DRAFT INVESTMENT STRATEGY INFORMATION DOCUMENT

Investment strategy Code- Will be added later

SECTION I

NSE & BSE Script Code: Will be added after listing of units

ARTHAYA HYBRID LONG-SHORT FUND

(Interval investment strategy investing in equity and debt securities, including limited short exposure in equity and debt through derivatives.).

This product is suitable for investors who are seeking#:	**Risk-band***	**Benchmark Risk-band (as applicable)**
• Long term Capital appreciation and income generation. • An Interval investment strategy investing in equity and debt securities, including limited short exposure in equity and debt through derivatives.	 Risk band Level 3	 Risk band Level 2 NIFTY 50 HYBRID COMPOSITE DEBT 50:50 INDEX

*The Risk Band has been as specified by AMFI.

#Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

@@@For Benchmark Disclaimer, please refer page no. 5.

Note: The above product labelling assigned during the New Fund Offer (NFO) is based on internal assessment of the characteristics of the investment strategy or model portfolio and the same may vary post NFO when the actual investments are made.

Offer of Units of Rs. 10 each for cash during the
New Fund Offer and continuous offer for Units at NAV based prices (Face Value Rs.10)

New Fund Offer Opens on:	_____
New Fund Offer Closes on:	_____
Investment Strategy re-opens on:	**Within 5 business days from the date of allotment**

Name of Specialised Investment Fund (SIF)	Arthaya SIF by Union Mutual Fund
Name of Mutual Fund	Union Mutual Fund
Name of Asset Management Company	Union Asset Management Company Private Limited
CIN of Asset Management Company	U65923MH2009PTC198201
Name of Trustee Company	Union Trustee Company Private Limited
CIN of Trustee Company	U65923MH2009PTC198198

Name of Sponsors	Union Bank of India Daiichi Life Group, Inc.
Addresses, Website of the Entities (including SIF)	**Registered Office**: Unit 503, 5th Floor, Leela Business Park, Andheri Kurla Road, Andheri (East), Mumbai - 400 059 **Website of Union Mutual Fund:** www.unionmf.com **Website of Arthaya SIF :** https://www.unionmf.com/arthayasif
Contact Details	Toll Free No. 18002002268/ 18005722268; Non Toll Free. 022-67483333; Fax No: 022-67483402; Email: arthaya.care@unionmf.com

The particulars of the investment strategy have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 2026, (herein after referred to as SEBI (MF) Regulations) as amended till date and circulars issued thereunder filed with SEBI, along with a Due Diligence Certificate from the AMC. The units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Investment Strategy Information Document.

NSE Disclaimer:
"As required, a copy of this Investment Strategy Information Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter NSE/LIST/6188 dated October 09, 2026 permission to the Mutual Fund to use the Exchange's name in this Investment Strategy Information Document as one of the stock exchanges on which the Mutual Fund's units are proposed to be listed subject to, the Mutual Fund fulfilling various criteria for listing. The Exchange has scrutinized this Investment Strategy Information Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Mutual Fund. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Investment Strategy Information Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Investment Strategy Information Document; nor does it warrant that the Mutual Fund's units will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Mutual Fund, its sponsors, its management or any scheme of the Mutual Fund.

Every person who desires to apply for or otherwise acquire any units of the Mutual Fund may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

BSE Disclaimer:

"BSE Limited ("the Exchange") has given vide its letter dated October 8, 2026, permission to ARTHAYA SIF offered by UNION Mutual Fund to use the Exchange's name in this ISID as one of the Stock Exchanges on which this Unit are proposed to be listed. The Exchange has scrutinized this ISID for its limited internal purpose of deciding on the matter of granting the aforesaid permission to ARTHAYA SIF offered by Union Mutual Fund. The Exchange does not in any manner:

- warrant, certify or endorse the correctness or completeness of any of the contents of this ISID; or
- warrant that this scheme's unit will be listed or will continue to be listed on the Exchange; or
- take any responsibility for the financial or other soundness of this Mutual Fund, its promoters, its management or any scheme or project of this Mutual Fund;

and it should not for any reason be deemed or construed that this ISID has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any unit of Arthaya Hybrid Long-Short Fund of this Mutual Fund may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person

consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever"

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

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Arthaya SIF, Union Mutual Fund, Standard Risk Factors, Special Considerations, Tax and Legal issues and general information on https://www.unionmf.com/arthayasif

SAI is incorporated by reference (is legally a part of the Investment Strategy Information Document). For a free copy of the current SAI, please contact your nearest Investor Service Centre or log on to our website www.unionmf.com and https://www.unionmf.com/arthayasif

The Investment Strategy Information Document (Section I and Section II) should be read in conjunction with the SAI and not in isolation.

Investors are advised to note that investments in Specialized Investment Fund involves relatively higher risk including potential loss of capital, liquidity risk and market volatility. Please read all investment strategy related documents carefully before making the investment decision.

This Investment Strategy Information Document is dated **October 12, 2026.**

Note: This Investment Strategy Information Document has two sections- Section I and Section II. While Section I contains investment strategy specific information that is dynamic, Section II contains elaborated provisions (including references to applicable Regulations/circulars/guidelines) with reference to information/disclosures provided in Section I.

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Part I: HIGHLIGHTS/SUMMARY OF THE INVESTMENT STRATEGY

Sr No.	Title	Description
I.	**Name of the Investment Strategy**	Arthaya Hybrid Long-Short Fund
II.	**Category of the Investment Strategy**	Hybrid Long-Short Fund
III.	**Type of Investment Strategy**	Interval investment strategy investing in equity and debt securities, including limited short exposure in equity and debt through derivatives.
IV.	**Investment strategy code**	To be updated.
V.	**Investment objective**	The primary objective of the investment strategy is to generate capital appreciation through equity and equity related instruments,income through arbitrage opportunities, derivatives strategies in equity and debt, fixed income or money market investments. There is no assurance that the investment objective of the Investment Strategy will be achieved.
VI.	**Liquidity / Listing Details**	The Investment Strategy being offered is an Interval Investment Strategy. The Units under the Investment Strategy are proposed to be listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). However, the Trustee reserves the right to list the units of Investment Strategy on any other Stock Exchange without any change in the Fundamental Attribute. Investors can trade on the exchange and Investors wishing to exit may do so, through stock exchange(s) where the Investment Strategy will be listed. Investors can trade on the exchange and Investors wishing to exit may do so, through stock exchange(s) where the Investment Strategy will be listed on all the trading days of the stock exchanges. The minimum number of units that can be bought or sold is 1 (one) unit, subject to compliance with the Minimum Investment Threshold states in the ISID. Further, investors can redeem from the Investment Strategy – Every Monday and Wednesday* of the week *Next business day in case Monday and Wednesday is a non-business day. However, the Trustee reserves the right to list the units of the Investment Strategy on any other stock exchange(s) at its sole discretion at a later date.
VII.	**Benchmark (Total Return Index)**	**NIFTY 50 Hybrid Composite Debt 50:50 Index** Justification for use of benchmark: The nature of the investment strategy would involve investing in both equity and debt instruments. NIFTY 50 Hybrid Composite Debt 50:50 Index has been chosen, as the index offers the right blend of equity and debt instruments, and hence is the most suitable index for comparing the performance of the Investment Strategy.

		The composition of the benchmark is such that it is most suited for comparing performance of the Investment Strategy. The Trustee reserve the right to change the benchmark if due to a change in market conditions, a different index /indices appears to provide a more appropriate basis for comparison of performance of Investment Strategy as per the guidelines and directives issued by SEBI/AMFI from time to time. *@@@Nifty Benchmark Disclaimer:* *The Product(s) are not sponsored, endorsed, sold or promoted by NSE INDICES LIMITED (formerly known as India Index Services & Products Limited ("IISL")). NSE INDICES LIMITED does not make any representation or warranty, express or implied, to the owners of the Product(s) or any member of the public regarding the advisability of investing in securities generally or in the Product(s) particularly or the ability of the Nifty 50 Hybrid Composite Debt 50:50 Index to track general stock market performance in India. The relationship of NSE INDICES LIMITED to the Issuer is only in respect of the licensing of the Indices and certain trademarks and trade names associated with such Indices which is determined, composed and calculated by NSE INDICES LIMITED without regard to the Issuer or the Product(s). NSE INDICES LIMITED does not have any obligation to take the needs of the Issuer or the owners of the Product(s) into consideration in determining, composing or calculating the Nifty 50 Hybrid Composite Debt 50:50 Index. NSE INDICES LIMITED is not responsible for or has participated in the determination of the timing of, prices at, or quantities of the Product(s) to be issued or in the determination or calculation of the equation by which the Product(s) is to be converted into cash. NSE INDICES LIMITED has no obligation or liability in connection with the administration, marketing or trading of the Product(s).* *NSE INDICES LIMITED do not guarantee the accuracy and/or the completeness of the Nifty 50 Hybrid Composite Debt 50:50 Index or any data included therein and NSE INDICES LIMITED shall have not have any responsibility or liability for any errors, omissions, or interruptions therein. NSE INDICES LIMITED does not make any warranty, express or implied, as to results to be obtained by the Issuer, owners of the product(s), or any other person or entity from the use of the NIFTY 50 Hybrid Composite Debt 50:50 Index or any data included therein. NSE INDICES LIMITED makes no express or implied warranties, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the index or any data included therein. Without limiting any of the foregoing, NSE INDICES LIMITED expressly disclaim any and all liability for any claims ,damages or losses arising out of or related to the Products, including any and all direct, special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.*
VIII.	**Subscription frequency**	Daily

IX.	**Redemption frequency**	Every Monday and Wednesday* of the week*Next business day in case Monday and Wednesday is a non-business day The AMC reserves the right to change the Redemption frequency in future, subject to SEBI Regulations and any other law, as applicable.
X.	**NAV Disclosure**	The AMC will calculate and disclose the first NAV(s) of the Investment Strategy not later than 5 (five) Business days from the date of allotment. Thereafter, the NAVs will be calculated and disclosed for every Business Day. Daily (Business Days) NAV disclosure timings on AMFI website (www.amfiindia.com) and on the website of the AMC SIF (https://www.unionmf.com/arthayasif) : 11.00 p.m. For further details refer Section II.
XI.	**Applicable Timelines**	**Timeline for** • **Dispatch of redemption proceeds:** Under normal circumstances, the AMC shall transfer the redemption/repurchase proceeds to the unitholders within three working days from the date of redemption or repurchase. • **Dispatch of IDCW:** The IDCW warrants shall be dispatched to the unitholders within seven working days from the record date. For further details refer Section II.
XII.	**Plans and Options**	**Plans –** • **Direct Plan and** • **Regular Plan** **Options under each Plan(s)** • Growth • Income Distribution cum Capital Withdrawal (IDCW) Option. The Income Distribution cum Capital Withdrawal option has the following facilities: • Reinvestment of Income Distribution cum Capital Withdrawal Option • Payout of Income Distribution cum Capital Withdrawal Option **Default option/ facility** (as applicable) **Option/Facility** | **Default - Option/Facility** Default Option | Growth Default Facility | Reinvestment of Income Distribution cum Capital Withdrawal Option For detailed disclosure on default plans and options, kindly refer SAI.

XIII.	**Load Structure**	**Entry Load:** Not applicable **Exit Load:** Nil
XIV.	**Minimum application amount/Switch in**	The minimum aggregate investment by an investor across all investment strategies offered by Arthaya SIF, at the Permanent Account Number ('PAN') level, shall not be less than INR 10 lakh. **During NFO:** • **Purchase:** Rs.10,00,000/- and in multiples of Re. 1/- thereafter **Minimum amount for accredited investor during NFO and Continuous basis:** Rs.1,00,000/- and in multiples of Re. 1/- thereafter. **On continuous basis**: **Fresh Purchase:** Rs.10,00,000/- and in multiples of Re. 1/- thereafter Note: The minimum application amount mentioned above shall not be applicable to the mandatory investments made by the employees of Union AMC in the Scheme pursuant to Clause 7.14 of the SEBI Master Circular for Mutual Funds dated March 20, 2026.
XV.	**Minimum Additional Purchase Amount)**	Rs. 10,000 and in multiples of Rs. 1 thereafter
XVI.	**Minimum redemption/Switch Out amount**	Rs. 1,000/- and in multiples of Re. 1/- thereafter. **The redemption will be subject to compliance with provisions mentioned under "Minimum investment threshold" as stated under Clause "Minimum threshold requirement and consequences of non- maintenance" of this ISID**
XVII.	**Notice Period**	Investors can redeem their units under the Investment strategy twice a week i.e. every Monday and Every Wednesday*of the week. *Next business day in case Monday and Wednesday is a non-business day. Accordingly, at present there is no notice period, however AMC may implement notice periods for redemptions in the following manner: i. In case of notice period, the redeeming investor shall receive the value of units sold based on the fund's NAV at the end of the notice period. ii. Maximum duration of notice period shall not exceed 15 working days. AMC/ Trustees reserve the right to impose restrictions on redemption / switch of units as per SEBI/AMFI regulations /circular etc. For further details, kindly refer to SAI
XVIII.	**New Fund Offer Period**	NFO opens on: _____ NFO closes on: _____

	This is the period during which a new investment strategy sells its units to the investors.	Minimum duration to be 3 working days and will not be kept open for more than 15 days Any changes in dates will be published through notice on Arthaya SIF website i.e. https://www.unionmf.com/arthayasif
XIX.	**New Fund Offer Price:** This is the price per unit that the investors have to pay to invest during the NFO.	Rs. 10 /- per Unit
XX.	**Segregated portfolio/side pocketing disclosure**	In case of a credit event at issuer level and to deal with liquidity risk, the AMC may create a segregated portfolio of debt and money market instruments under the Investment Strategy in compliance with Clause 5.5 of SEBI Master Circular for Mutual Funds dated March 20, 2026, as amended from time to time. For Details, kindly refer SAI.
XXI.	**Swing pricing disclosure**	Not applicable
XXII.	**Stock lending/short selling**	The Investment Strategy may engage in short selling of securities in accordance with the framework relating to short selling as specified by SEBI. The Investment Strategy may participate in the securities/ stock lending program, in accordance with the terms of securities lending scheme announced by SEBI. The activity shall be carried out through approved intermediaries. Investment in Securities Lending shall be upto 20% of the net assets of the Investment Strategy. The maximum exposure of the Investment Strategy to a single approved intermediary (Broker) in the securities lending programme at any point of time would be 5% of the market value of the security class of the Investment Strategy or such limit as may be specified by SEBI. For details, kindly refer SAI.
XXIII.	**How to Apply and other details**	Investors may obtain Key Information Memorandum (KIM) along with the application forms from AMC/SIF offices or Customer Service Centres of the Registrar or may be downloaded from https://www.unionmf.com/arthayasif Investors can submit the application forms for purchase or redemption or switch at any of the Official Points of Acceptance, details of which are mentioned on the back cover page of this document. Investors intending to apply through ASBA will be required to submit ASBA form to their respective banks, which in turn will block the amount in their account as per authority contained in the ASBA form. ASBA form should not be submitted at location other than SCSB as it will not be processed. Investors intending to trade in Units of the Investment strategy, through the exchange platform will be required to provide demat account details in the application form. For further details refer Section II.

XXIV.	**Investor Services**	• Contact Details for general service requests. Following are the Contact details for general service requests.: For any enquires/ service requests / etc. the investors may contact: **Computer Age Management Services Ltd. (RTA)** Rayala Tower 2, 5th Floor, 158 Anna Salai, Chennai, - 600002. e-mail: enq_uk@camsonline.com • Contact Details for complaint resolution: Following are the Contact details for complaints. **I. Union Asset Management Company Pvt. Ltd** Ms. Leena Johnson Investor Relations Officer, Unit 503, 5 Floor, Leela Business Park, Andheri Kurla Road, Andheri (East), Mumbai - 400059 Phone:022- 67483333, Fax No: 022 – 67483402 Toll free no.: 18002002268 / 18005722268 e-mail: arthaya.care@unionmf.com For any grievances with respect to transactions through Stock Exchange Platform for Mutual Funds, the investors should approach either the stock broker or the investor grievance cell of the respective stock exchange. **It may be noted that all grievances/ complaints with regard to demat mode of holding shall be routed only through the DP/NSDL/CDSL.**
XXV.	**Specific attribute of the Investment Strategy (such as lock-in, duration in case of close ended investment strategies as applicable)**	The Investment Strategy has no such specific attributes.
XXVI.	**Special product/facility available during the NFO and on ongoing basis**	Brief information about the Special Products / Facilities available under the Investment Strategy are given below. Investors are requested to refer the SAI for complete details including terms and conditions of each special product/ facility: **Facility available during NFO:** **i. Facility to purchase/ redeem units of the Investment Strategy through Stock Exchange Mechanism**: 1. Transactions through Stock Brokers/ Clearing Members/ Depository Participants: The facility enables an applicant to purchase/ redeem units through the Stock Exchange Infrastructure.

2. Transactions through Mutual Fund Distributors: This facility enables SIF Distributors to use recognized Stock Exchange infrastructure to purchase/redeem units directly from Specialised Investment Fund on behalf of their clients.

ii. Transactions through Electronic Mode :
The SIF may (at its sole discretion and without being obliged in any manner to do so and without being responsible and /or liable in any manner whatsoever) allow transactions in Units by electronic mode (web/ electronic transactions) including transactions through the various web sites with which the AMC/SIF would have an arrangement from time to time. Subject to the investor fulfilling certain terms and conditions as stipulated by AMC from time to time, the AMC, SIF, Registrar or any other agent or representative of the AMC, SIF, the Registrar may accept transactions through any electronic mode including web transactions and as permitted by SEBI or other regulatory authorities from time to time.

iii. Facility to transact in the Investment Strategy of Arthaya SIF through MF Utility (MFU) infrastructure*: Investor can also subscribe to the Units of the Investment Strategy through MFU which allows transacting in multiple Investment Strategies of various Specialized Investment Fund with a single form / transaction request and a single payment instrument / instruction.

iv. Facility to transact through email: This facility is available to existing unit holders only. Under this facility, Investors can submit transactions through their registered/authorised email ID to a designated email ID of the SIF which is transact.mail@unionmf.com ("**Designated Email ID**").

v. Facility to transact through MFCentral Platform*: Pursuant to Clause 17.5 of SEBI Master Circular for Mutual Funds dated March 20, 2026 on 'Registrar & Transfer Agents (RTA) inter-operable Platform for enhancing investors' experience in Mutual Fund transactions / service requests, the Qualified RTAs, KFin Technologies Limited (KFin) and Computer Age Management Services Limited (CAMS) have jointly developed MFCentral – A digital platform for Mutual Fund investors (the Platform). The investors can submit both financial and non-financial transactions through the said Platform.

Facility available on ongoing basis:

i. SIP:
This facility is useful for investors who wish to invest fixed specified amounts at regular intervals by submitting a one-time SIP application form along with the relevant documents. SIP facility is available for both the Options viz. Growth and Income Distribution cum Capital Withdrawal under each of the Plans under the Strategy.

Frequency	Cycle Day/Date*	Default Day/Date	Minimum Instalment Amount (in ₹)	Minimum Instalments

Daily	Daily (Only Business Day)	Not applicable	₹ 500 & in multiples of ₹1/- thereafter	6
Monthly	Any date of the month	8th of the month	₹ 10,000 & in multiples of ₹1/- thereafter	6

*In case any of these days fall on a non-business day, the transaction will be effected on the next business day of the Investment Strategy. For further details please refer SAI.

Systematic Investment Plan (SIP) will be available, subject to the first cheque being ₹ 10 lakhs or above or the SIP application of minimum SIP amount is supported by a lumpsum of ₹ 10 lakhs.

SIP Top-up Facility:

SIP Top-up Facility provides flexibility to Investors to increase the amount of the SIP instalment by a fixed amount at pre-defined intervals during the tenure of the SIP. The minimum top-up amount would be Rs. 1000 & in multiples of Rs. 1/- thereafter.

SIP Frequency	Top-up Frequency	Amount
Monthly	Half Yearly; Yearly	₹ 1,000 & in multiples of ₹1/- thereafter

If the investor does not specify the Top-up frequency under SIP, the default frequency for Top-up will be Yearly.

SIP Pause Facility:
Under the SIP Pause Facility, the investor has an option to stop the SIP temporarily (at a folio level) for a specified period of time. On the expiry of the specified period, the SIP would re-start automatically.

ii. STP^:
This facility enables unitholders to transfer a fixed specified amount from one open-ended Investment Strategy of the Fund (source investment strategy) to another open-ended investment strategy of the Fund (target investment strategy), in existence at the time of availing the facility of STP, at applicable NAV, subject to the minimum investment criteria of the target investment strategy.

The STP frequencies available under the investment strategy are as follows:

Frequency	Cycle Day/Date*	Default Day/Date	Minimum Instalment Amount (in ₹)	Minimum Instalments
Monthly	Any date of the month	Not Applicable	₹ 10,000 & in multiples of ₹1/- thereafter	6

*In case any of these days fall on a non-business day, the transaction will be effected on the next business day of the Investment Strategy. For further details please refer SAI.

^Facility will not be available under demat mode of holding units.

iii. SWP^

This facility enables unitholders to withdraw a fixed sum (subject to tax deduction at source, if applicable) by redemption of units in the unitholder's account at regular intervals through a one-time request. The SWP frequencies available under the Investment Strategy are as follows:

Frequency	Cycle Day/Date*	Default Day/Date	Minimum Instalment Amount (in ₹)	Minimum Instalments
Monthly	Any date of the month	8th of the month	₹ 10,000 & in multiples of ₹1/- thereafter	6
Quarterly	Any date of the month	8th of the month	₹ 10,000 & in multiples of ₹1/- thereafter	6
Half Yearly	Any date of the month	8th of the month	₹ 10,000 & in multiples of ₹1/- thereafter	6
Yearly	Any date of the month	8th of the month	₹ 10,000 & in multiples of ₹1/- thereafter	6

*In case any of these days fall on a non-business day, the transaction will be effected on the next business day of the Investment Strategy. For further details please refer SAI.

^Facility will not be available under demat mode of holding units.

The clauses on SWP and STP will be subject to compliance with provisions mentioned under "Minimum investment threshold" as stated under Clause "Minimum threshold requirement and consequences of non- maintenance" of this ISID.

iv. Facility to purchase/ redeem units of the Investment Strategy through Stock Exchange Mechanism:

1. Transactions through Stock Brokers/ Clearing Members/ Depository Participants: The facility enables an applicant to purchase/ redeem units through the Stock Exchange Infrastructure.

2. Transactions through Mutual Fund Distributors: This facility enables SIF Distributors to use recognized Stock Exchange infrastructure to purchase/redeem units directly from Specialised Investment Fund on behalf of their clients.

v. Transactions through Electronic Mode :

The SIF may (at its sole discretion and without being obliged in any manner to do so and without being responsible and /or liable in any manner whatsoever) allow transactions in Units by

		electronic mode (web/ electronic transactions) including transactions through the various web sites with which the AMC/SIF would have an arrangement from time to time. Subject to the investor fulfilling certain terms and conditions as stipulated by AMC from time to time, the AMC, SIF, Registrar or any other agent or representative of the AMC, SIF, the Registrar may accept transactions through any electronic mode including web transactions and as permitted by SEBI or other regulatory authorities from time to time. **vi. Registration of Multiple Bank Accounts in respect of an Investor Folio^**: Individuals and HUF investors can register up to 5 bank accounts and non individuals can register upto 10 bank accounts with the Fund. Facility will not be available under demat mode of holding units. **vii. Facility to transact through email:** Under this facility, Investors can submit transactions through their registered/authorised email ID to a designated email ID of the SIF which is transact.mail@unionmf.com ("**Designated Email ID**"). **viii. Facility to transact in the Investment Strategy of Arthaya SIF through MF Utility (MFU) infrastructure***: Investor can also subscribe to the Units of the Investment Strategy through MFU which allows transacting in multiple Investment Strategies of various Specialized Investment Fund with a single form / transaction request and a single payment instrument / instruction. **ix. Facility to transact through MFCentral Platform*:** Pursuant to Clause 17.5 of SEBI Master Circular for Mutual Funds dated March 20, 2026 on 'Registrar & Transfer Agents (RTA) inter-operable Platform for enhancing investors' experience in Mutual Fund transactions / service requests, the Qualified RTAs, KFin Technologies Limited (KFin) and Computer Age Management Services Limited (CAMS) have jointly developed MFCentral – A digital platform for Mutual Fund investors (the Platform). The investors can submit both financial and non-financial transactions through the said Platform. *If these are offered by the respective intermediaries and permitted by SEBI. For further details please refer SAI.
XXVII.	**Weblink**	TER for last 6 months, Daily TER and Investment strategy factsheet are not applicable as this is a new investment strategy. However, the same shall be made available under the link: https://www.unionmf.com/arthayasif

DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

(i) The Investment Strategy Information Document submitted to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 2026 and the guidelines and directives issued by SEBI from time to time.
(ii) All legal requirements connected with the launching of the Investment Strategy 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 Investment Strategy Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the Investment Strategy.
(iv) The intermediaries named in the Investment Strategy Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.
(v) The contents of the Investment Strategy Information Document including figures, data, yields etc. have been checked and are factually correct.
(vi) A confirmation that the AMC has complied with the compliance checklist applicable for Investment Strategy Information Document and other than cited deviations/ that there are no deviations from the regulations.
(vii) Notwithstanding anything contained in this Investment Strategy Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 2026 and the guidelines there under shall be applicable.
(viii) The Trustees have ensured that the Investment Strategy Information Document, Arthaya Hybrid Long-Short Fund approved by them is a new product offered by Arthaya SIF and is not a minor modification of any existing Investment Strategy.

S/d-

Date: October 12, 2026

Name: Ms. Richa Parasrampuria

Place: Mumbai

Designation: Chief Compliance Officer

PART II. INFORMATION ABOUT THE INVESTMENT STRATEGY

A. HOW WILL THE INVESTMENT STRATEGY ALLOCATE ITS ASSETS?

This includes asset allocation table giving the broad classification of assets and indicative exposure level in percentage terms.

Under normal circumstances, the asset allocation pattern will be as follows:

Instruments	Indicative Allocations (% of total assets)	
	Minimum	Maximum
Equity and equity-related instruments	25%	75%
Debt and Money Market Instruments including units of debt oriented mutual fund scheme	25%	75%
Short exposure through unhedged derivative positions in equity and debt instruments	0%	25%
Units issued by InvITs	0%	20%

In accordance with the clause 21.6.1(e) of the SEBI Master Circular for Mutual Funds ('Master Circular') dated March 20, 2026, the cumulative gross exposure through equity, debt, derivative positions (including equity and fixed income derivatives), repo transactions in corporate debt securities, Securitised Debt, overseas securities, Infrastructure Investment Trusts (InvITs), other permitted securities/assets and such other securities/assets as may be permitted by SEBI from time to time should not exceed 100% of the net assets of the investment strategy.

However, cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure. SEBI, vide letter dated November 3, 2021, has clarified that Cash Equivalent shall consist of the following securities having residual maturity of less than 91 days:

- Government Securities,
- T-Bills and
- Repo on Government Securities.

Further, a part of the total assets may be invested in the Tri-Party Repos (TREPS) on Government Securities or Treasury Bills to meet the liquidity requirements subject to regulatory approval, if any.

Indicative Table (Actual instrument/percentages may vary subject to applicable SEBI circulars)

Sl no.	Type of Instrument	Percentage of exposure	Circular references*
1	Securitised Debt including Pass Through Certificates (PTC)	0% - 10% (Upto 10% of the debt portion of the investment strategy)	Clause 13.1.2 of the SEBI Master Circular for Mutual Funds dated March 20, 2026
2	Derivatives for non – hedging purposes^	Long: Upto 50% of equity exposure Unhedged Short Exposure: Upto 25%	Clause 13.18 of the SEBI Master Circular for Mutual Funds dated March 20, 2026.

Sl no.	Type of Instrument	Percentage of exposure	Circular references*
			Clause 21.6.1.(a) of the SEBI Master Circular for Mutual Funds dated March 20, 2026.
3	Hedged positions in equity and debt instruments	Upto 100 % of the net assets of the investment strategy	-
4	Foreign/ Overseas Securities	0% - 20%	Paragraph 13.11 of the SEBI Master Circular for Mutual Funds dated March 20, 2026
5	Securities lending	Maximum 20% (where not more than 5% of the net assets of the Investment Strategy will be deployed in securities lending to any single counterparty).	Paragraph 13.6 of the SEBI Master Circular for Mutual Funds dated March 20, 2026
6	Short selling	The investment strategy may engage in short selling of securities in accordance with the framework relating to short selling specified by SEBI	Clause 6 of Sixth Schedule of SEBI (Mutual Funds) Regulations, 2026. Paragraph 13.6 of the SEBI Master Circular for Mutual Funds dated March 20, 2026
7	Units issued by InVITs	0% - 20% (not more than 10 per cent of NAV in the units issued by a single issuer of InvIT)	Clause 21.5.4 of the SEBI Master Circular for Mutual Funds dated March 20, 2026.
8	Debt and Liquid mutual fund schemes managed by the AMC or in the schemes of any other mutual funds	, Aggregate inter-scheme investment made by all schemes of the Mutual Fund and investment strategies of SIF investing in Mutual Fund schemes under the same management or in schemes under the management of any other AMC shall not exceed 5% of the NAV of the mutual fund.	Clause 3 of Sixth Schedule of SEBI (Mutual Funds) Regulations, 2026
9	Debt instruments with special features (AT1 and AT2 Bonds)	Maximum 10% of the NAV of the debt portfolio of the Investment Strategy in such instruments (where not more than 5% of the NAV of the debt portfolio of the investment strategy in such instruments issued by a single issuer).	Clause 13.1.9 of the SEBI Master Circular for Mutual Funds dated March 20, 2026.
10	Debt securities having structured obligations (SO rating) and/or Credit Enhancements (CE Ratings)	Maximum 10% of the debt portfolio of the Investment Strategy (where group exposure in such instruments shall not be more than 5% of the debt portfolio of the Investment Strategy)	Clause 13.1.10 of the SEBI Master Circular for Mutual Funds dated March 20, 2026.
11	Credit Default Swaps (CDS)	0%	-

Sl no.	Type of Instrument	Percentage of exposure	Circular references*
12	Tri-Party Repos^^	0% - 40%	Proviso under clause 13.1.2(B) of SEBI Master Circular for Mutual Funds dated March 20, 2026
13	Repo/ reverse repo transactions in corporate debt securities	0% - 10%	Clause 13.8 of the SEBI Master Circular for Mutual Funds dated March 20, 2026.

Pending deployment of funds of the Investment Strategy, in terms of the investment objective of the Investment Strategy, and for margin purposes, the AMC may invest them in short term deposits in terms of clause 13.7 of the SEBI Master Circular for Mutual Funds dated March 20, 2026, as may be amended from time to time. The AMC shall not charge any investment management and advisory fees for parking of funds in such short-term deposits of scheduled commercial banks for the Investment Strategy.

^^ The exposure to TREPS may exceed the limit specified above at the time of building up the portfolio of the Investment Strategy post New Fund Offer and also pending deployment of new inflows received in the Investment Strategy on an ongoing basis. Further, a part of the total assets may be invested in the Tri-Party Repos on Government Securities or Treasury Bills (TREPS) to meet the liquidity requirements subject to regulatory approval, if any.

^ The fund will use any of the following strategies for portfolio construction / rebalancing i.e. an unhedged long-only portfolio, partially-hedged long-only portfolio using index / stock futures or index / stock options, fully-hedged portfolio using index / stock futures or index / stock options, unhedged-long-short portfolio with 25% unhedged -short positions using stock futures or stock options, partially-hedged long-short portfolio with 25% unhedged-short using index / stock futures or index / stock options, fully-hedged long portfolio along with 25% unhedged-short using index / stock futures or index / stock options.

The total exposure related to options premium paid will not exceed 20% of the net assets of the Investment Strategy. The Investment Strategy can participate in covered call Option strategy with percentage of exposure in line with Clause 13.15 of Master Circular for Mutual Funds dated March 20, 2026. It is a call option that gives the holder (buyer) the right but not the obligation to buy an asset by a certain date for a certain price. Covered calls are an options strategy where a person holds a long position in an asset and writes (sells) call options on that same asset.

In accordance with Paragraph 13.11 of the SEBI Master Circular for Mutual Funds dated March 20, 2026, the following conditions shall apply to the participation of Investment Strategy in the overseas investments. Please note that the investment restrictions applicable to the Investment Strategy'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 have now been decided as under:

The aggregate ceiling for overseas investments is US $7 billion as per the above mentioned SEBI Circulars. Within the overall limit of US $ 7 billion, Investment Strategy can make overseas investments subject to a maximum of US $1 billion per mutual fund. Further, SIFs can make investments in Overseas Exchange Traded Fund (ETFs) subject to a maximum of US $300 million per mutual fund, within the overall industry limit of US $ 1 billion.

Pursuant to paragraph 13.11 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the Investment Strategy may invest in overseas securities / overseas ETFs as mentioned below.

Investments in Overseas Securities (in USD mn.)	Investments in Overseas ETFs (in USD mn.)
5	5

The Investment Strategy may invest during the six months period post closure of NFO. Post completion of the six months period, the relevant provisions of para 13.11 of SEBI Master Circular for Mutual Funds dated March 20, 2026, shall be applicable.

At all times the portfolio will adhere to the overall investment objectives of the Investment Strategy.

Deployment of Funds collected in New Fund Offer (NFO) Period:
In accordance with Regulation 32(4) of SEBI MF Regulations read with clause 7.24 of SEBI Master Circular dated March 20, 2026, the AMC shall deploy the funds collected during NFO period within 30 business days from the date of allotment of units.

In exceptional cases, if the AMC is not able to deploy within 30 business days, then the reasons in writing, including details of efforts taken to deploy the funds, shall be placed before the Investment Committee of the AMC. The Investment Committee upon examination of root cause for delay in deployment, may extend the timeline, either partially or fully by 30 business days and shall also recommend on how to ensure the deployment and shall monitor the same. However, an extension shall not be ordinarily granted if the Investment Strategy's assets are liquid and readily available.

Further, in case, funds are not deployed as per asset allocation mentioned above and as per mandated plus extended timeline, the AMC shall comply with the prescribed restrictions, the reporting and disclosure requirements as specified in SEBI Master Circular dated March 20, 2026.

Rebalancing due to short term defensive consideration:

The Investment Strategy may review the above pattern of investments based on views on markets, interest rates and asset liability management needs. However, at all times the portfolio will adhere to the overall investment objectives of the Investment Strategy. Subject to the Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations, legislative amendments and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute. These proportions can vary depending upon the perception of the fund manager; the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the investment pattern will be in accordance with Paragraph 1.9 of the SEBI Master Circular for Mutual Funds dated March 20, 2026, as amended from time to time, for short term and for defensive considerations only. In case of deviation from the asset allocation pattern, under normal circumstances, the portfolio would be rebalanced within 30 calendar days from the date of deviation.

Rebalancing period in case of passive breaches

As per Paragraph 3.11 of SEBI Master Circular for Mutual Funds dated March 20, 2026, as may be amended from time to time, in the event of deviation from mandated asset allocation mentioned in the Investment Strategy Information Document (ISID) or various prudential limits prescribed by the Board, inter-alia, including issuer limits, group limits and sector limits etc due to passive breaches (occurrence of instances not arising out of omission and commission of the AMC), the Fund Manager shall rebalance the portfolio of the Investment Strategy within 30 Business Days. In case the portfolio of the Investment Strategy is not rebalanced within the period of 30 Business Days, justification in writing, including details of efforts taken to rebalance the portfolio shall be placed before the Investment Committee of the AMC. The Investment Committee, if it so desires, can extend the timeline for rebalancing up to sixty (60) Business Days from the date of completion of mandated rebalancing period. The AMC shall comply with the requirements prescribed under Paragraph 3.11 of SEBI Master Circular for Mutual Funds dated March 20, 2026, as may be amended from time to time.

B. WHERE WILL THE INVESTMENT STRATEGY INVEST?

The Investment Strategy may invest its funds in the following securities:

I. Equity & Equity Related Instruments (including convertible bonds and debentures and warrants carrying the right to obtain equity shares and REITs)
II. Debt & Money Market Instruments.
III. Units of Liquid & Debt Oriented Mutual Fund Schemes
IV. Short Term Deposits.
V. Derivative instruments like Stock/ Index Futures, Stock/Index Options etc traded on derivatives markets in India and any other derivative instruments permitted by SEBI. The Investment Strategy may take derivatives position based on the opportunities available subject to the guidelines issued by SEBI from time to time and in line with the overall investment objective of the Investment Strategy. These may be taken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under the SEBI Regulations. For detailed derivative strategies, please refer SAI.
VI. Units of InvITs.
VII. Foreign Securities [overseas securities and overseas mutual fund scheme (including ETFs), subject to applicable regulations].
VIII. Any other instruments as may be permitted by SEBI/RBI from time to time.

The permissible overseas investments SIFs 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 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 Investment Strategy shall not exceed the total limits on expenses as prescribed under Regulation 66. Where the Investment Strategy 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 SIF provided they are considered appropriate in terms of the overall investment objectives of the Investment Strategy. The Investment Strategy may then, if necessary, seek applicable permission from SEBI and RBI to invest abroad in accordance with the investment objectives of the Investment Strategy 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 Investment Strategy 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 Investment Strategy 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 SIF 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.

Investment in overseas securities shall be made in accordance with the requirements stipulated by SEBI and RBI from time to time.

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

Detailed definitions and applicable regulations/ guidelines for each instrument are included in Section II.

C. WHAT IS THE INVESTMENT APPROACH?

The Investment approach is an actively managed strategy seeking to balance growth, income, and risk management through a diversified portfolio with flexible allocations across equity and equity-related instruments through arbitrage, derivative strategies, special situations and , debt & money market instruments. The Investment Strategy would involve investing in units of InVITs and taking, unhedged derivative short positions in equity & debt.
The Investment Strategy will seek to capitalize on special situations such as IPOs, rights issue, buybacks, open offers, demergers, mergers, index rebalancing events, etc.

By dynamically adjusting allocations based on market conditions, economic outlook, and rigorous asset selection, the investment strategy emphasizes high-quality equities, investment-grade debt, and stable REITs/InVITs, while utilizing hedging and derivatives to mitigate volatility and capitalize on opportunities. Diversification, active risk management, and periodic rebalancing ensure resilience and adaptability, aiming for long-term capital appreciation and income generation within a disciplined framework.

Derivatives Strategy:

Trading in Derivatives

The Investment Strategy may deploy various derivative strategies that are suitable for the fund from time to time. It will involve activities such as buying and selling of stock and index futures as well as stock and index options as deemed suitable.

On the Equity side, this would involve buying or selling of index futures or options. The extent to which this can be done is determined by existing guidelines. For Equity Stock Futures, the strategies may employ buying or selling futures. As for Equity Options, it would involve buying or selling a Call or Put option.

On the Debt side, this would involve buying or selling of instruments like Interest Rate Swaps, Interest Rate Futures, Forward Rate Agreements, or other derivative instruments, as permitted under the Regulations.

Tentative list of derivative strategies that could be deployed for short exposure:

Short Strategies	**Description**	**Max Profit**	**Max Loss**	**Risk Level**	**When will the strategy be used**
Short Futures	Shorting Index or Stock Futures to benefit from price decline	High (if market falls)	Theoretically unlimited. Risk management to ensure adherence to internally	Very High	Strong bearish outlook

			defined risk limits		
Synthetic Short	Buy a put and sell a call at the same strike and expiration to mimic a short stock position. Profits from a significant price decline	High (if market falls)	Theoretically unlimited. Risk management to ensure adherence to internally defined risk limits	Very high	Strong bearish outlook
Long Put	Buy a put option to profit from a decline in the asset price below the strike	High (if market falls)	Premium paid	Low	Strong bearish outlook
Bear Put Spread	Buy a put at a higher strike and sell a put at a lower strike, same expiration. Profits from a moderate price decline	Moderate	Premium paid	Low	Moderate bearish view
Short Call	Sell a call option, profiting if the asset price stays below the strike	Premium received	Theoretically unlimited. Risk management to ensure adherence to internally defined risk limits	Very high	Bearish to neutral, risky
Bear Call Spread	Sell a call at a lower strike and buy a call at a higher strike, same expiration. Profits if price stays below the lower strike	Premium received	Limited	Moderate	Mild bearish or neutral
Long Put Butterfly	Buy one put at a lower strike, sell two puts at a middle strike, buy one put at a higher strike, same expiration. Profits from a limited move to the middle strike	Limited	Premium paid	Low	Limited bearish move
Long Put Calendar	Sell a near-term put and buy a longer-term put at the same strike. Profits from a gradual price decline and time decay	Moderate to high	Premium paid	Low	Expect gradual bearish move
Long Put Diagonal	Sell a near-term put at a lower strike and buy a longer-term put at a higher strike. Profits from a	Moderate to high	Premium paid	Low	Moderate bearish with income

	moderate decline and premium collection				
Ratio Put Spread	Buy one put at a higher strike and sell multiple puts at a lower strike, same expiration. Profits from a moderate decline with premium collection	Moderate	Theoretically unlimited. Risk management to ensure adherence to internally defined risk limits	High	Bearish with premium collection

For detailed derivative strategies, please refer to SAI.

Portfolio Turnover:

The trading opportunities would be explored by the fund manager to optimise returns for the investment strategy, which could result in increase in portfolio turnover. The Fund manager would also be required to rebalance the portfolio in line with the asset allocation and the investment objectives. The portfolio will be managed taking into account the associated risks perceived/expected so as to minimise risks by using appropriate risk management techniques. All of these could result in increase in portfolio turnover. There may be an increase in transaction cost such as brokerage paid, if trading is done frequently. However, the cost would be negligible as compared to the total expenses of the Investment strategy. Frequent trading may increase the profits which could offset the increase in costs. The Fund Manager will endeavour to optimise portfolio turnover to maximise gains and minimise risks keeping in mind the costs associated with it. However, it is difficult to estimate with reasonable measure of accuracy, the likely turnover in the portfolio of the investment strategy. The investment strategy has no specific target relating to portfolio turnover.

RISK CONTROL:
The asset allocation of the Investment Strategy will be steadily monitored and it shall be ensured that investments are made in accordance with the Investment Strategy objective and within the regulatory and internal investment restrictions prescribed from time to time.

A detailed monitoring process has been designed to identify, measure, monitor and manage portfolio risk. The aim is to have a structured mechanism towards risk management thereby maximising potential opportunities and minimising the adverse effects of risk. Effective risk management is crucial for achieving optimum results. Adequate safeguards would be incorporated in the portfolio management process. The main instrument for reducing risk is through diversification across sectors/companies/ securities. The Fund Manager's job is to identify securities which offer higher returns with a lower level of risk. While identifying such securities, rigorous credit evaluation would be carried out by the investment team. The front office system of the AMC has the capability of pre- investment monitoring of investment restrictions as per SEBI guidelines and various internal limits prescribed from time to time to facilitate pre-emptive monitoring. The AMC will be guided by the ratings of Credit Rating Agencies authorised to carry on such activity. Further, various risk management tools will be used for measuring and monitoring portfolio risks.

The Risks and the corresponding risk mitigation strategies are provided under Section II.

D. HOW WILL THE INVESTMENT STRATEGY BENCHMARK ITS PERFORMANCE?

The performance of the Scheme will be benchmarked with Nifty 50 Hybrid Composite Debt 50:50 Index @@@.

Justification for use if benchmark

The nature of the investment strategy would involve investing in both equity and debt instruments. NIFTY 50 Hybrid Composite Debt 50:50 Index has been chosen, as the index offers the right blend of equity and debt instruments, and hence is the most suitable index for comparing the performance of the Investment Strategy. The composition of the benchmark is such that it is most suited for comparing performance of the Investment Strategy.

The Trustee reserves the right to change the benchmark for evaluation of the performance of the Investment Strategy from time to time, subject to SEBI Regulations and other prevailing guidelines in this regard including the guidelines issued by SEBI and AMFI for bringing uniformity in Benchmarks of Investment Strategies under SIF, and including the requirement to issue an addendum with regard to such change.

@@@Nifty Benchmark Disclaimer:

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E. WHO MANAGES THE INVESTMENT STRATEGY?

Name of the Fund Manager	**Age**	**Educational Qualification**	**Experience**	**Name of other Investment Strategy managed by the Fund Manager**
Mr. Rajesh Aynor - Fund Manager (Tenure for which the Fund Manager has been managing the Investment Strategy: Not applicable as it is a New Investment Strategy)	47 Years	B. (Chemical Engineering), MBA (Finance)	Over 21 years of experience in the field of investment research and fund management. • August 01, 2025 – till date with Union Asset Management Company Pvt. Ltd. As Investment Lead SIF	Arthaya Equity Long Short Fund

			• February 2024 to July 2025 with Prajana Advisors as Head of Equities • October 2017 to January 2024 with ITI Long Short Fund as Fund Manager • January 2010 to October 2017 with Metlife India Insurance Fund as Sr Equity Research Analyst • October 2007 to December 2009 as Fund Manager – Overseas Investments with Mirae Asset AMC • October 2005 to October 2007 as Equity Research Analyst with Tata AMC • August 2004 to September 2005 as Credit Analyst with Alliance Capital AMC • November 2003 to July 2004 as Rating Analyst with Care Ratings	
Mr. Shrenuj Parekh Co - Fund Manager – Fixed Income (for Debt portion)	31 Years	Chartered Accountant, ICAI, Bachelor of Commerce, University of Mumbai, N.M. College of Commerce and Economics	Industry experience: Over 11 years of experience in the field of Finance. June 22, 2023 onwards with Union Asset Management Company Private Limited as Co-Fund Manager - Fixed Income; January 13, 2020 to June 21, 2023 with Union Asset Management Company Private Limited as Credit Analyst; November 2018 to January 2020 with CRISIL Ratings Limited as Senior Rating Analyst, Large Corporate Group - Finance; October 2015 to October 2018 with Axis Bank as Deputy Manager, Risk; • September 2012 to September 2015 with Deloitte Haskins & Sells	-

			LLP as Senior Associate, Statutory Audit.	

F. HOW IS THE INVESTMENT STRATEGY DIFFERENT FROM EXISTING INVESTMENT STRATEGIES OF THE SIF

Not applicable, as Arthaya Hybrid Long-Short Fund is the first investment strategy that will be launched under this category.

G. HOW HAS THE INVESTMENT STRATEGY PERFORMED

This is a new Investment Strategy and does not have any performance track record

H. ADDITIONAL INVESTMENT STRATEGY RELATED DISCLOSURES

This investment strategy is a new strategy and hence additional investment strategy related disclosures are not applicable.

i) Investment Strategy's portfolio holdings (top 10 holdings by issuer and fund allocation towards various sectors– Not applicable.

ii. Functional website link for Portfolio Disclosure - Fortnightly / Monthly: Not applicable.

iii) The Portfolio Turnover Rate : Not applicable.

iv) iv) Functional website link to the respective addendums to the ISID after the last update of ISID: https://www.unionmf.com/sif/sif-downloads#!#sidsainotice

v) The aggregate investment in the Investment Strategy : Not applicable.

Sr. No.	Category of Persons	Net Value	
1.	Concerned Investment Strategy's Fund Manager(s)	Units	NAV per unit
Not Applicable			

For any other disclosure w.r.t investments by key personnel and AMC directors including regulatory provisions in this regard kindly refer SAI.

v) Investments of AMC in the Investment Strategy : This is a new Investment Strategy and hence not applicable.

The AMC shall not invest in any of the Investment Strategies unless full disclosure of its intention to invest has been made in the ISID and that the AMC shall not be entitled to charge any fees on such investment

Pursuant to Regulation 22(3)(a) of the SEBI (Mutual Funds) Regulations, 2026 and para 7.13 of SEBI Master Circular on Mutual Funds dated March 20, 2026, AMC will invest minimum amount as a percentage of AUM based on the risk associated with the Investment Strategy and such investment will not be redeemed unless the Investment Strategy is wound up. The AMC will conduct quarterly review to ensure compliance with above requirement which may change either due to change in value of the AUM or in the risk value assigned to the Investment Strategy. The shortfall in value of the investment, if any, will be made good within 7 days of such review.

In addition to investments as mandated under Regulation 22(3)(a) of the Regulations as mentioned above, the AMC, may invest in the Investment Strategy during the continuous offer period subject to the SEBI (Mutual Funds) Regulations, 2026. As per the existing SEBI (Mutual Funds) Regulations, 2026, the AMC will not charge investment management and advisory fee on the investment made by it in the Investment Strategy. The Sponsor, Trustee and their associates may invest in the Investment Strategy on an ongoing basis subject to SEBI (Mutual Funds) Regulations & circulars issued by SEBI from time to time.

During the NFO, AMC's investment shall be made during the allotment of units and shall be calculated as a percentage of the final allotment value excluding AMC's investment as per the example mentioned below:

Allotment value (prior to AMC investment)	INR Crs	1,000
Riskometer / Risk value disclosed in the NFO ISID	-	Very High
Minimum % of AuM to be invested	%	0.13%
Amount to be invested by AMC	**INR Crs.**	**1.3**
Final allotment value	INR Crs.	1,001.3

Link to view the details of investment – This is a new Investment Strategy and hence not applicable.

Part III – OTHER DETAILS

A. COMPUTATION OF NAV

The Net Asset Value (NAV) per unit will be computed by dividing the net assets of the Investment Strategy by the number of units outstanding under the Investment Strategy on the valuation date.

The Fund will value its investments according to the valuation norms, as per the AMC's valuation policy and as specified in Seventh Schedule of the SEBI (MF) Regulations, or such norms as may be specified by SEBI from time to time.

The Net Assets Value (NAV) per unit under the Investment Strategy shall be calculated as follows:

$$\text{NAV (Rs.)} = \frac{\text{Market or Fair Value of the Investment Strategy's Investments+ Current Assets including accrued income - Current Liabilities and Provisions including accrued expenses}}{\text{No. of Units outstanding under Investment Strategy}}$$

The numerical illustration of the above method is provided below:

Market or Fair Value of under Investment Strategy investments (Rs.) = 11,00,00,000
Current Assets (Rs.) = 10,00,000
Current Liabilities and Provisions (Rs.) = 5,00,000
No. of Units outstanding under the Investment Strategy = 1,00,00,000
NAV per unit (Rs.) = $\frac{11,00,00,000 + 10,00,000 - 5,00,000}{1,00,00,000}$ = 11.05.

The above provisions pertaining to 'Calculation of NAV' shall apply in respect of each individual Investment Strategy as the case may be.

The NAV shall be calculated up to four decimal places. However, the AMC reserves the right to declare the NAVs upto additional decimal places as it deems appropriate. Separate NAV will be calculated and disclosed

for each Option under each Plan. The NAVs of the Growth Option and the Income Distribution cum Capital Withdrawal Option under each Plan will be different after the declaration of the first IDCW.

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

The NAV of the Investment Strategy will be calculated upto 4 decimals.

The Repurchase Price however, will not be lower than 97% of the NAV subject to SEBI Regulations as amended from time to time.

Methodology of calculation of repurchase price:

For calculating the repurchase price, the exit load applicable at the time of investment shall be deducted from the applicable NAV of the Investment Strategy.

For example: If the applicable NAV of the Investment Strategy is Rs. 11 and the Exit Load applicable at the time of investment is 1% if redeemed before completion of 1 year from the date of allotment of units and the investor redeems units before completion of 1 year, then repurchase price will be calculated as follows:

Step 1: Applicable NAV * Exit Load at the time of investment in % = Exit Load Amount;

i.e. Rs. 11 * 1% = Rs. 0.11;

Step 2: Applicable NAV - Exit Load Amount = Repurchase price;

i.e. Rs. 11- Rs. 0.11 = Rs.10.89.

For other details such as policies w.r.t computation of NAV, rounding off, investment in foreign securities (as applicable), procedure in case of delay in disclosure of NAV etc. refer to SAI.

B. NEW FUND OFFER (NFO) EXPENSES

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

In accordance with regulatory guidelines, the NFO expenses shall be borne by the AMC/Trustee/Sponsors as applicable.

C. ANNUAL RECURRING EXPENSES

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

The AMC has estimated that upto below specified percentage of daily net assets of the Investment Strategy will be charged to the Investment Strategy as expenses. For the actual current expenses being charged, the investor should refer to the website of the SIF i.e. https://www.unionmf.com/arthayasif

Expense Head	**% p.a. of daily Net Assets* (Estimated p.a.)**
Investment Management & Advisory Fee	

Audit Fees/ fees and expenses of trustees	**Upto 1.85%****
Custodial Fees	
Registrar & Transfer Agent Fees including cost of providing account statements / IDCW / redemption cheques/ warrants	
Marketing & Selling Expenses including fees, Commission and charges towards distribution of investment strategies	
Costs related to investor communications	
Costs of fund transfer from location to location	
Cost towards investor education, awareness and financial inclusions (at least 2 basis points)#	
Brokerage cost incurred towards execution of trades; over and above 6 bps and 2 bps of trade value for cash and derivative market trades respectively	
Cost of Statutory Advertisement	
Other Expenses^ (to be specified as per Reg 66 of SEBI MF Regulations)	
Maximum Base Expense Ratio (BER) permissible under Regulation 66 of SEBI MF regulations	**As per prevailing rates**
Statutory levies (including GST) on all expenses excluding brokerage and transaction cost	
Statutory levies (including GST) on brokerage and transaction cost$	

^ Subject to the Regulations.

^ Any other expenses which are directly attributable to the investment strategy, may be charged with the approval of the Trustee within the overall limits as specified in the Regulations except those expenses which are specifically prohibited.

The base expense ratio of the investment strategy shall be sum of expenses mentioned at regulation 66(4), 66(5) and 66 (6) but excluding statutory levy applicable, if any, on the said expenses and transaction cost$ specified under regulation 66(10).

$Transaction cost incurred for the purpose of execution of a trade shall mean regulatory levies and any other expenses charged by the stock exchanges, clearing corporation, and clearing house, as applicable. Such transaction costs shall not form part of the base expense ratio.

Additional incentives to distributors for onboarding new individual investors from B-30 cities and women investors 1. New investments / inflows eligible for the additional commission: (a) New individual investors (new PAN) from B-30 cities, at the mutual fund industry level; (b) New women individual investors (new PAN) from both Top 30 and B-30 cities. (c) The top 30 cities shall mean top 30 cities based on AMFI data on 'AUM by Geography – Consolidated Data for Mutual Fund Industry' as at the end of the previous financial year.

Incentive Structure:
(a) AMCs shall pay additional commission to distributors for onboarding eligible new investors, subject to the conditions specified in Point 1 above.
(b) The structure of such additional commission shall be as under:

Investment Mode	**Commission Structure**
Lumpsum Investment	1% of the amount of the first application subject to a maximum of ₹2,000, provided the investor remains invested for a minimum period of one year.
Systematic Investment Plan (SIP)	1% of the total investment made during the first year, subject to a maximum of ₹2,000.

** Subject to the slab-wise ceiling prescribed by SEBI on the basis of daily net assets indicated as follows:

Percentage limit of daily net assets of the Investment Strategy:

Assets under management Slab (In Rs. crore)	**Base Expense Ratio limit**
on the first Rs.500 crores of the daily net assets	1.85%
on the next Rs.250 crores of the daily net assets	1.65%
on the next Rs.1,250 crores of the daily net assets	1.40%
on the next Rs.3,000 crores of the daily net assets	1.25%
on the next Rs.5,000 crores of the daily net assets	1.15%
On the next Rs.40,000 crores of the daily net assets	Expense ratio reduction of 0.05% for every increase of Rs.5,000 crores of daily net assets or part thereof.
On balance of the assets	0.70%

Note:

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

b. The AMC may charge the SIF with investment and advisory fee as prescribed in the SEBI (MF) Regulations from time to time and as permitted by the Investment Management Agreement.

c. The expenses towards Investment Management and Advisory Fees under Regulation 66(4) and the various sub-heads of recurring expenses mentioned under Regulation 66 (5) of SEBI (MF) Regulations can be apportioned under various expense heads/ sub heads without any sub limit, as permitted under the applicable regulations. Thus, there shall be no internal sub-limits within the expense ratio for expense heads mentioned under Regulation 66(4) and 66(5) respectively.

d. Total Expense Ratio:

"Total expense ratio" means the ratio of total of all expenses charged to the investors of the investment startegy to the total asset under management of the investment startegy, as may be specified by SEBI;

e. Brokerage and transactions costs:

As per Regulation 67(1), the total of all expenses charged to the investors of the investment startegy, shall be total of expense charged within the base limit specified regulation 66 (7), brokerage cost permitted for the purpose of execution of trade, over and above the base expense ratio subject to a maximum of 0.06 per cent of trade value in case of cash market transactions and 0.02 per cent of trade value in case of derivatives transactions under regulation 66 (9), transaction cost incurred for the purpose of execution of trade, as referred under regulation 66 (10), and statutory levies charged to the investors.

Total Expense Ratio shall be total of expense charged within the base limit specified under sub-regulation 7 of regulation 66, brokerage cost permitted under sub-regulation 9 of regulation 66, transaction cost incurred for the purpose of execution of trade as referred under sub-regulation 10 of regulation 66, and statutory levies charged to the investors. No charges other than the base expense ratio, brokerage cost, transaction cost, statutory levy and exit load including levies as may be specified by SEBI, shall be charged to the investors.

Any expenditure in excess of the base limits specified in these regulations shall be borne by the asset management company or the trustees or sponsors. If any expense of the investment strategy is borne by asset management company or by the trustee or sponsors, the same shall be done only after the investment and advisory fees charged to the investment strategy, if any, is fully reversed.

f. **The Direct Plan shall have a lower expense ratio to the extent of distribution expenses, commission, etc. and no commission or distribution expenses for distribution of Units will be paid / charged under the Direct Plan.**

g. All fees and expenses charged in a Direct Plan (in percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in other than Direct Plan.

h. Please refer the illustration given below in this regard:

Particulars	Other than Direct Plan~	Direct Plan
Amount Invested at the beginning of the year (in Rs.)	10,000	10,000
Returns before Expenses (in Rs.)	1,500	1,500
Returns before Expenses (%)	15%	15%
Expenses other than Distribution Expenses (in Rs.)	150	150
Distribution Expenses (in Rs.)	50	-
Returns after Expenses at the end of the Year(in Rs.)	1,300	1350
Returns after Expenses at the end of the Year (%)	13%	13.5%

~Investors who purchase/ subscribe Units in the Investment Strategy through a Distributor will be allotted units under the Investment Strategy but not under the Direct Plan.

i. Any expenses other than those specified in sub-regulation (4), sub-regulations (5), sub regulation (6), sub-regulation (9) and sub-regulation (10), as mentioned above, shall not be charged to the investment startegy and shall be borne by the AMC or trustee or sponsors.

j. The current expense ratios will be updated on the SIF's website viz.https://www.unionmf.com/arthayasif at least three working days prior to the effective date of the change. The exact weblink of the heads under which the Total Expense Ratio is disclosed is https://www.unionmf.com/arthayasif

Further, the disclosure of the Total Expense Ratio (TER) on a daily basis shall also be made on the website of AMFI viz. www.amfiindia.com .

The above disclosure shall be in accordance with requirements of SEBI (Mutual Funds) Regulations, 2026 and the circulars issued thereunder, as amended from time to time.

k. Illustration of impact of expense ratio on the Investment Strategy returns:

Illustration of expenses and impact on the return	
Opening NAV Per Unit for the Day (a)	10.0000
Closing NAV Per Unit for the Day (b)	11.0000
NAV Movement Per Unit (c = a – b)	1.0000
Flat Return for the Day after expenses (d = (c / a) %)	10.0000%
TER % (e)	2.000%
Expenses for the Day (f = (b * e)/365)	0.00060
Expenses for the Day % (g = (f / b) %)	0.0055%
Flat Return prior to expenses for the Day (h = d + g)	10.0055%

The above illustration is purely given to explain the impact of the expense ratio on a investment strategies return and should not be construed as an indicative return of the investment strategy.

D. LOAD STRUCTURE

Exit Load is an amount which is paid by the investor to redeem the units from the investment strategy. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the Arthaya SIF (https://www.unionmf.com/arthayasif) or may call at 18002002268 (toll free no.) or your distributor.

Type of Load	Load chargeable (as %age of NAV)
Exit Load	Nil

* Goods and Services tax on exit load, if any, will be paid out of the exit load proceeds and Exit load net of Goods and services tax, if any, will be credited to the Investment Strategy.

The above mentioned load structure shall be equally applicable to the special products such as STP, SWP, switches, etc. offered by the SIF. Load, if any, shall be applicable for switches between eligible investment strategy of Arthaya SIF as per the respective prevailing load structure; however, no load will be applicable for switches between the Plan with a common portfolio under the Investment Strategy and switches between the Options under each Plan under the Investment Strategy. Further, the AMC shall not charge any load on issue of bonus units and units allotted on reinvestment of IDCW for existing as well as prospective investors.

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

Under the Investment Strategy, the AMC / Trustee reserves the right to change / modify the Load structure, subject to the limits prescribed under the Regulations, if it so deems fit in the interest of investors and for the smooth and efficient functioning of the Specialized Investment Fund.

The Repurchase Price however, will not be lower than 97% of the NAV subject to SEBI Regulations as amended from time to time.

The Mutual Fund may charge the load without any discrimination to any specific group of unit holders.

Any imposition or enhancement in the Load in future shall be applicable on prospective investments only.

Procedure for changing the Load Structure:

At the time of changing the Load Structure, the AMC shall follow the following procedure:

1. An Addendum detailing the changes will be attached to Investment Strategy Information Document (s) and Key Information Memorandum. The addendum may be circulated to all the distributors / brokers so that the same can be attached to all Investment Strategy Information Documents and Key Information Memorandum already in stock.

2. The addendum will be displayed on the website of the SIF immediately and arrangements will be made to display the addendum in the form of a notice in all the Investor Service Centres and distributors / brokers' office.

3. The introduction of the Exit Load/ CDSC along with the details may be stamped in the acknowledgement slip issued to the Investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such Load/CDSC.

4. Any other measure which the Specialized Investment Fund may consider necessary.

Section II

I. Introduction

A. Definitions & Abbreviations

Kindly refer https://www.unionmf.com/arthayasif for definitions/ interpretation. The given Investment Strategy specific definitions/abbreviations/terms as may be applicable to the Investment Strategy apply throughout this Document in addition to the definitions/abbreviations/terms mentioned in the Statement of Additional Information unless the context requires otherwise:

B. Risk Factors

Investment Strategy Specific Risk Factors:

The Investment Strategy is subject to various risks, including but not limited to: market risk, business risk, derivatives risk, concentration risk, interest rate risk, reinvestment risk, basis and spread risk, liquidity risk, credit/default risk, counterparty risk, duration and settlement risk, performance and prepayment risk, as well as risks tied to investments in REITs, InvITs, debt instruments with special features, securities lending, and risks related to Tri-party Repo and segregated portfolios.

Each type of security included in the Investment Strategy's portfolio carries its own set of risks, which may cause the overall risk profile of the Investment Strategy to vary over time.

The Investment Strategy's performance may also be influenced by shifts in government policies, interest rates, and factors affecting trading volumes, liquidity, and settlement systems.

1. **Risk factors associated for investments in this SIF Investment strategy:**

In a long short fund, the fund has active positions in both directions and this could lead to higher risk if both the direction trades go wrong. The performance may vary more versus the market performance. In case of unhedged option writing strategy, the reward is limited, while risk could be unlimited for the particular trade. Any specific squeezing of positions like short/gamma squeeze may impact the positions adversely.

a. Movements in the Net Asset Value (NAV) of the Investment Strategy may impact the performance. Any change in the investment policies or fundamental attributes of the Investment Strategy will affect the performance of the Investment Strategy to the extent of investment in such investment strategy.

b. Redemptions in the Investment Strategy would be subject to applicable exit loads.

2. **Risks Associated with investments in Equities**

The Investment Strategy proposes to invest in equity and equity related instruments. Equity instruments by nature are volatile and prone to price fluctuations on a daily basis due to both micro and macro factors.

The following are the main risks related to investing in equities:

Market risk: Market Risk is any type of risk due to the market conditions and evolution, such as volatility in the capital markets, changes in macro-economic conditions and factors, interest rates, changes in policies of the Government, taxation laws or any other political and economic development, which all may negatively affect the prices of the securities invested in by the Investment Strategy. .

Business risk: Risk related to uncertainty of income caused by the nature of a company's business and having an impact on price fluctuations.

Liquidity risk related to equity instruments: This risk pertains to how saleable a security is in the market or the ease at which a security can be sold at or close to its' quoted or published price/value.
Securities that are listed on the stock exchange generally carry lower liquidity risk; the ability to sell these investments is limited by the overall trading volume on the stock exchanges.

Performance Risk: Performance of the Investment Strategy may be impacted with changes in factors which affect the capital market .

Counterparty Risk: This is the risk of failure of counterparty to the transaction to deliver securities against consideration received or to pay consideration against securities delivered, in full or in part or as per the agreed specification. There could be losses to the investment strategy in case of counterparty default.

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 Investment Strategy to make purchases in intended securities due to settlement problems could cause the Investment Strategy to miss certain investment opportunities. Fixed income securities run the risk of settlement which can adversely affect the ability of the fund house to swiftly execute trading strategies which can lead to adverse movements in NAV.

Selection Risk: The risk that a security chosen will underperform the market for reasons that cannot be anticipated.

Timing risk: It is the risk of transacting at a price based on erroneous future price predictions resulting to losses. Timing risk explains the potential for missing out on beneficial movements in price due to an error in timing. This could lead to purchasing too high or selling too low.

Legislative and fiscal risk: The risk that a change in the tax code or law could affect the value of taxable or tax-exempt interest income.

Concentration risk: This is the risk arising from over exposure to few securities/issuers/sectors.

3. Risks associated with investing in Fixed Income Securities/Bonds:

The following are the risks associated with investment in Fixed Income Securities/Bonds:

Interest Rate Risk: This risk is associated with movements in interest rate, which depend on various factors such as government borrowing, inflation, economic performance etc. Fixed income securities such as government bonds, corporate bonds, and money market instruments etc. run price-risk or interest-rate risk. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices generally increase. The extent of fall or rise in the prices depends upon factors such as coupon, maturity of the security, the yield level at which the security is being traded. The longer the time to a bond's maturity, the greater is its interest rate risk. The NAV of the Investment Strategy is expected to increase from a fall in interest rates while it would be adversely affected by an increase in the level of interest rates.

Re-investment Risk: Investments in fixed income securities may carry re-investment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.

Basis Risk: This risk arises when the derivative instrument used to hedge the underlying asset does not match the movement of the underlying being hedged for example, when a bond is hedged using a derivative, the change in price of the bond and the change in price of the derivative may not be fully correlated leading to basis risk in the portfolio. The underlying benchmark of a floating rate security might become less active or may cease to exist and thus may not be able to capture the exact interest rate movements, leading to loss of value of the portfolio. Example: Where swaps are used to hedge an underlying fixed income security, basis risk could arise when the fixed income yield curve moves differently from that of the swap benchmark curve or if there is a mismatch in the tenor of the swap and the fixed income security.

Spread Risk: Yield Spreads between fixed income securities might change. Eg: Corporate Bonds are exposed to the risk of widening of the spread between corporate bonds and gilts. Prices of corporate bonds tend to fall if this spread widens which might adversely affect the NAV of the Investment Strategy. Similarly, in case of floating rate securities, where the coupon is expressed in terms of a spread or mark up over the benchmark rate, widening of the spread results in a fall in the value of such securities.

Liquidity Risk: This risk pertains to how saleable a security is in the market or the ease at which a security can be sold at or close to its true value. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of some of the investments. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. The liquidity of debt securities may change, depending on market conditions. At the time of selling the security, the security can become less liquid (wider spread) or illiquid, leading to loss in value of the portfolio. Securities that are unlisted also carry a higher liquidity risk compared to listed securities.

Money market securities, while fairly liquid, lack a well-developed secondary market, which may restrict the selling ability of the Investment Strategy and may lead to the Investment Strategy incurring mark to market losses and losses when the security is finally sold.

Liquidity risk is greater for thinly traded securities such as lower-rated bonds, bonds that were part of a smaller issue, bonds that have recently had their credit rating downgraded or bonds sold by an infrequent issuer. Bonds are generally the most liquid during the period right after issuance when the typical bond has the highest trading volume.

Credit Risk/ Default Risk: Credit risk is the risk that the issuer of a debenture/ bond or a money market instrument may default on interest &/or principal payment obligations and/or on violation of covenant(s) and/or delay in scheduled payment(s). Even when there is no default, the price of a security may change with expected changes in the credit rating of the issuer. Government Security is a sovereign security and the default risk is zero. Corporate bonds carry a higher credit risk than Government Securities. Within corporate bonds also there are different levels of safety. Credit risks of most issuers of debt securities are rated by independent and professionally run rating agencies. Ratings of Credit issued by these agencies typically range from “AAA” (read as “Triple A” denoting “Highest Safety”) to “D” (denoting “Default”). A bond rated higher by a particular rating agency is safer than a bond rated lower by the same rating agency.

Counterparty Risk: This is the risk of failure of counterparty to the transaction to deliver securities against consideration received or to pay consideration against securities delivered, in full or in part or as per the agreed specification. There could be losses to the Investment Strategy in case of counterparty default.

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 Investment Strategy to make purchases in intended securities due to settlement problems could cause the Investment Strategy to miss certain investment opportunities. Fixed income securities run the risk of settlement which can adversely affect the ability of the fund house to swiftly execute trading strategies which can lead to adverse movements in NAV.

Duration Risk: The modified duration of a bond is a measure of its price sensitivity to interest rates movements, based on the average time to maturity of its interest and principal cash flows.

Bond portfolio managers increase average duration when they expect rates to decline, to get the most benefit, and decrease average duration when they expect rates to rise, to minimize the negative impact. If rates move in a direction contrary to their expectations, they lose.

Inflation Risk: Inflation causes tomorrow’s currency to be worth less than today’s; in other words, it reduces the purchasing power of a bond investor’s future interest payments and principal, collectively known as “cash flows.” Inflation also leads to higher interest rates, which in turn leads to lower bond prices. Inflation-indexed securities such as Treasury Inflation Protection Securities (TIPS) are structured to remove inflation risk.

Performance Risk: Performance of the Investment Strategy may be impacted with changes in factors which affect the capital market and in particular the debt market.

Selection Risk: This is the risk that a security chosen will underperform the market for reasons that cannot be anticipated.

Timing Risk: It is the risk of transacting at a price based on erroneous future price predictions resulting to losses. Timing risk explains the potential for missing out on beneficial movements in price due to an error in timing. This could lead to purchasing too high or selling too low.

Prepayment Risk: The borrower may repay the receivables earlier than scheduled, which may result in change in the yield and tenor for the Investment Strategy.

Call Risk: Some corporate, municipal and agency bonds have a "call provision" entitling their issuers to redeem them at a specified price on a date prior to maturity. Declining interest rates may accelerate the redemption of a callable bond, causing an investor's principal to be returned sooner than expected. In that scenario, investors have to reinvest the principal at the lower interest rates. (See also Reinvestment risk.)

Concentration Risk: This is the risk arising from over exposure to few securities/issuers/sectors.

Legislative Risk: This is the risk that a change in the tax code could affect the value of taxable or tax-exempt interest income.

4. Risks associated with investing in Derivatives:

Derivatives are financial contracts designed to create pure price exposure to an underlying commodity, asset, security, rate, index or event. In general, they do not involve the exchange or transfer of principal or title, so investors do not actually buy anything. Rather their purpose is to capture, in the form of value changes, some underlying price change or event.

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

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

The Investment Strategy may use permitted derivative instruments like futures, options, interest rate swaps, forward rate agreements or other debt derivative instruments as may be permitted from time to time.

Derivatives require 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 manage the risks.

The risks associated with investments in derivatives are as follows:

Market Risk: Derivatives are traded in the market and are exposed to losses due to change in the prices of the underlying and/or other assets and, change in market conditions and factors. The volatility in prices of the underlying may impact derivative instruments differently than its underlying.

Basis Risk (Debt): This risk arises when the derivative instrument used to hedge the underlying asset does not match the movement of the underlying being hedged for example, when a bond is hedged using a derivative, the change in price of the bond and the change in price of the derivative may not be fully correlated leading to basis risk in the portfolio. The underlying benchmark of a floating rate security might become less active or may cease to exist and thus may not be able to capture the exact interest rate movements, leading to loss of value

of the portfolio. Example: Where swaps are used to hedge an underlying fixed income security, basis risk could arise when the fixed income yield curve moves differently from that of the swap benchmark curve or if there is a mismatch in the tenor of the swap and the fixed income security.

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

Liquidity Risk: This risk arises from the inability to sell derivatives at prices that reflect the underlying assets/ rates/ indices, lack of availability of derivative products across different maturities and with various risk appetite.

Valuation Risk: This is the risk of mis–pricing or improper valuation of derivatives due to inadequate trading data with good volumes.

Operational / Systemic Risk: This is the risk arising due to failure of operational processes followed by the exchanges and Over the Counter (OTC) participants for the derivatives trading.

Counterparty Risk: Counterparty risk is the risk that losses will be incurred due to the default by the counterparty for OTC derivatives.

Exposure Risk: An exposure to derivatives in excess of the hedging requirements can lead to losses. An exposure to derivatives can also limit the profits from a plain investment transaction.

Interest Rate Risk: This risk arises from the movement of interest rates in adverse direction. As with all the debt securities, changes in the interest rates will affect the valuation of the portfolios.

5. Risks Factors associated with investing in Derivatives for short exposure

Derivative strategies are designed to capitalize on price movements in underlying assets. However, significant market volatility may lead to substantial losses, particularly in directional strategies or uncovered positions, where unexpected price swings could impact performance.

Strategies employing options, are subject to time decay, where the value of options decreases as expiration nears. If anticipated price movements do not materialize within the option's lifespan, these positions may become unprofitable, affecting returns.

Derivative trading involves costs such as premiums, commissions, and bid-ask spreads, which can erode returns. This is particularly relevant for strategies with narrow profit margins, or complex strategies like spreads and combinations requiring multiple transactions.

Certain derivatives may exhibit lower liquidity, resulting in wider bid-ask spreads or challenges in entering or exiting positions at optimal prices. This may increase costs or complicate trade execution, especially in advanced strategies like diagonal spreads or synthetic positions.

Sudden market events or shifts in implied volatility can disrupt strategies, which rely on the underlying asset remaining within a specific price range. Misalignment with market conditions may lead to losses.

6. Risk factors associated with Short Selling

Short-selling is the sale of shares which are not owned by the seller at the time of trade. 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 corrects, Short seller can buy the stock back for less than he received for selling it and earn profit (the difference between higher short sale price and the lower purchase price).If the price of stock appreciates, short selling results in loss. Thus, 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.

7. Risk factors associated with investing in Foreign Securities

Currency Risk: Moving from Indian Rupee (INR) to any other currency entails currency risk. To the extent that the assets of the Investment strategy will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in the value of certain foreign currencies relative to the Indian Rupee.

Interest Rate Risk: The pace and movement of interest rate cycles of various countries, though loosely co-related, can differ significantly. Hence by investing in securities of countries other than India, the Investment strategy stand exposed to their interest rate cycles.

Credit Risk: Investment in Foreign Debt Securities are subject to the risk of an issuer's inability to meet interest and principal payments on its obligations and market perception of the creditworthiness of the issuer. This is substantially reduced since the SEBI (Mutual Funds) Regulations stipulate investments only in debt instruments with rating not below investment grade by accredited/registered credit rating agency.

Taxation Risk: Investment in Foreign Securities poses additional challenges based on the tax laws of each respective country or jurisdiction. The investment strategy may be subject to a higher level of taxes than originally anticipated and or dual taxation. The Investment strategy may be subject to withholding or other taxes on income and/or gains arising from its investment portfolio. Further, such investments are exposed to risks associated with the changing /evolving tax / regulatory regimes of all the countries where the Investment strategy invests. All these may entail a higher outgo to the Investment strategy by way of taxes, transaction costs, fees etc. thus adversely impacting its NAV; resulting in lower returns to an Investor.

Legal and Regulatory Risk: Legal and regulatory changes could occur during the term of the Investment strategy which may adversely affect it. If any of the laws and regulations currently in effect should change or any new laws or regulations should be enacted, the legal requirements to which the Investment strategy and the investors may be subject could differ materially from current requirements and may materially and adversely affect the Investment strategy and the investors. Legislation/ Regulatory guidelines could also be imposed retrospectively.

Country Risk: The Country risk arises from the inability of a country, to meet its financial obligations. It is the risk encompassing economic, social and political conditions in a foreign country, which might adversely affect foreign investors' financial interests. In addition, country risks would include events such as introduction of extraordinary exchange controls, economic deterioration, bi-lateral conflict leading to immobilisation of the overseas financial assets and the prevalent tax laws of the respective jurisdiction for execution of trades or otherwise.

To manage risks associated with foreign currency and interest rate exposure, the fund may use derivatives for efficient portfolio management including hedging and in accordance with conditions as may be stipulated by SEBI/ RBI from time to time.

The Investment Strategy will be investing in overseas markets as per the asset allocation of the investment strategy and headroom available to the SIF. However, the said limits/headroom shall be guided by the SEBI/RBI circulars/guidelines issued in this regard from time to time. The Investment strategy may not be able to make investment in overseas securities and overseas ETFs in case of breach of such industry-wide overseas limits. In such a situation, the performance of the Investment strategy could be affected.

8. Risks associated with investing in Securities Segment and Tri-party Repo trade settlement

The Mutual Fund is a member of securities segment and Tri-party Repo trade settlement of the Clearing Corporation of India (CCIL). All transactions of the SIF in government securities and in Tri-party Repo trades are settled centrally through the infrastructure and settlement systems provided by CCIL; thus reducing the settlement and counterparty risks considerably for transactions in the said segments. The members are required to contribute an amount as communicated by CCIL from time to time to the default fund maintained by CCIL as a part of the default waterfall (a loss mitigating measure of CCIL in case of default by any member in settling

transactions routed through CCIL). CCIL shall maintain two separate Default Funds in respect of its Securities Segment, one with a view to meet losses arising out of any default by its members from outright and repo trades and the other for meeting losses arising out of any default by its members from Triparty Repo trades. The fund is exposed to the extent of its contribution to the default fund of CCIL at any given point in time i.e. in the event that the default waterfall is triggered and the contribution of the fund is called upon to absorb settlement/default losses of another member by CCIL, the investment strategy may lose an amount equivalent to its contribution to the default fund.

9. Risk factors associated with investments in REITs and InvITs:

i) **Liquidity Risk**: This refers to the ease with which securities/instruments of REITs/InvITs can be sold. There is no assurance that an active secondary market will develop or be maintained. Hence, there could be times when trading in the units is infrequent. The subsequent valuation of illiquid units may reflect a discount from the market price of comparable securities/instruments for which a liquid market exists. As these products are new to the market they are likely to be exposed to liquidity risk.

ii) **Reinvestment Risk:** Investments in securities/instruments of REITs/InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns.

iii) **Price Risk:** Securities/Instruments of REITs/InvITs are volatile and prone to price fluctuations on a daily basis owing to market movements. The extent of fall or rise in the prices depends upon factors such as general market conditions, factors and forces affecting capital market, real estate and infrastructure sectors, level of interest rates, trading volumes, settlement periods and transfer procedures.

iv) **Interest Rate Risk:** Securities/Instruments of REITs/InvITs run interest rate risk. Generally, when interest rates rise, prices of units fall and when interest rates drop, such prices increase.

v) **Credit Risk:** Credit risk means that the issuer of a REITs/InvIT security / instrument may default on interest payment or even on paying back the principal amount on maturity. Securities / Instruments of REITs/InvITs are likely to have volatile cash flows as the repayment dates would not necessarily be pre-scheduled.

vi) **Regulatory/Legal Risk:** REITs/InvITs being new asset classes, rights of unit holders such as right to information etc. may differ from existing capital market asset classes under Indian Law.

10. Risk factors associated with instruments having special features:

If the Investment Strategy invests in debt instruments having special features, the following risks associated with debt instruments having special features will be applicable. The risk factors stated below for investment in debt instruments having special features are in addition to the risk factors associated with Fixed Income Securities/Bonds stated above:

i. The Investment Strategy may invest in certain debt instruments with special features which may be subordinated to equity and thereby such instruments may absorb losses before equity capital. The instrument may also be convertible to equity upon trigger of a pre-specified event for loss absorption. Additional Tier I bonds and Tier 2 bonds issued under Basel III framework are some instruments which may have above referred special features.

   The debt instruments having such special features as referred above, would be treated as debt instruments until converted to equity.

ii. The instruments may be subject to features that grant the issuer a discretion in terms of writing down the principal/coupon, to skip coupon payments, to make an early recall etc. Thus debt instruments with special features are subject to “Coupon Discretion”, “Loss Absorbency”, “Write down on Point of Non-Viability (PONV) trigger event” and other events as more particularly described as per the term sheet of the underlying instruments.

iii. The instruments are also subject to Liquidity Risk pertaining to how saleable a security is in the market. The particular security may not have a market at the time of sale due to uncertain/insufficient liquidity in the secondary market, then the investment strategy may have to bear an impact depending on its exposure to that particular security.

11. Risk Factors 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. 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 Investment Strategy 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.

12. Risks associated with debt instruments having Structured Obligations (SO) / Credit Enhancements (CE):

1. Relative liquidity of SO/CE instruments may be lower than a plain vanilla instrument in the same rating bucket irrespective of the inherently strong credit features. This is because of the asymmetry in the potential investor universe which invests in structured instruments vis-a vis plain vanilla debt instruments, due to regulatory constraints.

2. SO/CE instruments, if off balance sheet in nature, may have strong underlying collateral but limited access to main issuer/ originator balance sheet. This can work both in favour if the issuer credit profile weakens but the structure strength remains intact or vice-versa.

3.Since the strength (credit quality/ rating) of the instruments is derived from the strength of the underlying structure, any weaknesses in structuring could undermine the credit quality in a meaningful manner.

13. Risks associated with investing in Securitized Debt:

The risks associated with investments in Securitized Debt are as follows:

Limited Recourse, Delinquency and Credit Risk: The investment strategy may invest in domestic securitized debt such as Asset Backed Securities (“ABS”) or Mortgage-Backed Securities (“MBS”). ABS are securitized debts where the underlying assets are receivables arising from various loans including automobile loans, personal loans, loans against consumer durables, etc. MBS are securitized debts where the underlying assets are receivables arising from loans backed by mortgage of properties which can be residential or commercial in nature.

ABS / MBS instruments reflect the undivided interest in the underlying assets and do not represent the obligation of the issuer of ABS / MBS or the originator of the underlying receivables or the parent or any affiliate of the seller, issuer and originator. The ABS / MBS holders have a limited recourse to the extent of credit enhancement provided. ABS / MBS holders will suffer credit losses in the event of the delinquencies and credit losses in the underlying pool may exceed the credit enhancement provided. As compared to the normal corporate or sovereign debt, ABS / MBS are exposed to a higher level of reinvestment Risk.

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

corporate loan/receivable, depend upon the nature of the underlying security for the loan or the nature of the receivable and the risks correspondingly fluctuate. In case the underlying pool receives the cash flows from multiple assets/loans; the credit risk of the securitized instrument might increase with increase in the correlation of the underlying asset pool and thereby might result in the decrease of the value of the instrument. In addition, the correlation estimations are exposed to the model risks at the level of originator, which might further accentuate the risk profiles of the instruments. However, these risks are mitigated by adequate diversification of the underlying.

Liquidity & Price Risk: Currently, secondary market for securitised papers is not very liquid. There is no assurance that an active secondary market will develop for such securities. This could limit the ability of the investor to resell them. Even if a secondary market develops and sales were to take place, these secondary transactions may be at a discount to the initial issue price due to changes in the interest rate structure.

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

Extension Risk: This is the risk that rising interest rates will slow the assumed prepayment speeds of mortgage loans, delaying the return of principal to their investors and causing them to miss the opportunity to reinvest at higher yields.

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

Bankruptcy of the Originator or Seller: If the service provider becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that the sale from each Originator was not a sale then an Investor could experience losses or delays in the payments due under the instrument.

Co-mingling Risk: The Servicers normally deposit all payments received from the Obligors into the Collection Account. However, there could be a time gap between collection by a Servicer and depositing the same into the Collection Account especially considering that some of the collections may be in the form of cash. In this interim period, collections from the Loan Agreements may probably not be segregated from other funds of the Servicer. If the Servicer fails to remit such funds due to Investors, the Investors may be exposed to a potential loss. Due care is normally taken to ensure that the Servicer enjoys highest credit rating on standalone basis to minimize Co-mingling Risk.

14. Risk factors associated with repo transactions in Corporate Debt Securities:

Counterparty Risk: This refers to the inability of the seller to meet the obligation to buy back securities at the contracted price. Fund Manager will endeavor to manage counterparty risk by dealing only with counterparties having strong credit profiles assessed through in-house credit analysis and / or with regulated entities. In the event of default by the repo counterparty, the Investment Strategy will have recourse to the corporate debt securities given as collateral to recover the investment by selling the collateral in the market. However, selling of collateral will also be subject to liquidity risk in the market and the Investment Strategy may incur impact cost at the time of selling the collateral.

Collateral Risk: Collateral risk arises when the market value of the securities is inadequate to meet the repo obligations or there is downward migration in rating of collateral. Further if the rating of collateral goes below the minimum required rating during the term of repo or collateral becomes ineligible for any reason, counterparty will be expected to substitute the collateral. In case of failure to do so, the AMC / Investment Strategy will explore the option for early termination of the trade.

15. Risks associated with transaction in Units through stock exchange(s):

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

16. Risks associated with segregated portfolio:

If segregated portfolio is created pursuant to clause 5.5 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the following risks associated with segregated portfolio will be applicable: The unit holders may note that no redemption and subscription shall be allowed in the segregated portfolio. However, in order to facilitate exit to unit holders in the segregated portfolio, the AMC shall enable listing of units of segregated portfolio on the recognized stock exchange. The risks associated in regard to the segregated portfolio are as follows:

i. The investors holding units of the segregated portfolio may not be able to liquidate their holdings till the time of recovery of money from the issuer.
ii. The security comprising the segregated portfolio may not realize any value.
iii. Listing of units of the segregated portfolio on a recognized stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units of the segregated portfolio on the stock exchange.
iv. The trading price of units on the stock exchange may be significantly lower than the prevailing Net Asset Value (NAV) of the segregated portfolio.

17. Risk factors associated with potential change in tax structure:

As per the asset allocation, the Investment strategy can achieve minimum 80% of its total assets in Equity and Equity Related instruments including derivatives. However, as per the Income Tax Act for a fund to qualify for an equity fund taxation, minimum 65% should be invested in equity shares of domestic companies, which does not include derivatives.

Hence, there could be two separate taxation scenarios where in the strategy either has minimum 65 per cent in equity shares of domestic companies and the portfolio will qualify for Equity Mutual Fund Taxation or may have an exposure of minimum 36% up to 64% in equity shares of domestic companies which will qualify it for other than equity oriented schemes (other than specified mutual fund scheme).

The percentage of equity shareholding of the strategy shall be computed with reference to the annual average of the monthly averages of the opening and closing figures to determine the applicable taxation. In view of the dynamic nature of tax consequences, each Unit holder is advised to consult his / her own professional tax advisor.

C. Risk mitigation strategies

The asset allocation of the Investment Strategy will be steadily monitored and it shall be ensured that investments are made in accordance with the Investment Strategy objective and within the regulatory and internal investment restrictions prescribed from time to time.

A detailed monitoring process has been designed to identify, measure, monitor and manage portfolio risk. The aim is to have a structured mechanism towards risk management thereby maximising potential opportunities and minimising the adverse effects of risk. Effective risk management is crucial for achieving optimum results. Adequate safeguards would be incorporated in the portfolio management process. The main instrument for reducing risk is through diversification across sectors/companies/ securities. The Fund Manager's job is to identify securities which offer higher returns with a lower level of risk. While identifying such securities, rigorous credit evaluation would be carried out by the investment team. The front office system of the AMC has the capability of pre- investment monitoring of investment restrictions as per SEBI guidelines and various internal limits prescribed from time to time to facilitate pre-emptive monitoring. The AMC will be guided by the ratings of Credit Rating Agencies authorised to carry on such activity. Further, various risk management tools will be used for measuring and monitoring portfolio risks.

Some of the risks and the corresponding risk mitigating strategies are listed below:

- **Risks associated with Equity and Equity related instruments**

Risk	Risk mitigation strategy
Market Risk	This risk is considered while constructing the portfolio.
Derivatives Risk	Endeavour to have a well-diversified portfolio by constructing appropriate derivative strategies and continuous monitoring of the derivatives positions and strict adherence to the regulations.
Unhedged Derivative Risk	• Select derivatives with high liquidity to minimise impact of wide bid-ask spreads, ensuring smoother entry and exit from positions. This reduces transaction costs and enables trade execution at desired prices, especially for complex strategies requiring multiple transactions. • Diversify investments in across various strategies, assets and expiry dates to mitigate the risk of unfavorable price movement in any single position, enhancing portfolio stability in volatile market conditions. • Ensure sufficient margin reserves to cover potential obligations, especially for strategies involving short positions. This prevents forced liquidations at unfavorable prices and supports portfolio stability during adverse market movements. • Monitor implied volatility and market trends to make dynamic adjustments to positions. By exiting options early to minimize time decay or rebalancing complex strategies to align with market trends, AMC will enhance profitability and reduce exposure to unexpected market shifts. • Select cost-effective derivatives and partner with low-cost brokers to minimize transaction expenses. This ensures that premiums and commissions do not erode returns, particularly in high-frequency or low margin strategies like arbitrage, preserving overall profitability
Concentration Risk	The Investment Strategy shall endeavor to have diversification by investing across the spectrum of securities/issuers/sectors.
Liquidity Risk	Periodic Monitoring of portfolio liquidity and also considered while constructing the portfolio
Performance Risk	Endeavour to have a well-diversified portfolio of good companies, carefully selected to include those with perceived good quality of earnings.

- **Risks associated with Debt and money market securities**

Risk	Risk mitigation strategy
Interest Rate Risk	Active duration management strategy; control portfolio duration and actively evaluate the portfolio structure with respect to existing interest rate scenario.
Market Risk	Endeavour to have a well-diversified portfolio of high-quality securities.
Volatility Risk	There is the risk of volatility in markets due to external factors like liquidity flows, changes in the business environment, economic policy etc. The Investment Strategy will manage volatility risk through diversification.
Concentration Risk	Ensuring diversification by investing across the spectrum of securities/issuers/.
Liquidity Risk	Control portfolio liquidity at portfolio construction stage.
Credit Risk	Investment universe carefully defined to include issuers with high credit quality; critical evaluation of credit profile of issuers on an on-going basis.

- **Risks associated with REITs/INVITS:**

Risk	Risk mitigation strategy
Price Risk	The valuation of the REITs/InvIT units may fluctuate based on economic conditions, fluctuations in markets (eg. real estate) in which the REITs/InvIT operates and the resulting impact on the value of the portfolio of assets, regulatory changes, force majeure events etc. REITs/InvITs may have volatile cash flows. To mitigate this, the maximum exposure to units of InvITs is capped at 20% of the portfolio.
Liquidity Risk	This refers to the ease with which REITs/InvIT units can be sold. There is no assurance that an active secondary market will develop or be maintained. Hence there would be times when trading in the units could be infrequent. The subsequent valuation of illiquid units may reflect a discount from the market price of comparable securities for which a liquid market exists. Regular monitoring of the REITs/InvITs liquidity/ trading volume & changes in market conditions/ regulatory changes will help mitigate the same.
Interest Rate Risk	Generally, there would be an inverse relationship between the interest rates and the price of units. Regular monitoring and evaluating the portfolio structure with respect to changing interest rate scenario.

II. Information about the investment strategy :

A. Where will the investment strategy invest

The corpus of the Investment Strategy will be invested in a diversified portfolio of Equity and Equity Related Instruments, Debt and Money Market Instruments, Units of Liquid & Debt Oriented Mutual Fund Schemes, Short Term Deposits. Derivative instruments like Stock/ Index Futures, Stock/Index Options etc for hedging and non-hedging purposes and units issued by InvITs and schemes of mutual funds. Investment in overseas securities shall be made in accordance with the requirements stipulated by SEBI and RBI from time to time Further, pending deployment of funds of the Investment Strategy in securities in terms of the investment objective, and for margin purposes, the AMC may park the funds of the Investment Strategy in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI from time to time. The securities/ instruments in which the Investment Strategy shall invest include but are not limited to the following:

- **Investment in Equity and Equity related Instruments:**

Equity related instruments include, but are not limited to:

i. Equity Warrants and Convertible Instruments.
ii. Fully Convertible debentures, Debentures, Partly Convertible Debentures, unlisted securities, initial public offerings, private placements etc.
iii. Equity Derivatives.
iv. Units issued by REITs

Futures:

A futures contract is an exchange traded, standardized contract 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 fulfil the terms of the contract. 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.

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 of the option (known as writer of the option) on the other hand has the obligation to buy or sell that specified asset at the agreed price. 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 whereas an option that provides the buyer the right to sell is a put option. Options can be classified based on the exercising feature. Two main types are: 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. In accordance with clause 13.15 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the investment strategy shall not write options or purchase instruments with embedded written options.

iv. Any other securities / instruments as may be permitted by SEBI from time to time.

The Investment Strategy may participate in securities lending as permitted under the Regulations.

Investment in Debt and Money Market Instruments:

1. **Certificate of Deposit (CD):**

   Certificate of Deposit (CD) is a negotiable money market instrument issued by Scheduled Commercial Banks (SCBs) and select All India Financial Institutions (FIs) that have been permitted by the RBI to raise short term resources. The maturity period of CDs issued by the SCBs is between 7 days to 1 year, whereas, in case of FIs, maturity is 1 year to 3 years from the date of issue. CDs also are issued at a discount to face value and can be traded in secondary market.

2. **Tri-party Repo in Government Securities:**

   Tri-party Repo means a repo contract where a third entity (apart from the borrower and lender), called a Tri-Party Agent, acts as an intermediary between the two parties to the repo to facilitate services like collateral selection, payment and settlement, custody and management during the life of the transaction. The investment strategy shall undertake Tri-party Repo transactions in Government Securities.

3. **Commercial Paper (CP):**

   Commercial Paper (CP) is an unsecured negotiable money market instrument issued in the form of a promissory note, generally issued by the corporates, primary dealers and All India Financial Institutions as an alternative source of short term borrowings. CP is traded in secondary market and can be freely bought and sold before maturity. CP can be issued for maturities between a minimum of 15 days and a maximum up to 1 year from the date of issue.

4. **Reverse Repo:**

   Reverse Repo is a transaction in which two parties agree to sell and purchase the same security with an agreement to purchase or sell the same security at a mutually decided future date and price. The transaction results in collateralized borrowing or lending of funds. Presently in India, Central Government Securities, State Government securities, T-Bills and corporate debt securities are eligible for Reverse Repo. The investment strategy intends to participate in Reverse Repo in Central Government Securities, State Government securities, T-Bills.

5. **Treasury Bill (T-Bill):**

Treasury Bills (T-Bills) are issued by the Government of India or State Governments to meet their short term borrowing requirements. T-Bills are issued for maturities of 91 days, 182 days and 364 days. T-Bills are issued at a discount and for a fixed period.

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

7. **Non-convertible debentures and bonds**

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

   Investments in debt instruments with special features will be made in accordance with clause 13.1.9 of SEBI Master Circular for Mutual Funds dated March 20, 2026.

8. **Floating rate debt instruments**

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

9. **Debt derivative instruments:**

   Interest Rate Swap: An Interest Rate Swap ("IRS") is a financial contract between two parties exchanging or swapping a stream of interest payments for a 'notional principal' amount on multiple occasions during a specified period. Typically, one party receives a predetermined fixed rate of interest while the other party, receives a floating rate, which is linked to a mutually agreed benchmark with provision for mutually agreed periodic resets. Such contracts generally involve exchange of a "fixed to floating" or "floating to fixed" rate of interest. Accordingly, on each payment date that occurs during the swap period, cash payments based on fixed/ floating and floating rates are made by the parties to one another.

   Forward Rate Agreement: A Forward Rate Agreement (FRA) is an agreement to pay or receive the difference between the agreed fixed rate and actual interest rate (reference rate specified in the contract) prevailing at a stipulated future date for a notional loan amount and specified time period. The interest rate is fixed now for a future agreed price wherein only the interest is settled between the counter parts.

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

   Characteristics of Interest Rate Futures

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

10. **When, as and if issued security:**

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

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

• Open Positions in the 'WI' market are subject to the following limits:

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

11. Investments in units of mutual fund schemes

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

12. Investment in Short Term Deposits

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

13. Units issued by InvITs

The Investment Strategy may invest in units issued by InvITs within the prescribed limits.

14. Investment in Foreign Securities

The Investment Strategy may also invest in suitable investment avenues in Foreign Securities in overseas financial markets for the purpose of diversification, commensurate with the Investment Strategy objectives and subject to necessary stipulations by SEBI / RBI. The Fund may also appoint overseas investment advisors and other service providers, to the extent permissible under the Regulations.

The Investment Strategy may invest in the following Foreign Securities in line with the guidelines stipulated by RBI/SEBI from time to time:

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

As per Clause 13.11 of SEBI Master Circular, SIFs can make overseas investments subject to a maximum of US $ 1 billion in Overseas securities within the overall industry limit of US $ 7 billion and US $ 300 million in Overseas ETFs within the overall industry limit of US $ 1 billion or such limits as may be prescribed by SEBI from time to time.

Pursuant to paragraph 13.11 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the Investment Strategy may invest in overseas securities / overseas ETFs as mentioned below:

Investments in Overseas Securities (in USD mn)	**Investments in Overseas ETFs (in USD mn)**
5	5

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 Investment Strategy shall not exceed the total limits on expenses as prescribed under Regulation 66(7). Where the Investment Strategy 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 SIF provided they are considered appropriate in terms of the overall investment objectives of the Investment Strategy. The Investment Strategy may then, if necessary, seek applicable permission from SEBI and RBI to invest abroad in accordance with the investment objectives of the Investment Strategy 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 Investment Strategy 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 Investment Strategy 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 SIF 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.

Investment in overseas securities shall be made in accordance with the requirements stipulated by SEBI and RBI from time to time.

The Fund Manager reserves the right to invest in such other securities as may be permitted from time to time and which are in line with the investment objectives of the Investment Strategy.

B. What are the investment restrictions?

Investment restrictions as contained in clause 21.5 of SEBI Master Circular for Mutual Funds dated March 20, 2026 and specifically in the Sixth Schedule of the Regulations including any amendments thereto and SEBI circulars issued from time to time and as applicable to the investment strategy are provided below:

1. An investment strategy under Specialized Investment Fund shall not invest more than 20 per cent of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorised to carry out such activity under the Act. Such investment limit may be extended to 25 per cent of the NAV of the investment strategy with the prior approval of the Board of Trustees and Board of Directors of the asset management company:

2. Within the Single issuer limit, an investment strategy under SIF shall not invest

- more than 20% of its NAV in debt and money market securities issued by a single issuer and rated AAA; or
- 16% in securities rated AA; or
- 12% in securities rated A and below.

These instrument limits may be extended by up to 5% of the NAV of investment strategy with prior approval of trustees of MF and board of AMC.

Provided that such limit shall not be applicable for investments in Government Securities, treasury bills and triparty repo on Government securities or treasury bills:

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

Provided further that such limit shall not be applicable for investments in case of debt exchange traded funds or such other funds as may be specified by the Board from time to time.

3. No Specialized Investment Fund under all its investment strategies should own more than fifteen per cent of any company's paid up capital carrying voting rights or fifteen per cent of units of REITs issued by a single issuer, as the case may be:

   Provided, investment in the asset management company or the trustee company of a mutual fund shall be governed by clause (a), of sub-regulation (1), of regulation 6 of the SEBI (Mutual Funds) Regulations, 2026.

   Provided further that the limit mentioned in sub-regulation (2) above shall be inclusive of ten per cent limit for mutual fund schemes as specified at Item No. 5 under Paragraph 13.1 of SEBI Master Circualr dated March 20, 2026.

   Explanation: If a mutual fund under all its schemes owns ten per cent of any company's paid up capital carrying voting rights or ten per cent of units of REITs issued by a single issuer, as the case may be, then the Specialized Investment fund under all its investment strategies shall not own more than five per cent of that company's paid up capital carrying voting rights or five per cent of units of REITs issued by a single issuer respectively, as the case may be.

4. No investment strategy of a Specialized Investment Fund shall invest more than 10 per cent of its NAV in the equity shares and equity-related instruments of any entity.

5. All investments by a Investment Strategy in equity shares and equity related instruments shall only be made provided such securities are listed or to be listed.

6. A Specialized Investment Fund may invest in the units of InvITs subject to the following:

   a. No Specialized Investment Fund under all its investment strategies shall own more than 20 per cent of units issued by a single issuer of InvIT:

   Provided that the limit mentioned in clause (a) of sub-regulation above shall be inclusive of 10 per cent limit for mutual fund scheme as specified at Item No. (a) under Paragraph 13.13.5 of SEBI Master Cicular dated March 20, 2026.

   b. An investment strategy under Specialized Investment Fund shall not invest –
      i. more than 20 per cent of its NAV in the units of InvITs; and
      ii. more than 10 per cent of its NAV in the units of InvIT issued by a single issuer:

   Provided that the limits mentioned in sub-clauses (i) and (ii) above shall not be applicable for investments in case of index fund or sector or industry specific scheme pertaining to InvIT.

7. Investment Strategy shall not invest in unlisted debt instruments including commercial papers (CPs), other than (a) government securities, (b) other money market instruments and (c) derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. which are used by SIF for hedging.

   However, SIF Investment Strategies may invest in unlisted Non-Convertible Debentures (NCDs) not exceeding 10% of the debt portfolio of the Investment Strategy subject to the condition that such unlisted NCDs have a simple structure (i.e. with fixed and uniform coupon, fixed maturity period, without any options, fully paid up upfront, without any credit enhancements or structured obligations) and are rated and secured with coupon payment frequency on monthly basis.

8. All investments by the Investment strategy in CPs would be made only in CPs which are listed or to be listed.

9. Investment in unrated debt and money market instruments, other than government securities, treasury bills, derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. by SIF Investment Strategies shall be subject to the following:

   - Investments should only be made in such instruments, including bills re-discounting, usance bills, etc., that are generally not rated and for which separate investment norms or limits are not provided in SEBI (Mutual Fund) Regulations, 2026 and various circulars issued thereunder.
   - Exposure of SIF Investment Strategies in such instruments, shall not exceed 5% of the net assets of the Investment Strategies.
   - All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees.

10. An investment strategy under the SIF shall not invest more than 25% of its NAV in debt and money market securities of a particular sector (excluding investments in Bank CDs, triparty repo on Government securities or treasury bills, GSecs, TBills, short term deposits of Scheduled Commercial Banks and AAA rated securities issued by Public Financial Institutions and Public Sector Banks). An additional exposure to financial services sector (over and above the limit of 25%) not exceeding 10% of the net assets of the investment strategy on account of purchase shall be allowed by way of increase in exposure to Housing Finance Companies (HFCs) only. Further, an additional exposure of 5% of the net assets of the investment strategy shall be allowed for investments in securitized debt instruments based on retail housing loan portfolio and/or affordable housing loan portfolio. Provided that the additional exposure to such securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NHB) and the total investment/ exposure in HFCs shall not exceed 25% of the net assets of the scheme on account of purchase.

11. The investment of SIF Investment Strategies in the following instruments shall not exceed 10% of the debt portfolio of the Investment Strategies and the group exposure in such instruments shall not exceed 5% of the debt portfolio of the Investment Strategies:
    a. Unsupported rating of debt instruments (i.e. without factoring-in credit enhancements) is below investment grade and
    b. Supported rating of debt instruments (i.e. after factoring-in credit enhancement) is above investment grade.

    For the purpose of this provision, ‘Group’ shall have the same meaning as defined in Paragraph 12.9.3.3 of this Master Circular.

    However, the above investment limits shall not be applicable on investments in securitized debt instruments as defined in SEBI (Public Offer and Listing of Securitized Debt Instruments) Regulations 2008.

    Investment in debt instruments, having credit enhancements backed by equity shares directly or indirectly, shall have a minimum cover of 4 times considering the market value of such shares.

12. Transfer of investments from one Investment Strategy to another Investment Strategy in the same SIF 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 Stock Exchange for spot transactions);

b) The securities so transferred shall be in conformity with the investment objective of the Investment Strategy to which such transfer has been made.

Further, the investment strategy shall comply with the guidelines on inter scheme transfers of securities as prescribed by clause 13.19 of SEBI Master Circular for Mutual Funds dated March 20, 2026.

13. The Investment Strategy may invest in mutual fund scheme under the same AMC or any other Mutual Fund without charging any fees, provided the aggregate inter- scheme investment made by all Investment Strategies under the same management or in mutual fund schemes under the management of any other asset management company shall not exceed 5 % of the Net Asset Value of the SIF.

14. The Investment Strategy shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities.

Provided that the Investment strategy may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by the Board.

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

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

15. The SIF shall get the securities purchased or transferred in the name of the SIF on account of the concerned Investment Strategy, wherever investments are intended to be of long-term nature.

16. All the Investment Strategy's investments will be in transferable securities or bank deposits or in money at call or any such facility provided by RBI in lieu of call.

17. The Investment Strategy 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. [except for investments by equity oriented exchange traded funds and index funds and subject to such conditions as may be specified by the Board].

18. The Investment Strategy shall not make any investment in any fund of funds schemes .

19. Pending deployment of the funds of the Investment Strategy in securities in terms of the investment objective of the Investment strategy, the SIF may park the funds of the Investment strategy in short term deposits of scheduled commercial banks, subject to the following guidelines prescribed under clause 13.7 of the SEBI Master Circular for Mutual Funds dated March 20, 2026 including subsequent related SEBI circulars:

    i. "Short Term" for such parking of funds by the Investment strategy shall be treated as a period not exceeding 91 days. Such short-term deposits shall be held in the name of the Investment strategy.

    ii. The Investment strategy shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustee.

    iii. Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the SIF in short term deposits.

iv. The Investment strategy shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.

v. The Investment strategy shall not park funds in short term deposit of a bank which has invested in that Investment strategy. Further, it shall also be ensured that the bank in which the Investment strategy has short term deposits does not invest in the Investment strategy until the Investment strategy has short term deposits with such bank.

vi. The AMC shall not charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.

vii. The above norms do not apply to term deposits placed as margins for trading in cash and derivatives market.

20. Save as otherwise expressly provided under the Regulations, the Investment Strategy shall not advance any loans for any purpose.

21. The Investment Strategy shall not borrow except to meet temporary liquidity needs of the Investment Strategy for the purpose of repurchase/redemption of Units or payment of interest and/or IDCW to the Unit holder.

22. The Investment Strategy shall not borrow more than 20% of the net assets of the Investment Strategy and the duration of the borrowing shall not exceed a period of 6 months.

23. The investment strategy shall participate in Repo in corporate debt securities in accordance with Clause 13.8 of SEBI Master Circular for Mutual Funds dated March 20, 2026 and such other directions issued by RBI and SEBI from time to time.

    The Gross exposure of the investment strategy to repo transactions in corporate debt securities shall not be more than 10% of the net asset of the investment strategy.

    The cumulative gross exposure through repo transactions in corporate debt securities along with debt and derivative positions shall not exceed 100% of the net assets of the investment strategy.

    The investment strategy shall participate in repo transactions only in AA and above rated corporate debt securities.

    In terms of Regulation 42(1)(b) of the Securities and Exchange Board of India (Mutual Funds) Regulations, 2026, the investment strategy shall borrow through repo transactions only if the tenor of the transaction does not exceed a period of six months.

    The investment strategy shall ensure compliance with the Sixth Schedule of the Mutual Funds Regulations about restrictions on investments, wherever applicable, with respect to repo transactions in corporate debt securities.

    The investment strategy shall participate Repo in corporate debt securities in accordance with directions issued by RBI and SEBI from time to time and in accordance with the Policy framed by the Board of Directors of Union Asset Management Company Private Limited and Union Trustee Company Private Limited in this regard.

24. Pursuant to the clause 13.11 of SEBI Master Circular, SIFs can make overseas investments subject to a maximum of US $ 1 billion in Overseas securities and US $ 300 million in Overseas ETFs or such limits as may be prescribed by SEBI from time to time.

25. Investments in derivatives shall be in lines with the norms/restrictions specified in 21.6 of the SEBI Master Circular for Mutual Funds dated March 20, 2026. The investment strategy may take derivatives exposure for

hedging, portfolio rebalancing upto 100% of the net assets of the investment strategy and unhedged short exposure upto 25% of the net assets of the investment strategy.

26. Limitations and restrictions for investments in derivative instruments

SEBI has vide clause 8.5 & 8.6 of the SEBI Master Circular for Mutual Funds dated March 20, 2026 inter alia specified the guidelines pertaining to restrictions for trading in Exchange Traded Derivatives.

All derivative position taken in the portfolio would be guided by the following principles.

i. Position limit for the Specialized Investment Fund (SIF) in index options contracts

a. The SIF position limit in all index options contracts on a particular underlying index shall be Rs 500 crore or 15% of the total open interest of the market in index options, whichever is higher, per Stock Exchange.

b. This limit would be applicable on open positions in all options contracts on a particular underlying index.

ii. Position limit for the Specialized Investment Fund in index futures contracts

a. The SIF position limit in all index futures contracts on a particular underlying index shall be Rs 500 crore or 15% of the total open interest of the market in index futures, whichever is higher, per Stock Exchange.

b. This limit would be applicable on open positions in all futures contracts on a particular underlying index.

iii. Additional position limit for hedging

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

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

iv. Position limit for Specialized Investment Fund for stock based derivative contracts

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

1. The combined futures and options position limit shall be 20% of the applicable Market Wide Position Limit (MWPL).
2. The MWPL and client level position limits however would remain the same as prescribed earlier.

v. Position limit for each investment strategy of a Specialized Investment Fund for stock based derivative contracts

The investment strategy-wise position limit / disclosure requirements shall be –

1. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a investment strategy of a Specialized Investment Fund shall not exceed the higher of:
   1% of the free float market capitalisation (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).
2. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.

3. For index based contracts, SIF's shall disclose the total open interest held by its investment strategy or all investment strategies 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.

vi. Offsetting of transactions:

As per the provisions of the SEBI Master Circular dated March 20, 2026, the investment strategy is allowed to offset certain derivative transactions. Below are some of the illustrative scenarios for offsetting of positions on the same underlying security.

Sr.no.	Position 1	Position 1	Offsetting allowed/not?	Net exposure to be considered
1.	Equity Long	Futures Short	Yes	Equity Long only
2.	Equity /Futures Long	Call option Short	Yes	Equity /Futures Long only
3.	Equity /Futures Long	Put option Long	Yes	Equity /Futures Long only
4.	Futures Short	Call option Long	Yes	Futures Short only
5.	Futures Short	Put option Short	Yes	Futures Short only
6.	Call option Long	Call option Short	Yes	Call option Short only
7.	Put option Long	Put option Short	Yes	Put option short only
8.	Equity Long	Futures Long	No	Equity Long + Futures Long
9.	Equity /Futures Long	Call option Long	No	Equity /Futures Long + Call option Long
10.	Equity /Futures Long	Put option Short	No	Equity /Futures Long + Put option Short
11.	Futures Short	Call option Short	No	Futures short + Call option short
12.	Futures Short	Put option Long	No	Futures short + Put option Long
13.	Call option Long	Put option Short	No	Call option Long + Put option Short
14.	Call option short	Put option Long	No	Call option Short + Put option Long

**For offsetting of positions, the futures and options contracts shall be on the same underlying security and having same expiry date.*

Offsetting of exposure at the portfolio level shall be allowed for:

i. Cash and derivative positions on the same underlying security
ii. Between derivative positions on the same underlying security

Exposure limits for the Investment Strategy:

In accordance with clause 13.18 and 13.15 of SEBI Master Circular for Mutual Funds dated March 20, 2026 the following exposure limits for investment in derivatives will be applicable to the Investment Strategy:

1. The cumulative gross exposure through equity, debt, derivative positions and units issued by REITs & InvITs, and such other securities/assets as may be permitted by SEBI from time to time, subject to regulatory approval, if any, will not exceed 100% of the net assets of the Investment Strategy. However, cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure. SEBI, vide letter dated November 3, 2021, has clarified that Cash Equivalent shall consist of the following securities having residual maturity of less than 91 days: (i) Government Securities, (ii) T-Bills and (iii) Repo on Government Securities.

2. The total exposure related to option premium paid shall not exceed 20% of the net assets of the investment strategy.

3. Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:

a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions have to be added and treated under limits mentioned in point 1 above.
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 does not exceed the quantity of the existing position against which hedge has been taken.

4. The Investment strategy may enter into plain vanilla Interest Rate Swaps ("IRS") for hedging purposes. The value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the Investment Strategy. In case of participation in IRS is through over the counter transactions, the counter party has to be an entity recognized as a market maker by RBI and exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the Investment strategy. However, if SIFs are transacting in IRS through an electronic trading platform offered by the Clearing Corporation of India Ltd. (CCIL) and CCIL is the central counterparty for such transactions guaranteeing settlement, the single counterparty limit of 10% shall not be applicable.

5. Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated as exposure for the limit mentioned in point 1 above.

6. Definition of Exposure in case of Derivative Positions:

   Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:

Position	**Exposure**
Long Future	Futures Price * Lot Size * Number of Contracts
Short Future	Futures Price * Lot Size * Number of Contracts
Option bought	Option Premium Paid * Lot Size * Number of Contracts
Option sold	Market price of the underlying * Lot size*Number of contracts

In case of any other derivative exposure, the exposure shall be calculated as the notional market value of the contract.

The total exposure at any point of time shall be the sum of exposure through instruments in both the cash market and derivatives market.

The SIF may hedge the portfolio or part of the portfolio (including one or more securities) on weighted average modified duration basis by using Interest Rate Futures (IRFs). The maximum extent of short position that may be taken in IRFs to hedge interest rate risk of the portfolio or part of the portfolio, is as per the formula given below:

$$\frac{\text{(Portfolio Modified Duration*Market Value of the Portfolio)}}{\text{(Futures Modified Duration*Futures Price/ PAR)}}$$

The Investment Strategy shall not carry out imperfect hedging using IRFs.

All investments by the Investment Strategy will be made in accordance with the Investment Objective and Investment Pattern described earlier.

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.

The Investment Strategy will comply with the other Regulations applicable to the investments of Specialized Investment Fund from time to time.

As the Investment Strategy, presently does not intend to invest in participate in credit default swap transactions, the investment restrictions relating to credit default swap transactions have not been included in this document.

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

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

All the investment restrictions will be applicable at the time of making investments. Changes do not have to be effected merely because of appreciations or depreciations in value of the investments, or by reason of receipt of any rights, bonuses or benefits in the nature of capital or of any schemes of arrangement or of amalgamation, reconstruction or exchange, or at any repayment or redemption or other reason outside the control of the Fund resulting in any of the above limits getting breached. However, the AMC shall take appropriate corrective action as soon as possible taking into account the interests of the Unit holders.

C. Fundamental Attributes:

Following are the Fundamental Attributes of the investment strategy, in terms of Clause 1.9 of SEBI Master Circular for Mutual Funds dated March 20, 2026:

(i) Type of investment strategy

Interval investment strategy investing in equity and debt securities, including limited short exposure in equity and debt through derivatives as per regulatory limits.

(ii) Investment Objective

(a) Main Objective

The primary objective of the investment strategy is to generate capital appreciation through equity and equity related instruments, income through arbitrage opportunities, derivatives strategies in equity and debt, fixed income or money market investments.
There is no assurance that the investment objective of the Investment Strategy will be achieved.

(b) Investment Pattern:

The tentative portfolio break-up of Equity, Debt, Money market instruments, other permitted securities and such other securities as may be permitted by SEBI from time to time with minimum and maximum asset allocation, while retaining the option to alter the asset allocation for a short term period on defensive considerations, is detailed in the section 'HOW WILL THE INVESTMENT STRATEGY ALLOCATE ITS ASSETS?'.

(iii) Terms of Issue

- Liquidity provisions such as listing, Repurchase, Redemption

The Units of the investment strategy are not proposed to be listed on any stock exchange. However, the Trustee reserves the right to list the Units as and when this investment strategy is permitted to be listed under the Regulations and the Trustee considers it necessary in the interest of Unit holders of the Fund.

The investment strategy offers Units for subscription and redemption at NAV based prices on all Business Days on an ongoing basis, commencing not later than five business days from the date of allotment. Under normal circumstances, the AMC shall transfer the redemption/repurchase proceeds to the unitholders within three working days from the date of redemption or repurchase. However, under exceptional circumstances where the Investment Strategy would be unable to transfer the redemption / repurchase proceeds to investors within the time as stipulated above, the redemption/ repurchase proceeds shall be transferred to unitholders within such time frame, as prescribed by AMFI, in consultation with SEBI. For further details in this regard, please refer the Statement of Additional Information (SAI).

- Aggregate fees and expenses charged to the investment strategy

  The aggregate fees and expenses charged to the investment strategy will be in line with the limits defined in the SEBI (MF) Regulations as amended from time to time. Please refer to Section I - Part III of this SID.

- Any safety net or guarantee provided

  The investment strategy does not provide any safety net or guarantee nor does it provide any assurance regarding the realization of the investment objective of the Strategy or in respect of declaration of IDCW.

In accordance with Regulation 22(9C) of the SEBI (MF) Regulations 2026 and Clause 1.9.2 of SEBI Master Circular for Mutual Funds dated March 20, 2026 the Trustees shall ensure that no change in the fundamental attributes of the investment strategy or the trust or fee and expenses payable or any other change which would modify the investment strategy thereunder and affect the interests of Unitholders is carried out unless:

• SEBI has reviewed and provided its comments on the proposal

• A written communication about the proposed change is sent to each Unitholder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and

• The Unitholders are given an option for a period of atleast 30 calendar days to exit at the prevailing Net Asset Value without any exit load.

D. Floors and ceiling within a range of 5% of the intended allocation against each sub class of asset, as per clause 14.5.1 of SEBI master circular for mutual funds dated March 20, 2026 (only for close ended debt investment strategies) :

Not Applicable

E. Other Investment Strategy Specific Disclosures:

Listing and transfer of units	**Listing:** The Investment Strategy being offered is an Interval Investment Strategy. The Units under the Investment Strategy are proposed to be listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). However, the Trustee reserves the right to list the units of Investment Strategy on any other Stock Exchange without any change in the Fundamental Attribute.. Investors can trade on the exchange and Investors wishing to exit may do so, through stock exchange(s) where the Investment Strategy will be listed.

	Investors can trade on the exchange and Investors wishing to exit may do so, through stock exchange(s) where the Investment Strategy will be listed on all the trading days of the stock exchanges. The minimum number of units that can be bought or sold is 1 (one) unit, subject to compliance with the Minimum Investment Threshold states in the ISID. Further, investors can redeem from the Investment Strategy – Every Monday and Wednesday* of the week *Next business day in case Monday and Wednesday is a non-business day. However, the Trustee reserves the right to list the units of the investment strategy on any other stock exchange(s) at its sole discretion at a later date. **Transfer of units:** The Unit holders are given an option to hold the Units in physical form (by way of an account statement) or in dematerialized form (Demat). The Units of the investment strategy held in the dematerialised form will be fully and freely transferable (subject to lock-in period, if any and subject to lien, if any marked on the units) in accordance with the provisions of SEBI (Depositories and Participants) Regulations, 1996 as may be amended from time to time and as stated in clause 11.7 of SEBI Master Circular for Mutual Funds dated March 20, 2026. The units held in physical form (i.e. by way of an account statement) are transferable post completion of requisite procedures and formalities applicable in this regard. Further, for the procedure of release of lien, the investors shall contact their respective DP. Pursuant to AMFI Best Practice Guideline Circular No. 135/BP/119/2025-26 dated May 08, 2025 read with AMFI Circular No. 135/BP/116/2024- 25 dated August 14, 2024, the facility for transfer of units held in non-demat (SoA) mode shall be available to all the investors under Resident/non- resident individual category including the unitholders falling under the following three categories. a) Surviving joint unitholder, who wants to add new joint holder(s) in the folio upon demise of one or more joint unitholder(s). b) A nominee of a deceased unitholder, who wants to transfer the units to the legal heirs of the deceased unitholder, post the transmission of units in the name of the nominee. c) A minor unitholder who has turned a major and has changed his/her status from minor to major, wants to add the name of the parent / guardian, sibling, spouse etc. in the folio as joint holder(s). For detailed process/guidelines for transfer of units held in non-demat (SoA) mode, kindly refer SAI
Dematerialization of units	The Unit holders are given an option to hold the Units in physical form (by way of an account statement) or in dematerialized form (Demat). Further, investors also have an option to convert their physical holdings into the dematerialised mode at a later date. Each Option under each plan under the investment strategy held in the dematerialised form shall be identified on the basis of an **International Securities**

	Identification Number (ISIN) allotted by National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL). The ISIN No. details of the respective option under the respective Plan can be obtained from your Depository Participant (DP) or you can access the website link www.nsdl.co.in or www.cdslindia.com. The holding of units in the dematerialised mode would be subject to the guidelines/ procedural requirements as laid by the Depositories viz. NSDL/CDSL from time to time. **Subscription/Additional Purchase of units under Dematerialised Mode & allotment thereof:** The Applicants intending to hold the Units in dematerialised mode will be required to have a beneficiary account with a DP of the NSDL/CDSL and will be required to mention the DP's Name, DP ID No. and Beneficiary Account No. with the DP in the application form at the time of subscription/ additional purchase of the Units of the investment strategy. The applicant shall mandatorily attach a self-attested copy of the latest demat account statement/client master statement along with the application forms at the time of initial subscription. The application for subscription/additional purchase would be liable to be rejected by the AMC/ Registrar under the following conditions: a. In case the applicants do not provide their Demat Account details in the application form; or b. The demat details provided in the application form are incomplete / incorrect or do not exactly match with the details in the Depository records; and/or c. The mode of holding in the application form does not match exactly with that of the demat mode of holding. Applicants intending to hold units in the dematerialised mode would be considered to be KYC compliant as per the DP records and no separate KYC acknowledgment proof needs to be submitted to the AMC/Registrar. However, the submission of KYC acknowledgement proof is optional. It may be noted that in case the application stands rejected due to any of the above reasons, the AMC/ Registrar shall refund the amount to the applicants in line with the provisions of the ISID. However, if the applicant has submitted the KYC acknowledgment proof along with the application forms, the units will be allotted in the physical mode 'by default' (without any separate intimation to such applicant) and an Account Statement shall be sent to the Unit holders in accordance with the provisions of the ISID. It may be further noted that for any such default allotment the "*Source Bank Account*" (as per the payment instrument submitted along with the application form) shall be considered as the bank mandate for all purposes. **NOTE: It may be noted that the facilities viz. Switch in and out, Systematic Withdrawal Plan (SWP)/ Systematic Transfer Plan (STP), are currently NOT available in the dematerialised mode. It may also be noted that units in the demat mode shall only be credited in the DP account on the basis of realization of funds.** **Conversion of Units from Physical mode to Dematerialised mode:** If the Unit holder desires to convert the Units in a dematerialised form at a later date, the unitholder will be required to have a beneficiary account with a DP of the NSDL/CDSL and will have to submit the account statement along with a request

	form viz. Conversion Request Form (CRF)/ Demat Request Form (DRF) to the DP asking for the conversion of units into demat form. It may be noted that it is necessary to mention the ISIN No. of the respective option under the respective Plan on the CRF/ DRF. **Re-materialization process:** Re-materialization of Units will be in accordance with the provisions of SEBI (Depositories & Participants) Regulations, 1996 as may be amended from time to time. **Note:** It is further clarified that the demat mode of holding is subject to the following: a. Mandatory Submission of the PAN details along with the necessary proofs in accordance with the provisions of the SAI; b. Provisions of "Non-Acceptance of Third Party Payment Instruments for subscription/investments of units" under the section "How to Apply?" in the SAI. c. Submission of such other mandatory authority documents as may be specified in the application forms for individual/non-individual category of investors. All communications under demat mode of holding shall be on the basis of DP ID and client ID submitted in the application form and no separate folio shall be created for the same. For further details on dematerialised mode of holding Units, investors are requested to refer to the SAI.
Minimum Target amount (This is the minimum amount required to operate the investment strategy and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return.)	Rs.10,00,00,000 (Rupees Ten Crores)
Redemption and subscription frequency of the investment strategy	Every Monday and Wednesday* of the week *Next business day in case Monday and Wednesday is a non-business day Further, the Units under the Investment Strategy are proposed to be listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). Investors can trade on the exchange and Investors wishing to exit may do so, through stock exchange(s) where the Investment Strategy will be listed. Buying or selling of units of the Investment Strategy by investors can be done on all the Trading Days of the stock exchanges. The minimum number of units that can be bought or sold is 1 (one) unit, subject to compliance with the Minimum Investment Threshold states in the ISID. Further, investors can redeem from the Investment Strategy – Every Monday and Wednesday* of the week

	*Next business day in case Monday and Wednesday is a non-business day. The AMC reserves the right to change the Redemption frequency in future, subject to SEBI Regulations and any other law, as applicable.
Notice period of the investment strategy	Investors can redeem their units under the Investment strategy twice a week i.e. every Monday and Every Wednesday*of the week. *Next business day in case Monday and Wednesday is a non-business day. Accordingly, at present there is no notice period, however AMC may implement notice periods for redemptions in the following manner: i. In case of notice period, the redeeming investor shall receive the value of units sold based on the fund's NAV at the end of the notice period. ii. Maximum duration of notice period shall not exceed 15 working days. AMC/ Trustees reserve the right to impose restrictions on redemption / switch of units as per SEBI/AMFI regulations /circular etc. For further details, kindly refer to SAI
Maximum Amount to be raised (if any)	There will be no upper limit on the total amount collected under the Investment Strategy during the NFO Period
Dividend Policy (IDCW)	The Trustee will endeavour to declare IDCW under the Income Distribution cum Capital Withdrawal Option as per the specified frequencies, subject to availability of distributable surplus calculated in accordance with the Regulations. **IDCW Declaration Procedure: -** The procedure for IDCW distribution would be as under: The quantum of IDCW and the record date may be fixed by the Trustee in their meeting. IDCW so decided shall be paid subject to availability of distributable surplus. Record date is the date that will be considered for the purpose of determining the eligibility of investors whose name appears on the register of unitholders. The AMC shall issue a notice to the public communicating the decision of IDCW declaration including the record date, within one calendar day of the decision of the Trustee, 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 Fund is situated. The record date shall be two working days from the date of publication in at least one English newspaper or in a newspaper published in the language of the region where the Head Office of the fund is situated, whichever is issued earlier. However, such a notice shall not be given for Income Distribution cum Capital Withdrawal Options having IDCW distribution frequency ranging from daily up to monthly distribution. **IDCW Distribution Procedure: -**

	Under normal circumstances, the IDCW proceeds will be paid through electronic modes such as Direct Credit / National Electronic Fund Transfer (NEFT) / Real Time Gross Settlement (RTGS) / National Electronic Clearing System (NECS) or any other manner to the unitholder's bank account as recorded in the Registrar's records. Physical despatch of IDCW payments shall be carried out only in exceptional circumstances for which the AMC shall maintain records along with reasons for such physical despatch. The AMC, at its discretion at a later date, may choose to alter or add other modes of payment. In case of Units under the Income Distribution cum Capital Withdrawal Option held in dematerialised mode, the IDCW pay-out will be credited to the bank account of the investor, as per the bank account details recorded with the DP. **Effect of IDCW:** The investors should note that the Fund does not assure or guarantee declaration of IDCW under the Income Distribution cum Capital Withdrawal Option. The actual declaration of IDCW, frequency and the rate of IDCW will inter alia, depend on availability of distributable surplus calculated in accordance with SEBI (MF) Regulations and the decisions of the Trustee shall be final in this regard. There is no assurance or guarantee to the unitholders as to the rate of IDCW nor that will the IDCW be paid regularly. It must also be distinctly understood that when IDCW are declared, the net assets attributable to unitholders in the respective Option under respective Plan will stand reduced to the extent of the IDCW payout and applicable statutory levies, if any. Post declaration of IDCW, the NAV of the Units under the Income Distribution cum Capital Withdrawal Option will stand reduced by the amount of IDCW declared and applicable statutory levy. Even though the asset portfolio will be common at the investment strategy level, the NAVs of the Growth Option and Income Distribution cum Capital Withdrawal Option under the respective Plan under the investment strategy will be distinctly different after declaration of the first IDCW to the extent of distributed income, applicable tax and statutory levy, if any, and expenses relating to the distribution of the IDCW. All the IDCW declaration and payments shall be in accordance and compliance with SEBI Regulations, as amended from time to time.
Allotment (Detailed procedure)	Allotment : All Applicants whose cheques/payments towards purchase of Units have been realised will receive a full and firm allotment of Units, provided that the applications are complete in all respects and are found to be in order. Pursuant to Clause 9.4.3 of SEBI Master Circular for Mutual Funds dated March 20, 2026, in respect of purchase of units of the investment strategy, including switch-in and systematic transactions (Systematic Investment Plans (SIPs) and Systematic Transfer Plans (STPs)), the closing NAV of the day shall be applicable on which the funds are available for utilization irrespective of the size and time of receipt of such application with effect from February 01, 2021. For further details, refer provisions specified under “Cut off timing for subscriptions/ redemptions/ switches” in this ISID. Any redemption or switch out transaction in the interim is liable to be rejected at the sole discretion of the AMC. Subject to the SEBI Regulations, the AMC / Trustee may reject any application received in case the application is found invalid/incomplete

	or for any other reason in their sole discretion. The Fund reserves the right to recover from an investor any loss caused to the investment strategy on account of dishonour of cheques issued by him/her/it for purchase of Units. The process of allotment of units will be completed within 5 business days from the date of closure of the NFO Period. For investors holding units under dematerialised mode, the statement of account shall be sent by the Depository Participant in accordance with SEBI (Depositories and Participants) Regulations, 1996. The AMC shall send confirmation specifying the number of units allotted to the applicant by way of an email and/or SMS's to the applicant's registered email address and/or mobile number as soon as possible but not later than five working days from the date of closure of the NFO Period (NFO) and / or from date of receipt of the request from the unit holder. Account Statement: For any financial transactions during ongoing sales and repurchase: • The AMC shall issue to the investor whose application has been accepted, an account statement specifying the number of units allotted. Under normal circumstances, the AMC shall endeavour to dispatch the account statement as soon as possible but not later than 5 working days from the date of receipt of the application from the unitholder. • AMC/ Registrar shall send confirmation specifying the number of units allotted to the applicant by way of email and/or SMS's to the applicant's registered email address and/or mobile number as soon as possible but not later than five working days from the date of receipt of the application from the unitholder. • For those unitholders who have provided an e-mail address, the AMC will send the account statement by e-mail. • The unitholder may request for a physical account statement by writing/calling the AMC/ISC/Registrar & Transfer Agent at 18002002268 / 18005722268 (toll free numbers) **Account Statement for demat account holders:** Investors shall receive the demat account statement /demat holding statement directly from the DP with whom the investor holds the DP account. The statement issued by the DP will be deemed adequate compliance with the requirements in respect of dispatch of Statement of Account. In case of any specific requirements/queries on the account statement, investor should directly contact the respective DP's. The Trustee / AMC retain the sole and absolute discretion to reject any application. The AMC / Trustee may require or obtain verification of identity or such other details regarding any subscription or related information from the investor/unit holders as may be required under any law, which may result in delay in dealing with the applications, units, benefits, distribution, etc.
Refund	If application is rejected, full amount will be refunded within 5 working days of closure of NFO. If refunded later than 5 working days @ 15% p.a. for delay period will be paid and charged to the AMC.

	Modes of dispatch: For refund payments to unitholders, the AMC may use modes of dispatch such as registered post, speed post, courier etc. The AMC may also use payment channels such as RTGS, NEFT, IMPS, direct credit, etc. or any other mode allowed by Reserve Bank of India from time to time, for refund payments to unitholders in addition to cheque, demand draft or IDCW warrants. In accordance with the SEBI Regulations, if the Investment Strategy fails to collect the minimum target amount, the Fund and the AMC shall be liable to refund the money to the applicants under the investment strategy. In addition to the above, refund of subscription amount to applicants whose applications are invalid for any reason whatsoever, will commence after the allotment process is completed.
Who can invest This is an indicative list and investors shall consult your financial advisor to ascertain whether the investment strategy is suitable to you risk profile.	The following persons are eligible to apply for subscription to the units of the Investment Strategy (subject to, wherever relevant, subscription to units of the Investment Strategy being permitted under the respective constitutions and relevant statutory regulations): ○ Indian resident adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis; ○ High Net worth Individual (HNI), Hindu Undivided Family (HUF) through Karta of the HUF; ○ Minor through parent / legal guardian; ○ Partnership Firms and Limited Liability Partnerships (LLPs); ○ Proprietorship in the name of the sole proprietor; ○ Companies, Bodies Corporate, Public Sector Undertakings (PSUs), Association of Persons (AOP) or Bodies of Individuals (BOI) and societies registered under the Societies Registration Act, 1860; ○ Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions; ○ Mutual Funds registered with SEBI, including Schemes of Union Mutual Fund, subject to the conditions and limits prescribed by SEBI Regulations and the respective Scheme Information Documents; ○ Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and private trusts authorised to invest in mutual fund schemes/ SIFs under their trust deeds; ○ Non-Resident Indians (NRIs) / Persons of Indian Origin (PIOs) residing abroad on repatriation basis or on non-repatriation basis; ○ Foreign Portfolio Investor (FPI) subject to applicable regulations; ○ Army, Air Force, Navy and other para-military units and bodies created by such institutions; ○ Scientific and Industrial Research Organizations; ○ Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / RBI; ○ Provident Funds, Pension Funds, Gratuity Funds and Superannuation Funds to the extent they are permitted; ○ Other investment strategies of Arthaya SIF subject to the conditions and limits prescribed by SEBI (MF) Regulations; ○ Trustee, AMC or Sponsor(s) or their associates may subscribe to units under the Investment Strategy; ○ Such other individuals' /institutions/ body corporates etc., as may be decided by the AMC from time to time, so long as, wherever applicable, subject to their respective constitutions and relevant statutory regulations.

	The list given above is indicative and the applicable laws, if any, as amended from time to time shall supersede the list. Note: 1. Non Resident Indians (NRIs) and Persons of Indian Origin (PIOs) residing abroad FPIs) have been granted a general permission by Reserve Bank of India under Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 for investing in / redeeming units of the SIF subject to conditions set out in the aforesaid regulations. 2. It is expressly understood that at the time of investment, the investor/unitholder has the express authority to invest in units of the Investment Strategy and AMC / Trustee / Mutual Fund/SIF will not be responsible if such investment is ultravires the relevant constitution. Subject to the Regulations, the Trustee may reject any application received in case the application is found invalid/ incomplete or for any other reason in the Trustee's sole discretion. 3. Dishonoured cheques are liable not to be presented again for collection, and the accompanying application forms are liable to be rejected. 4. The Trustee, reserves the right to recover from an investor any loss caused to the Investment Strategy on account of dishonour of cheques issued by the investor for purchase of Units of this Investment strategy. 5. For subscription in the Investment Strategy, it is mandatory for investors to make certain disclosures like bank details etc. and provide certain documents like PAN copy etc. (for details please refer SAI) without which the application is liable to be rejected. 6. Pursuant to clause 15.13 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the following process shall be applicable for investments made in the name of a minor through a guardian: Payment for investment by any mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian. For existing folios, the AMCs shall insist upon a Change of Pay-out Bank mandate before redemption is processed. Irrespective of the source of payment for subscription, all redemption proceeds shall be credited only in the verified bank account of the minor, i.e. the account the minor may hold with the parent/ legal guardian after completing all KYC formalities. Subject to the SEBI (MF) Regulations, any application for units of this Investment Strategy may be accepted or rejected in the sole and absolute discretion of the Trustee/AMC. The Trustee/AMC may inter-alia reject any application for the purchase of units if the application is invalid or incomplete or if the Trustee for any other reason does not believe that it would be in the best interest of the Investment Strategy or its unitholders to accept such an application. For further details, please refer SAI.
Who cannot invest	The following persons are not eligible to invest in the Investment Strategy: • Any individual who is a foreign national or any other entity that is not an Indian resident under the Foreign Exchange Management Act, 1999 (FEMA Act) except where registered with SEBI as an FPI or otherwise explicitly permitted under FEMA Act/ by RBI/ by any other applicable authority. • Pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) cannot invest in Mutual Funds.

	• NRIs residing in Non-Compliant Countries and Territories (NCCTs) as determined by the Financial Action Task Force (FATF), from time to time. • NRIs and PIOs who are residents of the United States of America/defined as United States Persons under applicable laws/ statutes and the residents of Canada. • Qualified Foreign Investor/ QFI as defined in this document. Such other persons as may be specified by the AMC from time to time.
How to Apply and other details	1. Application forms are available from either the Investor Service Centers (ISCs)/Official Points of Acceptance (OPAs) of AMC SIF or may be downloaded from the website of SIF (https://www.unionmf.com/arthayasif) 2. Please refer to the SAI and Application form for the instructions. Refer link for the list of official points of acceptance, collecting banker details etc.: https://www.unionmf.com/docs/default-source/sif-downloads/sid-kim-sai-related-disclosures/address.pdf?sfvrsn=aea9ceba_3 It is mandatory for investor to mention their bank account numbers in their applications/requests for redemption.
The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the investment strategy or the AMC) involved in the same	Units once redeemed will not be reissued.
Restrictions, if any, on the right to freely retain or dispose of units being offered.	The SIF will be repurchasing (subject to completion of lock-in period, if any) and issuing units of the Investment strategy on an ongoing basis and hence the transfer facility is found redundant. Any addition / deletion of name from the folio of the Unit holder is deemed as transfer of Units. In view of the same, additions / deletions of names will not be allowed under any folio of the Investment strategy. The said provisions in respect of deletion of names will not be applicable in case of death of a Unit holder (in respect of joint holdings) as this is treated as transmission (transfer of units by operation of law) of Units and not transfer. The Units of the Investment strategy held in the dematerialised form will be fully and freely transferable (subject to lock-in period, if any and subject to lien, if any marked on the units) in accordance with the provisions of SEBI (Depositories and Participants) Regulations, 1996 as may be amended from time to time. Further, for the procedure of release of lien, the investors shall contact their respective DP. Also, when a person becomes a holder of the units by operation of law or upon enforcement of pledge, then the AMC shall, subject to production/submission of such satisfactory evidence, which in its opinion is sufficient, effect the transfer, if the intended transferee is otherwise eligible to hold the units. Please refer to paragraphs on 'Transfer and Transmission of units', 'Right to limit redemption', 'Suspension of purchase and / or redemption of Units and Distribution under IDCW Option' and 'Pledge of Units' in the SAI for further details.

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.	'Cut-off Timing' in relation to an investor making an application for purchase or sale of units of the Investment strategy, shall mean, the outer limit of timing within a particular day which is relevant for determination of the NAV applicable for his transaction. The Applicable NAV used for processing subscriptions/redemptions is based on the time of the Business Day on which the application is time stamped at the designated Official Points of Acceptance. Investors get units on the basis of the Applicable NAV. **a) Subscriptions / Purchases including Switch - ins:** The following cut-off timings shall be observed by the Fund in respect of purchase (including switch-in) of the Units of the Investment strategy, and the following NAVs shall be applied for such purchase switch in: 1. In respect to valid applications received upto 3.00 p.m. on a day and where the funds for the entire amount are credited to the bank account of the Investment strategy before the cut off time and the funds are available for utilization before the cut-off time on the same day – the closing NAV of the day shall be applicable. 2. In respect to valid applications received after 3.00 p.m. on a day and where the funds for the entire amount are credited to the bank account of the Investment strategy either on the same day or before the cut-off time of the next Business Day i.e. available for utilization before the cut off time of the next Business Day – the closing NAV of the next Business Day shall be applicable. 3. Irrespective of the time of receipt of application, where the funds for the entire amount are credited to the bank account of the Investment strategy before the cut-off time on any subsequent Business Day i.e. available for utilization before the cut-off time of any subsequent Business Day – the closing NAV of such subsequent Business Day shall be applicable. **For allotment of units in respect of purchase in the** Investment strategy **/switch-in to the** Investment strategy**, it shall be necessary that**: • Application for purchase/switch-in is received before the applicable cut-off time. • Funds for the entire amount of subscription / purchase as per the application for purchase/switch-in are credited to the bank account of the Investment strategy before the cut-off time. • The funds are available for utilization by the Investment strategy before the cut-off time without availing any credit facility whether intra-day or otherwise, by the Investment strategy. • In case of switch-in into the Investment strategy, the NAV applicability shall be based on the date of payout from the switch-out investment strategy. For systematic investment transactions such as Systematic Investment Plans (SIPs) and Systematic Transfer Plans (STPs), the units will be allotted as per the closing NAV of the day on which the funds are available for utilization by the target Investment strategy irrespective of the SIP/ STP registration date, instalment date and amount of the SIP/ STP. It is clarified that for purchases, if funds are received in advance and the purchase application is received after receipt of funds in the Investment strategy's bank

account, then the applicable NAV would be based on the date and time of receipt of the application.

b) Redemptions including Switch – outs:

The following cut off timings shall be observed by the Fund in respect of repurchase of units:

1. Where the application is received upto 3.00 p.m. – closing NAV of the day of receipt of application.
2. Where application is received after 3.00 p.m. – closing NAV of the next business day.

Kindly note that the provisions wrt to redemption are applicable twice a week (Every Monday and Every Wednesday)*.
*Next business day in case Monday and Wednesday is a non-business day
Clarification Note:-

Since, Redemption frequency is twice a week (Every Monday and Every Wednesday), application for redemption received upto 3 pm on Monday will be processed at the closing NAV of Monday (business day). Similarly, application for redemption received upto 3 pm on Wednesday will be processed at the closing NAV of Wednesday (business day). Next business day in case Monday and Wednesday is a non-business day

Where application for redemption is received after 3pm on Monday will be processed at the closing NAV of Wednesday (business day). Similarly, application for redemption is received after 3pm on Wednesday will be processed at the closing NAV of Monday (business day). Next business day in case Monday and Wednesday is a non-business day.

For illustration:

Scenario	**Date and time of receipt of redemption**	**Application for redemption is received****	**Date of Closing NAV Applicability**
1.	Monday, September 07, 2026 @ 2:55 PM	Before Cut off	Monday, September 07, 2026
2.	Monday, September 07, 2026 @ 3:05 PM	After Cut off	Wednesday, September 09, 2026
3.	Tuesday, September 08, 2026 @11 AM	After Cut off	Wednesday, September 09, 2026
4.	Wednesday, September 09, 2026 @1:00 PM	Before Cut off	Wednesday, September 09, 2026
5.	Wednesday, September 09, 2026 @4:00 PM	After Cut off	Tuesday, September 15, 2026 (being Monday September 14, 2026 being non business day)

<table>
<tr><td></td><td>
<table>
<tr><td>6.</td><td>Thursday, September 10, 2026 @11 AM</td><td>After Cut off</td><td>Tuesday, September 15, 2026 (being Monday September 14, 2026 being non business day)</td></tr>
<tr><td>7.</td><td>Friday, September 11, 2026 @ 3:10 PM</td><td>After Cut off</td><td>Tuesday, September 15, 2026 (being Monday September 14, 2026 being non business day)</td></tr>
</table>

**Cut-off as mandated by SEBI time to time.

<u>Applicable NAV in case of Redemptions under dematerialised mode:</u>

It may be noted that in case of Redemption of units held in demat mode, the date and time available in the electronic feed from the DP sent to the AMC/Registrar will only be considered for the purpose of determination of Applicable NAV.</td></tr>
<tr><td>Minimum amount for purchase/Redemption /Switches</td><td>Minimum amount for new purchase / switch in

Rs.10,00,000/- and in multiples of Re. 1/- thereafter

Minimum additional amount for purchase / switch in

Rs. 10,000 and in multiples of Rs. 1 thereafter

The minimum subscription limits for new purchases/additional purchases will apply to each Option under each plan separately.

The minimum application amount mentioned above shall not be applicable to the mandatory investments made in the Investment Strategy pursuant to Clause 6.10 of SEBI Master Circular for Mutual Funds dated June 27, 2024, as amended from time to time.

Minimum amount for redemption / switch out

Minimum of Rs. 1000/- or the balance in the account of the unitholder, whichever is lower.

The redemption request should meet the above minimum redemption amount criteria and should be in multiples of Re. 1/- thereafter.

In case the investor specifies the number of units and amount to be redeemed, the number of units shall be considered for redemption. In case the unitholder does not specify the number of units or amount to be redeemed, the redemption request will not be processed.

The AMC reserves the right to change the minimum amounts for various purchase/ redemption/ switch. Such changes shall only be applicable to transactions on a prospective basis.</td></tr>
</table>

Where can the applications for purchase/redemption switches be submitted?	Please refer to the SAI and Application form for the instructions. However, investors are advised to fill up the details of their bank account numbers on the application form in the space provided which is mandatory. In order to protect the interest of the Unit holders from fraudulent encashment of cheques, SEBI has made it mandatory for investors in mutual funds to state their bank account numbers in their application form / requests for redemption. It may be noted that, in case of those unit holders, who hold units in demat form, the bank mandate available with respective Depository Participant will be treated as the valid bank mandate for the purpose of payout at the time of maturity or at the time of any corporate action. SEBI has also made it mandatory for investors to mention their Permanent Account Number (PAN) transacting in the units of the Fund, irrespective of the amount of transaction. Please also note that the KYC is compulsory for making investment in mutual funds Investment Strategy irrespective of the amount, for details please refer to SAI. No outstation cheques, demand drafts, pay orders will be accepted. Investors are requested to note that application form is available with Investor Service Centres (ISCs)/Official Points of Acceptance (OPAs) of the AMC or can be downloaded from our website https://www.unionmf.com/arthayasif. The list of the Investor Service Centres (ISCs)/Official Points of Acceptance (OPAs) is also available on https://www.unionmf.com/arthayasif
Minimum threshold requirement and consequences of non-maintenance	Pursuant to 21.4 of SEBI Master circular dated March 20, 2026 as amended from to time, the minimum aggregate investment by an investor across all investment strategies offered by Arthaya SIF, at the Permanent Account Number ('PAN') level, shall not be less than INR 10 lakh. (Minimum Investment threshold) The Minimum Investment Threshold of INR 10 lakh shall apply exclusively to investments under SIF and shall not include investments made by the investor in schemes of Union Mutual Fund. Provided that the requirement of minimum investment amount shall not apply to an accredited investor. Provided that, the above provisions shall not be applicable for mandatory investments made by AMC for designated employees under paragraph 7.14 of the Master Circular for Mutual Funds dated March 20, 2026. **Mechanism for monitoring compliance with Minimum Investment Threshold:** The AMC will monitor compliance with the Minimum Investment Threshold on a daily basis and ensure that there are no active breaches. The AMC will ensure that the investor's total investment value does not fall below the Minimum Investment Threshold due to redemption transactions initiated by the investor. **Passive breaches:** Passive breaches (occurrence of instances not arising out of omission and commission by AMC), such as those caused by a decline in Net Asset Value (NAV), shall not be treated as a violation of the Minimum Investment Threshold. However, if the total investment value falls below the threshold due to a passive breach, the investor shall only be permitted to redeem the entire remaining investment amount from the SIF.

	Active breach: In case of any active breach of the Minimum Investment Threshold by an investor, including through transactions on stock exchanges or off-market transfers: - all units of such investor held across investment strategies of the concerned SIF shall be frozen for debit, and - a notice of 30 calendar days shall be given to such investor to rebalance the investments in order to comply with the Minimum Investment Threshold. Pursuant to the notice under above provision:- a. In case investor rebalances his/her investments in SIF within the notice period of 30 calendar days, the units of SIF of such investor shall be unfreezed, and no further action shall be taken with regard to compliance with Minimum Investment Threshold. b. In case the investor fails to rebalance the investments within the aforesaid 30 calendar day period, the frozen units shall be automatically redeemed by the AMC, at the applicable Net Asset Value of the next immediate business day after the 30th calendar day of the notice period. For the purpose of SIF, the 'Active Breach' shall mean fall in the aggregate value of an investor's total investment across all investment strategies of SIF, below the Minimum Investment Threshold of INR 10 lakh, on account of any transactions (i.e. redemption, transfer, sale etc.) initiated by the investor The 30-day notice/rebalancing period shall commence from the date the AMC/RTA communicates the breach to the investor.
Accounts Statements	The AMC shall send an allotment confirmation specifying the units allotted by way of email and/or SMS within 5 working days of receipt of valid application/transaction to the Unit holders registered e-mail address and/ or mobile number (whether units are held in demat mode or in account statement form). A Consolidated Account Statement (CAS) detailing all the transactions across all SIFs (including transaction charges paid to the distributor) and holding at the end of the month shall be sent to the Unit holders in whose folio(s) transaction(s) have taken place during the month by mail or email on or before 15th of the succeeding month. Half-yearly CAS shall be issued at the end of every six months (i.e. September/ March) on or before 21st day of succeeding month, to all investors providing the prescribed details across all investment strategies of SIFs and securities held in dematerialized form across demat accounts, if applicable. For further details, refer SAI.
Income Distribution cum Capital Withdrawal	The payment of IDCW to the unitholders shall be made within seven working days from the record date. IDCW payments will be made in favour of the unitholder (registered holder of the Unit or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Fund. **Please note that it is mandatory for the unitholders to provide the bank account details as per SEBI guidelines.** In case of Units under the Income Distribution cum Capital Withdrawal Option held in dematerialised mode, the Depositories (NSDL/ CDSL) will give the list of demat account holders and the number of Units held by them in electronic form on the

	Record date to the AMC/Registrar. The IDCW pay-out will be credited to the bank account of the investor, as per the bank account details recorded with the DP.
Redemption	The redemption or repurchase proceeds shall be dispatched to the unitholders within three working days from the date of redemption or repurchase. For list of exceptional circumstances refer para 14.1.3 of SEBI Master Circular for Mutual Funds dated June 27, 2024 However, under exceptional circumstances where the investment strategy would be unable to transfer the redemption / repurchase proceeds to investors within the time as stipulated above, the redemption/ repurchase proceeds shall be transferred to unitholders within such time frame, as prescribed by AMFI, in consultation with SEBI. For further details in this regard, please refer the Statement of Additional Information (SAI). For redeeming units of the Investment Strategy, an investor would need to submit a duly filled-in redemption application at any of the CSC/Official Point of Acceptance. However, an investor who holds units in the demat mode is required to place an order for redemption (subject to applicable limits prescribed in ISID, if any or as may be communicated from time to time) directly with the DP. The redemption/ switch would be permitted to the extent of credit balance in the unitholder's account. The redemption/ switch request can be made by specifying either the number of units or the amount (in rupees) to be redeemed. In case the investor specifies the number of units and amount to be redeemed, the number of units shall be considered for redemption. In case the unitholder does not specify the number of units or amount to be redeemed, the redemption request will not be processed. For details regarding the minimum amount for redemption please see the point on 'Minimum amount for purchase/redemption/switches' in this document. Where Units under the Investment Strategy are held under both, the Regular Plan and the Direct Plan of the investment strategy and the redemption / Switch request pertains to the Direct Plan, the same must clearly be mentioned on the request (along with the folio number), failing which the request would not be processed from the Direct Plan. However, where Units under the requested Option are held only under the Direct Plan, the redemption request would be processed under the Direct Plan irrespective of whether the Direct Plan is specifically mentioned in the redemption request. In the larger interest of the unit holders of the Investment Strategy, the AMC may, on the basis of specific approval of the Board of Directors of the AMC and the Trustee Company, impose restriction on redemption of units when there are circumstances leading to a systemic crisis or event that severely constricts market liquidity or efficient functioning of markets such as liquidity issues, market failures, exchange closures, operational issues or such other reasons, in accordance with applicable regulations, circulars and other prevalent guidelines. For details, please refer to the paragraph on 'Right to limit redemption' in the SAI.
Bank Mandate	**Bank Details:** In order to protect the interest of Unit holders from fraudulent encashment of redemption / IDCW cheques, **SEBI has made it mandatory for investors to provide their bank details viz. name of bank, branch, address, account type**

	and number, etc. to the Fund. Applications without complete bank details shall be rejected. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques / warrants and / or any delay / loss in transit. **Also, please refer to point on 'Registration of Multiple Bank Accounts in respect of an Investor Folio' given elsewhere in this document and the SAI. Further, please refer to "Bank Account details mandatory for all investors" in the SAI.** **Bank Mandate under Dematerialised mode:** In case of those unit holders, who hold units in demat form, the bank mandate available with the respective DP will be treated as the valid bank mandate for the purpose of pay-in at the time of subscription or purchase/ pay-out at the time of redemption or at the time of any corporate action. In view of the above, Multiple Bank Mandate registration facilities with the AMC will not be applicable to Demat account holders.
Delay in payment of redemption / repurchase proceeds/dividend	Under normal circumstances, the AMC shall transfer the redemption/repurchase proceeds to the unitholders within three working days from the date of redemption or repurchase and the IDCW warrants shall be dispatched to the unitholders within seven working days from the record date. However, under exceptional circumstances where the investment strategy would be unable to transfer the redemption / repurchase proceeds to investors within the time as stipulated above, the redemption/ repurchase proceeds shall be transferred to unitholders within such time frame, as prescribed by AMFI, in consultation with SEBI. For further details in this regard, please refer the Statement of Additional Information (SAI). The AMC shall be liable to pay interest to the unitholders at rate as specified vide clause 15.4 of SEBI Master Circular for Mutual Funds dated March 20, 2026 by SEBI for the period of such delay (presently @ 15% per annum). However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC / Trustee is required to obtain from the investor / unitholders, verification of identity or such other details relating to subscription for units under any applicable law or as may be requested by a regulatory body or any government authority, which may result in delay in processing the application.
Unclaimed Redemption and Income Distribution cum Capital Withdrawal Amount	As per Clause 15.5 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the unclaimed redemption and IDCW amounts shall be deployed by the SIF in call money market or money market instruments or in a separate plan of only Overnight Scheme/Liquid scheme / Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts. Provided that such investment strategy/schemes where the unclaimed redemption and IDCW amounts are deployed shall be only those /Overnight scheme/ Liquid scheme / Money Market Mutual Fund schemes which are placed in A-1 cell (Relatively Low Interest Rate Risk and Relatively Low Credit Risk) of Potential Risk Class matrix as per 6.18 of SEBI Master Circular for Mutual Funds dated March 20, 2026. There shall be no exit load in this plan, and TER (Total Expense Ratio) of such plan shall be capped as per the TER of direct plan of such scheme or at 50bps whichever is lower. Investors claiming these amounts during a period of three years from the due date shall be paid initial unclaimed amount along-with the income earned on its deployment. Investors, who claim these amounts after 3 years, shall be paid initial unclaimed amount along-with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education. The AMC shall make

	a continuous effort to remind investors through letters to take their unclaimed amounts. **Process for claiming the unclaimed amounts:** i. Investors can obtain information regarding the unclaimed amounts, if any, under their folios from the website of SIF viz. https://www.unionmf.com/arthayasif ii. The process of claiming the unclaimed amount and the necessary forms / documents required for the same is available on the website of SIF. Further, the information on unclaimed amount along with its prevailing value (based on income earned on deployment of such unclaimed amount), will be separately disclosed to investors through the periodic statement of accounts / Consolidated Account Statement sent to the investors. **Alternative Mechanism for Redemptions** AMC reserves the right to provide the facility of redeeming Units of the Investment Strategy through an alternative mechanism including but not limited to online transactions on the Internet through the AMC SIF website or any other website, etc., as may be decided by the AMC from time to time. The alternative mechanisms would be applicable to only those investors who opt for the same in writing and/or subject to investor fulfilling such conditions as AMC may specify from time to time. **Also, please refer to point on 'Registration of Multiple Bank Accounts in respect of an Investor Folio' given elsewhere in this document and the SAI. Further, please refer to "Bank Account details mandatory for all investors" in the SAI.**
Disclosure w.r.t investment by minors	Pursuant to clause 15.13 of SEBI Master Circular for Mutual Funds dated March 20, 2026, the following process shall be applicable for investments made in the name of a minor through a guardian: Payment for investment by any mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian. For existing folios, the AMCs shall insist upon a Change of Pay-out Bank mandate before redemption is processed. Irrespective of the source of payment for subscription, all redemption proceeds shall be credited only in the verified bank account of the minor, i.e. the account the minor may hold with the parent/ legal guardian after completing all KYC formalities. Upon the minor attaining the status of major, the minor in whose name the investment was made, shall be required to provide all the KYC details, updated bank account details including cancelled original cheque leaf of the new account. This in regard, the investors are required to submit the 'Minor attaining majority – request form to change status' available on the AMC's SIF website https://www.unionmf.com/arthayasif. Upon the minor attaining the status of major, no further transactions shall be allowed till the status of the minor is changed to major.
Segregated Portfolio	In case of a credit event at issuer level and to deal with liquidity risk, the AMC may create a segregated portfolio of debt and money market instruments under the Investment Strategy in compliance with Clause 5.5 of SEBI Master Circular for Mutual Funds dated March 20, 2026, as amended from time to time.

	In this regard, the term 'segregated portfolio' shall mean a portfolio comprising of debt or money market instrument affected by a credit event, that has been segregated in a SIF investment strategy, the term 'main portfolio' shall mean the investment strategy portfolio excluding the segregated portfolio and the term 'total portfolio' shall mean the investment strategy portfolio including the securities affected by the credit event. The AMC may create a segregated portfolio in a SIF investment strategy in case of a credit event at issuer level i.e. downgrade in credit rating by a SEBI registered Credit Rating Agency (CRA), as under: a. Downgrade of a debt or money market instrument to 'below investment grade', or b. Subsequent downgrades of the said instruments from 'below investment grade', or c. Similar such downgrades of a loan rating. In case of difference in rating by multiple CRAs, the most conservative rating shall be considered. Creation of segregated portfolio shall be based on issuer level credit events as detailed above and implemented at the ISIN level. Creation of segregated portfolio shall be optional and at the discretion of the AMC. The AMC shall decide on creation of segregated portfolio on the day of the credit event. Further, the AMC shall seek approval of the Trustees prior to creation of the segregated portfolio. Further, as per Clause 5.5 of SEBI Master Circular for Mutual Funds dated March 20, 2026, SEBI has permitted creation of segregated portfolio of unrated debt or money market instruments by SIF investment strategies of an issuer that does not have any outstanding rated debt or money market instruments, subject to the following: a. Segregated portfolio of such unrated debt or money market instruments may be created only in case of actual default of either the interest or principal amount. As per Clause 5.5 of SEBI Master Circular for Mutual Funds dated March 20, 2026, credit event is considered for creation of segregated portfolio, however for the purpose of the aforesaid circular, 'actual default' by the issuer of such instruments shall be considered for creation of segregated portfolio. b. AMCs shall inform AMFI immediately about the actual default by the issuer. Upon being informed about the default, AMFI shall immediately inform the same to all AMCs. Pursuant to dissemination of information by AMFI about actual default by the issuer, AMCs may segregate the portfolio. **Risks associated with segregated portfolio:** The unit holders may note that no redemption and subscription shall be allowed in the segregated portfolio. However, in order to facilitate exit to unit holders in the segregated portfolio, the AMC shall enable listing of units of segregated portfolio on the recognized stock exchange. The risks associated in regard to the segregated portfolio are as follows: • The investors holding units of the segregated portfolio may not be able to liquidate their holdings till the time of recovery of money from the issuer. • The security comprising the segregated portfolio may not realize any value. • Listing of units of the segregated portfolio on a recognized stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units of the segregated portfolio on the stock exchange. • The trading price of units on the stock exchange may be significantly lower than the prevailing Net Asset Value (NAV) of the segregated portfolio.

	For the detailed provisions in relation to segregated portfolios, investors are requested to refer the Statement of Additional Information (SAI) of Arthaya SIF.
Minimum balance to be maintained and consequences of non-maintenance.	There is no minimum balance requirement.

III. Other Details

A. Periodic Disclosures such as Half yearly disclosures, half yearly results, annual report

Portfolio disclosure:

The SIF shall disclose portfolio (along with ISIN), including derivative instruments, as on the last day of every alternate month (i.e. as on the end of May, July, September, November, January and March) for all its investment strategies (including debt based investment strategies) on the SIF website and on the website of AMFI within 10 days from the close of such month in a user friendly and downloadable spreadsheet format.

Further, the Statement of Investment Strategy portfolio shall be emailed to those unitholders whose email addresses are registered with the SIF within the above prescribed timeline. Further, the AMC shall provide physical copy of the statement of Investment Strategy portfolio, without charging any cost, on receipt of a specific request from the unitholder.

In case of unitholders whose e-mail addresses are registered, the AMC shall send such statements of investment strategy portfolio to such unitholders via email within 10 calendar days from the close of each alternate month/ half–year respectively (i.e. as on the end of May, July, September, November, January and March). The AMCs shall provide a feature wherein a link is provided to investors to their registered email to enable the investor to directly view/download only the portfolio of the investment strategy subscribed by the said investor, along with the investment strategy risk-o-meter, name of benchmark and risk-o-meter of benchmark. The AMCs shall declare on their website the hosting of the monthly/fortnightly statement of its investment strategies portfolio on the website and also on the website of AMFI and the modes such as SMS, telephone, email or written request (letter) through which a unit holder can submit a request for a physical or electronic copy of the statement of investment strategy portfolio.

Visit https://www.unionmf.com/arthayasif for detailed half yearly disclosures

Half Yearly Results:

The SIF / AMC shall before the expiry of one month from the close of each half year i.e. 31st March and on 30th September, host a soft copy of its unaudited financial results on its website (https://www.unionmf.com/arthayasif). Written communication (including digital modes such as email/SMS etc.) shall be sent to unitholders by the asset management company about the availability of financial results as referred above.

Click on https://www.unionmf.com/arthayasif or detailed half yearly result.

The unaudited financial results will also be displayed on the website of AMFI.

Annual Report:

The AMC will host the Annual Report of the Investment Strategy on the website of the SIF and on the website of AMFI not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year). The AMC SIF shall e-mail the

investment strategy annual reports or abridged summary thereof to those unitholders whose e-mail addresses are registered with the Fund.

The SIF shall provide a physical copy of the abridged summary of the Annual Report, without charging any cost, on specific request received from a unitholder. The full annual report shall be available for inspection at the Head Office of the Fund and a copy shall be made available to the Unit holders on request on payment of nominal fees, if any.

Investors who have not registered their e-mail id will have to specifically opt-in to receive a physical copy of the Annual Report or Abridged Summary thereof. Further, unitholders can submit a request for a physical or electronic copy of the investment strategy annual report or abridged summary thereof by writing to the AMC at the email address investorcare@unionmf.com or calling the AMC on the toll free number 18002002268 or submitting a request at any of the official points of acceptance of SIF.

AMCs shall send an email/SMS to all unitholders regarding the hosting of the investment strategy wise annual report on their website and on the AMC SIF website https://www.unionmf.com/arthayasif and on the website of AMFI www.amfiindia.com.

The AMC shall provide a physical copy of the abridged summary of the Annual Report, without charging any cost, on specific request received from a unitholder. Investors who have not registered their e-mail id will have to specifically opt-in to receive a physical copy of the Annual Report or Abridged Summary thereof.

Further, unitholders can submit a request for a physical or electronic copy of the investment strategy annual report or abridged summary thereof by writing to the AMC at the email address investorcare@unionmf.com or calling the AMC on the toll free number 18002002268 or submitting a request at any of the official points of acceptance of SIF.

Periodic disclosure of Risk Band of the Investment Strategy and of the Benchmark:

Risk band forms part of the Product labelling and depicts Risk band of the investment strategy. The risk band of the investment strategy shall be in accordance with clause 21.12 of SEBI Master Circular dated March 20, 2026.

SIF shall assign risk level for investment strategy at the time of launch of New Fund Offer of the investment strategy. Risk-band shall be evaluated on a monthly basis and SIF/AMCs shall disclose the risk-band for all their investment strategies on their respective websites and on website of AMFI within 10 calendar days from the close of each month.

Any change in risk band shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to unitholders of that particular investment strategy.

SIFs shall disclose the risk level of investment strategies as on March 31st of every year, along with number of times the risk level has changed over the year, on their websites and AMFI website.

Investment Strategy Summary Document:

The SIF shall provide on its website the Investment Strategy Summary Document which is a standalone investment strategy document which contains all the applicable details of the Investment Strategy, as per the prescribed format. The document shall be updated by the AMC on a monthly basis or on changes in any of the specified fields, whichever is earlier. The document shall be uploaded on the websites of the AMC SIF, AMFI and Stock Exchanges in 3 data formats, namely PDF, Spreadsheet and a machine readable format (either JSON or XML).

Benchmark Risk-band

Pursuant to extant SEBI regulations, AMCs shall disclose the following in all disclosures in which the unit holders are invested as on the date , including promotional material or that stipulated by SEBI:
a. Risk-band of the Investment Strategy wherever the performance of the Investment Strategy is disclosed

b. Risk-band of the Investment Strategy and benchmark wherever the performance of the Investment Strategy vis-à-vis that of the benchmark is disclosed.

B. Scenario Analysis for Derivatives Positions*(As specified by AMFI)*

Hybrid Investment Strategies

The following table shows the performance of Nifty50 index and individual performance of other indices:	
Nifty50	**10.00%**
IT Sector	**-15.00%**
Banking Sector	**8.50%**

The following table shows the interest rate change for various sectors:	
Government Bonds	**1.00%**
Auto Sector	**-1.25%**
Pharma Sector	**0.50%**

The following table shows the performances of various asset classes:	
Gold Futures	**5.00%**
REITs/INVITs	**2.50%**

Total AUM of Investment Strategy	**₹ 100,000,000**

Scenario 1: Without any unhedged short derivative exposure

Portfolio		Modified Duration	Weight (NAV/Total NAV)	Net Asset Value(NAV)	PnL (Market up, interest rate down)	PnL (Market down, interest rate up)
Equity	Nifty50		25.0%	₹ 25,000,000	₹ 2,500,000	₹ - 2,500,000
Debt instruments	Government Bonds	5	25.0%	₹ 25,000,000	₹ 1,250,000	₹ - 1,250,000
Commodity	Gold Futures		20.0%	₹ 20,000,000	₹ 1,000,000	₹ - 1,000,000
REITs/INVITs			20.0%	₹ 20,000,000	₹ 500,000	₹ - 500,000
Cash	-		10.00%	₹ 10,000,000	₹ -	₹ -
Total			**100.0%**	**₹ 100,000,000**	**₹ 5,250,000**	**₹ - 5,250,000**
					5.25%	**-5.25%**

Scenario 2: 10% short exposure in Equity IT Sector and 15% short exposure in bonds of Auto Sector

Portfolio		Modified Duration	Weight (NAV/Total NAV)	Net Asset Value(NAV)	PnL (Nifty up by 10%)	PnL (Nifty down by 10%)
Equity	Nifty50		20.0%	₹ 20,000,000	₹ 2,000,000	₹ - 2,000,000
Debt instruments	Government Bonds	5	20.0%	₹ 20,000,000	₹ 1,000,000	₹ - 1,000,000
Commodity	Gold Futures		15.0%	₹ 15,000,000	₹ 1,000,000	₹ - 1,000,000
REITs/INVITs			15.0%	₹ 15,000,000	₹ 500,000	₹ - 500,000
Unhedged Equity Futures Short	IT Sector		10.0%	₹ 10,000,000	₹ 1,500,000	₹ - 1,500,000
Unhedged Debt Futures Short	Auto Sector	-4.5	15.0%	₹ 15,000,000	₹ 843,750	₹ - 843,750
Cash			5.0%	₹ 5,000,000	₹ -	₹ -
Total			**100.000%**	**₹ 100,000,000**	**₹ 6,843,750**	**₹ - 6,843,750**
					6.84%	**-6.84%**

Scenario 3: 10% short exposure in Equity Banking Sector and 15% short exposure in bonds of Pharma Sector

Portfolio		Beta/Modified Duration	Weight (NAV/Total NAV)	Net Asset Value(NAV)	PnL (Nifty up by 10%)	PnL (Nifty down by 10%)
Equity	Nifty50		20.0%	₹ 20,000,000	₹ 2,000,000	₹ - 2,000,000
Debt instruments	Government Bonds	5	20.0%	₹ 20,000,000	₹ 1,000,000	₹ - 1,000,000
Commodity	Gold Futures		15.0%	₹ 15,000,000	₹ 1,000,000	₹ - 1,000,000
REITs/INVITs			15.0%	₹ 15,000,000	₹ 500,000	₹ - 500,000
Unhedged Equity Futures Short	Banking Sector		10.0%	₹ 10,000,000	₹ - 850,000	₹ 850,000
Unhedged Debt Futures Short	Pharma Sector	-4.5	15.0%	₹ 15,000,000	₹ - 337,500	₹ 337,500
Cash			5.0%	₹ 5,000,000	₹ -	₹ -
Total			**100.000%**	**₹ 100,000,000**	**₹ 3,312,500**	**₹ - 3,312,500**
					3.31%	**-3.31%**

Note:	
1	Equity Derivatives may include exchange traded Futures and Options on equity securities
2	NAV is representative of the market value at the asset level and aggregates to 100% at the fund level
3	Bond Price change is computed as : (- Modified Duration * Interest Rate Shift)
4	Bond Derivatives may include IRS, IRF,CDS etc
5	NAV is representative of the market value at the asset level and aggregates to 100% at the fund level

C. Liquidity risk management tools and its applicability:

Not Applicable, as it is an open ended hybrid investment strategy.

D. Transparency/NAV Disclosure (Details with reference to information given in Section I).

The AMC/SIF will calculate and disclose the first NAV(s) of the Investment Strategy not later than 5 Business days from the date of allotment.

Thereafter, the AMC shall declare the Net Asset Value (NAV) of the investment strategy on every Business Day on AMFI's website (www.amfiindia.com) by 11.00 p.m. and also on SIF website (https://www.unionmf.com/arthayasif).

If the NAVs are not available before the commencement of business hours on the following day due to any reason, the SIF shall issue a press release giving reasons and explaining when the SIF would be able to publish the NAV. Unitholders may avail the facility to receive the latest available NAVs through SMS by submitting a specific request in this regard to the AMC/ SIF.

For the methodology of calculation of repurchase price, please refer section III 'Other Details sub point A - Computation of NAV for redemption (sale) / switch outs (to other Investment Strategies/plans of the SIF) by Investors' in the ISID

E. Transaction charges and stamp duty

- **Transaction Charges:**
  - Not Applicable. No transaction charge shall be deducted from the subscription amount for transactions /applications received through the distributors.

- **Stamp Duty:**

Pursuant to Part I of Chapter IV of the Notification dated February 21, 2019, issued by the Legislative Department, Ministry of Law and Justice, Government of India, on the Finance Act, 2019, read with subsequent notifications including Notification dated March 30, 2020 issued by Department of Revenue, Ministry of Finance, Government of India, a stamp duty at the rate of 0.005% of the transaction value would be levied on applicable Specialized Investment Fund transactions such as purchases (including switch-in, Reinvestment of Income Distribution cum Capital Withdrawal) with effect from July 1, 2020. Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchases, switch-ins, Systematic Investment Plan (SIP) installments, Systematic Transfer Plan (STP) installments, Reinvestment of Income Distribution cum Capital Withdrawal etc. to the unit holders would be reduced to that extent.

For further details refer SAI.

F. Associate Transactions :

Please refer to Statement of Additional Information (SAI).

G. Taxation :

Based on the investment strategy the taxation can be either similar to equity oriented mutual fund or similar to Investment Strategy other than equity-oriented funds (other than Specified Mutual Funds)

For details on taxation please refer to the clause on Taxation in the SAI apart from the following:

Particulars	**Resident Investors**	**Specialized Investment Fund**
Tax on Dividend	As per applicable slab rate (Refer note~)# TDS @10% if dividend exceeds Rs. 10,000/-	Nil (Refer note~)
Capital Gains Tax on Equity Funds:		
Long Term (period of holding more than 12 months)	12.5%*	NIL
Short Term (period of holding up to 12 months)	20%	NIL
Tax on Capital Gains (Other than Equity Oriented Funds not being a Specified Mutual Fund*) (Hybrid Funds)		
Long Term (period of holding more than 12 months)	12.5% (without indexation)	NIL
Short Term (period of holding up to 12 months)	Applicable Slab Rate	NIL
Tax on Capital Gains (Specified Mutual Fund*) (Debt Funds)		
Long Term	Deemed Short Term	NIL
Short Term	Applicable Slab Rate	NIL

~Note: Dividend distribution tax is abolished w.e.f. 1st April 2020. Accordingly, dividend will be taxed in the hands of the investor. Section 194K is introduced in order to deduct tax on dividend.

The Specialized Investment Fund will pay/deduct taxes as per the applicable tax laws on the relevant date considering the provisions of the Income-tax Act, 1961 read with the Income-tax Rules, 1962 and any circulars or notifications or directives or instructions issued thereunder. Please note that grant of DTAA benefit, if any, is subject to fulfilment of stipulated conditions under the provisions of the Income-tax Act, 1961 and the relevant DTAA as well as interpretation of relevant Article of such DTAA.

(*) From A.Y. 2025-26 (FY 2024-25) on or after 23rd July 2024, any Long Term Capital Gains arising on transfer of unit of an equity oriented mutual fund will be taxable at 12.5% without indexation benefit (& foreign exchange benefit in case of Non-Resident Investors) of such capital gains exceeding Rs. 1,25,000/-. No Chapter VI-A deductions or rebate will be allowed from this capital gains.

1) Equity Investment Strategy will also attract securities transaction tax (STT) at applicable rates.
2) For further details on taxation, please refer to the clause on Taxation in SAI.
3) Surcharge and Educational cess will be payable in addition to the applicable taxes, wherever**.

In case of Non-Resident Investors: TDS is applicable on any income in respect of units of a SIF at lower of 20% (plus applicable surcharge and cess) or rate of income-tax provided in the relevant DTAA (read with CBDT Circular no. 3/2022 dated 3rd February 2022), provided such investor furnishes valid Tax Residency Certificate (TRC) for concerned FY. Tax will be deducted on Short-term/Long-term capital gains at the tax rates (plus applicable Surcharge and Health and Education Cess) specified in the Finance Act 2025 at the time of redemption of units in case of Non-Resident investors (other than FIIs) only.

TDS at higher rates: In case PAN is not furnished or PAN is inoperative, then TDS as per Section 206AA of the Income-tax Act, 1961 would apply (higher of specified rate or rates in force or 20%), subject to Rule 37BC of the Income-tax Rules, 1962.

H. Rights of Unitholders

Please refer to SAI for details.

I. List of official points of acceptance:

Details are uploaded and updated on the AMC's website https://www.unionmf.com/docs/default-source/sif-downloads/sid-kim-sai-related-disclosures/address.pdf?sfvrsn=aea9ceba_3

J. Penalties, Pending Litigation or Proceedings, Findings of Inspections or Investigations For Which Action May Have Been Taken Or Is In The Process Of Being Taken By Any Regulatory Authority

The details are available at https://www.unionmf.com/docs/default-source/sif-downloads/sid-kim-sai-related-disclosures/disclosures-on-penalties-pending-litigation.pdf?sfvrsn=2a29fcbe_1

Notes:

The Investment Strategy under this Document was approved by the Trustee at its meeting held on September 22, 2026.

The Trustee has ensured that Arthaya Hybrid Long-Short Fund is a new product offered by Arthaya SIF and is not a minor modification of its existing Investment Strategy.

The information contained in this Document regarding taxation is for general information purposes only and is in conformity with the relevant provisions of the tax laws, and has been included relying upon advice provided by the Fund's tax advisor based on the relevant provisions of the currently prevailing tax laws.

Any dispute arising out of this issue shall be subject to the exclusive jurisdiction of the Courts in India. Statements in this Investment Strategy Information Document are, except where otherwise stated, based on the law, practice currently in force in India, and are subject to changes therein.

Notwithstanding anything contained in this Investment Strategy Information Document , the provisions of the SEBI (Mutual Funds) Regulations, 2026 and the guidelines there under shall be applicable.

For and on behalf of
Union Asset Management Company Private Limited

Sd/-
Rajkamal Tiwari
Chief Executive Officer
Date: October 12, 2026.
Place: Mumbai