as having been authorized by the Mutual Fund. Any subscription, Purchase or Sale made by any person on the basis of statements or representations which are not contained in this Scheme Information Document or which are inconsistent with the information contained herein shall be solely at the risk of the investor.
- Prospective investors should review / study this Statement of Additional Information along with Scheme Information Document carefully and in its entirety and shall not construe the contents hereof or regard the summaries contained herein as an advice relating to legal, taxation, or financial / investment matters and are advised to consult their own professional advisor(s) as to the legal, tax, financial or any other requirements or restrictions relating to the subscription, gifting, acquisition, holding, disposal (by way of sale, switch or redemption or conversion into money) of Units and to the treatment of income (if any), capitalization, capital gains, any distribution, and other tax consequences relevant to their subscription, acquisition, holding, capitalization, disposal (by way of sale, transfer, switch or conversion into money) of Units within their jurisdiction of nationality, residence, incorporation, domicile etc. or under the laws of any jurisdiction to which they or any managed funds to be used to Purchase / gift Units are subject, and also to determine possible legal, tax, financial or other consequences of subscribing / gifting, purchasing or holding Units before making an application for Units.
- Mirae Asset Mutual Fund / the AMC have not authorized any person to give any information or make any representations, either oral or written, not stated in this Scheme Information Document in connection with issue of Units under the Scheme. Prospective investors are advised not to rely upon any information or representations not incorporated in this Scheme Information Document as the same have not been authorized by the Mutual Fund or the AMC. Any subscription, Purchase or Sale made by any person on the basis of statements or representations which are not contained in this Scheme Information Document or which are inconsistent with the information contained herein shall be solely at the risk of the investor.
- From time to time and subject to the Regulations, funds managed by the affiliates / associates of the Sponsor may invest either directly or indirectly in the Scheme. The funds managed by these affiliates / associates may acquire a substantial portion of the Scheme's Units and collectively constitute a major investment in the Scheme.
- Accordingly, Redemption of Units held by such funds may have an adverse impact on the value of the Units of the Scheme because of the timing of any such Redemption and may affect the ability of other Unit Holders to redeem their respective 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 section "Right to Limit Purchase & Redemptions".
- Special Facilities: The Fund reserves the right to amend or terminate or introduce special facilities in the Scheme Information Document. Such facilities for the time being include Switch Facility, Systematic Withdrawal Plan, Systematic Switch Plan, Dividend Reinvestment Plan and any such facility/plan that may be introduced in the future.

#### D. DEFINITIONS

The following definitions/terms apply throughout this Scheme Information Document unless the context requires otherwise:

<b>Account Statement</b>	A non-transferable statement indicating the number of units held by the investor on a particular date.
<b>Allotment Date</b>	The date on which allotment of the scheme unit is made to the successful applicants from time to time and includes allotment made pursuant to the New Fund Offer.
<b>AMC Fees</b>	Investment Management fee charged by the AMC to the Scheme.
<b>Applicable NAV</b>	For applications for Purchases / Redemptions, accepted during the Ongoing Offer Period at the Designated Investors' Service Centers of the Fund on a Business Day up to the Cut-off time of the Scheme, the NAV of that day; and For applications for Purchases / Redemptions accepted during the Ongoing Offer Period at the Investors' Service Centers of the Fund on a Business Day after the Cut-off time of the Scheme, the NAV of the next Business Day.
<b>Asset Management Company(AMC)/ Investment Manager</b>	Mirae Asset Global Investments (India) Private Limited, the asset management company, set up under the Companies Act, 1956, having its registered office at Unit No. 606, 6th Floor, Windsor, Off CST Road, Kalina, Santacruz (E), Mumbai – 400 098 authorized by SEBI to act as an Asset Management Company / Investment Manager to the schemes of Mirae Asset Mutual Fund.
<b>Business Day</b>	A day not being: (a) A Saturday or Sunday; (b) A day on which the Stock Exchanges, the BSE and/or the NSE are closed; (c) A day on which Purchase and Redemption of Units is suspended or a book closure period is announced by the Trustee / AMC; or (d) 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. (e) A day on which the banks in Mumbai and RBI are closed for business/clearing in India; All applications received on these non-business days will be processed on the next business day at Applicable NAV. The AMC reserves the right to change the definition of Business Day. The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investors' Service Centers.
<b>Call Option</b>	An agreement that gives an investor the right (but not the obligation) to buy a stock, bond, commodity, or other instrument at a specified price within a specific time period.
<b>CBLO</b>	Collateralized Borrowing and Lending Obligations is a Money Market Instrument, approved by RBI (developed by Clearing Corporation of India Ltd). CBLO is a discounted instrument issued in an electronic book entry form for maturity ranging from one day to one year.
<b>CDSC</b>	A charge to the Unit Holder upon exiting (by way of Redemption) based on the period of holding of Units. The Regulations provide that a CDSC may be charged only for a no-Load Scheme and only for the first four years after the Purchase and caps the percentage of NAV that can be charged in each year.
<b>Custodian</b>	Standard Chartered Bank, Mumbai branch registered under the SEBI (Custodian of Securities) Regulations, 1996, or any other custodian who is approved by the Trustee.
<b>Cut-off time</b>	A time prescribed in this Scheme Information Document up to which an investor can submit a Purchase request / Redemption request, to be entitled to the Applicable NAV for that Business Day.

<b>Collection Bank(s)</b>	The bank(s) with which the AMC has entered into an agreement, from time to time, to enable customers to deposit their applications for units during the NFO period. The names and addresses are mentioned at the end of this Scheme Information Document.
<b>Designated Collection Centers during the NFO</b>	Investors' Services Centers and branches of Collection Bank(s) designated by the AMC where the applications shall be received.
<b>Designated Collection Centers during Ongoing Offer</b>	ISCs designated by the AMC where the applications shall be received. The names and addresses are mentioned at the end of this scheme information document.
<b>Entry Load</b>	A Load charged to an investor on Purchase of Units based on the amount of investment per application or any other criteria decided by the AMC.
<b>Exit Load</b>	A Load (other than CDSC) charged to the Unit Holder on exiting (by way of Redemption) based on period of holding, amount of investment, or any other criteria decided by the AMC.
<b>Foreign Institutional Investors / FII</b>	An entity registered with SEBI under Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 as amended from time to time.
<b>Fund / Mutual Fund/ Trust</b>	Mirae Asset Mutual Fund, a Trust registered with SEBI under the Regulations, vide Registration No: MF/055/07/03 dated November 30, 2007.
<b>Investor Service Centre / ISC</b>	Official points of acceptance of transaction / service requests from investors. These will be designated by the AMC from time to time. The names and addresses are mentioned at the end of this Scheme Information Document.
<b>Load</b>	A charge that may be levied to an investor at the time of Purchase of Units of the Scheme or to a Unit Holder at the time of Redemption of Units from the Scheme.
<b>MALF</b>	Mirae Asset Liquid Fund (MALF)
<b>MASTBF</b>	Mirae Asset Ultra Short Term Bond Fund (MAUSTBF)
<b>MAGF-IP</b>	Mirae Asset Gilt Fund – Investment Plan (MAGF-IP)
<b>MAGF-SP</b>	Mirae Asset Gilt Fund – Savings Plan (MAGF-SP)
<b>MACMF</b>	Mirae Asset Cash Management Fund (MACMF)
<b>MASTBF</b>	Mirae Asset Short Term Bond Fund (MASTBF)
<b>MIBOR</b>	Mumbai Interbank Bid-Offer rate. MIBOR is equivalent to daily call rate. It is the overnight rate at which funds can be borrowed and changes every day.
<b>Net Asset Value / NAV</b>	Net Asset Value of the Units of the Scheme (including options there under) calculated in the manner provided in this Scheme Information Document or as may be prescribed by the Regulations from time to time.
<b>New Fund Offer / NFO</b>	The offer for Purchase of Units at the inception of the Scheme, available to the investors during the NFO Period.
<b>Ongoing Offer</b>	Offer of Units under the Scheme when it becomes open ended after the closure of the New Fund Offer Period.
<b>Ongoing Offer Period</b>	The period during which the Units under the Scheme are offered for subscription/redemption after the closure of New Fund Offer Period.
<b>Purchase / Subscription</b>	Subscription to / Purchase of Units by an investor from the Fund.
<b>Purchase Price</b>	The price (being Applicable NAV plus Entry Load) at which the Units can be purchased and calculated in the manner provided in this Scheme Information Document.

<b>Put Option</b>	An option contract giving the owner the right, but not the obligation, to sell a specified amount of an underlying security at a specified price within a specified time. This is the opposite of a call option, which gives the holder the right to buy shares.
<b>Registrar and Transfer Agent</b>	Karvy Computershare Pvt. Ltd. Appointed as the registrar and transfer agent for the Scheme, or any other registrar that may be appointed by the AMC.
<b>Redemption</b>	Repurchase of Units by the Fund from a Unit Holder.
<b>Redemption Price</b>	The price (being Applicable NAV minus Exit Load) at which the Units can be redeemed and calculated in the manner provided in this Scheme Information Document.
<b>Scheme(s)</b>	MIRAE ASSET LIQUID FUND /MIRAE ASSET ULTRA SHORT TERM BOND FUND / MIRAE ASSET GILT FUND – INVESTMENT & SAVINGS PLAN /MIRAE ASSET CASH MANAGEMENT FUND / MIRAE ASSET SHORT TERM BOND FUND (including as the context permits, the options there under).
<b>Scheme Information Document(s)</b>	This Scheme Information Document (SID) issued by Mirae Asset Mutual Fund offering units of MIRAE ASSET LIQUID FUND /MIRAE ASSET ULTRA SHORT TERM BOND FUND / MIRAE ASSET GILT FUND – INVESTMENT & SAVINGS PLAN /MIRAE ASSET CASH MANAGEMENT FUND / MIRAE ASSET SHORT TERM BOND FUND for subscription. Any modifications to the SID will be made by way of an addendum which will be attached to the SID. On issuance of addendum, the SID will be deemed to be updated by the addendum.
<b>SEBI Regulations / Regulations</b>	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time, including by way of circulars or notifications issued by SEBI and the Government of India.
<b>Securities</b>	As defined under Section 2(h) of the Securities Contracts (Regulations) Act, 1956 of India; and also include shares, stocks, bonds, debentures, warrants, instruments, obligations, money market instruments, debt instruments or any financial or capital market instrument of whatsoever nature made or issued by any statutory authority of body corporate, incorporated or registered by or under any law; or any other securities, assets or such other investments as may be permissible from time to time under the regulations.
<b>Statement of Additional Information</b>	The Statement of Additional Information (SAI) issued by Mirae Asset Mutual Fund containing details of Mirae Asset Mutual Fund, its constitution, and certain Tax and Legal issues and general information. SAI is incorporated by reference (is legally a part of SID). SID should be read in conjunction with SAI and not in isolation.
<b>Systematic Transfer Plan /STP</b>	A plan enabling Unit Holders to transfer sums on a monthly / quarterly basis from the Scheme to other schemes launched by the Fund from time to time by giving a single instruction.
<b>Systematic Withdrawal Plan/SWP</b>	A plan enabling Unit Holders to withdraw amounts from the Scheme on a monthly / quarterly basis by giving a single instruction.
<b>Trustee / Trustee Company</b>	Mirae Asset Trustee Company Private Limited, a company set up under the Companies Act, 1956, to act as the Trustee to Mirae Asset Mutual Fund.
<b>Trust Deed</b>	The Trust Deed dated October 11, 2007 made by and between the Sponsor and the Trustee, establishing Mirae Asset Mutual Fund, as amended from time to time
<b>Unit</b>	The interest of an investor in the scheme consisting of each unit representing one undivided share in the assets of the scheme, and includes any fraction of a unit which shall represent the corresponding fraction of one undivided share in the assets of the Scheme.
<b>Unit Holder</b>	Any registered holder for the time being, of a Unit of the Scheme offered under this Scheme Information Document including persons jointly registered.
<b>Valuation Day</b>	Business Day.
<b>Words and Expressions used in this Scheme Information Document and not defined</b>	Same meaning as in the Trust Deed



**E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**

It is confirmed that:

- (i) The Combined draft Scheme Information Document – Debt has been prepared in terms of SEBI Circular SEBI/IMD/CIR No.5/126096/08 dated May 23, 2008 and 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 were 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.

**For Mirae Asset Global Investments (India) Private Limited**

sd/-

**Ritesh Patel**

Head –Compliance & Company Secretary

August 20, 2011

Note:

The aforesaid Due Diligence Certificate was submitted to the Securities and Exchange Board of India.

## SECTION II - INFORMATION ABOUT THE SCHEMES

### A. TYPE OF SCHEME / PLAN/ OPTIONS AND DEFAULT OPTION

Scheme	Type of the scheme / fund	Plans available	Options available	Default option
<b>MALF</b>	An open ended liquid scheme	1. Regular, 2. Institutional, 3. Super Institutional	Each plan will offer three options viz. 1.Growth, 2.Bonus and 3. Dividend.	In case an investor fails to specify his preference, he shall be deemed to have opted to select the Regular Plan - Growth Option.
<b>MAUSTBF</b>	An open ended debt scheme	1. Regular, 2. Institutional, 3. Super Institutional	Each plan will offer three options viz. 1.Growth, 2.Bonus and 3. Dividend.	Dividend Option shall have the choice of dividend payout, dividend reinvestment and dividend transfer options. In case an investor fails to specify his preference, he shall be deemed to have opted to select the Daily Dividend Reinvestment option. However, in case the dividend payable to any unit holder is below Rs. 1000/- then the same maybe automatically reinvested.
<b>MACMF</b>	An open ended liquid scheme	1. Regular	Each plan will offer three options viz. 1.Growth, 2.Bonus and 3. Dividend.	In case an investor fails to specify his preference, he shall be deemed to have opted to select the Regular Plan - Growth Option.
<b>MAGF</b>	An open ended gilt scheme	1.Investment 2.Savings	<p><b>Savings Plan shall have four Sub-plans:</b></p> <p><b>Regular Sub-plan</b></p> <ul style="list-style-type: none"> <li>• Growth Option</li> <li>• Dividend Option</li> <li>• Dividend Payout*</li> <li>• Dividend Reinvestment</li> </ul> <p><b>Institutional Sub-plan</b></p> <ul style="list-style-type: none"> <li>• Growth Option</li> <li>• Dividend Option</li> <li>• Dividend Payout*</li> <li>• Dividend Reinvestment</li> </ul> <p><b>Bonus Sub-plan</b></p> <p><b>Provident Fund Sub-plan</b></p> <ul style="list-style-type: none"> <li>• Automatic Capital Appreciation Payout Option</li> <li>• Monthly/Quarterly/Half yearly/Annually</li> <li>• Defined Maturity Date Option</li> </ul> <p><b>Investment Plan shall have four Sub-plans:</b></p> <p><b>Regular Sub-plan</b></p> <ul style="list-style-type: none"> <li>• Growth Option</li> <li>• Dividend Option</li> <li>• Dividend Payout*</li> <li>• Dividend Reinvestment</li> </ul> <p><b>Institutional Sub-plan</b></p> <ul style="list-style-type: none"> <li>• Growth Option</li> <li>• Dividend Option</li> <li>• Dividend Payout*</li> <li>• Dividend Reinvestment</li> </ul>	<p>If the investor does not clearly specify the choice of Plan at the time of investing; it will be treated as a Savings Plan – Regular sub-plan – Growth option.</p> <p>If the investor does not clearly specify the choice of Options in the Regular and Institutional Plan, at the time of investing it will be treated as a Growth Option.</p> <p>If the investor does not clearly specify the choice of Options in the Provident Fund Plan, at the time of investing; it will be treated as an Automatic Capital Appreciation Payout Option – Annual.</p> <p>If the investor does not clearly specify the choice of Payout or Reinvestment facility within the Dividend option, it will be treated as a Reinvestment facility.*Dividend Payout will happen only when dividend amount payable to unit holders should be of Rs.1000 or more, otherwise, the amount will be reinvested.</p>

Scheme	Type of the scheme / fund	Plans available	Options available	Default option
			<b>Bonus Sub-plan</b> <b>Provident Fund Sub-plan</b> <ul style="list-style-type: none"> <li>Automatic Capital Appreciation Payout option <ul style="list-style-type: none"> <li>Monthly/Quarterly / Halfyearly/Annually</li> </ul> </li> <li>Defined Maturity Date Option</li> <li>Automatic Annual Reinvestment Option</li> </ul>	
<b>MASTBF</b>	An open ended debt scheme	1. Regular, 2. Institutional	Each plan will offer two options viz. 1. Growth, and 2. Dividend.	In case an investor fails to specify his preference, he shall be deemed to have opted to select the Regular Plan - Growth Option. If the investor does not clearly specify the choice of Payout or Reinvestment facility within the Dividend option, it will be treated as a Reinvestment facility – Weekly.

#### B. WHAT ARE THE INVESTMENT OBJECTIVES OF THE SCHEMES?

Scheme	Investment Objective
<b>MALF</b>	The investment objective of the scheme is to seek to generate reasonable returns with low volatility and higher liquidity through a portfolio of debt and money market instruments. The Scheme does not guarantee any returns.
<b>MAUSTBF</b>	The investment objective of the scheme is to seek to generate returns with low volatility and higher liquidity through a portfolio of debt and money market instruments. The Scheme does not guarantee any returns.
<b>MACMF</b>	The investment objective of the scheme is to seek to generate returns linked to short end rates like MIBOR and CBLO etc. and provide higher liquidity by investing in a portfolio of debt and money market instruments. The Scheme does not guarantee any returns.
<b>MAGF</b>	<p>(a) <b>Investment Plan:</b> The investment objective of the scheme is to seek to generate returns commensurate with low credit risk by predominantly investing in the portfolio comprising of sovereign securities issued and guaranteed by Central and State Government with residual maturity ranging from 1 year to 20 years or higher.</p> <p>The average portfolio maturity duration of the plan will exceed 4 years. The Scheme may also invest in money market instruments which include but is not limited to treasury bills, CBLO, repo/reverse repo and any other like instruments.</p> <p>(b) <b>Savings Plan:</b> The investment objective of the scheme is to seek to generate returns commensurate with low credit risk by predominantly investing in the portfolio comprising of short to medium term Government securities guaranteed by Central and State Government with an average portfolio maturity duration not exceeding 5 years.</p> <p>The Scheme may also invest in money market instruments which include but is not limited to treasury bills, CBLO, repo/reverse repo and any other like instruments.</p> <p><b>The Scheme does not guarantee any returns.</b></p>
<b>MASTBF</b>	The investment objective of the scheme is to seek to generate returns through an actively managed diversified portfolio of debt and money market instruments. There is no assurance OR guarantee of returns.

**There is no assurance that the objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.**

### C. HOW WILL THE SCHEMES ALLOCATE THEIR ASSETS?

Asset Allocation in the normal circumstances:

#### MALF

Instruments	Indicative allocations(% of total assets)		Risk Profile
	Minimum	Maximum	
Money market instruments with residual maturity upto 91 days only \$	0%	100%	Low
Debt Instruments with residual maturity upto 91days only\$ *(including Securitized Debt upto 50% of net assets)	0%	100%	Low to Medium

#### MAUSTBF

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Minimum	Maximum	
Money Market Instruments and debt instruments with residual maturity and repricingtenor not exceeding 1 year.	50%	100%	Low
Debt Instruments with residual maturity and repricing tenor exceeding 1 year* (including Securitized Debt upto 50% of net assets).	0%	50%	Low to Medium

#### MACMF

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Minimum	Maximum	
CBLO/Reverse Repo, Debt Instrument linked to short end rates such as MIBOR etc. and MIBOR linked instruments with daily put/call options.	65%	100%	Low
Debt & Money Market Instruments (including SecuritizedDebt upto30% of net assets).	0%	35%	Low to Medium

#### MAGF

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Minimum	Maximum	
INVESTMENT PLAN			
Sovereign securities issued and guaranteed by State and Central Govt. with an average portfolio maturity duration of the plan exceeding 4 years	65%	100%	Low to Medium
Money Market Instruments	0%	35%	Low

#### SAVINGS PLAN

Sovereign securities issued and guaranteed by State and Central Govt. with an average portfolio maturity durationnot exceeding 5 years.	65%	100%	Low to Medium
Money Market Instruments	0%	35%	Low

#### MASTBF

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Minimum	Maximum	
Money Market Instruments and debt instruments with residual maturity and repricing tenor not exceeding 182 days	20%	100%	Low
Debt Instruments with residual maturity and repricing tenor exceeding 182 days* (including Securitized Debt upto 50% of net assets)	0%	80%	Low to Medium

- **Common for MALF & MAUSTBF**

\* Debt instruments include securitized debt upto 50% of net assets.

The Scheme may, subject to applicable regulations from time to time, invest in foreign securities up to 25% of net assets of the Scheme. Subject to regulations and prevailing laws as applicable, the portfolio will consist of permissible domestic or international fixed income instruments, most suitable to meet the investment objectives. The Scheme may invest in derivatives up to 50% of the net assets of the Scheme for the purpose of hedging and portfolio balancing purposes.

- **Common for all schemes.**

Money market instruments include, but are not limited to Treasury Bills, Commercial Paper of Public Sector Undertakings and Private Sector Corporate Entities, Term Money, CBLO, Certificates of Deposit of Scheduled Commercial Banks, Financial Institutions and Development Financial Institutions, Government securities with unexpired maturity of one year or less and other Money Market securities as may be permitted by SEBI/RBI from time to time and in the manner prescribed under the Regulations.

Debt securities include, but are not limited to, Debt Obligations of the Government of India, State and Local Governments, Government Agencies, Statutory Bodies, Public Sector Undertakings, Public Sector Banks or Private Sector Banks or any other Banks, Financial Institutions, Development Financial Institutions, and Corporate Entities, Securitised debt (asset backed securities, mortgage backed securities, pass through certificates, collateralised debt obligations or any other instruments as may be prevailing and permissible under the Regulations from time to time).

The Debt Securities (including money market instruments) referred to above could be fixed rate or floating rate, listed, unlisted, privately placed or securitized debt securities, among others, transacted on an outright or repo / reverse repos basis, as permitted by regulation. The scheme may also invest in deposits of Scheduled Commercial Banks as permitted under Regulations / Guidelines. The Investment Manager will invest only in those debt securities that are rated investment grade by a domestic credit rating agency authorized to carry out such activity, such as CRISIL, ICRA, CARE, FITCH, etc. or in unrated debt securities upto permitted regulatory limits, which the Investment Manager believes to be of equivalent quality. Where investment in unrated debt securities is sought to be made, the specific approval of the Board of Directors of the AMC and Trustee shall be obtained prior to investment.

The Scheme may invest in various derivatives instruments including Interest rate swaps, futures and forward rate agreements or contracts which are available for investment in India from time to time and which are permissible as per the applicable Regulations. Investment in derivative instruments will be made in accordance with the investment objective and the strategy of the Scheme to protect the value of the portfolio and to enhance returns. The investments shall also be subject to the internal limits as may be laid down from time to time and such limits and restrictions as may be prescribed by the Regulations or any other regulatory body.

The scheme does not propose to invest in equity and equity related securities.

Pending deployment of funds of a scheme in securities in terms of investment objectives of the scheme a mutual fund can invest the funds of the scheme in short term deposits of scheduled commercial banks. The investment in these deposits shall be in accordance with SEBI Circular dated April 16, 2007 and October 26, 2007.

The Scheme may propose to invest in securitized debt upto the limit of 50% of net assets and does not propose to underwrite issuances of securities of other issuers.

**Applicable For MALF**

\$ As per SEBI circular no SEBI/IMD/CIR No.13/150975/09 dated January 19, 2009, With effect from May 01, 2009, the scheme shall make investments in / purchase debt and money market securities with maturity of upto 91 days only.

Pursuant to SEBI Circular No. SEBI/IMD/CIR No.13/150975/09 dated January 19, 2009, the Trustees of Mirae Asset Mutual Fund (MAMF) have notified the following revision in the characteristics of the portfolio of the Liquid Scheme:

- With effect from May 01, 2009, the scheme shall make investments in / purchase debt and money market securities with maturity of upto 91 days only.
- Inter-scheme transfers of securities having maturity of upto 365 days and held in other schemes as on February 01, 2009 shall be permitted in the Liquid Scheme till October 31, 2009.
- With effect from November 01, 2009 such inter-scheme transfers of securities held in other schemes having maturity of upto 91 days only shall be permitted in the Liquid Scheme.

**Applicable For MACMF:**

The Scheme may invest upto 30% of net assets in securitized debt. The scheme shall not engage into stock lending.

Pending deployment of funds of a scheme in securities in terms of investment objectives of the scheme a mutual fund can invest the funds of the scheme in short term deposits of scheduled commercial banks. The investment in these deposits shall be in accordance with SEBI Circular dated April 16, 2007, October 26, 2007 and June 23, 2008.

The Scheme may propose to invest in securitized debt upto the limit of 30% of net assets and does not propose to underwrite issuances of securities of other issuers. The scheme does not propose to invest in equity and equity related securities.

The portfolio of the scheme will have the following characteristics:

- Mark-to-Market component of the Scheme (excluding money market instruments) on a weekly average basis shall be less than 10%. (Mark to Market would mean the valuation of an asset (e.g. marketable securities, derivatives and other financial contracts) using a traded price or a derived price from the corresponding yield curve).

AND

- Maximum re-pricing tenor of 1 year reckoned as under:
  - For a fixed rate asset, the remaining tenor would be 1 year or less.
  - For a floating rate asset, the interest reset frequency would be 1 year or less.
  - For a fixed rate/floating rate asset where the principal is paid in a staggered and/or on amortizing basis (e.g. securitised papers), the average maturity of such an asset would be 1 year or less.
  - For a portfolio using Interest Rate Swaps,
    - The composite floating rate asset (underlying fixed rate asset and Interest Rate Swap, paying fixed and receiving floating) would have interest reset frequency upto 1 year.
    - If Interest Rate Swaps (receiving fixed and paying floating), have been used to convert a floating rate asset into a fixed rate asset, the fixed leg of the Interest Rate Swap would have remaining tenor upto 1 year.
- For a portfolio using Forward Rate Agreements, the summation of the beginning and end dates of the period covered would be 1 year or less.

**For MAGF:**

The Scheme may invest in derivatives up to 50% of the net assets of the Scheme only for the purpose of hedging and portfolio rebalancing.

The Scheme may also engage in stock lending to the extent of 10% of net assets of the Scheme or any other limits as prescribed by the Securities and Exchange Board of India, from time to time.

Pending deployment of funds of a scheme in securities in terms of investment objectives of the scheme a mutual fund can invest the funds of the scheme in short term deposits of scheduled commercial banks. The investment in these deposits shall be in accordance with SEBI Circular dated April 16, 2007, October 26, 2007 and June 23, 2008.

**For MASTBF:**

\* Debt instruments include securitized debt upto 50% of net assets. The scheme may invest in derivatives upto 100% of the net assets of the scheme. In addition, the scheme may also invest in foreign securities upto 25% of net assets of the scheme subject to regulations and prevailing laws as applicable, the portfolio will consist of permissible domestic or international fixed income instruments, most suitable to meet the investment objectives.

The Scheme may invest in derivatives up to 100% of the net assets of the Scheme only for the purpose of hedging and portfolio rebalancing.

The AMC retains the option to alter the asset allocation of the Schemes as under:

Scheme	Review / Rebalancing
MALF, MAUSTBF, MACMF & MAGF	For the purpose of further diversification and liquidity, the Scheme may invest in other schemes managed by the same AMC or by the asset management company of any other mutual fund without charging any fees on such investments, provided that aggregate inter-scheme investment made in all schemes managed by the same AMC or in schemes managed by the AMC of any other mutual fund shall not exceed 5% of the net asset value of the Fund.
MALF & MAUSTBF	The Scheme may propose to participate in stock lending as per the limits as specified by the relevant guidelines, circulars, regulations, etc, from time to time.
MALF, MAUSTBF & MACMF	In the event of deviations, rebalancing will normally be carried out within 20 business days.

**Overview of Debt Markets in India (MALF, MAUSTBF, MACMF, MASTBF& MAGF)**

Indian fixed income market, one of the largest and most developed in South Asia, is well integrated with the global financial markets. Screen based order matching system developed by the Reserve Bank of India (RBI) for trading in government securities, straight through settlement system for the same, settlements guaranteed by the Clearing Corporation of India and innovative instruments like CBLO have contributed in reducing the settlement risk and increasing the confidence level of the market participants.

The RBI reviews the monetary policy four times a year giving the guidance to the market on direction of interest rate movement, liquidity and credit expansion. The central bank has been operating as an independent authority, formulating the policies to maintain price stability and adequate liquidity. Bonds are traded in dematerialized form. Credit rating agencies have been playing an important

role in the market and are an important source of information to manage the credit risk.

Government (Central and State) is the largest issuer of debt in the market. Public sector enterprises, quasi government bodies and private sector companies are other issuers. Insurance companies, provident funds, banks, mutual funds, financial institutions, corporates and FIs are major investors in the market. Government loans are available up to 30 years maturity. Variety of instruments available for investments including plain vanilla bonds, floating rate bonds, money market instruments, structured obligations and interest rate derivatives make it possible to manage the interest rate risk effectively. Daily average turnover in the market ranges from Rs. 500 crores to Rs. 10,000 crores. 80 to 90% of it is in gilts. The securities available are listed or unlisted, secured or unsecured, public issue or private placements.

Indicative levels of the instruments currently trading are as follows:

Instrument	Maturity	Tenure	Yield	Liquidity
CBLO / Repo	Short	Overnight	3.90%	Very High
CP/CD/T Bills	Short	3 months CP	9.4750%	High
		3 months CD	9.20%	
		91D TB	8.3946%	
		364D TB	8.4949%	
Securitized Debt	Short/ Medium	6 m - 15 m	Not available#	Low
PSU / Corporate Bonds	Medium	3 - 5 years	9.4225%	Medium
Central/ State Government Securities	Low to High	10 years	8.46%	High

#There were no reported trades of securitized debt in this segment

These are only indicative levels as on 31st July, 2011 and are likely to change depending upon the prevailing market conditions.

#### Overview of Overseas Debt Market (for all schemes)

The overseas debt markets, particularly in the US and the European Union are known to be well developed with wider choice of investment avenues and instruments, which are generally rated. These markets normally represent lower risk of issuer default and higher liquidity. The currency of investment is predominantly the US Dollar, GB Pound, the Euro and the Japanese Yen.

The current indicative yields in the US Bond Market as on July 2011 are as follows:

Maturity	US treasury Yields (% p.a.)	US AAA corporate bond yields (% p.a.)
3 months	0.0915%	0.2387%
6 months	0.1526%	0.3473%
1 years	0.1985%	0.4882%
2 years	0.3554%	0.6576%
5 years	1.3556%	1.8247%
10 years	2.7961%	3.4350%

The Fund intends to make investments in foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with highest rating (foreign currency credit rating) by accredited/registered credit rating agencies, say A-1/AAA by Standard & Poor, P-1/AAA by Moody's, F1/AAA by Fitch IBCA, etc. They may also invest in government securities where the countries are AAA rated.

**Scheme differentiation of existing debt schemes of Mirae Asset Mutual Fund:**

<b>Scheme Name</b>	<b>Asset Allocation Pattern</b>	<b>Primary Investment Focus</b>	<b>Differentiation</b>	<b>No. of Folios as on July 29, 2011</b>	<b>AUM as of July 29, 2011 (Rs. In crores)</b>
<b>Mirae Asset Liquid Fund (MALF)</b>	Money market instruments – 0% to 100%, Debt Instruments with residual maturity upto 91 days only *(including Securitized Debt upto 50% of net assets) – 0% to 100%.	The Primary Investment Focus of the scheme is to seek to generate reasonable returns with low volatility and higher liquidity through a portfolio of debt and money market instruments. The scheme does not guarantee any returns.	This scheme is meant for investors to deploy their funds for a short period of time. The scheme will invest in money market and other debt securities and shall maintain high liquidity for the purpose of meeting the liquidity requirements of the investors.	230	1.07
<b>Mirae Asset Cash Management Fund (MACMF)</b>	CBLO/Reverse Repo, Debt Instrument linked to short end rates such as MIBOR etc. and MIBOR linked instruments with daily put/call options – 65% to 100%, Debt & Money Market Instruments (including Securitized Debt upto 30% of net assets) – 0% to 35%.	The Primary Investment Focus of the scheme is to seek to generate returns linked to short end rates like MIBOR and CBLO etc. and provide higher liquidity by investing in a portfolio of debt and money market instruments.	The fund will be managed according to the investment objective, thereby seeking to generate returns linked to MIBOR, call and CBLO etc. commensurate with low risk and shall maintain high liquidity for the purpose of meeting the liquidity requirements of the investors.	514	5.51
<b>Mirae Asset Ultra Short Term Bond Fund (MAUSTBF)</b>	Money Market Instruments and debt instruments with residual maturity and repricing tenor not exceeding 1 year – 50% to 100%, Debt Instruments with residual maturity and repricing tenor exceeding 1 year* (including Securitized Debt upto 50% of net assets) – 0% to 50%.	The Primary Investment Focus of the scheme is to seek to generate returns through an actively managed diversified portfolio of debt and money market instruments.	The fund will be managed according to the investment objective, thereby seek to generate returns commensurate with low risk. The scheme will invest in money market and other debt securities and shall maintain high liquidity for the purpose of meeting the liquidity requirements of the investors.  The Scheme may invest in fixed income derivatives instruments like forward rate agreements, interest rate swaps etc. to the extent permitted under and in accordance with the applicable Regulations, including for the purposes of portfolio hedging and portfolio balancing to optimize the returns.	447	2.30



Scheme Name	Asset Allocation Pattern	Primary Investment Focus	Differentiation	No. of Folios as on July 29, 2011	AUM as of July 29, 2011 (Rs. In crores)
<b>Mirae Asset Short Term Bond Fund (MASTBF)</b>	Money market instruments and debt Instruments with residual maturity and repricing tenor not exceeding 182 days – 20% to 100%, Debt Instruments with residual maturity and repricing tenor exceeding 182 days* (including Securitized Debt upto 50% of net assets) – 0% to 80%	The Primary Investment Focus of the scheme is to seek to generate returns through an actively managed diversified portfolio of debt and money market instruments.	The scheme will invest in money market and other debt securities (including securitized debt) and shall also try to maintain adequate liquidity for the purpose of meeting the liquidity requirements of the investors.	84	0.26
<b>Mirae Asset Gilt Fund – Investment Plan (MAGF –IP)</b>	Sovereign securities issued and guaranteed by State and Central Govt. with an average portfolio maturity duration of the plan exceeding 4 years – 65% to 100%, Money Market Instruments – 0% to 35%.	The Primary Investment Focus of the scheme is to seek to generate returns commensurate with low credit risk by predominantly investing in the portfolio comprising of sovereign securities issued and guaranteed by Central and State Government with residual maturity ranging from 1 year to 20 years or higher. The average portfolio maturity duration of the plan will exceed 4 years.	The fund will be managed according to its objective and thereby seek to generate returns commensurate with low credit risk by predominantly investing in the portfolio comprising of sovereign securities issued and guaranteed by Central and State Govt.	42	0.15
<b>Mirae Asset Gilt Fund – Savings Plan (MAGF-SP)</b>	Sovereign securities issued and guaranteed by State and Central Govt. with an average portfolio maturity duration not exceeding 5 years – 65% to 100%, Money Market Instruments – 0% to 35%.	The Primary Investment Focus of the scheme is to seek to generate returns commensurate with low credit risk by predominantly investing in the portfolio comprising of short to medium term Government securities guaranteed by Central and State Government with an average portfolio maturity duration not exceeding 5 years.	The Plan intends to invest predominantly in a portfolio comprising of short to medium term Government securities with an average portfolio maturity duration not exceeding 5 years.	28	0.02

**D. Where the schemes will invest?**

Scheme	Where the scheme will invest?
<b>MALF, MAUSTBF, MASTBF &amp; MACMF</b>	<p><b>Investment in Debt &amp; Money Market Instruments:</b></p> <p>The Scheme may invest in Money market instruments including, but not limited to Treasury Bills, Commercial Paper of Public Sector Undertakings and Private Sector Corporate Entities, Term Money, CBLO, Reverse Repo, Floating and MIBOR Linked Instrument, Certificates of Deposit of Scheduled Commercial Banks, Financial Institutions and Development Financial Institutions, Government securities with unexpired maturity of one year or less and other Money Market securities as may be permitted by SEBI/RBI from time to time and in the manner prescribed under the Regulations.</p> <p>The Scheme may also invest into debt securities including, but not limited to, debt Obligations of the Government of India, State and Local Governments, Government Agencies, Statutory Bodies, Public Sector Undertakings, Public Sector Banks or Private Sector Banks or any other Banks, Financial Institutions, Development Financial Institutions, and Corporate Entities, Securitised debt (asset backed securities, mortgage backed securities, pass through certificates, collateralised debt obligations or any other instruments as may be prevailing and permissible under the Regulations from time to time).</p> <p>The Debt Securities (including money market instruments) referred to above could be fixed rate or floating rate, listed, unlisted, privately placed or securitized debt securities, among others, transacted on an outright or repo / reverse repos basis, as permitted by regulation. The scheme may also invest in deposits of Scheduled Commercial Banks as permitted under Regulations / Guidelines. The Investment Manager will invest only in those debt securities that are rated investment grade by a domestic credit rating agency authorized to carry out such activity, such as CRISIL, ICRA, CARE, FITCH, etc. or in unrated debt securities upto permitted regulatory limits, which the Investment Manager believes to be of equivalent quality. Where investment in unrated debt securities is sought to be made, the specific approval of the Board of Directors of the AMC and Trustee shall be obtained prior to investment.</p>
<b>MAUSTBF MASTBF &amp; MAGF</b>	<p><b>Investment in Derivatives:</b></p> <ul style="list-style-type: none"> <li> <b>Concepts and Examples of investing into Derivatives</b>  Derivatives are financial contracts of pre-determined fixed duration, whose values are derived from the value of an underlying primary financial instrument, commodity or index, such as: interest rates, exchange rates, commodities and equities. </li> <li> <b>Interest Rate Swaps</b>  Interest Rate Swaps is an agreement between two parties (counterparties) to exchange payments at specified dates on the basis of a specific amount with reference to a specified reference rate. Swap Agreements provide for period payment dates for both parties where payments are netted and only the net amount is paid to the counterparty entitled to receive the net payment. Consequently, the Scheme's current obligations (or rights) under a swap agreement will generally be equal only to the net amount to be paid or received under the agreement, based on the relative values of the possession held by each counterparty. </li> </ul> <p><b>Example of a swap transaction:</b></p> <p>Assume that the Scheme has a Rs. 50 crore floating rate investment linked to MIBOR (Mumbai Inter Bank Offered Rate). Thus, the Scheme has a potential interest rate risk and stands to incur a loss if the interest rate moves down. To hedge this interest rate risk, the Scheme can enter into a 6 month MIBOR swap on July 1, 2007 for 6 months that is upto January 1, 2008. Through this swap, the Scheme will receive a fixed determined rate (assume 8%) and pays the 'benchmark rate' (MIBOR), which is fixed by an intermediary who runs a book and matches deals between various counterparties, such intermediary could be the NSE or the Reuters. This swap would effectively lock in the interest rate of 8% for the next 6 months, eliminating the daily interest rate risk.</p>

Scheme	Where the scheme will invest?
	<p>On January 1, 2008 the Scheme is entitled to receive interest on INR 50 Crore at 8% for 180 days i.e., INR 2 Crore (this amount is known at the time the swap is concluded) and will pay the compounded benchmark rate. The counterparty is entitled to receive the daily compounded call rate for 180 days and pay 8% fixed rate. On January 1, 2008, if the total accrued interest on the daily overnight compounded benchmark rate is higher than INR 2 Crore the Scheme will pay the difference to the counterparty. If the daily accrued interest is lower, then the counterparty will pay the Scheme the difference.</p> <p>Effectively, the Scheme earns interest at the rate of 8% p.a. for 6 months without lending money for 6 months fixed, whilst the counterparty pays interest @ 8% p.a. for 6 months on INR 50 Crores without borrowing for 6 months fixed.</p> <ul style="list-style-type: none"> <li> <b>Forward Rate Agreement</b> <p>Forward rate agreement is a transaction in which the counterparties agree to pay or receive the difference between an agreed fixed rate and the interest rate prevailing on a stipulated future date, based on a notional amount, for an agreed period. As the interest rate is fixed now for a future period, the only payment is the difference between the agreed fixed rate and the reference rate in the future. As in the case of interest rate swaps, only notional amounts are exchanged.</p> <p>Assume that on January 30, 2009, the 90 day commercial paper (CP) rate is 8.75% and the Scheme has an investment in a CP of face value INR 25 Crores which is going to mature on April 30, 2009. If the interest rates are likely to remain stable or decline after April 2009, and if the fund manager, who wants to re-deploy the maturity proceeds for 3 more months, 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 January 30, 2009.</p> <p>He can receive 3 X 6 FRA on January 30, 2009 at 8.75% (FRA rate for 3 months lending in 3 months time) on the notional amount of Rs. 25 crores, with a reference rate of 90 day CP benchmark. If the CP benchmark on the settlement date i.e. April 30, 2009 falls to 8.5%, then the Scheme receives the difference 8.75 - 8.5 i.e. 25 basis points on the notional amount Rs. 25 crores for 3 months. The maturity proceeds are then reinvested at say 8.5% (close to the benchmark). The scheme, however, would have locked in the rate prevailing on January 30, 2009 (8.75%) as it would have received 25 basis points more as settlement amount from FRA. Thus the fund manager can use FRA to mitigate the reinvestment risk. In this example, if the rates move up by 25 basis points to 9% on the settlement date (April 30, 2009), the Scheme loses 25 basis points but since the reinvestment will then happen at 9%, effective returns for the Scheme is unchanged at 8.75%, which is the prevailing rate on January 30, 2009.</p> <p>Please note that the above examples are based on assumptions and are used only for illustrative purposes.</p> </li> <li> <b>Futures</b> <p>A futures contract is an agreement between the buyer and the seller for the purchase and sale of a particular asset at a specific price on a specific future date. The price at which the underlying asset would change hands in the future is agreed upon at the time of entering into the contract. The actual purchase or sale of the underlying asset involving payment of cash and delivery of the instrument does not take place until the contracted date of delivery. A futures contract involves an obligation on both the parties to fulfill the terms of the contract.</p> <p>Please note that the above examples are based on assumptions and are used only for illustrative purposes.</p> <p>Risks associated with investment strategy which may be followed by the fund managers for investment in derivatives:</p> </li> </ul>

Scheme	Where the scheme will invest?
	<p>Execution of investment strategies depends upon the ability of the fund manager 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 involve uncertainty and decision of fund manager may not always be profitable.</p> <p>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.</p> <p><b>Investment in Foreign Securities :</b></p> <p>In accordance with series of SEBI's circulars SEBI/IMD/CIR No. 7/104753/07 dated September 26, 2007 and SEBI/IMD/CIR No.2/1222577/08 dated April 8, 2008, the following conditions shall apply to the Scheme's participation in the overseas investments. Please note that the investment restrictions applicable to the Scheme's participation in overseas investments will be as prescribed or varied by SEBI or by the Trustees (subject to SEBI requirements) from time to time. The regulations pertaining to investment in ADRs/ GDRs/Foreign Securities and Overseas ETFs by mutual funds, have now been decided as under:</p> <ul style="list-style-type: none"> <li>• The aggregate ceiling for overseas investments is now been enhanced from US \$ 5 billion to US \$7 billion as per the Circular SEBI/IMD/CIR No. 2/122577/08 dated April 8 2008.</li> <li>• Within the overall limit of US \$ 7 billion, mutual funds can make overseas investments subject to a maximum of US \$300 million per mutual fund. The permissible investments Mutual Funds can invest in:</li> <li>• ADRs/ GDRs / IDRs issued by Indian or foreign companies</li> <li>• Equity of overseas companies listed on recognized stock exchanges overseas</li> <li>• Initial and follow on public offerings for listing at recognized stock exchanges overseas</li> <li>• 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</li> <li>• Money market instruments rated not below investment grade</li> <li>• Repos in the form of investment, where the counterparty is rated not below investment grade; repos should not however, involve any borrowing of funds by mutual funds</li> <li>• Government securities where the countries are rated not below investment grade</li> <li>• Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities</li> <li>• Short term deposits with banks overseas where the issuer is rated not below investment grade</li> <li>• Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, (b) Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or (c) unlisted overseas securities (not exceeding 10% of their net assets).</li> <li>• The Limits for Investment in Overseas Exchange Traded Funds (ETFs): The overall ceiling for investment in overseas ETFs that invest in securities is US \$1 billion subject to a maximum of US \$ 50 million per Mutual Fund.</li> </ul> <p>The restriction on the investments in mutual fund units upto 5% of net assets and prohibits charging of fees, shall not be applicable to investments in mutual funds in foreign countries made in accordance with SEBI Guidelines. However, the management fees and other expenses charged by the mutual fund in foreign countries along with the management fee and recurring expenses charged to the domestic mutual fund scheme shall not exceed the total limits on expenses as prescribed under Regulation 52(6). Where the scheme is investing only a part of the net assets in the foreign mutual fund(s), the same principle shall be applicable for that part of investment. The overseas securities markets offer new investment and portfolio diversification opportunities by enabling investments in the overseas markets. However, such investments also entail additional risks.</p>

Scheme	Where the scheme will invest?
	<p>Such investment opportunities may be pursued by the Mutual Fund provided they are considered appropriate in terms of the overall investment objectives of the Scheme. The Scheme may then, if necessary, seek applicable permission from SEBI and RBI to invest abroad in accordance with the investment objectives of the Scheme and in accordance with any guidelines issued by SEBI/RBI from time to time. These investments shall be made subject to any/all approvals, conditions thereof as may be stipulated by SEBI/RBI and provided such investments do not result in expenses to the Scheme in excess of the ceiling, if any, on expenses prescribed by SEBI for offshore investment, and if no such ceiling is prescribed by SEBI, the expenses to the Scheme shall be limited to the level which, in the opinion of the Trustee, is reasonable and consistent with costs and expenses attendant to international investing. The Mutual Fund may, where necessary appoint other intermediaries of repute for advising 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 overseas advisors, transaction costs, and overseas regulatory costs.</p>
<b>MAGF</b>	<p><b>Investment Plan:</b> The Plan intends to invest predominantly in a portfolio comprising of Government securities with residual maturity ranging from 1 year to 20 years or higher. The average portfolio maturity duration of the plan will exceed 4 years. The Scheme may also invest in money market instruments which include but is not limited to treasury bills, CBLO, repo/reverse repo and any other like instruments.</p> <p><b>Savings Plan:</b> The Plan intends to invest predominantly in a portfolio comprising of short to medium term Government securities with an average portfolio maturity duration not exceeding 5 years. The Scheme may also invest in money market instruments which include but is not limited to treasury bills, CBLO, repo/reverse repo and any other like instruments.</p> <p><b>The Scheme shall maintain a separate portfolio for each plan and thus each plan will have separate NAVs. Investment in Government Securities :</b></p> <p>The Scheme may invest into debt securities including, but not limited to, debt Obligations of the Government of India, State and Local Governments, Government Agencies, Statutory Bodies, Public Sector Undertakings, Public Sector Banks or Private Sector Banks or any other Banks, Financial Institutions, Development Financial Institutions, collateralized debt obligations or any other instruments as may be prevailing and permissible under the Regulations from time to time.</p> <p><b>Investment in Money Market Instruments:</b></p> <p>The Scheme may invest in Money market instruments including, but not limited to Treasury Bills, Commercial Paper of Public Sector Undertakings and Private Sector Corporate Entities, Term Money, CBLO, Repo/Reverse Repo, Floating and MIBOR Linked Instrument, Certificates of Deposit of Scheduled Commercial Banks, Financial Institutions and Development Financial Institutions, Government securities with unexpired maturity of one year or less or any other like instruments as are or may be permitted by SEBI/RBI from time to time and in the manner prescribed under the Regulations.</p> <p>The money market instruments referred to above could be fixed rate or floating rate, listed, unlisted, privately placed or securitized debt securities, among others, transacted on an outright or repo / reverse repos basis, as permitted by regulation. The scheme may also invest in deposits of Scheduled Commercial Banks as permitted under Regulations / Guidelines.</p> <p>The Fund may seek to underwrite issuance of Government securities if and to the extent permitted by SEBI / RBI and subject to the prevailing rules and regulations specified in this respect and may also participate in auctions of Government Securities from time to time.</p>

## E. WHAT ARE THE INVESTMENT STRATEGIES?

Schemes	Investment Strategy
<b>MALF &amp; MAUSTBF</b>	<p>This scheme is meant for investors to deploy their funds for a short period of time. The fund will be managed according to the investment objective, thereby seek to generate reasonable returns commensurate with low risk. The scheme will invest in money market and other debt securities and shall maintain high liquidity for the purpose of meeting the liquidity requirements of the investors.</p> <p>The credit quality of the portfolio will be maintained and monitored using in-house research capabilities as well as inputs from external sources such as independent credit rating agencies. The investment team will primarily use a top down approach for taking interest rate view, sector allocation along with a bottom up approach for security/instrument selection. The bottom up approach will assess the quality of security/instrument (including the financial health of the issuer) as well as the liquidity of the security. Investments in debt instruments carry various risks such as interest rate risk, reinvestment risk, credit risk and liquidity risk etc. Whilst such risks cannot be eliminated, they may be minimized through diversification and effective use of hedging techniques.</p> <p>The Scheme may invest in fixed income derivatives instruments like forward rate agreements, interest rate swaps etc. to the extent permitted under and in accordance with the applicable Regulations, including for the purposes of portfolio hedging and portfolio balancing to optimize the returns. Hedging does not mean maximization of returns but only attempts to reduce risk that may be inherent in the investment.</p> <p>The Scheme does not propose to underwrite issuances of securities of other issuers.</p>
<b>MACMF</b>	<p>This scheme is meant for investors to deploy their funds for a short period of time. The fund will be managed according to the investment objective; thereby seeking to generate returns linked to MIBOR, call and CBLO etc. commensurate with low risk and shall maintain high liquidity for the purpose of meeting the liquidity requirements of the investors.</p> <p>The investment team will primarily use a bottom up approach with an importance to top down overlay to assess the quality of the security / instrument (including the financial health of the issuer) as well as the liquidity of the security and the impact of various macroeconomic policy changes such as monetary policy changes etc.</p> <p>Investments in debt instruments carry various risks such as interest rate risk, reinvestment risk, credit risk and liquidity risk etc. Whilst such risks cannot be eliminated, they may be minimized through diversification.</p> <p>The Scheme does not propose to underwrite issuances of securities of other issuers.</p>
<b>MAGF</b>	<p>The fund will be managed according to its objective and thereby seek to generate returns commensurate with low credit risk by predominantly investing in the portfolio comprising of sovereign securities issued and guaranteed by Central and State Govt. The Scheme may also invest in money market instruments which include but is not limited to treasury bills, CBLO, repo/reverse repo and any other like instruments as are and or may be permitted under the Regulations and RBI from time to time.</p> <p><b>Investment Plan:</b> The Plan intends to invest predominantly in a portfolio comprising of Government securities with residual maturity ranging from 1 year to 20 years or higher. The average portfolio maturity duration of the plan will exceed 4 years.</p> <p><b>Savings Plan:</b> The Plan intends to invest predominantly in a portfolio comprising of short to medium term Government securities with an average portfolio maturity duration not exceeding 5 years.</p> <p>The investment team will take an active view of the interest rate movement by keeping a close watch on various macroeconomic parameters of the Indian economy as well as developments in global markets. Investment views / decisions will be taken on the basis of the various factors like, prevailing interest rate scenario, Government's borrowing programme, level of liquidity in the banking system, inflation levels and overall macro economic growth of the country.</p> <p>The Fund may seek to underwrite issuance of Government securities if and to the extent permitted by SEBI / RBI and subject to the prevailing rules and regulations specified in this respect and may also participate in auctions of Government Securities from time to time.</p>

<p><b>MAGF</b></p>	<p>Investments in debt instruments carry various risks such as interest rate risk, reinvestment risk, sovereign risk, credit risk and liquidity risk etc. Whilst such risks cannot be eliminated, they may be minimized through diversification and effective use of hedging techniques.</p> <p>The Scheme may invest in fixed income derivatives instruments like forward rate agreements, interest rate swaps etc. to the extent permitted under and in accordance with the applicable Regulations, for the purposes of portfolio hedging and portfolio rebalancing.</p> <p>Hedging does not mean maximization of returns but only attempts to reduce risk that may be inherent in the investment.</p> <p>The asset allocation pattern of the Scheme/plan may change from time to time keeping in view the market conditions, legislative and regulative amendments and political and economic factors, subject to Regulations. It must be clearly understood that the percentages as stated in the asset allocation pattern are purely indicative and can change substantially depending on the perception of the Investment Manager with the sole intention of protecting the interests of the Unit holders.</p> <p>While it is the intention of the Scheme/plan to maintain the minimum exposure guidelines provided in the asset allocation pattern, there might be instances when these percentages may change. Typically, the situation of the fund manager investing a substantial or entire portion of the funds into money market instruments including CBLO, may occur, when the corpus is not considered sufficient to trade in market lots of government securities.</p> <p><b>Explanation:</b> Investments in government securities, money market instruments including CBLO shall be considered for the purpose of calculation of the average portfolio maturity of the Scheme/plans.</p>
<p><b>MASTBF</b></p>	<ul style="list-style-type: none"> <li>• The scheme shall be constructed and actively managed according to the investment objective, thereby seek to generate reasonable returns. The scheme will invest in money market and other debt securities (including securitized debt) and shall also try to maintain adequate liquidity for the purpose of meeting the liquidity requirements of the investors.</li> <li>• The credit quality of the portfolio will be maintained and monitored using in-house research capabilities as well as inputs from external sources such as independent credit rating agencies.</li> <li>• The investment team will primarily use a top down approach for taking interest rate view, sector allocation along with a bottom up approach for security/instrument selection.</li> <li>• The bottom up approach will assess the quality of security/instrument (including the financial health of the issuer) as well as the liquidity of the security.</li> <li>• Investments in debt instruments carry various risks such as interest rate risk, reinvestment risk, credit risk and liquidity risk etc. Whilst such risks cannot be eliminated, they may be minimized through diversification and effective use of hedging techniques.</li> <li>• Investments in debt instruments carry various risks such as interest rate risk, reinvestment risk, credit risk and liquidity risk etc. Whilst such risks cannot be eliminated, they may be minimized through diversification and effective use of hedging techniques.</li> </ul> <p>The Scheme may invest in fixed income derivatives instruments like forward rate agreements, interest rate swaps etc. to the extent permitted under and in accordance with the applicable Regulations, including for the purposes of portfolio hedging and portfolio balancing to optimize the returns. Hedging does not mean maximization of returns but only attempts to reduce risk that may be inherent in the investment. The Scheme may also invest in permitted foreign instruments for diversification.</p> <p>The Scheme does not propose to underwrite issuances of securities of other issuers.</p>

## For MASTBF:

### Liquidity Management

The Fund Manager may invest in short term deposits of scheduled commercial banks pending deployment of funds in accordance with SEBI Circular dated April 16, 2007, October 26, 2007 and June 23, 2008. The Scheme may also keep a portion in cash or near cash in meeting the expenses of the Scheme. For the purpose of further diversification and liquidity, the Scheme may invest in other schemes managed by the same AMC or by the asset management company of any other mutual fund without charging any fees on such investments, provided that aggregate inter-scheme investment made in all schemes managed by the same AMC or in schemes managed by the AMC of any other mutual fund shall not exceed 5% of the net asset value of the Fund.

### Policy for Investment decisions

The investment policy of the AMC has been determined by the Investment Committee ("IC") which has been ratified by the Boards of the AMC and Trustee. At the strategic level, the broad investment philosophy of the AMC and the authorized exposure limits are spelt out in the Investment Policy of the AMC. During trading hours, the Fund Managers have the discretion to take investment decisions for the Scheme within the limits defined in the Investment Policy, these decisions and the reasons thereof are communicated to the CEO for post facto approval.

### Portfolio Turnover Policy (for all schemes)

Portfolio turnover is defined as the aggregate value of investment and disinvestment in equity / equity related securities (other than those caused by the Purchases and Redemptions by Unit Holders) as a percentage of the average corpus of the Scheme during a specified period of time. This would also exclude investments / disinvestments in money market instruments.

The fund managers normally will buy stocks which they believe 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, during volatile market conditions, the fund manager has the flexibility to churn the portfolio actively to optimize returns keeping in mind the cost associated with it.

## F. FUNDAMENTAL ATTRIBUTES (for all schemes)

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

### (i) Type of Scheme

**MALF / MACMF:** Open ended Liquid Schemes

**MAGF:** Open ended gilt scheme

**MAUSTBF / MASTBF:** Open Ended debt scheme

- For details, please refer "**Type of the Schemes**".

### (ii) Investment Objective

- Main Objective - Please refer "**What are the investment objectives of the Schemes?**".
- Investment pattern – Please refer "**How will the Schemes allocate their assets?**"

### (iii) Terms of Issue

- Liquidity provisions such as listing, repurchase, redemption.

### Listing:

The Scheme being open ended, the Units are not proposed to be listed on any stock exchange and no transfer facility is provided.

### Redemption of Units:

The Unit Holder has the option to request for Redemption either in amount in rupees or in number of Units. In case the request for Redemption specifies both, i.e. amount in rupees as well the number of Units to be redeemed, then the latter will be considered as the redemption request and redemption will be processed accordingly.

For minimum redemption amount please refer to page No. 4 of the SID.

Units can be redeemed (sold back to the Fund) at the Redemption Price during the Ongoing Offer Period. If an investor has purchased Units of a Scheme on more than one Business Day the Units will be redeemed on a first-in-first-out basis. If multiple Purchases are made on the same day, the Purchase appearing earliest in the account statement will be redeemed first.

### Redemption Price:

The Redemption Price of the Units is the price at which a Unit Holder can redeem Units of a scheme. It will be calculated as described below:

Redemption Price = Applicable NAV x (1 - Exit Load\* or CDSC\*)

\* Either Exit Load or CDSC, whichever is applicable, will be charged.

Redemption Price will be calculated for up to three decimal places for the Scheme.

For example, if the Applicable NAV of a Scheme is Rs.10, and it has a 2% Exit Load, the Redemption Price will be calculated as follows:

Redemption Price = 10 x (1 - 2.00%) i.e. 10 x 0.98 = 9.80

If the Scheme has no Exit Load and no CDSC, the Redemption Price will be equal to the Applicable NAV.

The Securities Transaction Tax levied under the Income Tax Act, 1961, at the rate of 0.25% (or such other applicable rate) on the amount of redemption will be reduced from the amount of redemption. To illustrate:

If a Redemption of 1,000 units is sought by the Unit Holder at a Redemption Price of Rs. 9.80 (as calculated above), the redemption



amount is Rs. 9,800. This will be further reduced by Rs. 25 (i.e. Rs. 9,800 x 0.25%, rounded off to the nearest rupee), making the net redemption amount Rs. 9,775.

If a Redemption of Rs. 10,000 is sought by the Unit Holder at a Redemption Price of Rs. 9.80 (as calculated above), the effective redemption amount will be grossed up to Rs. 10,025 (i.e.  $10,000 \div (1 - 0.25\%)$ ) and 1022.959 units ( $10,025 \div 9.80$ ) will be redeemed. This is to ensure that the Unit Holder receives the net amount of Rs. 10,000 as desired.

Investors may note that the Trustee has a right to modify the existing Load structure in any manner or introduce an Exit Load or CDSC or a combination of Exit Load and / or CDSC and / or any other Load subject to a maximum as prescribed under the Regulations and with prospective effect only.

Please refer section - LOAD STRUCTURE.

#### Right to Limit Purchase & 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 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) 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 pro-rata 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 Lakh in a single day.

- Aggregate fees and expenses charged to the Scheme. Please refer, “Section VII. Fees and Expenses.”
- Any safety net or guarantee provided – Not applicable.

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 trustor 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 SCHEMES BENCHMARK THEIR PERFORMANCE?

The Board adopted Benchmarks for comparing the performance of the Schemes as under:

Scheme	Benchmark
MALF & MAUSTBF	CRISIL Liquid Fund Index
MACMF	CCIL MIBOR
MAGF	Investment Plan – I Sec Li-Bex Savings Plan – I Sec Si-Bex
MASTBF	CRISIL Short Term Bond Fund Index

#### H. WHO WILL MANAGE THE SCHEMES?

The following are the details of the fund managers within the AMC who will manage the investments of the Schemes:

Sr. No.	Scheme	Name/ Designation	Qualifications / Age	Brief Experience
1	MALF, MAUSTBF, MACMF, MASTBF & MAGF - Investment & Savings Plan	Mr. Yadnesh Chavan / Fund Manager – Fixed Income	MBA from Indian Institute of Planning and Management, New Delhi/ 27 years	Mr. Yadnesh has over 5 years of experience in Fixed Income Dealing, Portfolio regulatory compliance & Management of Debt Portfolios. He is responsible for the overall Fund management of Fixed Income funds. His last assignment was with Aviva Life Insurance Company India Ltd, where he was assisting in management of debt portfolios & portfolio risk management. Prior to that, he was also associated with Investment team of ICICI Lombard General Insurance Co Ltd & Max New York Life Insurance Ltd. handling similar responsibilities.

## I. WHAT ARE THE INVESTMENT RESTRICTIONS?

### Investment Limitations and Restrictions (For all schemes)

The following investment limitations and other restrictions, inter-alia, as contained in the Trust Deed and the Regulations apply to the Scheme:

- 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 activity under the Act. Such investment limit may be extended to 20% of the NAV of the scheme with the prior approval of the Boards of Trustee and AMC, provided that such limit shall not be applicable for investments in government securities and money market instruments. Provided further that investment within such limit can be made in mortgaged backed securities which are rated not below investment grade by a credit rating agency registered with SEBI.
- A mutual fund scheme shall not invest more than 10% of its NAV in unrated 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 Boards of Trustee and AMC.
- Debentures, irrespective of any residual maturity period (above or below one year), shall attract the investment restrictions as applicable for debt instruments as specified under Clause 2 and 3 above.
- The Scheme may invest in another scheme under the same asset management company or any other mutual fund without charging any fees, provided that aggregate inter-scheme investment made by all schemes under the management or in schemes under the management of any other asset management company shall not exceed 5% of the NAV of the mutual fund.
- Pending deployment of funds of a scheme in securities in terms of investment objectives of the scheme a mutual fund can invest the funds of the scheme in short term deposits of scheduled commercial banks. The investment in these deposits shall be in accordance with SEBI Circular dated April 16, 2007 and October 26, 2007 and June 23, 2008.

As per SEBI Circular SEBI/IMD/CIR No. 1/ 91171 /07 dated April 16, 2007:

Total investment of the Scheme in Short term deposit(s) of all the Scheduled Commercial Banks put together shall not exceed 15% of the net assets. However, this limit can be raised upto 20% of the net assets with prior approval of the trustees. Further, investments 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 invest more than 10% of the net assets in short term deposit(s), of any one scheduled commercial bank including its subsidiaries.

The Scheme shall not invest in short term deposit of a bank which has invested in that Scheme.

Asset Management Company (AMC) shall not be permitted to charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks in case of liquid and debt oriented Schemes.

The investments in short term deposits of scheduled commercial banks will be reported to the Trustees along with the reasons for the investment which, inter-alia, would include comparison with the interest rates offered by other scheduled commercial banks. Further, AMC shall ensure that the reasons for such investments are recorded in the manner prescribed in SEBI Circular MFD/CIR/6/73/2000 dated July 27, 2000.

The Scheme will comply with SEBI regulations and any other regulations applicable to the investments of Funds from time to time. The Trustee may alter the above restrictions from time to time to the extent that changes in the regulations may allow. All investment restrictions shall be applicable at the time of making investment.

- Inter scheme transfers of investments from one scheme to another scheme in the same Mutual Fund shall be allowed only if such transfers are done at the prevailing market price for quoted instruments on spot basis. Explanation -“Spot basis” shall have same meaning as specified by stock exchange for spot transactions. The securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.
- The initial issue expenses shall not exceed 6% of the fund raised under the scheme.
- Every mutual fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relative securities and in all cases of sale, deliver the securities and shall in no case put itself in a position whereby it has to make short sale or carry forward transaction or engage in badla finance, provided that mutual funds shall enter into derivatives transactions in a recognized stock exchange subject to such guidelines as may be specified by SEBI.
- Every mutual fund shall get the securities purchased or transferred in the name of the mutual fund on account of the concerned scheme, wherever investments are intended to be of long-term nature.

- 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.
- No scheme of a mutual fund shall make any investment in any fund of funds scheme.
- The Mutual Fund having an aggregate of securities which are worth Rs.10 crores or more, as on the latest balance sheet date, shall subject to such instructions as may be issued from time to time by SEBI, settle their transactions entered on or after January 15, 1998 only through dematerialized securities. Further, all transactions in government securities shall be in dematerialized form.
- No mutual fund scheme shall invest more than thirty percent of its net assets in money market instruments of an issuer: Provided that such limit shall not be applicable for investments in Government securities, treasury bills and collateralized borrowing and lending obligations.

#### **Applicable for MALF / MACMF:**

- As per SEBI circular no SEBI/IMD/CIR No.13/150975/09 dated January 19, 2009, With effect from May 01, 2009, the scheme shall make investments in / purchase debt and money market securities with maturity of upto 91 days only.

The Scheme will comply with SEBI regulations and any other regulations applicable to the investments of Funds from time to time. The Trustee may alter the above restrictions from time to time to the extent that changes in the regulations may allow. All investment restrictions shall be applicable at the time of making investment.

The Trustee may alter the above restrictions from time to time to the extent that changes in the Regulations may allow and as deemed fit in the general interest of the Unit Holders

Apart from the investment restrictions prescribed under SEBI(MF) Regulations, the Fund does not follow any internal norms vis-à-vis limiting exposure to a particular scrip or sector etc.

#### **Investments Limitations and Restrictions in Foreign Securities (In case of MAUSTBF & MASTBF)**

In accordance with series of SEBI's circulars SEBI/IMD/CIR No. 7/104753/07 dated September 26, 2007 and SEBI/IMD/CIR No.2/122577/08 dated April 8, 2008, the following conditions shall apply to the Scheme's participation in the overseas investments. Please note that the investment restrictions applicable to the Scheme's participation in overseas investments will be as prescribed or varied by SEBI or by the Trustees (subject to SEBI requirements) from time to time. The regulations pertaining to investment in ADRs/ GDRs/Foreign Securities and Overseas ETFs by mutual funds, have now been decided as under:

- The aggregate ceiling for overseas investments are now been enhanced from US \$ 5 billion to US \$7 billion as per the Circular SEBI/IMD/CIR No. 2/122577/08 dated April 8 2008.
- Within the overall limit of US \$ 7 billion, mutual funds can make overseas investments subject to a maximum of US \$300 million per mutual fund. The permissible investments Mutual Funds can invest in:
- ADRs/ GDRs / IDRs 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 should not however, involve any borrowing of funds by 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, (b) Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or (c) unlisted overseas securities (not exceeding 10% of their net assets).
- The Limits for Investment in Overseas Exchange Traded Funds (ETFs): The overall ceiling for investment in overseas ETFs

that invest in securities is US \$1 billion subject to a maximum of US \$ 50 million per Mutual Fund.

The restriction on the investments in mutual fund units upto 5% of net assets and prohibits charging of fees, shall not be applicable to investments in mutual funds in foreign countries made in accordance with SEBI Guidelines. However, the management fees and other expenses charged by the mutual fund in foreign countries along with the management fee and recurring expenses charged to the domestic mutual fund scheme shall not exceed the total limits on expenses as prescribed under Regulation 52(6). Where the scheme is investing only a part of the net assets in the foreign mutual fund(s), the same principle shall be applicable for that part of investment. The overseas securities markets offer new investment and portfolio diversification opportunities by enabling investments in the overseas markets. However, such investments also entail additional risks. Such investment opportunities may be pursued by the Mutual Fund provided they are considered appropriate in terms of the overall investment objectives of the Scheme. The Scheme may then, if necessary, seek applicable permission from SEBI and RBI to invest abroad in accordance with the investment objectives of the Scheme and in accordance with any guidelines issued by SEBI/RBI from time to time.

Apart from the investment restrictions prescribed under SEBI(MF) Regulations, the Fund does not follow any internal norms vis-à-vis limiting exposure to a particular scrip or sector etc.

In accordance with SEBI Circular dated August 18, 2010, the following clauses shall stand inserted under the para titled "What are the Investment Restrictions" in the Scheme Information Documents of the schemes as indicated below:

#### Investments Limitations and Restrictions in Derivatives (for all schemes)

1.	The cumulative gross exposure through debt and derivative positions will not exceed 100% of the net assets of the scheme. However, 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"> <li>a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.</li> <li>b. Hedging positions shall not be taken for existing derivative positions. Exposure due to such positions shall be added and treated under gross cumulative exposure limits mentioned under Point 1.</li> <li>c. Any derivative instrument used to hedge shall have the same underlying security as the existing position being hedged.</li> <li>d. The quantity of underlying associated with the derivative position taken for hedging purposes shall not exceed the quantity of the existing position against which hedge has been taken.</li> </ul>								
5.	The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions shall 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.								
6.	Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under gross cumulative exposure limits mentioned under Point 1.								
7.	Each position taken in derivatives shall have an associated exposure as defined below. 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" data-bbox="319 1582 1212 1743"> <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								
8.	Derivatives transactions shall be disclosed in the half-yearly portfolio / annual report of the schemes in line with requirements under SEBI Regulations.								

**Guidelines for investments in Securitized Debt:**

**1. Rationale for investment in securitized debt and how the risk profile of securitized debt fits into the risk appetite of the Schemes:**

The risk profile for debt portion of the Schemes/ Plans is defined as low to medium. The debt portion of the Schemes/ Plans are intended to be invested in high quality debt instruments like gilts, corporate bonds and money market instruments which would give accrual as well as capital appreciation. Investments would also be made across various tenors depending on interest rate conditions.

The Schemes/ Plans may invest in securitized debt provided there are suitable opportunities available from time to time. Primarily the reasons for making such investments are:

1. To increase the yield of the portfolio;
2. Provides access to good quality highly rated debt;
3. Diversification to multiple asset classes to spread out risk;
4. Securitized debt can give access to exposures to various asset backed receivables like mortgage loans, auto loans, commercial vehicle loans etc which may not be directly available.

Hence, investing in good quality rated securitized debt would fit the risk profile of the Schemes/ Plans, as it can give high yield and capital appreciation.

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

The fund management team shall evaluate the 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

Apart from above, the fund management team shall critically evaluate the originator and underlying issuer before investing in pool loan or in single loan securitization transactions. The evaluation shall be done based on following parameters which would be captured in a detailed credit note and placed before the Investment Committee (IC) for its approval:

- ☐ 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 re-schedulement 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.

If there are concerns on the above-mentioned issues regarding the originator/ underlying issuer, the fund management team would avoid investing in securitization transaction without specific risk mitigant strategies/additional cash/ security collaterals/ guarantees.

Further, for single sell down structures, the originator's name should be in the approved list of issuers for corporate debt which are laid down separately and are approved by the IC. For any originator who is not in the approved list a separate credit note on the originator needs to be made and approved by the IC. In order to ensure certain standards while investing in securitized debt, the IC has laid down guidelines with respect to minimum rating.

In addition to a detailed credit note prepared in house by the credit analyst, a detailed review and assessment of rating rationale shall be done including interactions with the Company/ Agency.

### 3. Risk mitigation strategies for investments in securitized debt with each kind of originator

The various risks associated with investment in securitized debt include credit risk, liquidity risk, counterparty risk, market risk, prepayment risk and price risk. Investors are requested to refer Risk associated with Securitized Debt and PTC investment mentioned in this Document under the heading “Scheme Specific RiskFactors”.

With an objective to make securitized debt investments comparable with the other Debt instruments, the Fund Management team shall follow following risk mitigation strategies:

1. Minimum rating criteria for short term and long term debt: The minimum rating criteria for investment in less than one year securitized debt would be P1+(SO) or equivalent by any other rating agency whilst for long term investments of more than one year would be AA(SO) or equivalent by any other rating agency.

The rating agency also sets certain terms and conditions before assigning the top notch rating. These pertain to collateral and credit enhancements, average seasoning, background of the originator, systems and processes followed by the originator, etc. The rating agency also scrutinizes the legal agreement to assess that the transaction has been structured to protect investors’ interests and ensure it’s a true sale.

2. Maximum tenor of securitized debt: The maximum tenor for any class of securitized debt (door to door maturity) shall be five years (or such other tenor as may be approved by the IC from time to time). This would endeavour that the duration risk and price risk is reduced considerably.
3. Maximum single securitized debt exposure: In order to further mitigate risk, the Scheme shall not invest more than 10% (or such other limit as may be approved by IC from time to time) in a single securitized debt structure and on an aggregate basis the investments in securitized debt will be as laid down in the Scheme Information Document. By putting a ceiling on the single issuer exposure, the credit risk is controlled and it also ensures diversification of the Schemes assets.
4. **The level of diversification with respect to the underlying assets, and risk mitigation measures for less diversified investments**

The table below illustrates the framework that will be applied while evaluating investment decision relating to a pool securitization transaction:

Characteristics/ Type of Pool	Mortgage Loan	Commercial Vehicle and Construction Equipment	CAR	Two wheel- ers	Micro Finance Pools	Personal Loans	Single Sell Downs	Others
Approximate Average maturity (in Months)	36-60 months	12-60 months	12-60 months	12-60 months	15-80 weeks	5 months-3 years	1-60 months	To be applied as and when.
Collateral margin (including cash, guarantees, excess interest spread, subordinate tranche)	3-10%	4-12	4-13	4-15	5-15	5-15	Na	To be applied as and when.
Average Loan to Value Ratio	75%-95%	80-98	75-95	70-95	Unse- cured	Unse- cured	Secured/ Unse- cured	To be applied as and when.
Average seasoning of the Pool	3-5 months	3-6 months	3-6 months	3-5 months	2-7 weeks	1-5 months	NA	To be applied as and when.

Maximum single exposure range	5%	5%	5%	5%	5%	5%	NA	To be applied as and when.
Average single exposure range %	2-3%	1-3	1-3	2-3	1-2	1-3	NA	To be applied as and when.

Other Risk Mitigating measures:

☐ **Size of the loan**

The ticket size of the loan varies depending on the type of pool being securitized. Hence, the credit analyst would accordingly discern the same at the time of investment. For example, the average ticket size of loan in a microfinance pool may be in the range of Rs. 5,000 to Rs. 25,000, whereas in a mortgage pool it may be in the range of Rs. 1,000,000 to Rs. 10,000,000.

Here the analysis would take into account the general trend in ticket size of similar types of pools rated in the past.

☐ **Average original maturity of the pool**

This indicates the original repayment period and whether the loan tenors are in line with industry averages and borrower's repayment capacity. To illustrate, in a car pool consisting of 60 month contracts, the original maturity and the residual maturity of the pool viz. number of remaining installments to be paid gives a better idea of the risk of default of the pool itself. If in a pool of 100 car loans having original maturity of 60 months, if more than 70% of the contracts have paid more than 50% of the installments and if no default has been observed in such contracts, this is a far superior portfolio than a similar car loan pool where 80% of the contracts have not even crossed 5 installments.

☐ **Loan to Value Ratio**

As mentioned above.

☐ **Average seasoning of the pool**

As mentioned above.

☐ **Default rate distribution**

The fund management team shall generally ensure that all the contracts in the pools are current to ensure zero default rate distribution. Indicates how much % of the pool and overall portfolio of the originator is current, how much is in 0-30 DPD (days past due), 30-60 DPD, 60-90 DPD and so on. The rationale here being, as against 0-30 DPD, the 60-90 DPD is certainly a higher risk category.

☐ **Geographical Distribution**

A geographically well diversified pool of receivables in a securitized debt structure is preferable as it mitigates risk by avoiding undue concentration. Such information is typically disclosed in the rating rationale or the Information Memorandum of the issue and would be analysed at the time when investment is considered.

☐ **Credit enhancement facility/ Liquid facility**

Most originators/ issuers of securitized debt provide for various types of credit enhancement or liquidity which are taken into due consideration by the rating agency.

☐ **Structure of the pool**

The legal structure as well as the cash flows of the pool would be analysed including factors such as whether it's a par/premium structure at the time of investment. However, investors are requested to note that most of the above mentioned factors are not applicable to single loan sell downs which are comparable to a plain vanilla bond or debenture. Here the entire risk is only on the originator/ borrower and hence the borrower's risk profile, financials etc are to be analysed before arising at an investment decision. As mentioned earlier, the originator would have to be in the approved list of corporate debt, which is reviewed and approved by the Investment Committee.

Investors are requested to note that the above format and factors mentioned in point no. 4 shall be mentioned in the credit note at the time of investment in any securitized debt.

5. **Minimum retention period of the debt by originator prior to securitization and Minimum retention percentage by originator of debts to be securitized**

Investors are requested to refer point number 2, 3 and 4 above and Table mentioned herein above which illustrates the average seasoning of the debt by the originator prior to securitization and additional collaterals taken against each type of asset class, which is preferred over the minimum retention percentage by the originator of the loan.

However, above shall be subject to RBI Guidelines/ Circulars, as amended from time to time.

6. **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**

All investments made by the Scheme will be made in accordance with its investment objectives, investment focus, investment patterns/ policies and subject to SEBI (Mutual Funds) Regulations, 1996. At the time of investment the exposure of the originator in the Scheme shall be explicitly mentioned in the credit note which is then approved by IC. To ensure that there is no conflict of interest (in case the originator holds investments in the Scheme); the fund management team shall ensure that the issue is not completely subscribed to by them and that there are other investors as well. Accordingly, total issue amount and the amount subscribed to by the Scheme shall be specified in the credit note. Subsequently, if the originator makes investments in the Scheme this need not necessarily be due to subscription to their issue but can be based on other parameters like fund performance etc.

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

The investments in securitized debt are done after appropriate research by the credit analyst. The credit analyst goes through the Draft Information Memorandum, rating rationale, underlying receivables, pool principal, financials etc and prepares a credit note for investments in securitized debt. The ratings are monitored on a daily basis by way of e-mail by the credit analyst after tracking the websites of all the major rating agencies. Investors are requested to note that the information contained in this Guideline is based on an Internal Securitization Policy and on current market conditions and may change from time to time based on changes in such conditions, regulatory changes and other relevant factors. Accordingly, investment strategy, risk mitigation measures and other information contained herein may change without notice.

**Investments in Scheme by AMC, Sponsor & Affiliates (For all schemes)**

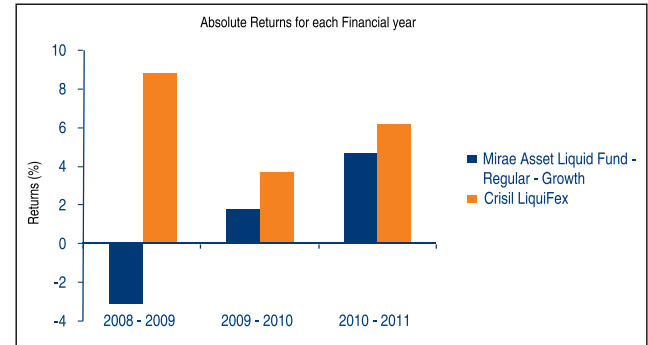
The AMC and investment companies managed by the Sponsor(s), their affiliates, their associate companies and subsidiaries may invest either directly or indirectly in the Schemes. The AMC shall not charge any fees on investment made by it in the units of the Schemes in accordance with sub-regulation 3 of Regulation 24 of the Regulations and shall charge fees on such amounts in future only if the SEBI Regulations so permit. The affiliates, associates, the Sponsor, subsidiaries of the Sponsor and/or the AMC may acquire a substantial portion of the Scheme's units and collectively constitute a major investment in the Schemes. Consequently in the event of repurchase of units held by such affiliates/associates and Sponsor, there be an adverse impact on the units of the Schemes as the timing of such repurchase may impact the ability of other unitholders to repurchase their units. The AMC reserves the right to invest its own funds in the Scheme as may be decided by the AMC from time to time and in accordance with SEBI Circular no. SEBI/IMD/CIR No. 10/22701/03 dated December 12, 2003 regarding minimum number of investors in the Scheme/ Plan.



**J. HOW HAVE THE SCHEMES PERFORMED?**

**MIRAE ASSET LIQUID FUND (MALF)**

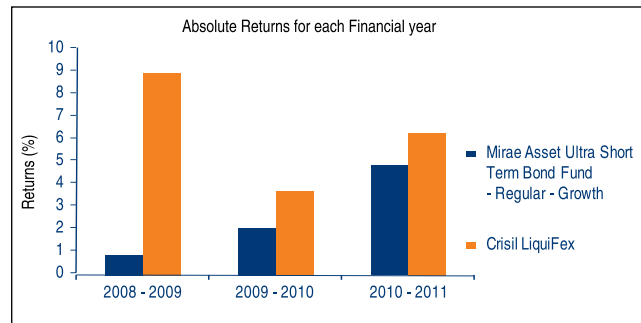
Compounded Annualised Return as on 29 <sup>th</sup> July, 2011	Scheme Returns (%)	Benchmark Returns (%)
Last 1 Year	5.47%	7.36%
Last 3 Year	0.87%	6.25%
Since inception	1.74%	6.43%
NAV as on 29 <sup>th</sup> July, 2011 - Mirae Asset Liquid Fund-Regular - Growth Option – Rs.1060.309		
Benchmark: Crisil Liquid Fund Index		
Date of Allotment – 5 <sup>th</sup> March, 2008		



Note: As per the SEBI standards for performance reporting, the returns are calculated on Rs. 1000/- invested at inception. For this purpose the inception date is deemed to be the date of allotment. The “Returns” shown are for the growth option. The calculations of returns shall assume reinvestment of all payouts at the then prevailing NAV. **Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.**

**MIRAE ASSET ULTRA SHORT TERM BOND FUND (MAUSTBF)**

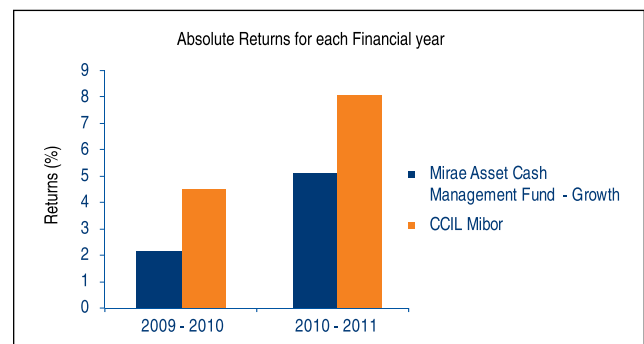
Compounded Annualised Return as on 29 <sup>th</sup> July, 2011	Scheme Returns (%)	Benchmark Returns (%)
Last 1 Year	5.54%	7.36%
Last 3 Year	2.30%	6.25%
Since inception	3.04%	6.43%
NAV as on 29 <sup>th</sup> July, 2011 - Mirae Asset Ultra Short Term Bond Fund-Regular - Growth Option – Rs.1107.1815		
Benchmark: Crisil Liquid Fund Index		
Date of Allotment – 5 <sup>th</sup> March, 2008		



Note: As per the SEBI standards for performance reporting, the returns are calculated on Rs. 1000/- invested at inception. For this purpose the inception date is deemed to be the date of allotment. The “Returns” shown are for the growth option. The calculations of returns shall assume reinvestment of all payouts at the then prevailing NAV. **Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.**

**MIRAE ASSET CASH MANAGEMENT FUND (MACMF)**

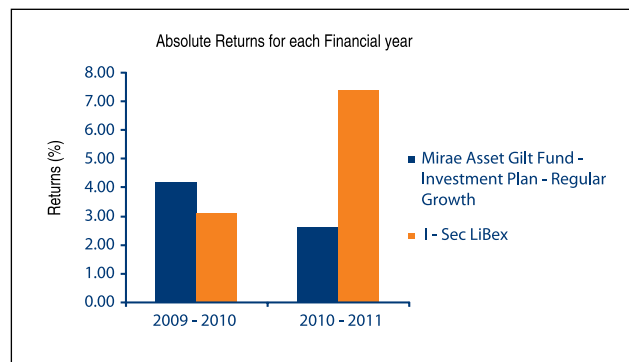
Compounded Annualised Return as on 29 <sup>th</sup> July, 2011	Scheme Returns (%)	Benchmark Returns (%)
Last 1 Year	5.93%	9.37%
Since inception	0.09%	6.80%
NAV as on 29 <sup>th</sup> July, 2011 - Mirae Asset Cash Management Fund-Regular - Growth Option – Rs.1105.1317		
Benchmark: CCIL MIBOR		
Date of Allotment – 12 <sup>th</sup> Jan, 2009		



Note: As per the SEBI standards for performance reporting, the returns are calculated on Rs. 1000/- invested at inception. For this purpose the inception date is deemed to be the date of allotment. The “Returns” shown are for the growth option. The calculations of returns shall assume reinvestment of all payouts at the then prevailing NAV. **Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.**

### MIRAE ASSET GILT FUND – INVESTMENT PLAN (MAGF - IP)

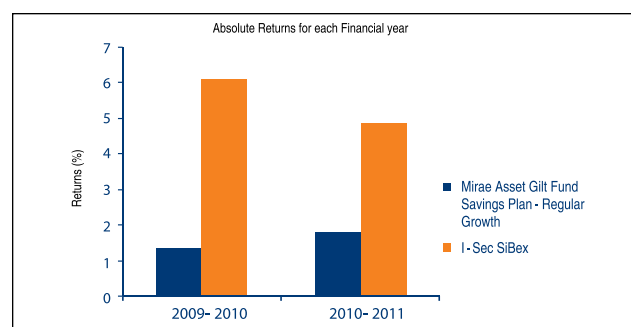
Compounded Annualised Return as on 29th July, 2011	Scheme Returns (%)	Benchmark Returns (%)
Last 1 Year	2.93%	5.25%
Since inception	2.92%	2.89%
NAV as on 29th July, 2011 - Mirae Asset Gilt Fund – Investment Plan-Regular - Growth Option – Rs.10.7373		
Benchmark: I Sec Li-Bex		
Date of Allotment – 6th Feb, 2009		



Note: As per the SEBI standards for performance reporting, the returns are calculated on Rs. 10/- invested at inception. For this purpose the inception date is deemed to be the date of allotment. The “Returns” shown are for the growth option. The calculations of returns shall assume reinvestment of all payouts at the then prevailing NAV. **Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.**

### MIRAE ASSET GILT FUND – SAVINGS PLAN (MAGF - SP)

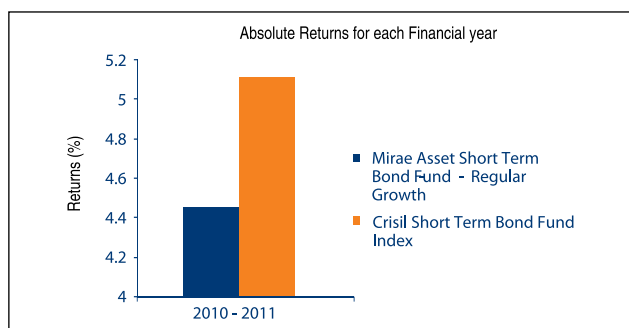
Compounded Annualised Return as on 29th July, 2011	Scheme Returns (%)	Benchmark Returns (%)
Last 1 Year	2.31%	5.45%
Since inception	1.90%	4.70%
NAV as on 29th July, 2011 - Mirae Asset Gilt Fund – Savings Plan-Regular - Growth Option – Rs.10.4777		
Benchmark: I Sec Si-Bex		
Date of Allotment – 6th Feb, 2009		



Note: As per the SEBI standards for performance reporting, the returns are calculated on Rs. 10/- invested at inception. For this purpose the inception date is deemed to be the date of allotment. The “Returns” shown are for the growth option. The calculations of returns shall assume reinvestment of all payouts at the then prevailing NAV. **Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.**

### MIRAE ASSET SHORT TERM BOND FUND (MASTBF)

Compounded Annualised Return as on 29th July, 2011	Scheme Returns (%)	Benchmark Returns (%)
Last 1 Year	5.12%	6.31%
Since inception	3.72%	5.44%
NAV as on 29th July, 2011 - Mirae Asset Short Term Bond Fund-Regular - Growth Option – Rs.10.7532		
Benchmark: Crisil Short Term Bond Fund Index		
Date of Allotment – 3rd Aug, 2009		



Note: As per the SEBI standards for performance reporting, the returns are calculated on Rs. 10/- invested at inception. For this purpose the inception date is deemed to be the date of allotment. The “Returns” shown are for the growth option. The calculations of returns shall assume reinvestment of all payouts at the then prevailing NAV. **Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.**

## SECTION III – UNITS AND OFFER

This section provides details an investor needs to know for investing in the Schemes.

### A. NFO DETAILS

This section does not apply to the Schemes covered in this SID, as the ongoing offer of the Schemes has commenced after the NFO, and the Units are available for continuous subscription and redemption.

### B. ONGOING OFFER DETAILS

Particulars	MALF	MAUSTBF	MACMF	MAGF	MASTBF
<p>Ongoing Offer Period</p> <p>This is the date from which the scheme will reopen for subscription / redemption after the closure of the NFO period</p>	<p><b>NFO opened:</b> February 27, 2008</p> <p><b>NFO closed:</b> March 3, 2008</p> <p>The continuous offer for the Scheme commenced from 6th March, 2008.</p>	<p><b>NFO opened:</b> February 29, 2008</p> <p><b>NFO closed:</b> March 3, 2008</p> <p>The continuous offer for the Scheme commenced from 6th March, 2008.</p>	<p><b>NFO opened:</b> January 5, 2009</p> <p><b>NFO closed:</b> January 6, 2009</p> <p>The continuous offer for the Scheme commenced from 13th January, 2009.</p>	<p><b>NFO opened:</b> January 22, 2009</p> <p><b>NFO closed:</b> February 2, 2009</p> <p>The continuous offer for the Scheme commenced from 9th February, 2009.</p>	<p><b>NFO opened:</b> June 23, 2009</p> <p><b>NFO closed:</b> July 22, 2009</p> <p>The continuous offer for the Scheme commenced from 13th August, 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>e.g. : If the applicable NAV is Rs. 10 entry load is 2% then the sale price will be :</p> <p><math>\text{Rs. } 10 * (1 + 0.02) = \text{Rs. } 10.20</math></p>	At the applicable NAV.				
<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>e.g. If the applicable NAV is Rs. 10 exit load is 2% then redemption price will be :</p> <p><math>\text{Rs. } 10 * (1 - 0.02) = \text{Rs. } 9.80</math></p>	At the applicable NAV subject to prevailing exit load.				

Particulars	MALF	MAUSTBF	MACMF	MAGF	MASTBF
<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><b>a. Cut-off timings in respect of all purchases and Applicability of NAV:</b></p> <p>i. Where the application is received upto 2.00 p.m. on a day and funds are available for utilization before the cut-off time, the applicable NAV would be the closing NAV of the day immediately preceding the day of receipt of application;</p> <p>ii. Where the application is received after 2.00 p.m. on a day and funds are available for utilization on the same day, the applicable NAV would be the closing NAV of the day immediately preceding the next business day ; and</p> <p>iii. Irrespective of the time of receipt of application, where the funds are not available for utilization before the cut-off time, the applicable NAV would be the closing NAV of the day immediately preceding the day on which the funds are available for utilization.</p> <p><b>b. For allotment of units in respect of all purchases, it shall be necessary that:</b></p> <p>i. Application is received before the applicable cut-off time of 2.00 p.m.,</p> <p>ii. Funds for the entire amount of subscription/ purchase as per the application are credited to the bank account of the respective liquid schemes before the cut-off time, and</p> <p>iii. The funds are available for utilization before the cut-off time.</p> <p><b>c. For allotment of units in respect of switch-in* to liquid schemes from other schemes, it shall be necessary that:</b></p> <p>i. Application for switch-in is received before the applicable cut-off time.</p>	<p><b>The Cut-off time for the Scheme is 3 p.m., and the Applicable NAV will be as under:</b></p> <p>In respect of valid Purchase applications (along with cheques / drafts / other payment instruments) accepted at a Designated Collection Centre up to 3 p.m. on a Business Day, the closing NAV of that day will be applicable.</p> <p>In respect of valid Purchase applications (along with cheques / drafts / other payment instruments) accepted at a Designated Collection Centre after 3 p.m. on a Business Day, the NAV of the next Business Day will be applicable.</p> <p>The above will be applicable only for cheques / drafts / payment instruments payable locally in the city in which ISC is located. No outstation cheques/ post dated cheques/non MICR cheques will be accepted.</p> <p><b>In respect of purchase of units with amount equal to or more than Rs. 1 Crore.</b></p> <p><b>a. For allotment of units in respect of all purchases in the aforementioned schemes/ plans with the same day NAV, it shall be necessary that:</b></p> <p>i. Application is received before the applicable cut-off time of 2.00 p.m.,</p> <p>ii. Funds for the entire amount of subscription/ purchase as per the application are credited to the bank account of the respective liquid schemes before the cut-off time, and</p> <p>iii. The funds are available for utilization before the cut-off time.</p> <p><b>c. For allotment of units in respect of switch-in* to liquid schemes from other schemes, it shall be necessary that:</b></p> <p>i. Application for switch-in is received before the applicable cut-off time.</p>	<p><b>a. Cut-off timings in respect of all purchases and Applicability of NAV:</b></p> <p>i. Where the application is received upto 2.00 p.m. on a day and funds are available for utilization before the cut-off time, the applicable NAV would be the closing NAV of the day immediately preceding the day of receipt of application;</p> <p>ii. Where the application is received after 2.00 p.m. on a day and funds are available for utilization on the same day, the applicable NAV would be the closing NAV of the day immediately preceding the next business day ; and</p> <p>iii. Irrespective of the time of receipt of application, where the funds are not available for utilization before the cut-off time, the applicable NAV would be the closing NAV of the day immediately preceding the day on which the funds are available for utilization.</p> <p><b>b. For allotment of units in respect of all purchases, it shall be necessary that:</b></p> <p>i. Application is received before the applicable cut-off time of 2.00 p.m.,</p> <p>ii. Funds for the entire amount of subscription/ purchase as per the application are credited to the bank account of the respective liquid schemes before the cut-off time, and</p> <p>iii. The funds are available for utilization before the cut-off time.</p> <p><b>c. For allotment of units in respect of switch-in* to liquid schemes from other schemes, it shall be necessary that:</b></p> <p>i. Application for switch-in is received before the applicable cut-off time.</p>	<p><b>The Cut-off time for the Scheme is 3 p.m., and the Applicable NAV will be as under:</b></p> <p>In respect of valid Purchase applications (along with cheques / drafts / other payment instruments) accepted at a Designated Collection Centre up to 3 p.m. on a Business Day, the closing NAV of that day will be applicable.</p> <p>In respect of valid Purchase applications (along with cheques / drafts / other payment instruments) accepted at a Designated Collection Centre after 3 p.m. on a Business Day, the NAV of the next Business Day will be applicable.</p> <p>The above will be applicable only for cheques / drafts / payment instruments payable locally in the city in which ISC is located. No outstation cheques/ post dated cheques/non MICR cheques will be accepted.</p> <p><b>In respect of purchase of units with amount equal to or more than Rs. 1 Crore.</b></p> <p><b>a. For allotment of units in respect of all purchases in the aforementioned schemes/ plans with the same day NAV, it shall be necessary that:</b></p> <p>i. Application is received before the applicable cut-off time of 3.00 p.m.,</p> <p>ii. Funds for the entire amount of subscription/ purchase as per the application are credited to the bank account of the respective schemes before the aforesaid cutoff time, and</p>	<p><b>The Cut-off time for the Scheme is 3 p.m., and the Applicable NAV will be as under:</b></p> <p>In respect of valid Purchase applications (along with cheques / drafts / other payment instruments) accepted at a Designated Collection Centre up to 3 p.m. on a Business Day, the closing NAV of that day will be applicable.</p> <p>In respect of valid Purchase applications (along with cheques / drafts / other payment instruments) accepted at a Designated Collection Centre after 3 p.m. on a Business Day, the NAV of the next Business Day will be applicable.</p> <p>The above will be applicable only for cheques / drafts / payment instruments payable locally in the city in which ISC is located. No outstation cheques/ post dated cheques/non MICR cheques will be accepted.</p> <p><b>In respect of purchase of units with amount equal to or more than Rs. 1 Crore.</b></p> <p><b>a. For allotment of units in respect of all purchases in the aforementioned schemes/ plans with the same day NAV, it shall be necessary that:</b></p> <p>i. Application is received before the applicable cut-off time of 3.00 p.m.,</p> <p>ii. Funds for the entire amount of subscription/ purchase as per the application are credited to the bank account of the respective schemes before the aforesaid cutoff time, and</p>

Particulars	MALF	MAUSTBF	MACMF	MAGF	MASTBF
	<p>ii. Funds for the entire amount of subscription/purchase as per the switch-in request are credited to the bank account of the respective switch-in liquid schemes before the cut-off time, and</p> <p>iii. The funds are available for utilization before the cut-off time.</p> <p>Irrespective of the time of receipt of application for switch-in to liquid scheme, where the funds are not available for utilization before the cut-off time, the applicable NAV would be the closing NAV of the day immediately preceding the day on which the funds are available for utilization.</p> <p><b>For Redemptions / Switch-outs</b></p> <p>The Cut-off time for the Scheme is 3 p.m., and the Applicable NAV will be as under:</p> <p>In respect of valid Redemption applications accepted at a Designated Collection Centre up to 3 p.m. on a Business Day, the NAV of such day will be applicable.</p> <p>In respect of valid Redemption applications accepted at a Designated Collection Centre after 3 p.m. on a Business Day, the NAV of the next Business Day will be applicable.</p>	<p><b>b. For allotment of units in respect of switch-in* to aforementioned (debt oriented) schemes/ plans with the same day NAV, it shall be necessary that:</b></p> <p>i. Application for switch-in is received before the applicable cut-off time of 3.00 p.m.</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 respective switch-in income/debt oriented mutual fund schemes/plans before the aforesaid cut-off time.</p> <p>iii. The funds are available for utilization before the cut-off time of 3.00 p.m.</p> <p>Irrespective of the time of receipt of application where the funds are not available for utilization on the same day, the applicable NAV would be the closing NAV of the day on which the funds are available for utilization.</p> <p>*In case of Switch transactions, funds will be made available for utilization in the switch in scheme based on redemption payout cycle of the switch-out transaction.</p> <p><b>For Redemptions / Switch-outs</b></p> <p>The Cut-off time for the Scheme is 3 p.m., and the Applicable NAV will be as under:</p> <p>In respect of valid Redemption applications accepted at a Designated Collection Centre up to 3 p.m. on a Business Day, the NAV of such day will be applicable.</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 respective switch-in liquid schemes before the cut-off time, and</p> <p>iii. The funds are available for utilization before the cut-off time.</p> <p>Irrespective of the time of receipt of application for switch-in to liquid scheme, where the funds are not available for utilization before the cut-off time, the applicable NAV would be the closing NAV of the day immediately preceding the day on which the funds are available for utilization.</p> <p><b>For Redemptions / Switch-outs</b></p> <p>The Cut-off time for the Scheme is 3 p.m., and the Applicable NAV will be as under:</p> <p>In respect of valid Redemption applications accepted at a Designated Collection Centre up to 3 p.m. on a Business Day, the NAV of such day will be applicable.</p> <p>In respect of valid Redemption applications accepted at a Designated Collection Centre after 3 p.m. on a Business Day, the NAV of the next Business Day will be applicable.</p>	<p>iii. The funds are available for utilization before the said cut-off time of 3.00 p.m.</p> <p><b>b. For allotment of units in respect of switch-in* to aforementioned (debt oriented) schemes/ plans with the same day NAV, it shall be necessary that:</b></p> <p>i. Application for switch-in is received before the applicable cut-off time of 3.00 p.m.</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 respective switch-in income/debt oriented mutual fund schemes/plans before the aforesaid cut-off time.</p> <p>iii. The funds are available for utilization before the cut-off time of 3.00 p.m.</p> <p>Irrespective of the time of receipt of application where the funds are not available for utilization on the same day, the applicable NAV would be the closing NAV of the day on which the funds are available for utilization.</p> <p>*In case of Switch transactions, funds will be made available for utilization in the switch in scheme based on redemption payout cycle of the switch-out transaction.</p> <p><b>For Redemptions / Switch-outs</b></p> <p>The Cut-off time for the Scheme is 3 p.m., and the Applicable NAV will be as under:</p> <p>In respect of valid Redemption applications accepted at a Designated Collection Centre up to 3 p.m. on a Business Day, the NAV of such day will be applicable.</p>	<p>iii. The funds are available for utilization before the said cut-off time of 3.00 p.m.</p> <p><b>b. For allotment of units in respect of switch-in* to aforementioned (debt oriented) schemes/ plans with the same day NAV, it shall be necessary that:</b></p> <p>i. Application for switch-in is received before the applicable cut-off time of 3.00 p.m.</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 respective switch-in income/debt oriented mutual fund schemes/plans before the aforesaid cut-off time.</p> <p>iii. The funds are available for utilization before the cut-off time of 3.00 p.m.</p> <p>Irrespective of the time of receipt of application where the funds are not available for utilization on the same day, the applicable NAV would be the closing NAV of the day on which the funds are available for utilization.</p> <p>*In case of Switch transactions, funds will be made available for utilization in the switch in scheme based on redemption payout cycle of the switch-out transaction.</p> <p><b>For Redemptions / Switch-outs</b></p> <p>The Cut-off time for the Scheme is 3 p.m., and the Applicable NAV will be as under:</p>

Particulars	MALF	MAUSTBF	MACMF	MAGF	MASTBF
		In respect of valid Redemption applications accepted at a Designated Collection Centre after 3 p.m. on a Business Day, the NAV of the next Business Day will be applicable.		In respect of valid Redemption applications accepted at a Designated Collection Centre after 3 p.m. on a Business Day, the NAV of the next Business Day will be applicable.	In respect of valid Redemption applications accepted at a Designated Collection Centre up to 3 p.m. on a Business Day, the NAV of such day will be applicable. In respect of valid Redemption applications accepted at a Designated Collection Centre after 3 p.m. on a Business Day, the NAV of the next Business Day will be applicable.
Where can the applications for purchase / redemption switches be submitted?	Corporate office / Branches / Investor Service Centres of Mirae Asset Global Investments (India) Pvt. Ltd. and Investor Service Centres of M/s Karvy Computershare Pvt. Ltd. and any other official point of acceptance as declared by the AMC, from time to time.				
Plans & Options	<p><b>MIRAE ASSET LIQUID FUND (MALF)</b></p> <p><b>The scheme offers three plans</b> - Regular, Institutional and Super Institutional. In each plan, the scheme also offers three options - Growth option, Bonus Option and Dividend option. The Dividend option offers Dividend Payout, Dividend Reinvestment, and Dividend Transfer facilities.</p> <p><b>Growth Option:</b> The returns from investments are generated through capital appreciation of units' price and no dividend will be declared.</p> <p><b>Bonus option:</b> Under this option the Fund may issue bonus units out of the accumulated reserves and surplus including the surplus by realised profit, dividend and interest, net of losses, expenses and taxes, if any, to unit holders, if such surplus is available and adequate for distribution in the opinion of Trustees.</p> <p><b>Eligibility and Treatment of Bonus Units:</b> Bonus units, as and when issued, will be in proportion to the holdings of the unitholder under the concerned plan as on the record date, to be fixed for the purpose of Bonus declaration. The AMC may accordingly make appropriations and applications of the sum decided by it to be so capitalised by allotment and issue of fully paid-up units as bonus units, and generally do all such acts and things required to give effect thereto. The Bonus Units so allotted and issued as aforesaid will as regards rights and entitlements rank paripassu with the units in existence on the record date in respect of which they are allotted and issued. Interest created / options exercised by a member on the units under a folio by way of nomination, if any, will automatically apply to the bonus units. Please note that pursuant to allotment of Bonus Units, the NAV of the scheme would fall in proportion to the bonus units allotted. As a result, the total value of units held by the unitholder would remain the same.</p> <p><b>For example:</b></p> <p>_ Value of investors unitholding of 100 units prior-to issuance of bonus units at NAV of Rs. 2000 per unit = Rs. 2,00,000. If the Scheme declares a bonus of say 1:1 (i.e. one bonus unit for every one unit held in the option on the record date), the value of the investors unitholding post issuance of bonus units = NAV of Rs. 1000 * 200 units = Rs. 2,00,000</p> <p>_ Value of investors unitholding of 100 units prior-to issuance of bonus units at NAV of Rs. 2000 per unit = Rs. 2,00,000. If the Scheme declares a bonus of say 4:1 (i.e. one bonus unit for every four units held in the option on the record date), the value of the investors unitholding post issuance of bonus units = NAV of Rs. 1600 * 125 units = Rs. 2,00,000.</p>				

	<p>(The statistics given above in the examples are only for understanding the logic of issuance of bonus units and should not be considered as indicative of any bonus likely to be issued under the Plan) “Unit” means and includes, where the context so requires, a unit issued as fully paid-up bonus unit by capitalising a part of the amount standing to the credit of the account of the reserves formed or otherwise in respect of this scheme.</p> <p><b>Allotment &amp; Despatch of Account Statement :</b> The Bonus units will be added to the existing folio. An Account statement reflecting the accretion to the unitholders through issuance of bonus units will be despatched to the unitholders within five working days or within SEBI prescribed limits from the date of allotment of the bonus units.</p> <ul style="list-style-type: none"> <li>• <b>Dividend Option :</b> Under this option, a dividend may be declared by the Trustee, at its discretion, from time to time (subject to the availability of distributable surplus as calculated in accordance with the Regulations).</li> <li>• <b>Dividend Payout Frequency :</b> Monthly (24th Day of the Month). However, in case the dividend payable to any unit holder is below Rs. 1000/- then the same may be automatically reinvested.</li> <li>• <b>Dividend Reinvestment Frequency :</b> Daily, Weekly (Every Wednesday), Monthly (24th Day of the Month) If the investor does not clearly specify the choice of option at the time of investing, it will be treated as a Regular - Growth Option.</li> </ul> <p>If the investor does not clearly specify the choice of Payout, Reinvestment facility or Transfer facility within the Dividend option, it will be treated as a Reinvestment facility.</p>
	<p><b>MIRAE ASSET ULTRA SHORT TERM BOND FUND (MAUSTBF)</b></p> <p>The scheme offers three plans – Regular, Institutional and Super Institutional. In each plan, the scheme also offers three options - Growth option, Bonus Option and Dividend option. The Dividend option offers Dividend Payout, Dividend Reinvestment and Dividend Transfer facilities.</p> <ul style="list-style-type: none"> <li>• <b>Growth Option :</b> The returns from investments are generated through capital appreciation of units’ price and no dividend will be declared.</li> <li>• <b>Bonus option :</b> Under this option the Fund may issue bonus units out of the accumulated reserves and surplus including the surplus by realised profit, dividend and interest, net of losses, expenses and taxes, if any, to unit holders, if such surplus is available and adequate for distribution in the opinion of Trustees.</li> </ul> <p><b>Eligibility and Treatment of Bonus Units :</b> Bonus units, as and when issued, will be in proportion to the holdings of the unitholder under the concerned plan as on the record date, to be fixed for the purpose of Bonus declaration. The AMC may accordingly make appropriations and applications of the sum decided by it to be so capitalised by allotment and issue of fully paid-up units as bonus units, and generally do all such acts and things required to give effect thereto. The Bonus Units so allotted and issued as aforesaid will as regards rights and entitlements rank paripassu with the units in existence on the record date in respect of which they are allotted and issued. Interest created / options exercised by a member on the units under a folio by way of nomination, if any, will automatically apply to the bonus units. Please note that pursuant to allotment of Bonus Units, the NAV of the scheme would fall in proportion to the bonus units allotted. As a result, the total value of units held by the unitholder would remain the same.</p> <p><b>For example:</b></p> <ul style="list-style-type: none"> <li>• Value of investors unitholding of 100 units prior-to issuance of bonus units at NAV of Rs. 2,000 per unit = Rs. 2,00,000. If the Scheme declares a bonus of say 1:1 (i.e. one bonus unit for every one unit held in the option on the record date), the value of the investors unitholding post issuance of bonus units = NAV of Rs. 1,000 * 200 units = Rs. 2,00,000</li> <li>• Value of investors unitholding of 100 units prior-to issuance of bonus units at NAV of Rs. 2,000 per unit = Rs. 2,00,000. If the Scheme declares a bonus of say 4:1 (i.e. one bonus unit for every four units held in the option on the record date), the value of the investors unitholding post issuance of bonus units = NAV of Rs. 1,600 * 125 units = Rs. 2,00,000.</li> </ul> <p>(The statistics given above in the examples are only for understanding the logic of issuance of bonus units and should not be considered as indicative of any bonus likely to be issued under the Plan)</p> <p>“Unit” means and includes, where the context so requires, a unit issued as fully paid-up bonus unit by capitalising a part of the amount standing to the credit of the account of the reserves formed or otherwise in respect of this scheme.</p> <p><b>Allotment &amp; Despatch Of Account Statement :</b> The Bonus units will be added to the existing folio. An Account statement reflecting the accretion to the unitholders through issuance of bonus units will be despatched to the unitholders within five working days or within SEBI prescribed limits from the date of allotment of the bonus units.</p>

	<ul style="list-style-type: none"> <li>• <b>Dividend Option:</b> Under this option, a dividend may be declared by the Trustee, at its discretion, from time to time (subject to the availability of distributable surplus as calculated in accordance with the Regulations).</li> <li>• <b>Dividend Payout Frequency:</b> Monthly (24th Day of the Month), Quarterly (24th day of the month). However, in case the dividend payable to any unit holder is below Rs. 1000/- then the same may be automatically reinvested.</li> <li>• <b>Dividend Reinvestment Frequency:</b> Daily, Weekly (Every Wednesday), Monthly (24th Day of the Month), Quarterly</li> </ul> <p>If the investor does not clearly specify the choice of option at the time of investing, it will be treated as a Regular - Growth Option.</p> <p>If the investor does not clearly specify the choice of Payout or Reinvestment facility within the Dividend option, it will be treated as a Reinvestment facility.</p>
	<p><b>MIRAE ASSET CASH MANAGEMENT FUND (MACMF)</b></p> <p>The Scheme shall have three options viz., Dividend, Growth and Bonus.</p> <p>(i) <b>Dividend Option:</b> Under this option, a dividend may be declared by the Trustee, at its discretion, from time to time (subject to the availability of distributable surplus as calculated in accordance with the Regulations).</p> <ul style="list-style-type: none"> <li>• <b>Dividend Reinvestment Facility :</b> Under this facility the dividend due and payable to the Unit holders will be compulsorily and without any further act by the Unit holders. The Units for the purpose of re-investment will be created and credited to the Unit holder's account at first 'Ex-income Distribution NAV'. There shall, however, be no entry load on the dividends so reinvested.</li> </ul> <p>(i) <b>Daily Dividend Reinvestment :</b> The Scheme will endeavour to declare dividends on a daily basis.</p> <p>(ii) <b>Weekly Dividend Reinvestment :</b> The Scheme will endeavour to declare the dividend on a weekly basis. Every Wednesday will be the record date.</p> <p>(iii) <b>Monthly Dividend Reinvestment :</b> Under this, the Scheme will declare dividend on a Monthly Basis i.e. 24th of every month.</p> <p>(i) <b>Monthly Dividend Payout :</b> Under this option, a dividend may be declared by the Trustee, at its discretion, from time to time will be paid to investors. Monthly dividend payout frequency will be on 24th of every month.</p> <p>If the investor does not clearly specify the choice of Payout or Reinvestment facility within the Dividend option, it will be treated as a Reinvestment facility – Daily dividend reinvestment.</p> <p>(ii) <b>Growth Option :</b> The returns from investments are generated through capital appreciation of units' price and no dividend will be declared.</p> <p>(iii) <b>Bonus option :</b> Under this option the Fund may issue bonus units out of the accumulated reserves and surplus including the surplus by realised profit, dividend and interest, net of losses, expenses and taxes, if any, to unit holders, if such surplus is available and adequate for distribution in the opinion of Trustees.</p> <p>If the investor does not clearly specify the choice of option at the time of investing, it will be treated as a <i>Growth Option</i>.</p>



**MIRAE ASSET GILT FUND (MAGF)**

The Scheme shall have two Plans : Savings Plan and Investment Plan

**Savings Plan shall have four Sub-plans**

- **Regular Sub-plan**
  - ❖ Growth Option
  - ❖ Dividend Option
    - ❑ Dividend Payout\*
    - ❑ Dividend Reinvestment
- **Institutional Sub-plan**
  - ❖ Growth Option
  - ❖ Dividend Option
    - ❑ Dividend Payout\*
    - ❑ Dividend Reinvestment
- **Bonus Sub-plan**
- **Provident Fund Sub-plan**
  - ❖ Automatic Capital Appreciation Payout Option
    - ❑ Monthly/Quarterly/Half yearly/Annually
  - ❖ Defined Maturity Date Option

**Investment Plan shall have four Sub-plans**

- **Regular Sub-plan**
  - ❖ Growth Option
  - ❖ Dividend Option
    - ❑ Dividend Payout\*
    - ❑ Dividend Reinvestment
- **Institutional Sub-plan**
  - ❖ Growth Option
  - ❖ Dividend Option
    - ❑ Dividend Payout\*
    - ❑ Dividend Reinvestment
- **Bonus Sub-plan**
- **Provident Fund Sub-plan**
  - ❖ Automatic Capital Appreciation Payout Option
    - ❑ Monthly/Quarterly/Half yearly/Annually
  - ❖ Defined Maturity Date Option
  - ❖ Automatic Annual Reinvestment Option

**The Scheme shall maintain a separate portfolio for Savings and Investment Plans**

If the investor does not clearly specify the choice of Plan at the time of investing; it will be treated as a Savings Plan – Regular sub-plan – Growth option.

If the investor does not clearly specify the choice of Options in the Regular and Institutional Plan, at the time of investing it will be treated as a Growth Option.

If the investor does not clearly specify the choice of Options in the Provident Fund Plan, at the time of investing; it will be treated as an Automatic Capital Appreciation Payout Option – Annual.

\*Dividend Payout will happen only when dividend amount payable to unit holders should be of Rs.1000 or more, otherwise, the amount will be reinvested.

**Bonus Sub-plan:** Under this Sub-plan, the Scheme proposes to distribute surplus, if any, by way of fully paid bonus units as may be decided by the Trustees from time to time. Pursuant to allotment of bonus units the NAV of this Sub-plan would fall in proportion to the bonus units allotted and as a result the total value of the units held by the investor would remain the same.

**Dividend Option:** Under this option, a dividend may be declared by the Trustee, at its discretion, from time to time (subject to the availability of distributable surplus as calculated in accordance with the Regulations).

- **Dividend Reinvestment Facility:** Under this facility, the Units, for the purpose of reinvestment, will be created and credited to the Unitholder's account at the first ex-dividend NAV.
- **Dividend Payout Facility :** Under this facility, a dividend may be declared by the Trustee, at its discretion, from time to time (subject to the availability of distributable surplus as calculated in accordance with the Regulations) will be paid to the investors.

If the investor does not clearly specify the choice of Payout or Reinvestment facility within the Dividend option, it will be treated as a Reinvestment facility.

**Growth Option:** The returns from investments are generated through capital appreciation of units' price and no dividend will be declared.

**Automatic Capital Appreciation Payout Option (ACAPO):** Under this facility, the unitholders will be in a position to redeem the capital appreciation, if any, on a specified day leaving behind their original subscription of units in the Scheme. The Specified day shall be:

- (i) The last Friday of every month for the Monthly Option
- (ii) The last Friday of the quarters ending March, June, September and December for the Quarterly Option.
- (iii) The last Friday of the half year ending March and September for the Half Yearly Option
- (iv) The last Friday of the financial year ending March for the Annual Option.

In case Friday is a non-transaction day in any of the above cases, the next working day shall be the specified day for the above purposes.

The applicable NAV for redemption of capital appreciation shall be the NAV at the close of the above specified day.

The redemption of units representing the capital appreciation will be computed on the basis of the difference between the applicable NAV of the date of subscription (for which the unitholder opts for the ACAPO) and the applicable NAV of the specified day, without any exit load. This is a facility offered to the unitholders to predetermine the date of redemption, hence, the redemption of capital appreciation, if any on the specified date will not tantamount to the payout of dividend.

	<p>The unitholders shall not be allowed to change the option (Monthly, quarterly, half-yearly or Annual) once selected at the time of application. The unitholder may however, cancel the mandate for ACAPO given to the AMC and opt for redemption in the normal course, in which case, the applicable exit load will be attracted.</p> <p>In case the applicable NAV on the specified day for redemption of units representing capital appreciable is less than the purchase price, the mandate given by the unitholder for ACAPO shall be redundant and the redemption under the ACAPO shall not be executed.</p> <p><b>Defined Maturity Date Option (DMDO):</b> Under this facility, the unitholders can predetermine the date of redemption (either full or partial) of their units at the time of subscription itself.</p> <p>Accordingly, the redemption shall be made on the predetermined date as specified by the unitholder without necessitating the submission of a formal redemption slip. The predetermined date for redemption will be the specified date and the applicable NAV for redemption is the NAV at the close of the specified date subject to the applicable load structure mentioned hereinafter in the Scheme Information Document. The redemption proceeds will be sent to the unitholders in accordance with the service standards as mentioned in the Scheme Information Document.</p> <p>The unitholders can also cancel, advance or postpone the specified date for redemption by sending a formal communication to the AMC or its designated Investor Services Centres at least three working days prior to the specified date of redemption.</p> <p><b>Automatic Annual Reinvestment Option (AARO):</b> Under this facility, the unit-holders can predetermine, the time of subscription, the date of redemption (either full or partial) and also the subscription of the same amount on the same predetermined day of redemption.</p> <p>This facility is for those investors who wish to avail of redemption and reinvestment on the same day. The day for such redemption and reinvestment shall be the last Friday of the month of March of the respective financial year. Thus, all investors exercising this facility on any day during the financial year ending March, 2011 shall be giving a mandate for redemption and reinvestment on the last Friday of the month of March 2011 of the next working day if that Friday is a non-business day.</p> <p>The predetermined date for redemption will be the specified date and the applicable NAV for redemption is the NAV at the close of the specified date subject to the applicable load structure mentioned hereinafter in the addendum. The redemption proceeds will be sent to the unitholders in accordance with service standards as mentioned in SID.</p>
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MASTBF	<p><b>MIRAE ASSET SHORT TERM BOND FUND (MASTBF)</b></p> <p>The Scheme shall have two Plans :</p> <p>Regular and Institutional</p> <p>Each Plan shall have two options viz., Dividend and Growth.</p> <p>(i) <b>Dividend Option:</b> Under this option, a dividend may be declared by the Trustee, at its discretion, from time to time (subject to the availability of distributable surplus as calculated in accordance with the Regulations).</p> <ul style="list-style-type: none"> <li>• <b>Dividend Reinvestment Facility:</b> The Units, for the purpose of reinvestment, will be created and credited to the Unitholder's account at the first ex-dividend NAV. <ul style="list-style-type: none"> <li>(i) Weekly Dividend Reinvestment : Every Wednesday will be the record date.</li> <li>(ii) Fortnightly Dividend Reinvestment : Every 2nd and 4th Wednesday will be the record date.</li> <li>(iii) Monthly Dividend Reinvestment: 24th of every month.</li> <li>(iv) Quarterly Dividend Reinvestment : The date to be specified by the AMC at the end of every Quarter.</li> </ul> </li> <li>• <b>Dividend Payout Facility :</b> Under this option, a dividend may be declared by the Trustee, at its discretion, from time to time (subject to the availability of distributable surplus as calculated in accordance with the Regulations) will be paid to the investors. <ul style="list-style-type: none"> <li>a. Monthly Dividend Payout : payout frequency will be on 24th of every month.</li> <li>b. Quarterly Dividend Payout: The date to be specified by the AMC at the end of every Quarter.</li> </ul> </li> </ul> <p>If the investor does not clearly specify the choice of Payout or Reinvestment facility within the Dividend option, it will be treated as a Reinvestment facility – Weekly.</p> <p><b>Dividend Transfer facility:</b> Under this option, an investor can transfer the amount of dividend declared and paid by the Plan / Scheme to any other scheme of the Mutual Fund (available at the time of application).</p> <p>The minimum investment limit of the Scheme will not be applicable to such transfer and reinvestment.</p> <p>(ii) <b>Growth Option:</b> The returns from investments are generated through capital appreciation of units' price and no dividend will be declared.</p> <p>If the investor does not clearly specify the choice of option at the time of investing, it will be treated as <i>Regular Plan - Growth Option</i>.</p>
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Minimum amount for purchase / redemption / switches	Minimum Application amount for Purchase (i) <b>Regular Plan</b> – Rs.5,000/- and in multiples of Re. 1/- thereafter (ii) <b>Institutional Plan</b> – Rs. 1 Crore and in multiples of Re.1/- thereafter. (iii) <b>Super Institutional Plan</b> – Rs. 10 Crores and in multiples of Re.1/- thereafter. <b>Minimum amount for Redemption</b> Rs. 1,000 and in multiples of Re.1 thereafter or 5 units, whichever is lower.	Minimum Application amount for Purchase (i) <b>Regular Plan</b> – Rs.5,000/- and in multiples of Re. 1/- thereafter (ii) <b>Institutional Plan</b> – Rs. 1 Crore and in multiples of Re.1/- thereafter. (iii) <b>Super Institutional Plan</b> – Rs. 5 Crores and in multiples of Re.1/ thereafter. <b>Minimum amount for Redemption</b> Rs. 1,000 and in multiples of Re.1 thereafter or 5 units, whichever is lower.	Minimum Application amount for Purchase <b>Purchase</b> : Rs. 5000.00 and in multiples of Re. 1/- thereafter <b>Minimum amount for Redemption</b> Rs. 1,000.00 and in multiples of Re. 1/- thereafter or 5 units whichever is lower.	Minimum Application amount for Purchase (i) <b>Regular Sub-plan</b> - Rs.5,000/- and in multiples of Re. 1/- thereafter. (ii) <b>Institutional Sub-plan</b> - Rs. 10,00,000.00 and in multiples of Re.1/- thereafter. (iii) <b>Bonus Sub-plan</b> : Rs. 5,000 per application and in multiples of Re. 1 thereafter. (iv) <b>Provident Fund Sub-plan</b> : Rs. 10,000 per application and in multiples of Re. 1 thereafter. <b>Minimum amount for Redemption</b> Rs. 1,000 and in multiples of Re.1 thereafter or 100 units, whichever is lower.	Minimum Application amount for Purchase (i) <b>Regular Plan</b> – Rs.5,000/- and in multiples of Re. 1/- thereafter (ii) <b>Institutional Plan</b> – Rs. 10 Lakhs and in multiples of Re.1/- thereafter. <b>Minimum amount for Redemption</b> Rs. 1,000 and in multiples of Re.1 thereafter or 100 units, whichever is lower.
Minimum balance to be maintained and consequences of non maintenance.	(i) General : The minimum amount of an application for redemption of units under the scheme must be of Rs. 1000 and in multiples of Re.1 thereafter or 100 units, whichever is lower. If the unit balance after any such redemption is less than or equal to 25 units and is identified at the time of processing such request, the AMC reserves the right to redeem such fractional units along with the redemption request received. (2) In the case of STP: The only instance when minimum balance will be required is at the time of enrollment for STP facility. The minimum balance for enrolment of STP should be Rs. 6,000/-.				
Special Products available	(i) <b>Systematic Investment Plan : (Applicable for MAUSTBF &amp; MASTBF)</b> This facility enables investors to save and invest periodically over a longer period of time. It is a convenient way to “invest as you earn” and affords the investor an opportunity to enter the market regularly, thus averaging the acquisition cost of Units. SIP Facility is available only under the Regular Plan of the Scheme and can be availed monthly/quarterly on the following dates: 1st, 10th, 15th, 21st and 28th. Investors can avail this facility either through Post dated Cheques OR through ECS (Debit Clearing) of the Reserve Bank of India (RBI) in select cities OR via Direct Debit in select banks / branches only. The minimum amount of each cheque / payment instruction shall be Rs. 1000 in case of Monthly Option and Rs.1500 in case of Quarterly Option. All the cheques / payment instructions (including the first cheque / payment instruction) shall be of equal amounts. Non MICR / Outstation cheques will not be accepted. MICR Code starting and/or ending with “000” are not valid for ECS. The aggregate of such cheques / payment instructions shall not be less than Rs. 6,000 inclusive of the first installment. There is no upper limit for the Purchase for a single cheque / payment instruction or in aggregate. Please note that SIP will be started subject to the realization of the first registration cheque. The AMC reserves the right to reject any application inter alia in the absence of fulfillment of any regulatory requirements, fulfillment of any requirements as per the Scheme information document, incomplete/incorrect documentation and furnishing necessary information to the satisfaction of the Mutual Fund/AMC.				

**During the Ongoing Offer Period**, Investors can avail this facility either through Post dated Cheques OR through ECS (Debit Clearing) ) of the Reserve Bank of India (RBI) in select cities OR via Direct Debit in select banks / branches only.

The conditions for investing in SIP during the Ongoing Offer Period are as under:

In case of SIP submitted during the Ongoing Offer period, Investors can enroll themselves for SIP by submitting the enrolment form along with the relevant documents including post dated cheques / auto debit instructions along with the first cheque to start SIP and a cancelled cheque or a copy of cheque in case of Electronic Clearing System (ECS) or Instructions for Direct Debit as the case may be at any of our ISC's. In case of Post Dated Cheques the date of the first cheque shall be dated on or before the date of submission of the application form while the remaining cheques (minimum 5 in case of Monthly or 3 in case of Quarterly option) shall be post dated cheques (dated uniformly either the 1st, 10th, 15th or 25th of a month or quarter).

The first installment of the SIP will be processed subject to applicable NAV & load, if any, on the date of submission on any Business Day. The second installment in case of monthly SIP will be processed on the available SIP dates (currently 1st, 10th, 15th, 21st or 28th of every month) indicated by the investor, but immediately following the expiry of 30 Business Days from the date of processing of the first SIP. If the choice of date for the second installment is not indicated by the investor, the second installment of SIP will be by default processed on the 10th of the month. In case of quarterly SIP, the default date for next installment will be 10th of the relevant month. If any of above dates falls on a holiday/ non-business day, the transaction will be taken as of the next Business Day. In case the end date is not mentioned by the investor, it will be registered for a default period of 12 months. If there is an ambiguity in the enrolment period of the SIP, the second installment of SIP will be by default processed for the SIP date chosen (10th of the month if not specified) following the expiry of 30 Business Days from the date of processing of the first SIP for a default period of 12 months.

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.

**Termination of SIP** - For discontinuation of SIP the unit holder / investor should intimate the AMC/ISC at least 15 working days prior to the due date of next cheque / installment (1st, 10th, 15th, 21st or 28th of every month/quarter). On such request, SIP will be terminated and the balance post-dated cheques will be returned to the investor or the debit instruction given by the investor under ECS or Direct Debit will be cancelled.

In case of cancellation of a SIP or cheques returned uncleared for SIP installments or payment instructions not honored, if no Entry Load had been charged, the AMC may reduce the number of Units allotted against the previous installments to the extent applicable Entry Load on such installments was waived.

Any Unit Holder can avail of this facility subject to certain terms and conditions detailed in the Application Form.

**Applicable to all schemes w.e.f. August 1, 2009:**

- In accordance with AMFI circular dated June 30, 2009, in case of micro schemes such as SIPs upto Rs. 50,000 per year per investor shall be exempted from the requirement of PAN. Mutual Funds shall accept any of other standard specified identification instruments like Voter ID card, Government/Defense ID card, Card of Reputed employer, Driving License, Passport in lieu of PAN with effect from August 1, 2009.  
Systematic Investment Plans (SIPs) where aggregate of installments in a financial year i.e. April to March does not exceed Rs 50,000. (referred as "Micro SIP").
- The following transactions will not be covered as they are currently not considered either for PAN or KYC requirement:
  - Redemption
  - Switch
  - Systematic Transfer Plans
  - Systematic Withdrawal Plans
  - Dividend Reinvestments / Sweep transactions
- This exemption will also not be applicable to normal purchase transactions upto Rs. 50,000 which will continue to be subject to PAN requirement.

- This exemption will be applicable ONLY to investments by individuals (including NRIs but not PIOs), Minors and Sole proprietary firms. HUFs and other categories will not be eligible for Micro SIPs.
  - The exemption is applicable to joint holders also.
  - Any one of the following PHOTO IDENTIFICATION documents can be submitted along with Micro SIP applications as proof of identification in lieu of PAN.
    - Voter Identity Card
    - Driving License
    - Government / Defense identification card
    - Passport
    - Photo Ration Card
    - Photo Debit Card (Credit card not included because it may not be backed up by a bank account).
    - Employee ID cards issued by companies registered with Registrar of Companies
    - Photo Identification issued by Bank Managers of Scheduled Commercial Banks / Gazetted Officer / Elected Representatives to the Legislative Assembly / Parliament
    - ID card issued to employees of Scheduled Commercial / State / District Co-operative Banks.
    - Senior Citizen / Freedom Fighter ID card issued by Government.
    - Cards issued by Universities / deemed Universities or institutes under statutes like ICAI, ICWA, ICSI.
    - Permanent Retirement Account No (PRAN) card issued to New Pension System (NPS) subscribers by CRA (NSDL).
    - Any other photo ID card issued by Central Government / State Governments /Municipal authorities / Government organizations like ESIC / EPFO.
- (ii) Systematic Withdrawal Plan: (applicable for all schemes except MAGF)**
- This facility enables the Unit Holders to withdraw sums from their Unit accounts in the Scheme at periodic intervals through a one-time request. The withdrawals will commence from the Start Date mentioned by the Unit Holder in the Application Form for the facility. A minimum period of 15 days shall be required for registration under SWP. The Units will be redeemed at the Applicable NAV of the respective dates on which such withdrawals are sought. However, if any of the dates on which the redemption is sought is a non-Business Day, the Units will be redeemed at the Applicable NAV of the next Business Day.
- Options available and Minimum Amount**
- Fixed withdrawal :** Investors can withdraw fixed amount of Rs. 1,000/- each and above at regular intervals.
- Appreciation withdrawal :** Investors can withdraw appreciation of Rs. 1,000/- and above at regular intervals. If the appreciation amount is less than Rs. 1,000/- or the specified amount, there will be no SWP in that month/quarter. The cumulative appreciation of this period and the immediately succeeding period shall be paid out subject to it being a minimum of Rs. 1,000/- or the specified amount.
- SWP is not available for investments under lock-in period and for investments which are pledged.
- The SWP payouts will be processed at the requested frequency. The investor can opt for direct credit of the redemption proceeds to their bank accounts (Currently direct credit offered for the following banks - ABN Amro Bank, Axis Bank, Citibank, Deutsche Bank, HDFC Bank, ICICI Bank, IDBI Bank, Kotak Mahindra Bank, Standard Chartered Bank). For investors banking with any other bank apart from above mentioned banks, the AMC /MF will endeavor to credit the payout directly to that bank account through available electronic mode(s) (ECS/Direct Credit). The AMC/MF shall not be responsible if payout through electronic mode(s) (ECS/Direct Credit) does not get affected due to incomplete or incorrect information or any other technical/operational reasons. The AMC/MF reserves the right to use any other mode of payment as deemed appropriate.
- In case of Fixed Withdrawal, if the amount of installment is more than the amount available in that account for redemption, the entire available amount will be redeemed and the SWP will terminate automatically.
- In case of Appreciation Withdrawal, appreciation will be calculated on the units available for redemption at the time of the SWP installment.
- Withdrawal Dates :**
- Fixed Withdrawal :** Investors can withdraw fixed amount on 1st or 10th or 15th or 21st or 28th of each month/quarter for minimum 12 months/ 4 quarters., By default, in case of any ambiguity in selection of withdrawal frequency, the SWP date will be 10th of each month.
- Appreciation withdrawal:** Investors can withdraw appreciation on the 1st of each month/quarter for minimum of 12 months/ 4 quarters.

	<p>For applicable load on Redemptions through SWP, please refer section 'LOAD STRUCTURE'.</p> <p><b>(iii) Systematic Transfer Plan (STP) (applicable for all schemes)</b>  This facility enables Unit Holders to transfer fixed sums from their Unit accounts in the Scheme to the other schemes launched by the Fund from time to time. The transfer will commence from the date mentioned by the Unit Holder in the Application Form for the facility. A minimum period of 15 days shall be required for registration under STP. The Units will be allotted / redeemed at the Applicable NAV of the respective dates of the Scheme on which such transfers are sought from the Scheme. In case the day on which the transfer is sought is a non-Business Day for the Scheme, then the application for the facility will be deemed to have been received on the immediately following Business Day. The facility of STP will not be available from any existing equity/equity oriented schemes to a non-equity scheme of the Fund.</p> <p><b><u>Options Available and Minimum Amount:</u></b>  Daily Option  Weekly Option  Fortnightly Option  Monthly Option: Minimum 6 transfers of Rs. 1,000/- each and above.  Quarterly Option: Minimum 4 transfers of Rs. 1,500/- each and above.</p> <p>Minimum clear balance in the Scheme at the time of enrollment for STP facility should be Rs. 6,000/-. STP is not available for investments under lock-in period and for investments which are pledged. In case of insufficient balance, the transfer will not be effected.</p> <p><b>Transfer Dates :</b>  Daily Option : Monday to Friday,  Weekly Option – Every Wednesday,  Fortnightly Option – Every Wednesday of the alternate week.  Monthly STP: Transfers can be on 1st or 10th or 15th or 21st or 28th of each month for a minimum of 6 months.  Quarterly STP: Transfers can be on 1st or 10th or 15th or 21st or 28th of each quarter for a minimum of 4 quarters.  Default Dates: In case of any ambiguity in selection of transfer date, the STP date will be 10th of each month / quarter.</p> <p><b>(iv) Interscheme Switching</b>  The Transaction Slip can be used by investors to make interscheme switches (during the NFO Period and the ongoing offer period) within the Fund. All valid applications for switch-out shall be treated as Redemption and for switch-in as Purchases with the respective Applicable NAVs of the Scheme / option.</p> <p><b>(v) Intrascheme Switching</b>  Investors can switch between different options under the Scheme, at the Applicable NAV. All valid applications for switch-out shall be treated as Redemption and for switch-in as Purchases with the respective Applicable NAVs of the option. As per current Load structure, no Entry or Exit Loads will be charged for intrascheme switching. However, AMC may change the Loads prospectively as indicated in section on LOAD STRUCTURE FOR THE SCHEME in this Scheme information document.</p> <p><b>(vi) Folio Number</b>  Unless otherwise requested by the Unit Holder, a single folio number may be assigned if an investor invests in different schemes of the Fund, and a consolidated account statement will then be provided for investments in all the schemes.</p> <p><b>(vii) Fractional Units</b>  Since a request for Purchase or Redemption is generally made in rupee amounts and not in terms of a fixed number of Units of the Scheme, an investor may be left with fractional Units. Fractional Units will be computed and accounted for up to three decimal places for the Scheme.</p> <p><b>(viii) Consolidation of folios</b>  In case an investor holds investments in multiple folios under the Fund, the AMC reserves the right to consolidate all the folios belonging to the same investor into one folio.</p>
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	<p>(ix) <b>Transaction through electronic mode</b> The AMC may from time to time offer various facilities to the unit holders through electronic mode such as internet, mobile phones, Kiosk, etc. to facilitate transactions in units of the scheme. The AMC may enter into such arrangements/ agreements as it may deem fit to give effect to the above.</p> <p>However, investors intending to take benefit of these facilities should note that they should use these services at their own risk. The Fund, the AMC, the Trustee, along with its directors, employees and representatives shall not be liable for any damages or injuries arising out of or in connection with the use of internet, mobile phones, Kiosk, etc or its non-use including, without limitation, non-availability or failure of performance, loss or corruption of data, loss of or damage to property (including profit and goodwill), work stoppage, computer failure or malfunctioning, or interruption of business; error, omission, interruption, deletion, defect, delay in operation or transmission, computer virus, communication line failure, unauthorized access or use of information.</p> <p><b>Permanent Account Number:</b> In accordance with AMFI circular dated June 30, 2009, on exemption of PAN for Systematic Investment Plans (SIP) upto Rs. 50,000 per year per investor, in case of any micro schemes such as SIPs upto Rs. 50,000 per year per investor shall be exempted from the requirement of PAN. Mutual Funds shall accept any of other standard specified identification instruments like Voter ID card, Government/Defense ID card, Card of Reputed employer, Driving License, Passport, etc in lieu of PAN with effect from August 1, 2009. (Investors are requested to refer to Systematic Investment Plan for more details).</p> <p><b>KYC Procedure:</b> In accordance with AMFI circular dated June 30, 2009, on exemption of PAN for Systematic Investment Plans (SIP) upto Rs. 50,000 per year per investor, with effect from August 1, 2009;</p> <ul style="list-style-type: none"> <li>➤ Micro SIP will not be subject to common KYC process through CVL.</li> <li>➤ Investors (including joint holders) must submit a photocopy of any one of the documents identified mentioned above along with Micro SIP applications.</li> <li>➤ Supporting document must be current and valid.</li> <li>➤ Supporting document copy shall be self attested by the investor.</li> <li>➤ While making subsequent Micro SIP applications with a mutual fund, investor can quote the existing folio number where a Micro SIP has been registered and therefore need not resubmit the supporting document.</li> <li>➤ Existing SIP forms may be modified to provide for additional columns for (1) marking the application as 'Micro SIP' (2) providing the date of birth and (3) listing the type of the supporting document and identification number (if any).</li> </ul>
Accounts Statements	<p><b>For normal transactions (Other than SIP/STP) during ongoing sales and repurchase: (applicable for all schemes)</b></p> <p>The AMC shall issue to the investor whose application (other than SIP/STP) has been accepted, an account statement specifying the number of units allotted will be sent by ordinary post / courier / secured encrypted electronic mail to each Unit Holder, stating the number of Units purchased, generally within 3 Business Days, but not later than 30 days from date of acceptance of the valid Application Form / Transaction Slip.</p> <p>For those unitholders who have provided an e-mail address, the AMC will send the account statement by e-mail.</p> <p>The unit holder may request for a physical account statement by writing / calling the AMC/ISC/R&amp;T. Investors can enquire about NAVs, Unit Holdings, Valuation, Dividends, Account statements, etc or lodge any service request by calling the investor line of the AMC at "1800 1020 777" (toll-free from a MTNL / BSNL landline) or 44227777 (at local call rate from your mobile phone prefixing the local city code or non - MTNL / BSNL landline). Investors can also visit the website at <a href="http://www.miraeassetmf.co.in">www.miraeassetmf.co.in</a>, for complete details. In order to protect confidentiality of information, the service representatives may require personal information of the investor for verification of his / her identity. The AMC will at all times endeavor to handle transactions efficiently and to resolve any investor grievances promptly.</p> <p><b>For SIP / STP transactions :</b></p> <p>Account Statement for SIP and STP will be dispatched once every quarter ending March, June, September and December within 10 working days of the end of the respective quarter.</p> <p>A soft copy of the Account Statement shall be mailed to the investors under SIP/STP to their e-mail address on a monthly basis, if so mandated.</p> <p>However, the first Account Statement under SIP/STP shall be issued within 10 working days of the initial investment / transfer.</p>

	<p>In case of specific request received from investors, Mutual Funds shall provide the account statement (SP/ STP) to the investors within 5 working days from the receipt of which request without any charges.</p> <p><b>Annual Account Statement : (applicable for all schemes)</b></p> <p>The Mutual Funds shall provide the Account Statement to the Unitholders 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.</p> <p>The account statements in such cases may be 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 statements, if so mandated.</p>
Dividend (applicable for all schemes)	The dividend warrants shall be dispatched to the unit holders within 30 days of the date of declaration of the dividend
Redemption (applicable for all schemes)	The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of redemption or repurchase.
Delay in payment of redemption / repurchase proceeds (applicable for all schemes)	The Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum)
Third Party payments	<p>Mirae Asset Mutual Fund has decided to restrict the acceptance of Third Party Payments with effect from November 15, 2010 (Effective Date) in accordance with AMFI guidelines. Accordingly third party payment instruments for subscriptions/ investments shall not be accepted by the AMC except in the following cases:</p> <ul style="list-style-type: none"> <li>i) Payment by Parents / Grand-Parents / Related Persons* on behalf of a minor in consideration of natural love and affection or as gift for a value not exceeding Rs. 50,000 for each regular purchase or per SIP installment; however this restriction will not be applicable for payment made by a guardian whose name is registered in the records of Mutual Fund in that folio.</li> <li>ii) Payment by employer on behalf of employee under Systematic Investment Plan (SIP) facility or lump sum / one-time subscription through payroll deductions. Asset management companies should exercise extra due diligence in terms of ensuring the authenticity of such arrangements from a fraud prevention and KYC perspectives;</li> <li>iii) Custodian on behalf of an FII or a Client.</li> </ul> <p>“Third Party Payment” means payment made through an instrument issued from a bank account other than that of the first named applicant / investor mentioned in the application form. In case of payment instruments issued from a joint bank account, the first named applicant / investor must be one of the joint holders of the bank account from which the payment instrument is issued.</p> <p>* ‘Related Person’ means any person investing on behalf of a minor in consideration of natural love and affection or as a gift.</p> <p>In cases a payment is covered under above exceptions, the following additional documents are also required to be mandatorily provided together with the Application Form:-</p> <ul style="list-style-type: none"> <li>(i) Mandatory KYC Acknowledgment letter for all investors (guardian in case of minor) and the person making the payment i.e. third party.</li> <li>(ii) Submission of a separate, duly filed and valid ‘Third Party Payment Declaration Form’ from the investors (guardian in case of minor) and the person making the payment i.e. third party. The said form shall be available on the AMC Website/ at Investor Service Centres.</li> </ul>

	<p>In case the application for subscription is not in accordance with the above provisions, the AMC reserves the right to reject the application.</p> <p>For further details, investors are requested to kindly refer to the Statement of Additional Information (SAI) of Mirae Asset Mutual Fund.</p> <p><b>Safe Mode for Writing/ Drawing Cheques :</b> In order to prevent fraudulent practices, it is recommended that the subscription payment instruments such as cheque/ demand draft/ pay order be drawn in the favour of scheme account followed by the name of the sole or 1st joint holder/ his PAN/ folio number.</p> <p>For e.g.”ABC Scheme A/c Permanent Account Number” or “ABC Scheme A/c First Investor Name” or “ABC Scheme A/c-Folio Number”.</p>
Registration of multiple bank accounts	<p>In compliance with AMFI Best Practice Guidelines Circular No. 17/10-11 dated October 22, 2010, Mirae Asset Mutual Fund (Fund) offers its unitholders, a facility to register more than one bank account with the Fund to receive redemption/ dividend proceeds. The unitholder may choose to receive the redemption/ dividend proceeds in any of the bank accounts, the details of which are registered under the said facility by specifying the necessary details in the “Bank Account Registration form” which will be available at our Investor Service Centers/ Registrar and Transfer Agents offices and on the website of the Fund. Individuals, HUFs, Sole proprietor firms can register upto five bank accounts and non-individual investor can register upto ten bank accounts in a folio. Any more bank accounts (over and above the maximum as specified herein) even if mentioned or provided, will not be registered unless accompanied by deletion request to delete any existing registered bank account(s).</p> <p>For the purpose of registration of bank account(s), investor should submit Bank Mandate Registration Form together with Cancelled cheque leaf in respect of bank account to be registered or if the bank account number on the cheque leaf is handwritten or the name is not printed on the face of the cheque, a copy of the bank statement/ pass book page with the Investors bank account number, name and address shall be provided.</p> <p>The unitholder can choose any one of the registered bank accounts as default bank account. However, in case a unitholder does not specify the default bank account, the fund reserves the right to designate any one of the registered bank accounts as a default bank account. Unitholder may also note that a third party payment is not used for mutual fund subscription.</p> <p>If unit holder(s) provide a new and unregistered bank mandate or a change of bank mandate request with specific redemption/ dividend payment request (with or without necessary supporting documents) such bank account may not be considered for payment or redemption/ dividend proceeds, or the Fund may withheld the payment for upto 10 calendar days to ensure validation of new bank mandate mentioned.</p> <p>The Fund/ Registrar and Transfer Agent (RTA) shall adopt the same process of verification for above registration as is applicable for a registration/change in bank mandate.</p>
Guidelines for Minor A/c's, Guardian, Nomination facility & Transmission facility	<p><b>I. Investments made on behalf of Minors:</b></p> <p><b>1. “On behalf of Minor” Accounts:</b></p> <p>The Asset Management Company (AMC)/ Registrar and Transfer Agent (RTA) shall follow the below mentioned guidelines in respect of the same:</p> <ol style="list-style-type: none"> <li>The minor shall be the first and the sole holder in the folio. No joint holder will be allowed in a folio where the minor is the first or sole holder.</li> <li>Guardian in the folio on behalf of the minor should either be a natural guardian (i.e. father or mother) or a court appointed legal guardian.</li> <li>The AMC/ RTA shall obtain photo copy of Birth Certificate or School Leaving Certificate or Higher Secondary Board mark sheet or Passport or any other suitable proof of the date of birth of the minor, in case of natural guardian and supporting documentary evidence in case of court appointed legal guardian.</li> </ol> <p><b>2. Minor Attaining Majority – Status Change:</b></p> <p>The AMC/ RTA shall follow the below mentioned guidelines in respect of the same:</p> <ol style="list-style-type: none"> <li>Prior to minor attaining majority, AMC/RTA shall send an advance notice to the registered correspondence address advising the guardian and the minor to submit an application form along with prescribed documents to change the status to “Major”.</li> </ol>

	<p>b. Till such time the said application form along with the requisite documents from the 'Major' are received by the AMC/RTA, the guardian will not be able to undertake any financial and non-financial transactions including fresh registration of SIP/STP/SWP after the date of the minor attaining majority. However, the AMC/RTA shall continue to process the existing standing instructions like SIP/STP/SWP registered prior to the minor attaining majority till the time an instruction from the 'Major' to terminate the existing standing instruction is received by the mutual fund.</p> <p>c. The AMC would send communication through email and mobile alerts if email ids and mobile numbers are available to the investor for intimating the processes as laid out in point (a) &amp; (b) above.</p> <p>d. In case the documents pertaining to change in status are not received by the date when the minor attains majority, the account shall be frozen (i.e. for redemptions &amp; switch-outs, etc) for operation by the guardian.</p> <p><b>3. Change in Guardian:</b></p> <p>The AMC/ RTA shall register change in guardian either due to mutual consent or demise of existing guardian, subject to submission of various documents, including Bank attestation attesting the signature of the new guardian in a bank account of the minor and KYC Acknowledgment letter of the new guardian. The new guardian must be a natural guardian (i.e. father or mother) or a court appointed legal guardian.</p> <p>Investors are requested to refer the NISM recommendations &amp; AMFI Best Practice circular dated February 9, 2011 uploaded on our website <a href="http://www.miraeassetmf.co.in">www.miraeassetmf.co.in</a>, for the list of documents required in respect of change in guardian.</p> <p><b>II. Nomination Facility :</b></p> <p>The AMC/RTA shall follow the below mentioned guidelines in respect of the same:</p> <p>a. Nomination shall be mandatory for new folios/ accounts opened with sole/ single holding. Investors who do not wish to nominate must sign separately/indicate on the Application Form confirming their non-intention to nominate.</p> <p>b. Nomination shall be applicable for investments in all the Schemes in the folio or account.</p> <p>c. Nomination should be maintained at the folio or account level and should be applicable for investments in all schemes in the folio or account.</p> <p>d. All joint holders shall sign nomination/ cancellation of nomination form, irrespective of the mode of holding.</p> <p>e. Nomination form cannot be signed by Power of attorney (POA) holders and every new nomination shall overwrite the existing nomination in the folio/ account.</p> <p>f. Nomination shall not be allowed in a folio/ account held on behalf of a minor.</p> <p><b>III. Transmission Facility :</b></p> <p>a. Investors/ Unitholders are requested to refer the "Transmission Documents Matrix – Ready Reckoner" mentioned under Download section of our website <a href="http://www.miraeassetmf.co.in">www.miraeassetmf.co.in</a>, for ready reference of the various documents required under different scenarios of Transmission as mentioned below:</p> <ul style="list-style-type: none"> <li>• To surviving unitholders in case of death of one or more unitholders;</li> <li>• To registered nominee(s) in case of death of sole or all unitholders;</li> <li>• To claimant(s) where nominee is not registered in case of death of sole or all unitholders;</li> <li>• Transmission in case of HUF due to death of Karta.</li> </ul> <p>b. A copy of PAN or another proof of identity of nominee(s)/ claimant(s) may not be required if KYC issued by CVL is made available.</p> <p>c. In the event of transmission of units in favour of the minor, various documents like KYC, PAN, Bank details, indemnity etc should be of the guardian of the minor.</p> <p>d. The Fund/ AMC/ RTA may seek additional documents, if the amount of transmission is Rs. One Lakh and above, on a case to case basis. Investors/ Unitholders are requested to refer the Matrix, referred in point (a) above.</p>
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	<p>The Fund/ AMC/ RTA may seek additional documents, apart from those mentioned in each of the above cases. Investors are requested to refer National Institute of Securities Market (NISM) guidelines on select mutual fund services processes &amp; AMFI vide its Best Practice Circular Guidelines dated February 9, 2011, on our website <a href="http://www.miraeassetmf.co.in">www.miraeassetmf.co.in</a>, for the list of prescribed documents required in respect of abovementioned cases and any other clarifications on the same.</p>
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### C. PERIODIC DISCLOSURES

Particulars	For all the schemes		
<b>Net Asset Value</b> 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 Mutual Fund shall declare the Net Asset Value of the Scheme on every business day on AMFI's website <a href="http://www.amfiindia.com">www.amfiindia.com</a> by 9.00 pm and also on the website <a href="http://www.miraeassetmf.co.in">www.miraeassetmf.co.in</a> Investors may obtain NAV information on any Business Day by calling the office of the AMC or any of the Investor Service Centers.		
<b>Half yearly Disclosures : Portfolio / Financial Results</b> This is list of securities where the corpus of the scheme is currently invested. The market value of these investments is also slated 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.		
<b>Half Yearly Results</b>	The unaudited financial results will be published through an advertisement in one English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Registered Office of the Trustee is situated, before the expiry of one month from the close of each half year, that is the 31st of March and the 30th of September. The same will also be posted on the website of the Fund and that of AMFI.		
<b>Annual Report</b>	An annual report of the Scheme or an abridged format thereof will be prepared as at the end of each financial year (March 31) and copies of the same will be mailed to all Unit Holders as soon as possible but not later than 4 months from the closure of the relevant financial year. If the report is mailed in a summary form, the full report will be available for inspection at the registered office of the Trustee and a copy thereof on request to the Unit Holders on payment of a nominal fee.		
<b>Associate Transactions</b>	Please refer to Statement of Additional Information (SAI).		
<b>Taxation (Applicable for all schemes)</b>		<b>Resident Investors</b>	<b>Mutual Funds</b>
The information is provided for generate information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorized dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes	<b>Tax on Dividend or dividend distribution tax</b>	Nil	(i) For Individuals and HUF: 12.50% + 5% Surcharge + 3% Education Cess = effective rate is 13.52%  (ii) Others: 30% + 5% Surcharge + 3% Education Cess = effective rate is 32.45%
	<b>Capital Gains</b>		
	<b>Long Term</b>	10% (without indexation) 20% (with indexation)	N. A.
	<b>Short Term</b>	At Marginal Rate	N. A.
	<b>**Plus Education Cess at 2% and Secondary and Higher Education Cess at 1% in all cases.</b> For further details on taxation please refer to the clauses on Taxation in SAI.		

<b>Investor Services</b>	<p><b>Mr. Girish Dhanani</b> Mirae Asset Mutual Fund 606, 6th Floor, Windsor Bldg, off CST Road, Kalina, Santacruz (E), Mumbai - 400 098. Telephone Nos.: 6780 0300 / 25 E-mail: dhanani.girish@miraeasset.com</p> <p>Investors are advised to contact any of the ISCs or the AMC by calling the investor line of the AMC at “1800 1020 777 “ (toll-free from a MTNL / BSNL landline) or 44227777 (at local call rate from your mobile phone prefixing the local city code or non - MTNL / BSNL landline) to know the latest position on Exit Load structure prior to investing. Investors can also visit the website at <a href="http://www.miraeassetmf.co.in">www.miraeassetmf.co.in</a>, for complete details.</p>
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#### **D. COMPUTATION OF NAV (FOR ALL SCHEMES)**

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

NAV of Units under the Scheme or the Options there under can be calculated as shown below:

$$\text{NAV} = \frac{\text{(Market or Fair Value of Scheme's investments + Current assets including Accrued Income - Current Liabilities and provisions including accrued expenses)}}{\text{No. of Units outstanding under the Scheme/Option.}}$$

NAV = \_\_\_\_\_

No. of Units outstanding under the Scheme/Option.

The NAV and the sale and repurchase prices of the Units will be calculated and announced at the close of each business day.

The NAV will be computed upto 4 decimal places for all schemes.

The NAV calculated as above and Sale/Repurchase rates of units will be published in two news papers on a daily basis, by way of press release / advertisement. The Fund also updates the NAV, Sale / Repurchase rates on AMFI /MF website on each business day. In addition, the NAV, Sale and Repurchase rates for all business days, will be available at our ISCs.

Computation of NAV will be done after taking into account dividends paid, if any, and the distribution tax thereon, if applicable. Therefore, once dividends are distributed under the Dividend Option, the NAV of the Units under the Dividend Option would always remain lower than the NAV of the Units issued under the Growth Option. The income earned and the profits realized in respect of the Units issued under the Growth Option remain invested and are reflected in the NAV of the Units.

Due to difference in time zones of different markets, in case the closing prices of securities are not available within a given time frame to enable the AMC to upload the NAVs for a Valuation Day, the AMC may use the last available traded price for the purpose of valuation. The use of the closing price / last available traded price for the purpose of valuation will also be based on the practice followed in a particular market. In case any particular security is not traded on the Valuation Day, the same shall be valued on a fair value basis by the Valuation Committee of the AMC.

## **SECTION IV – FEES AND EXPENSES**

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

### **A. NEW FUND OFFER (NFO) EXPENSES (FOR ALL SCHEMES)**

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

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

In accordance with SEBI circular dated June 30, 2009, Empowering investors through transparency in payment of commission and load structure, the investors shall decide the commission paid to distributors in accordance with the level of service received, to bring about more transparency in payment of commissions and to incentivise long term investment, it has been decided that:

- There shall be no entry load for all mutual fund schemes.
- The upfront commission shall be paid by the investor directly to the distributor, based on his assessment of various factors including the service rendered by the distributor.

The above shall be applicable for:

- Investments in mutual fund schemes (including additional purchases and switch-in to a scheme from other schemes) with effect from August 1, 2009;
- New mutual fund schemes launched on and after August 1, 2009; and
- Systematic Investment Plans (SIP) registered on or after August 1, 2009.

## **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:

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:

Maximum Management and Advisory Fee to be Charged by AMC

Daily Average Net Assets	Maximum as a % of daily average net assets
First 100 Crores	1.25%
Balance Assets	1.00%

The AMC has estimated that upto 2.25% of the weekly/daily average net assets of the scheme will be charged to the scheme as expenses. As per the Regulations, the maximum recurring expenses including investment management and advisory fee that can be charged to the Scheme shall be subject to a percentage limit of weekly/daily average net assets as in the table below:

First Rs. 100 crores	Next Rs. 300 crores	Next Rs. 300 crores	Balance
2.25%	2.00%	1.75%	1.50%

The recurring expenses of operating the Scheme on an annual basis, which shall be charged to the Scheme, are estimated to be as follows (each as a percentage per annum of the daily average net assets)

Nature of Expense	% p.a. of daily average net assets		
	PLANS		
MALF	Retail Plan	Institutional Plan	Super Institutional Plan
MAUSTBF	Retail Plan	Institutional Plan	Super Institutional Plan
MACMF	Regular Plan	-	-
MASTBF	Retail Plan	Institutional Plan	-
MAGF	Saving & Investment Plan (Regular & Bonus sub plans)	Saving & Investment Plan (Institutional & Provident Fund sub plans)	-
Investment Management & Advisory Fee	1.25	1.25	1.25
Custodial Fees	0.02	0.02	0.02
Registrar & Transfer Agent Fees including cost related to providing accounts statement, dividend/redemption cheques/warrants etc.	0.13	0.13	0.13
Marketing & Selling Expenses including Agents Commission and statutory advertisement	0.10	0.10	0.10
Brokerage & Transaction Cost pertaining to the distribution of units	0.50	0.35	0.25
Audit Fees / Fees and expenses of trustees	0.15	0.15	0.15
Costs related to investor communications	0.05	0.05	0.05

Costs of fund transfer from location to location	0.02	0.02	0.02
Other Expenses*	0.03	0.03	0.03
<b>Total Recurring Expenses</b>	<b>2.25</b>	<b>2.10</b>	<b>2.00</b>

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

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

The purpose of the above table is to assist the investor in understanding the various costs and expenses that an investor in the Scheme will bear directly or indirectly. While this estimate has been made in good faith on the basis of information available with the Fund, there can be no assurance that actual expense, under any particular head will not be more or less than such estimate. The AMC reserves the rights to revise the fees payable to the service providers from time to time. The total expenses, however, will be maintained within the limits mentioned under Regulation 52 (6) of SEBI Regulations.

Subject to the overall ongoing fees and expenses which would be charged to the Scheme not exceeding the limit laid down under Regulation 52(6) [as reproduced above], the AMC may at its discretion charge to the Scheme the Government levies in the form of any charges or applicable taxes including applicable surcharge either presently payable or which may be imposed in future. Currently, the Government has imposed Service Tax of 10.30% on the Management and Trustee Fees (including education cess) on Service Tax which would be charged to the Scheme subject to the overall expenses charged to the Scheme do not exceed the limits laid down under Regulation 52(6).

Further, as and when permitted by SEBI, the AMC may charge a higher fee. However, revision in fee charged shall be within the SEBI Regulations at all times.

### C. LOAD STRUCTURE

Load is an amount which is paid by the investor to subscribe to the units or to redeem from the scheme. This amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time.

Name of Schemes	of	MALF	MAUSTBF	MACMF	MAGF	MASTBF			
Entry Load	<b>N.A. for all schemes.</b> “In terms of SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor effective August 1, 2009. Upfront commission shall be paid directly by the investor to the AMFI registered Distributors based on the investors’ assessment of various factors including the service rendered by the distributor”.								
Exit Load	Nil	Nil	Nil	For Each Purchase Type	Load	For Each Purchase Type	Load		
				Saving Plan	NIL			Regular Plan	0.15% if redeemed within 15 days from the date of allotment. (Including STP/ STP/SWP)
				Regular					
				Institutional					
				Bonus					
				Provident Fund					
				For Each Purchase Type	Load				
				Investment Plan	0.15% if redeemed within 15 days from the date of allotment				
				Regular					
				Institutional					
				Bonus					
				Provident Fund					



**Applicable for MALF, MAUSTBF, MASTBF, MACMF :**

Switch-In and Switch-Outs are considered as Purchase and redemption, the exit loads will be charged accordingly, if levied, from time to time. A Switch-Out/Withdrawal under SWP will also attract an exit load like any redemption. Exit load is applicable for all the Plans/Options under the Scheme by applying First in First Out basis. No Load is chargeable in case of switches made between different Sub-options of the same plan.

As per SEBI/IMD/CIR No. 14/120784/08 dated March 18, 2008, no load would be charged on Bonus units and of units allotted on reinvestment of Dividend.

**Exit load/ Contingent deferred sales charge ("CDSC") (For all Schemes)**

With effect from August 01, 2009, exit load/ CDSC (if any) up to 1% of the redemption value charged to the unit holder by the Fund on redemption of units shall be retained by each of the schemes/ plans in a separate account and will be utilized for payment of commissions to the ARN Holder and to meet other marketing and selling expenses.

Any amount in excess of 1% of the redemption value charged to the unit holder as exit load/ CDSC shall be credited to the respective scheme/ plan immediately.

The above provisions shall be applicable on a prospective basis, effective from August 1, 2009.

## COMMON FOR ALL THE SCHEMES

As per SEBI/IMD/CIR No. 14/120784/08 dated March 18, 2008, no load would be charged on Bonus units and of units allotted on reinvestment of Dividend.

As per SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009, of the exit load or CDSC charged to the investor, a maximum of 1% of the redemption proceeds shall 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 shall be credited to the scheme immediately.

*The distributors should disclose all the commissions (in the form of trail commission or any other mode) payable to them for the different competing schemes of various mutual funds from amongst which the scheme is being recommended to the investor.*

The above shall be applicable on prospective basis with effect from August 1, 2009:

**Entry load**

In accordance with the requirements specified by the SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009 no entry load will be charged with respect to applications for purchase / additional purchase / switch-in accepted by the Fund with effect from August 01, 2009.

Similarly, no entry load will be charged with respect to applications for registrations under systematic investment plans/ systematic transfer plans accepted by the Fund with effect from August 01, 2009.

The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

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 Centers.

The Mutual Fund may charge the load within the stipulated limit of 7% and without any discrimination to any specific group. The Repurchase Price however, will not be lower than 93% of the NAV, and the Sale Price will not be higher than 107% of the NAV, provided that the difference between the Repurchase 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.

All Loads are intended to enable the AMC to recover expenses incurred for promotion or distribution and sales of the Units of the Scheme. The Fund/AMC shall retain the load, in the Scheme in a separate account and use it to cover the cost of raising/redeeming units on a continuous basis by way of providing redemption/distribution related services to the Fund relating to the sale, promotion, advertising and marketing of the units of the Scheme and costs associated with liquidating the Fund's investment securities, including payments for postage and also payments to brokers for their services in connection with the redemption/distribution of the units. Surplus of load, if any, charged over planned marketing and distribution expenses will be credited to the respective plans whenever felt appropriate by the AMC.

The Trustee reserves the right to modify/alter the load structure and may decide to charge an entry load/exit load or a combination of entry/exit loads or introduce a differential load structure on the Units with prospective effect, subject to the maximum limits as prescribed under the SEBI Regulations. At the time of changing the load structure, the AMC shall take the following steps:

- The addendum detailing the changes shall be attached to Scheme Information Documents and Key Information Memoranda. The addendum will be circulated to all the distributors so that the same can be attached to all Scheme Information Documents and Key Information Memoranda already in stock. The addendum shall also be sent along with the newsletter sent to the

unitholders immediately after the changes.

- Arrangements shall be made to display the changes/modifications in the Scheme Information Document in the form of a notice in all the Mirae Asset ISCs' and distributors' offices.
- The introduction of the exit load/ CDSC along with the details shall 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.
- 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.
- The Fund shall arrange to display a notice in the Mirae Asset ISCs' at least 1 (one) day before the change of the then prevalent load structure.

The AMC may change the load from time to time and in case of an exit/repurchase load this may be linked to the period of holding, while in case of entry load this may be linked to the amount of investment. The load charged could also be different as regards the amount/tenor of investment, etc. It may be noted that any such change in the load structure shall be applicable on prospective investment only.

All Loads are intended to enable the AMC to recover expenses incurred for promotion or distribution and sales of the Units of the Scheme. The Fund/AMC shall retain the load, in the Scheme in a separate account and use it to cover the cost of raising/redeeming units on a continuous basis by way of providing redemption/distribution related services to the Fund relating to the sale, promotion, advertising and marketing of the units of the Scheme and costs associated with liquidating the Fund's investment securities, including payments for postage and also payments to brokers for their services in connection with the redemption/distribution of the units. Surplus of load, if any, charged over planned marketing and distribution expenses will be credited to the respective plans whenever felt appropriate by the AMC.

#### **D. WAIVER OF ENTRY LOAD AND PAYMENT OF COMMISSION AND LOAD STRUCTURE: (common for all the schemes)**

##### **Entry load**

In accordance with the requirements specified by the SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009 no entry load will be charged with respect to applications for purchase / additional purchase / switch-in accepted by the Fund with effect from August 01, 2009.

Similarly, no entry load will be charged with respect to applications for registrations under systematic investment plans/ systematic transfer plans accepted by the Fund with effect from August 01, 2009.

The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

##### **Exit load/ Contingent deferred sales charge ("CDSC")**

With effect from August 01, 2009, exit load/ CDSC (if any) up to 1% of the redemption value charged to the unit holder by the Fund on redemption of units shall be retained by each of the schemes/ plans in a separate account and will be utilized for payment of commissions to the ARN Holder and to meet other marketing and selling expenses.

Any amount in excess of 1% of the redemption value charged to the unit holder as exit load/ CDSC shall be credited to the respective scheme/ plan immediately.

The above provisions shall be applicable on a prospective basis, effective from August 1, 2009.

The list of official collection points for depositing forms is available on the website of the AMC.

## **SECTION V – RIGHTS OF UNITHOLDERS (common for all the schemes)**

Please refer to SAI for details

## **SECTION VI – PENALTIES AND PENDING LITIGATION (common for all the schemes)**

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 trms 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.: None
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 default 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.: None

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 the 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.:None
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.: None
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.: None

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

**THE TERMS OF THE SCHEME WERE APPROVED BY THE TRUSTEE VIDE A CIRCULAR RESOLUTION ON 7TH DECEMBER FOR MALF & MAUSTBF, 2ND JULY 2008 FOR MACMF, 30TH JULY 2008 FOR MAGF AND ON 6TH APRIL 2009 FOR MASTBF. THE TRUSTEES HAVE ENSURED THAT THE SCHEMES APPROVED ARE NEW PRODUCTS OFFERED BY MIRAE ASSET MUTUAL FUND AND IS NOT A MINOR MODIFICATION OF THE EXISTING SCHEMES.**

For and on behalf of the Board of Directors of  
**Mirae Asset Global Investments (India) Private Limited**  
(Asset Management Company for Mirae Asset Mutual Fund)  
sd/-

Authorised Signatory

Place: Mumbai

Date: 20th August, 2011