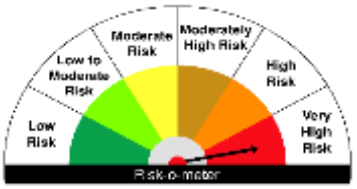
**SCHEME INFORMATION DOCUMENT**

**MOTILAL OSWAL FLEXI CAP FUND**

(An open ended dynamic equity scheme investing across large cap, mid cap, small cap stocks)

(Scheme code: - MOTO/O/E/FCF/14/02/0007)

| This product is suitable for investors who are seeking* | Scheme Risk-o-meter | Benchmark Risk-o-meter<br>Nifty 500 Total Return Index |
|---|---|---|
| • Long-term capital growth<br>• Investment in equity and equity related instruments across sectors and market-capitalization levels |  <br>The risk of the scheme is Very High | <br>The risk of the Benchmark is Very High |

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

**Continuous Offer of Units at NAV based prices**

| | |
|---|---|
| **Name of Mutual Fund** | Motilal Oswal Mutual Fund **(MOMF)** |
| **Name Asset Management Company (AMC)** | Motilal Oswal Asset Management Company Limited **(MOAMC)** |
| **Name Trustee Company** | Motilal Oswal Trustee Company Limited **(MOTC)** |
| **Address** | **Registered Office:**<br>10th Floor, Motilal Oswal Tower, Rahimtullah Sayani Road, Opp. Parel ST Depot, Prabhadevi, Mumbai-400025 |
| **Website** | **https://www.motilaloswalmf.com/** |

**The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations) 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 Scheme Information Document.**

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

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Motilal Oswal Mutual Fund (MOMF), Standard Risk Factors, Special Considerations, Tax and Legal issues and general information on www.motilaloswalmf.com.

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

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

This SID is dated **May 30, 2025**

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## PART I: HIGHLIGHTS/SUMMARY OF THE SCHEME

| Sr. No. | Title | Description |
|---|---|---|
| I. | **Name of the scheme** | Motilal Oswal Flexi Cap Fund |
| II. | **Category of the Scheme** | Flexi Cap Fund |
| III. | **Scheme type** | An open ended dynamic equity scheme investing across large cap, mid cap, small cap stocks |
| IV. | **Scheme code** | MOTO/O/E/FCF/14/02/0007 |
| V. | **Investment objective** | The investment objective of the Scheme is to achieve long term capital appreciation by primarily investing in equity & equity related instruments across sectors and market-capitalization levels.<br><br>However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved. |
| VI. | **Liquidity/listing details** | The Scheme offers Units for subscription and redemption at Applicable NAV on all Business Days on an ongoing basis.<br><br>As per SEBI Regulations, the Mutual Fund shall dispatch redemption proceeds within 3 Working days of receiving a valid redemption request. A penal interest of 15% per annum or such other rate as may be prescribed by SEBI from time to time, will be paid in case the redemption proceeds are not made within 3 Working days from the date of receipt of a valid redemption request.<br><br>The units of the Scheme are presently not proposed to be listed on any stock exchange. |
| VII. | **Benchmark (Total Return Index)** | Nifty 500 Total Return Index.<br><br>The performance of the Scheme will be benchmarked against Nifty 500 Total Return Index is a broad based index of the Indian capital market and the Scheme shall invest in equity & equity related instruments across sectors and market-capitalization levels.<br><br>Hence, the above mentioned benchmark will be able to give a true and accurate comparative analysis. Total Return variant of the index (TRI) will be used for performance comparison. |
| VIII. | **NAV disclosure** | The NAV will be calculated on all business days and shall be disclosed in the manner specified by SEBI. The AMC shall update the NAVs on its website www.motilaloswalmf.com and also on AMFI website www.amfiindia.com before 11.00 p.m. on every business day. If the NAVs are not available before 11.00 p.m. on any business day, the reason for delay in uploading NAV would be explained to AMFI in writing. If the NAVs are not available before commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAVs. Further, AMC will extend facility of sending |

| | | |
|---|---|---|
| | | latest available NAVs to unitholders through SMS, upon receiving a specific request in this regard.<br><br>Further details in Section II. |
| **IX.** | **Applicable timelines** | **Dispatch of redemption proceeds:**<br>The transfer of redemption or repurchase proceeds to the unitholders shall be made within three working days from the date of redemption or repurchase.<br><br>**Dispatch of IDCW:**<br>The payment of dividend/IDCW to the unitholders shall be made within seven working days from the record date. |
| **X.** | **Plans and Options**<br>**Plans/Options and sub options under the Scheme** | The Scheme has two Plans:<br>(i) Regular Plan and<br>(ii) Direct Plan<br><br>Each Plan will offer: (i) Growth Option and (ii) Income Distribution cum Capital withdrawal (IDCW) Option.<br><br>Regular Plan is for Investors who purchase/subscribe units in a Scheme through any Distributor (AMFI Registered Distributor/ARN Holder). Direct Plan is for investors who purchase/subscribe units in a Scheme directly with the Fund and is not routed through a Distributor (AMFI Registered Distributor/ARN Holder).<br><br>IDCW* (IDCW Payout and IDCW Reinvestment) and Growth.<br><br>**IDCW Option: -**<br>Under this Option, the Trustee reserves the right to declare IDCW under the Scheme depending on the net distributable surplus available under the Option. It should, however, be noted that actual declaration of IDCWs and the frequency of distribution will depend, inter-alia, on the availability of distributable surplus and will be entirely at the discretion of the Trustees or any Committee authorised by them.<br><br>If IDCW payable under the IDCW payout option is equal to or less than Rs. 500/-, then it would be compulsorily re-invested in the Option of the Scheme.<br>Pursuant to clause 11.2 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, IDCW can be distributed out of investor's capital (Equalization Reserve), which is part of sale price that represents realized gains.<br>*Income Distribution cum capital withdrawal option.<br><br>**Growth Option: -**<br>All Income earned and realized profit in respect of a unit issued under that will continue to remain invested until repurchase and shall be deemed to have remained invested in the option itself which will be reflected in the NAV. |

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The AMC reserves the right to introduce further Options as and when deemed fit.<br><br>
Investors subscribing Units under Direct Plan of a Scheme should indicate “Direct Plan” against the Scheme name in the application form. Investors should also mention “Direct” in the ARN column of the application form. The table showing various scenarios for treatment of application under “Direct/Regular” Plan is as follows:
<table>
<tr><th>Scenario</th><th>Broker Code mentioned by the investor</th><th>Plan mentioned by the investor</th><th>Default Plan to be captured</th></tr>
<tr><td>1</td><td>Not mentioned</td><td>Not mentioned</td><td>Direct</td></tr>
<tr><td>2</td><td>Not mentioned</td><td>Direct</td><td>Direct</td></tr>
<tr><td>3</td><td>Not mentioned</td><td>Regular</td><td>Direct</td></tr>
<tr><td>4</td><td>Mentioned</td><td>Direct</td><td>Direct</td></tr>
<tr><td>5</td><td>Direct</td><td>Not Mentioned</td><td>Direct</td></tr>
<tr><td>6</td><td>Direct</td><td>Regular</td><td>Direct</td></tr>
<tr><td>7</td><td>Mentioned</td><td>Regular</td><td>Regular</td></tr>
<tr><td>8</td><td>Mentioned</td><td>Not Mentioned</td><td>Regular</td></tr>
</table>
In cases of wrong/ invalid/ incomplete ARN code mentioned on the application form, the application will be processed under Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of application without any exit load, if applicable.<br><br>
If the investor does not clearly specify the choice of option at the time of investing, it will be deemed that the investor has opted for Growth option and in case he does not specify payout/re-investment under IDCW option, it will be deemed to be IDCW reinvestment
</td>
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<td>XI.</td>
<td>Load Structure</td>
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Exit Load:<br>
1% - If redeemed on or before 365 days from the date of allotment.<br>
Nil - If redeemed after 365 days from the date of allotment.<br><br>
Exit Load will be applicable on switch amongst the Schemes of MOMF. No Load shall be imposed for switching between Options within the Scheme. Further, it is clarified that there will be no exit load charged on a switch-out amongst the plans within the same scheme.<br><br>
For details on load structure, please refer to Section on Load Structure in this Document.
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<tr>
<td>XII.</td>
<td>Minimum Application Amount/switch in</td>
<td>For Lumpsum: Rs.500/- and in multiples of Re. 1/- thereafter.</td>
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**For Systematic Investment Plan (SIP):**

<table>
<tr><th>SIP Frequency</th><th>Minimum Instalment Amount</th><th>Number of Instalments</th><th>Choice of Day/Date</th></tr>
<tr><td>Daily</td><td>Rs. 100/- and multiple of Re. 1/- thereafter</td><td>1 month (30 days)</td><td></td></tr>
<tr><td>Weekly</td><td>Rs. 500/- and multiple of Re. 1/- thereafter</td><td>Minimum – 12<br>Maximum – No Limit</td><td>Any day of the week from Monday to Friday</td></tr>
<tr><td>Fortnightly</td><td>Rs. 500/- and multiple of Re. 1/- thereafter</td><td>Minimum – 12<br>Maximum – No Limit</td><td>1st & 14th, 7th & 21st and 14th & 28th</td></tr>
<tr><td>Monthly</td><td>Rs. 500/- and multiple of Re. 1/- thereafter</td><td>Minimum – 12<br>Maximum – No Limit</td><td>Any day of the month except 29th, 30th or 31st</td></tr>
<tr><td>Quarterly</td><td>Rs. 1,500/- and multiple of Re. 1/- thereafter</td><td>Minimum – 4<br>Maximum – No Limit</td><td>Any day of the month for each quarter (i.e. January, April, July, October) except 29th, 30th or 31st</td></tr>
<tr><td>Annual</td><td>Rs. 6,000/- and multiple of Re. 1/- thereafter</td><td>Minimum – 1<br>Maximum – No Limit</td><td>Any day or date of his/her preference</td></tr>
</table>

In case the SIP date is not specified or in case of ambiguity, the SIP transaction will be processed on 7th of every month in which application for SIP registration was received and if the end date is not specified, SIP will continue till it receives termination notice from the investor. In case, the date fixed happens to be a holiday / non-business day, the same shall be affected on the next business day. No Post Dated cheques would be accepted for SIP.

**Note**: Provisions for Minimum Application Amount are not applicable in case of mandatory investments by the Designated Employees of the AMC in accordance with clause 6.10 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024.

</td></tr>
<tr><td>**XIII.**</td><td>**Minimum Additional Purchase Amount**</td><td>Rs. 500/- and in multiples of Re. 1/- thereafter.</td></tr>
<tr><td>**XIV.**</td><td>**Minimum Redemption/switch out amount**</td><td>Rs. 500/- and in multiples of Re. 1/- thereafter or account balance, whichever is lower.</td></tr>
</table>

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| | | Note: Provisions for Minimum Redemption amount are not applicable in case of mandatory investments by the Designated Employees of the AMC in accordance with clause 6.10 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024. |
| **XV.** | **New Fund Offer Period** This is the period during which a new scheme sells its units to the investors. | NA |
| **XVI.** | **New Fund Offer Price:** This is the price per unit that the investors have to pay to invest during the NFO. | NA |
| **XVII.** | **Segregated portfolio/side pocketing disclosure** | SEBI vide clause 4.4.4 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, has advised that portfolios by mutual fund schemes investing in debt and money market instruments should have provision in the concerned SID for creating portfolio segregation.<br><br>Segregated Portfolio: The portfolio comprising of debt and money market instruments, which might be affected by a credit event and shall also include the unrated debt or money market instruments affected by actual default.<br><br>The AMC / Trustee shall decide on creation of segregated portfolio of the Scheme in case of a credit event/actual default at issuer level. Accordingly, Investor holding units of segregated portfolio may not able to liquidate their holding till the time recovery of money from the issuer. The Security comprised of segregated portfolio may not realise any value. Further, listing of units of segregated portfolio in recognised stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units in the stock market. Further trading price of units on the stock market may be significantly lower than the prevailing NAV.<br><br>For further details, kindly refer SAI. |
| **VIII.** | **Stock lending/ short selling** | Subject to the SEBI Regulations as applicable from time to time, the Scheme may, if the Trustees permit, participate in securities lending.<br>Subject to the SEBI (MF) Regulations and in accordance with Securities Lending Scheme, 1997, SEBI vide clause 12.11 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, as may be amended from time to time, the Scheme intends to engage in Stock Lending. The Scheme shall adhere to the following limits should it engage in Stock Lending.<br>• Not more than 20% of the net assets of the Scheme can be deployed in Stock Lending. |

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| | | • Not more than 5% of the net assets of the Scheme can be deployed in Stock Lending to any single counter party (as may be applicable).<br>Subject to the SEBI Regulations as applicable from time to time, the Scheme may, participate in securities lending.<br><br>For Details, kindly refer SAI |
| **XIX.** | **How to Apply and other details** | Investors should mandatorily use the Application Forms, Transactions Request, included in the KIM and other standard forms available at the Investor Service Centers/ www.motilaloswalmf.com, for any financial/non-financial transactions. Any transactions received in any non-standard forms are liable to be rejected.<br><br>Please more refer Details in Section II. |
| **XX.** | **Where can applications for subscription/ redemption/ switches be submitted** | The application forms for purchase/redemption of units directly with the Fund can be submitted at the Designated Collection Center (DCC)/ Investor Service Center (ISC) of Motilal Oswal Mutual Fund as mentioned in the SID and also at DCC and ISC of our Registrar and Transfer Agent (RTA), KFin Technologies Limited. The details of RTA's DCC and ISC are available at the link https://www.kfintech.com/contact-us/.<br><br>Investors can also subscribe to the Units of the Scheme through MFSS and/or NMF II facility of NSE and BSE StAR MF facility of BSE.<br><br>In addition to subscribing Units through submission of application in physical, investor / unit holder can also subscribe to the Units of the Scheme through RTA's website i.e. www.kfintech.com/ . The facility to transact in the Scheme is also available through mobile application of Kfin i.e. 'KFINTRACK'<br><br>Please refer Details in Section II. |
| **XXI.** | **Investor services** | **<u>For General Service request and Complaint Resolution</u>**<br><br>**Mr. Juzer Dalal**<br>**Motilal Oswal Asset Management Company Limited**<br>10th Floor, Rahimtullah Sayani Road, Opp. Parel ST Depot, Prabhadevi, Mumbai – 400025<br>Tel No.: +91 8108622222 and +91 22 40548002<br>Fax No.: 02230896884<br>Email.: amc@motilaloswal.com<br><br>Investors are advised to contact any of the Designated Collection Center / Investor Service Center or the AMC by calling the toll free no. of the AMC at +91 8108622222<br>+91 22 40548002.<br>Investors can also visit our website www.motilaloswalmf.com for complete details. |

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| | | Investor may also approach the Compliance Officer / CEO of the AMC. The details including, inter-alia, name & address of Compliance Officer & CEO, their e-mail addresses and telephone numbers are displayed at each offices of the AMC.<br><br>For any grievances with respect to transactions through stock exchange mechanism, Unit Holders must approach either their stock broker or the investor grievance cell of the respective stock exchange or their distributor. |
| **XXII.** | **Specific attribute of the scheme (such as lock in, duration in case of target maturity scheme/close ended schemes) (as applicable)** | NA |
| **XIII.** | **Special product/facility available on ongoing basis** | The Special Products / Facilities available during on ongoing base are as follows:<br><br>i Systematic Investment Plan (SIP)<br>ii Systematic Transfer Plan<br>iii Systematic Withdrawal Plan<br>iv Switching Option<br>v NAV Appreciation Facility<br>vi Dividend Transfer Plan<br>vii Mobile Facility<br>viii Motilal Oswal Value Index<br>ix Motilal Oswal Fixed Amount Benefit Plan<br>x Online MF Central as Official Point of Acceptance of Transactions (OPAT)<br>xi Application through MF utility platform<br>xii Transaction through Stock Exchange<br>xiii Transaction through electronic mode<br>xiv Through MFSS and/or NMF II facility of NSE and BSE StAR MF facility of BSE<br>xv Through mobile application of Kfin i.e. 'KTRACK' MFCentral as Official Point of Acceptance of Transactions (OPAT<br>xvi Round up facility<br>**Motilal Oswal Asset Management Company Limited (MOAMC)** is introducing a **Round-ups facility**, *through Wizmo, a new mobile app ('the app'),* allowing investors to invest small amounts linked to their everyday spending. This is offered as an additional mode alongside lump sum and SIP investments in select MOAMC schemes effective May 16, 2025.<br><br>For Details, kindly refer SAI. |

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| XXIV. | **Web link** | For Factsheet: https://www.motilaloswalmf.com/download/factsheets<br>For Total Expense Ratio: https://www.motilaloswalmf.com/total-expense-ratio |

## DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

**It is confirmed that:**

(i) The Scheme Information Document submitted to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.

(ii) All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.

(iii) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the Scheme.

(iv) The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

(v) The contents of the Scheme 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 Scheme Information Documents and other than cited deviations/ that there are no deviations from the regulations.

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

(viii) The Trustees have ensured that the Motilal Oswal Flexi Cap Fund approved by them is a new product offered by Motilal Oswal Mutual Fund and is not a minor modification of any existing scheme/fund/product.

**Motilal Oswal Asset Management Company Limited**
**(Investment Manager of Motilal Oswal Mutual Fund)**

**SD/-**
**Name: Aparna Karmase**
**Designation: Head - Compliance, Legal & Secretarial**

**Date: May 30, 2025**
**Place: Mumbai**

## Part II. INFORMATION ABOUT THE SCHEME

### A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS

The asset allocation pattern of the Scheme would be as follows:

| Instruments | Indicative Allocations (%of total assets) | |
|---|---|---|
| | Minimum | Maximum |
| Equity & Equity related instruments | 65 | 100 |
| Debt Instruments, Money Market Instruments, G-Secs, Cash and Cash at call, etc. | 0 | 35 |

Money Market Instruments includes Commercial papers, Commercial bills, Treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, certificate of deposit, Bills Rediscounting, Repos, Triparty Repo, usance bills, and any other like instruments as specified by the Reserve Bank of India (RBI)/ Securities and Exchange Board of India (SEBI) from time to time.

Pursuant to clause 12.24 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, the cumulative gross exposure through equity, debt, derivative positions, repo transactions Real Estate Investment Trusts (REITs), Infrastructure Investment Trusts (InvITs), other permitted securities/assets and such other securities/assets as may be permitted by the Board from time to time will not exceed 100% of the net assets of the scheme, subject to approval if any.

The Scheme shall invest in equity and equity related instruments, debt and money market instruments as per the investment objective of the Scheme.

**Indicative Table**

| Sl. no | Type of Instrument | Percentage of exposure | Circular references* |
|---|---|---|---|
| 1. | Securities Lending | The Scheme shall adhere to the following limits while engaging in Stock Lending.<br>• Not more than 20% of the net assets of the Scheme can be deployed in Stock Lending.<br>• Not more than 5% of the net assets of the Scheme can be deployed in Stock Lending to any single approved intermediary. | Subject to clause 12.11 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, as may be amended from time to time, the Scheme intends to engage in Stock Lending. |
| 2. | Equity and Debt Derivatives for non- hedging purposes | The Scheme may invest in derivative products from time to time as permitted by SEBI/RBI. The exposure to derivative instruments shall not exceed 50% of the Equity and Debt portion of the scheme respectively. The Scheme shall not write options or purchase instruments with embedded written options. | In accordance with clause 7.5, 7.6 and 12.25 of SEBI Master Circular SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024. |

| | | | |
|---|---|---|---|
| 3. | Securitized Debt | The scheme will not make any investment in Securitised Debt. | - |
| 4. | ReITS and InVITS | The scheme will make investment in ReITs and InVITs. | - |
| 5. | Overseas securities | The Scheme may invest in foreign securities including ADRs/GDRs/Foreign equity and equity related instruments upto 15% of the total net assets of the Scheme. Such investments will be subject to SEBI (Mutual Funds) Regulations, 1996 and in compliance with clause 12.19 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 and such other regulations issued from time to time.<br><br>As per the SEBI (MF) Regulation and in terms of clause 12.19 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, the Fund is permitted to invest USD 1 billion. However, the overall limit for the Mutual Fund Industry is USD 7 billion. Further, the overall ceiling for investment in overseas Exchange Traded Funds (ETFs) that invests in securities is USD 1 billion subject to a maximum of USD 300 million per mutual fund. | As per the SEBI (MF) Regulation and in terms of clause 12.19 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 and such other regulations issued from time to time. |
| 6. | AT1 and AT2 Bonds | The Scheme shall not invest in AT1 and AT2 Bonds | - |
| 7. | Unrated Debt instrument | The Scheme shall not invest in unrated debt instrument. | - |
| 8 | Structured Obligations / Credit Enhancements. | The Scheme will not invest in debt instruments having Structured Obligations / Credit Enhancements. | - |
| 9 | Short Selling | The scheme will not invest in Short selling. | - |
| 10 | Repo in corporate debt and corporate reverse repo | The Scheme shall not invest in repo in corporate debt and corporate reverse repo. | - |
| 11 | Credit Default Swaps (CDS) | The Scheme shall not invest in Credit Default Swaps. | - |

**Change in Asset Allocation Pattern**

Subject to the Regulations and clause 2.9 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, the asset allocation pattern indicated above for the Scheme may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. In the event of deviation from the above asset allocation of the Scheme mentioned in the SID due to passive breaches (occurrence of instances not arising out of omission and commission of AMC), then the portfolio of the Scheme will

be rebalanced by the Fund Manager to the position indicated in the asset allocation table above. In case of deviation, if any, from the asset allocation pattern, the AMC shall rebalance the portfolio within a period of 30 business days. Where the portfolio is not rebalanced within 30 business days, justification for the same shall be placed before the Investment Committee and reasons for the same shall be recorded in writing. The Investment Committee can extend the timelines up to sixty (60) business days from the date of completion of the above mentioned mandated rebalancing period.

In case, the portfolio of scheme is not rebalanced within the aforementioned mandated plus extended timelines, AMCs shall:

i. not be permitted to launch any new scheme till the time the portfolio is rebalanced.

ii. not to levy exit load, if any, on the investors exiting such scheme(s).

**Rebalancing due to Short Term Defensive Consideration:**

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. In accordance with 1.14.1.2 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, such changes in the investment pattern will be for short term on defensive considerations only and the fund manager will rebalance the portfolio within 30 calendar days from the date of deviation.

The exposure to large cap stocks which are classified as such by Securities and Exchange Board of India (SEBI) or Association of Mutual Funds in India (AMFI) from time to time, in terms of SEBI Circular dated October 6, 2017. This list would be uploaded on AMFI website and updated every six months; accordingly, the fund manager will rebalance the portfolio of the Scheme within the stipulated period (at present 1 month).

## B. WHERE WILL THE SCHEME INVEST

The Scheme will invest in Equity and Equity related instruments, Debt instruments, Money Market Instruments, G-Sec, Cash and cash equivalents, etc.

**For detailed derivatives strategies, please refer SAI.**

**For detailed information kindly refer Section II.**

## C. WHAT ARE THE INVESTMENT STRATEGIES

The Scheme will invest in attractive securities across asset classes (debt and equity) and across sectors and capitalization levels. Emphasis will be placed on identifying high quality/high & sustainable growth companies for investment.

The fund shall follow an active investment style using bottom-up stock picking. The fund managers shall identify and invest in shares of high quality businesses having sustainable and scalable business models thus using QGLP (Quality, Growth, Longevity & Price) as the key evaluation parameters. The businesses should have strong earnings growth prospects and be available at reasonable valuations.

The fund shall be benchmark agnostic with a portfolio of high conviction stock ideas from across market-

capitalization levels/ sectors. The portfolio stocks could be potentially concentrated in a few market capitalization levels/ sectors which have very low downside risk.

The fund can invest in compelling opportunities in foreign listed securities (including ETFs and other overseas funds)

The fund may also selectively invest in strong business franchises in the unlisted space, with a scalable business model and available at attractive valuations.

While making investment decisions, besides other factors, the impact of the prevailing economic environment over the medium to long term prospects of the companies will also be taken into consideration.

The AMC will endeavour to meet the investment objective of the Scheme while maintaining a balance between safety, liquidity and return on investments.

**Risk Control**
Risk is an inherent part of the investment function. Effective Risk management is critical to fund management for achieving financial soundness. Investment by the Scheme would be made as per the investment objective of the Scheme and in accordance with SEBI Regulations. AMC has adequate safeguards to manage risk in the portfolio construction process. Risk control would involve managing risk in order to keep in line with the investment objective of the Scheme. The risk control process would include identifying the risk and taking proper measures for the same. The system has incorporated all the investment restrictions as per the SEBI guidelines and enables identifying and measuring the risk through various risk management tools like various portfolio analytics, risk ratios, average duration and analyses the same and acts in a preventive manner.

**Securities Lending**
Securities Lending is 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.

Securities Lending is 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.

The Scheme may lend securities from its portfolio in accordance with the Regulations.

**Portfolio Turnover**
Portfolio Turnover is defined as the lower of sales or purchase divided by the average corpus during a specified period of time. The Scheme, being an open ended equity scheme, it is expected that there would be a number of subscriptions and redemptions on a daily basis. However, it is difficult to measure with reasonable accuracy the likely turnover in the portfolio of the Scheme.

## D. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

The performance of the Scheme will be benchmarked against Nifty 500 Total Return Index.

Nifty 500 Total Return Index is a broad based index of the Indian capital market and the Scheme shall invest in equity & equity related instruments across sectors and market-capitalization levels. Hence, it is an appropriate benchmark for the Scheme.

Total Return variant of the index (TRI) will be used for performance comparison.

## E. WHO MANAGES THE SCHEME?

| Name and Designation of the fund manager | Age and Qualification | Other schemes managed by the fund manager and tenure of managing the schemes | Experience |
|---|---|---|---|
| **Mr. Niket Shah**<br><br>Fund Manager - Equity<br><br>**Managing Since:** July 1, 2022. | Age: 39 years<br><br>Qualification: Masters in Business Administration (MBA – Finance) | **Fund Manager -**<br>1. Motilal Oswal Balanced Advantage Fund<br>2. Motilal Oswal Business Cycle Fund<br>3. Motilal Oswal Digital India Fund<br>4. Motilal Oswal Flexi Cap Fund<br>5. Motilal Oswal Large Cap Fund<br>6. Motilal Oswal Midcap Fund<br>7. Motilal Oswal Multi Cap Fund<br>8. Motilal Oswal Small Cap Fund<br>9. Motilal Oswal Arbitrage Fund<br>10. Motilal Oswal Innovation Opportunities Fund | Mr. Niket has 15 years of overall experience. He has done his Master's in Business Administration (MBA) in Finance from Welingkar Institute of Management studies.<br><br>Prior to joining MOAMC, he was associated with MOSL as Head of Midcaps Research from February 2013 to March 2018, Edelweiss Securities Ltd. as Research Analyst - Midcaps from March 2010 to January 2013 and Religare Capital Markets Ltd. as Associate Research Analyst - Midcaps from June 2008 to March 2010. |
| **Mr. Ajay Khandelwal**<br><br>Fund Manager - Equity<br><br>**Managing Since:** October 01, 2024 | Age: 46 years<br><br>Qualification:<br>1. CFA Level 3<br>2. PGDM – MBA - TAPMI, Manipal<br>1. 3. B.E. – Electrical Engineer - MITS, Gwalior | **Fund Manager -**<br>1. Motilal Oswal Balanced Advantage Fund<br>2. Motilal Oswal Business Cycle Fund<br>3. Motilal Oswal ELSS Tax Saver Fund<br>4. Motilal Oswal Flexi Cap Fund<br>5. Motilal Oswal Focused Fund<br>6. Motilal Oswal Large and Midcap Fund<br>7. Motilal Oswal Large Cap Fund | Mr Ajay Khandelwal has around 18 years of experience in fund management and research activity. Earlier he was associated with Canara Robeco Asset Management Company as Fund Manager, where he used to take active part in fund management activity of Small Cap Fund.<br><br>He started his professional journey as a Research Analyst in BOI AXA Investment Managers, where he used to research on |

| | | | |
|---|---|---|---|
| | | 8. Motilal Oswal Manufacturing Fund<br>9. Motilal Oswal Midcap Fund<br>10. Motilal Oswal Multi Asset Fund<br>11. Motilal Oswal Multi Cap Fund<br>12. Motilal Oswal Quant Fund<br>13. Motilal Oswal Small Cap Fund<br>14. Motilal Oswal Active Momentum Fund<br>15. Motilal Oswal Infrastructure Fund | Information Technology (IT) and Banking, Financial Services and Insurance (BFSI) industry, understanding the sector and company specification through data analysis. |
| **Mr. Atul Mehra**<br><br>Fund Manager - Equity<br><br>**Managing Since:** October 01, 2024 | **Age:** 37 years<br>**Qualification:** CFA Charterholder, CFA Institute, Charlottesville, Virginia, USA<br>Masters in commerce; Mumbai University<br>Bachelor's in commerce, Mumbai University, HR College of Commerce and Economics | **Fund Manager –**<br>1. Motilal Oswal Balanced Advantage Fund<br>2. Motilal Oswal Business Cycle Fund<br>3. Motilal Oswal Digital India Fund<br>4. Motilal Oswal ELSS Tax Saver Fund<br>5. Motilal Oswal Flexi Cap Fund<br>6. Motilal Oswal Focused Fund<br>7. Motilal Oswal Large and Midcap Fund<br>8. Motilal Oswal Large Cap Fund<br>9. Motilal Oswal Manufacturing Fund<br>10. Motilal Oswal Multi Asset Fund<br>11. Motilal Oswal Multi Cap Fund<br>12. Motilal Oswal Arbitrage Fund<br>13. Motilal Oswal Innovation Opportunities Fund | Atul has over 15 years of overall experience. He is associated with Motilal Oswal Asset Management Company Ltd – Senior Vice President, Fund Manager – Equity.<br><br>Prior to this he is associated as Senior Vice President, Fund Manager – PMS and AIFs. (December 2013 – December 2023). Further, prior to this he was associated with Edelweiss Capital Ltd – Research Analyst (2008 - 2013). |

| | | | |
|---|---|---|---|
| | | 1. Motilal Oswal Infrastructure Fund | |
| **Mr. Rakesh Shetty**<br><br>Fund Manager – Debt Component<br><br>**Managing Since:** November 22, 2022. | Age: 44 years<br><br>Qualification: Bachelors of Commerce (B.Com) | **Fund Manager –**<br>1. Motilal Oswal Asset Allocation Passive Fund of Fund - Aggressive<br>2. Motilal Oswal Asset Allocation Passive Fund of Fund – Conservative<br>3. Motilal Oswal Balanced Advantage Fund<br>4. Motilal Oswal BSE Enhanced Value ETF<br>5. Motilal Oswal BSE Enhanced Value Index Fund<br>6. Motilal Oswal BSE Financials ex Bank 30 Index Fund<br>7. Motilal Oswal BSE Healthcare ETF<br>8. Motilal Oswal BSE Low Volatility ETF<br>9. Motilal Oswal BSE Low Volatility Index Fund<br>10. Motilal Oswal BSE Quality ETF<br>11. Motilal Oswal BSE Quality Index Fund<br>12. Motilal Oswal Business Cycle Fund<br>13. Motilal Oswal Developed Market Ex Us ETF'S Fund of Funds<br>14. Motilal Oswal Digital India Fund<br>15. Motilal Oswal ELSS Tax Saver Fund<br>16. Motilal Oswal Flexi Cap Fund<br>17. Motilal Oswal Focused Fund | Mr. Rakesh Shetty has more than 14 years of overall experience and expertise in trading in equity, debt segment, Exchange Trade Fund's management, Corporate Treasury and Banking.<br><br>Prior to joining Motilal Oswal Asset Management Company Limited, he has worked with Company engaged in Capital Market Business wherein he was in charge of equity and debt ETFs, customized indices and has also been part of product development. |

| | | | |
|---|---|---|---|
| | | 18. Motilal Oswal Gold and Silver ETFs Fund of Funds<br>19. Motilal Oswal Large and Midcap Fund<br>20. Motilal Oswal Large Cap Fund<br>21. Motilal Oswal Liquid Fund<br>22. Motilal Oswal Manufacturing Fund<br>23. Motilal Oswal Midcap Fund<br>24. Motilal Oswal Multi Asset Fund<br>25. Motilal Oswal Multi Cap Fund<br>26. Motilal Oswal Nasdaq 100 Fund of Fund<br>27. Motilal Oswal Nasdaq Q 50 ETF<br>28. Motilal Oswal Nifty 200 Momentum 30 ETF<br>29. Motilal Oswal Nifty 200 Momentum 30 Index Fund<br>30. Motilal Oswal Nifty 5 year Benchmark G-Sec ETF<br>31. Motilal Oswal Nifty 50 ETF<br>32. Motilal Oswal Nifty 50 Index Fund<br>33. Motilal Oswal Nifty 500 ETF<br>34. Motilal Oswal Nifty 500 Index Fund<br>35. Motilal Oswal Nifty 500 Momentum 50 ETF<br>36. Motilal Oswal Nifty 500 Momentum 50 Index Fund<br>37. Motilal Oswal Nifty Bank Index Fund<br>38. Motilal Oswal Nifty India Defence ETF | |

| | | | |
|---|---|---|---|
| | | 39. Motilal Oswal Nifty India Defence Index Fund<br>40. Motilal Oswal Nifty Microcap 250 Index Fund<br>41. Motilal Oswal Nifty Midcap 100 ETF<br>42. Motilal Oswal Nifty Midcap 150 Index Fund<br>43. Motilal Oswal Nifty Next 50 Index Fund<br>44. Motilal Oswal Nifty Realty ETF<br>45. Motilal Oswal Nifty Smallcap 250 ETF<br>46. Motilal Oswal Nifty Smallcap 250 Index Fund<br>47. Motilal Oswal Quant Fund<br>48. Motilal Oswal S&P 500 Index Fund<br>49. Motilal Oswal Small Cap Fund<br>50. Motilal Oswal Ultra Short Term Fund<br>51. Motilal Oswal 5 Year G-sec Fund Of Fund<br>52. Motilal Oswal Nifty MidSmall India Consumption Index Fund<br>53. Motilal Oswal Nifty MidSmall Healthcare Index Fund<br>54. Motilal Oswal Nifty MidSmall Financial Services Index Fund<br>55. Motilal Oswal Nifty MidSmall IT and Telecom Index Fund<br>56. Motilal Oswal Nifty Capital Market Index Fund | |

| | | | |
|---|---|---|---|
| | | 57. Motilal Oswal Arbitrage Fund<br>58. Motilal Oswal Innovation Opportunities Fund<br>59. Motilal Oswal Capital Market ETF<br>60. Motilal Oswal Active Momentum Fund<br>61. Motilal Oswal Nifty 50 Equal Weight ETF<br>62. Motilal Oswal Nifty Next 50 ETF<br>63. Motilal Oswal Infrastructure Fund<br>64. Motilal Oswal BSE India Infrastructure ETF<br>65. Motilal Oswal Nifty India Manufacturing ETF | |
| **Mr. Sunil Sawant**<br><br>Fund Manager – Foreign Securities<br><br>**Managing Since:** July 01, 2024 | Age: 37 Years<br><br>Qualification: Master of Commerce (M. Com). | **Fund Manager -**<br>1. Motilal Oswal Balanced Advantage Fund<br>2. Motilal Oswal Business Cycle Fund<br>3. Motilal Oswal Developed Market Ex Us ETF'S Fund of Funds<br>4. Motilal Oswal Digital India Fund<br>5. Motilal Oswal Flexi Cap Fund<br>6. Motilal Oswal Focused Fund<br>7. Motilal Oswal Large and Midcap Fund<br>8. Motilal Oswal Large Cap Fund<br>9. Motilal Oswal Manufacturing Fund<br>10. Motilal Oswal Midcap Fund<br>11. Motilal Oswal Multi Asset Fund | Sunil has been associated with the Company since 2018 for Alternates Business as Dealer. Prior to joining to Motilal Oswal Asset Management Company he has worked with Sharekhan, Aditya Birla and Angel Broking as Equity Dealer and Advisor. He has been associated in capital market industry since 2009. |

| | | | |
|---|---|---|---|
| | | 12. Motilal Oswal Multi Cap Fund<br>13. Motilal Oswal Nasdaq 100 ETF<br>14. Motilal Oswal Nasdaq Q 50 ETF<br>15. Motilal Oswal S&P 500 Index Fund<br>16. Motilal Oswal Small Cap Fund<br>17. Motilal Oswal Innovation Opportunities Fund<br>18. Motilal Oswal Infrastructure Fund | |

## F. HOW IS THE SCHEME DIFFERENT FROM EXISTING SCHEMES OF THE MUTUAL FUND?

The following list consists of existing actively managed open ended schemes of Motilal Oswal Mutual Fund.

| Sr.No | Name of Schemes |
|---|---|
| 1. | Motilal Oswal Midcap Fund |
| 2. | Motilal Oswal Flexi cap Fund |
| 3. | Motilal ELSS Tax Saver Fund |
| 4. | Motilal Oswal Large and Midcap Fund |
| 5. | Motilal Oswal Focused Fund |
| 6. | Motilal Oswal Small Cap Fund |
| 7. | Motilal Oswal Large Cap Fund |
| 8. | Motilal Oswal Balanced Advantage Fund |
| 9. | Motilal Oswal Multi Asset Fund |
| 10. | Motilal Oswal Multi Cap Fund |
| 11. | Motilal Oswal Quant Fund |
| 12. | Motilal Oswal Business Cycle Fund |
| 13. | Motilal Oswal Manufacturing Fund |
| 14. | Motilal Oswal Ultra Short Term Fund |
| 15. | Motilal Oswal Liquid Fund |
| 16. | Motilal Oswal Digital India Fund |
| 17. | Motilal Oswal Innovation Opportunities Fund |
| 18. | Motilal Oswal Active Momentum Fund |
| 19. | Motilal Oswal Arbitrage Fund |
| 20. | Motilal Oswal Infrastructure Fund |

For detailed comparative table please refer link **https://www.motilaloswalmf.com/download/sid-related-documents**

**The Trustees have ensured that the Scheme is a new product offered by Motilal Oswal Mutual Fund**

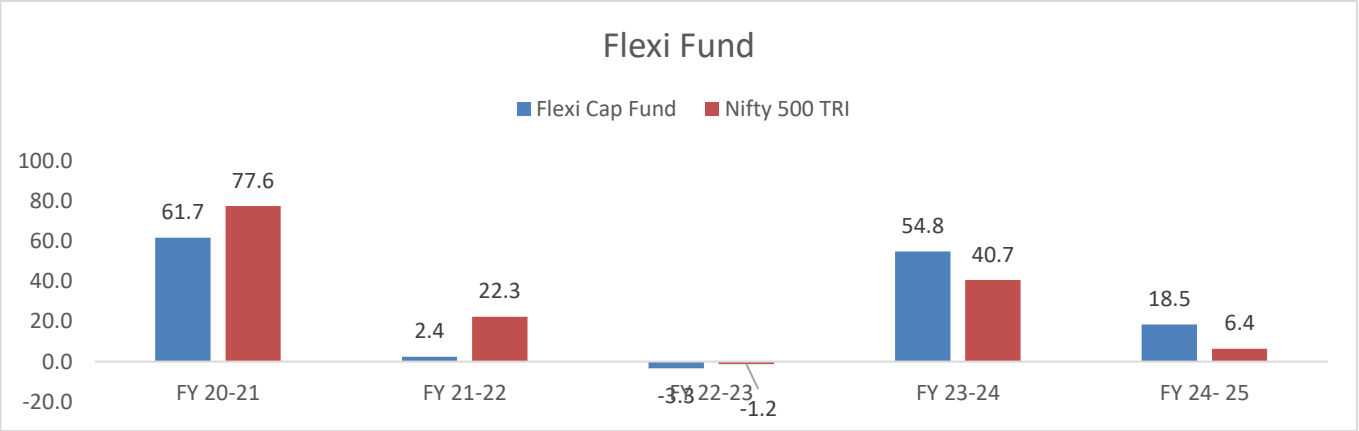
**and is not a minor modification of its existing Scheme.**

## G. HOW HAS THE SCHEME PERFORMED

The Performance of the Scheme as on March 31, 2025 is as follows:

| **Compounded Annualised Returns** | Scheme Returns (%) of Motilal Oswal Flexi Cap Fund | Scheme Returns (%) of Motilal Oswal Flexi Cap Fund | **Benchmark Returns (%)** |
|---|---|---|---|
| | Direct | Regular | Nifty 500 Total Return Index |
| Returns for the last 1 year | 18.4% | 19.5% | 6.4% |
| Returns for the last 3 year | 21.0% | 22.0% | 13.9% |
| Returns for the last 5 year | 24.0% | 25.1% | 26.3% |
| Returns for the last 7 year | 11.7% | 12.7% | 14.5% |
| Returns for the last 10 year | 12.9% | 13.9% | 13.1% |
| Returns since inception | 17.3% | 18.4% | 14.8% |

**Absolute Returns for each financial year for the last five (5) years:**




Note: *Returns for one year are absolute returns and returns for more than one year are compounded annualized and date of inception is deemed to be date of allotment. Date of Allotment is April 28, 2014. Performance is for Regular Plan Growth option. Different plans have different expense structure. Past performance may or may not be sustained in future.

## H. ADDITIONAL SCHEME RELATED DISCLOSURES

**1. Top 10 Holdings of the Scheme:**

Please find below link to access the top 10 holdings and fund allocation towards various sectors of the scheme https://www.motilaloswalmf.com/download/factsheets

**2. Disclosure of Name and Exposure to Top 7 issuers, stocks, groups and sectors as a percentage of NAV of**

**the Scheme in case of debt and equity etfs/index funds through a functional website link that contains detailed description**

The Scheme is an active scheme and hence the same is not applicable.

**3. Portfolio Turnover Rate**

The Portfolio Turnover Ratio of the Scheme as on March 31, 2025 is 1.57.

**4. Functional Website Link For Portfolio Disclosure:**

- Fortnightly / Monthly Portfolio disclosure: https://www.motilaloswalmf.com/download/index-fund/month-end-portfolio.
- Half Yearly Portfolio disclosure: https://www.motilaloswalmf.com/download/financials.

**5. Aggregate Investment in the Scheme by Concerned Fund Manager:**

| **Sr. No.** | **Category of Persons** | **Net Value** | | **Market Value ( in Rs.)** |
|---|---|---|---|---|
| | Concerned scheme's Fund Manager(s) | Units | NAV per unit | |
| 1. | Mr. Niket Shah | 117766.279 | 63.0655 | 7426989.27 |
| 2. | Mr. Ajay Khandelwal | 1532.101 | 63.0655 | 96622.72 |
| 3. | Mr. Sunil Sawant | 319.79 | 63.0655 | 20167.72 |
| 4. | Mr. Rakesh Shetty | 4573.218 | 63.0655 | 288412.28 |
| 5. | Mr. Atul Mehra | 2763.821 | 63.0655 | 174301.75 |

The above data includes units invested in the Scheme as per the SEBI Circular on Alignment of interest of Key Employees of Asset Management Companies (AMCs) with the Unitholders of the Mutual Fund Schemes dated April 28, 2021.

**6. Investments of AMC in the Scheme -**

In accordance with Regulation 28(4) of SEBI (Mutual Funds) (Amendment) Regulations, 2014 the Sponsor or AMC has invested a portion of its assets into the Scheme as seed capital to the extent mandated and such seed capital will not be redeemed or withdrawn by the AMC until the winding up of the Scheme

In addition to investments as mandated under Regulation 28(4) of the Regulations, the AMC may invest in the Scheme during the New Fund Offer (NFO) or continuous offer period subject to the SEBI (MF) Regulations. However, AMC shall not charge any fees on such investments.

For the details pertaining to the said investment visit:
https://www.motilaloswalmf.com/download/regulatory-updates.

## PART III- OTHER DETAILS

### A. COMPUTATION OF NAV

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

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

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

The NAV will be calculated up to four decimals.

The NAV shall be calculated and announced on each working day. The computation of NAV shall be in conformity with SEBI Regulations and guidelines as prescribed from time to time.

**ILLUSTRATION OF NAV:**
If the net assets of the Scheme, after considering applicable expenses, are Rs.10,45,34345.34 and units outstanding are 10,00,0000, then the NAV per unit will be computed as follows:

10,45,34,345.34 / 10,00,000 = Rs. 10.4534 per unit (rounded off to four decimals)

Repurchase/ Resale is at Net Asset Value (NAV) related prices with repurchase/ resale loads as applicable (within limits) as specified under SEBI Regulations 1996, While determining the price of the units, the fund will ensure that the repurchase price is not lower than 95 per cent of the Net Asset Value.

### 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 expenses, printing and stationary, bank charges etc. The entire NFO expenses were borne by the AMC.

### C. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the Scheme. These expenses include but are not limited to Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer agents' fees & expenses, marketing and selling costs etc.

The AMC has estimated that upto 2.25 % of the daily net assets of the scheme will be charged to the scheme as expenses as permitted under Regulation 52 of SEBI (MF) Regulations. For the actual current expenses being charged, the investor should refer to the website of the Fund.

| Particulars | % p.a. of daily Net Assets |
|---|---|
| Investment Management and Advisory Fees | Upto 2.25% |
| Trustee fee | |
| Audit fees | |
| Custodian fees | |
| Registrar & Transfer Agent Fees | |
| Marketing & Selling expense including agents' commission | |
| Cost related to investor communications | |
| Cost of fund transfer from location to location | |
| Cost toward investor and Education fund | |
| Brokerage and transaction cost pertaining to distribution of unit | |
| Cost of providing account statements and IDCW/ redemption cheques and warrants | |
| Costs of statutory Advertisements | |
| Cost towards investor education & awareness (at least 2 bps) | |
| Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades respectively | |
| Goods and Service Tax **(GST)** on expenses other than investment management and advisory fees | |
| GST on expenses other than investment and advisory fee | |
| GST on brokerage and transaction cost | |
| Other Expenses* | |
| **Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c)** | Upto 2.25% |
| Additional expenses under regulation 52 (6A) (c) | Upto 0.05% |
| Additional expenses for gross new inflows from specified cities under Regulation 52 (6A)(b)# | Upto 0.30% |

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

#Additional TER will be charged based on inflows only from retail investors (other than Corporates and Institutions) from B 30 cities.

As per clause 10.1.3 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, it has been decided that inflows of amount upto Rs. 2,00,000/- per transaction, by the individual investors shall be considered as inflows from retail investors.

All scheme related expenses including commission paid to distributors, by whatever name it may be called and in whatever manner it may be paid, shall necessarily be paid from the scheme only within the regulatory limits and not from the books of the Asset Management Companies (AMC), its associate, sponsor, trustee or any other entity through any route. Provided that the expenses that are very small in value but high in volume may be paid out of AMC's books. Such expenses can be paid out of AMC's books at actuals or not exceeding 2 bps of respective scheme AUM, whichever is lower.

However, the upfront trail commission shall be paid from AMC's books for inflows through SIPs from new investors as per the applicable regulations. The said commission shall be amortized on daily basis to the scheme

over the period for which the payment has been made. A complete audit trail of upfronting of trail commissions from the AMC's books and amortization of the same to scheme(s) thereafter shall be made available for inspection. The said commission should be charged to the scheme as 'commissions' and should also account for computing the TER differential between regular and direct plans in each scheme.

The recurring expenses of the Scheme (excluding additional expenses under regulation 52(6A)(c) and additional distribution expenses for gross inflows from specified cities), as per SEBI Regulations are as follows:

| **First Rs.500 crore** | **Next Rs.250 crore** | **Next Rs.1,250 crore** | **Next Rs.3,000 crore** | **Next Rs.5,000 crore** | **Next Rs.40,000 crore** | **on the balance of the assets** |
|---|---|---|---|---|---|---|
| 2.25% | 2.00% | 1.75% | 1.60% | 1.50% | Total expense ratio reduction of 0.05% for every increase of Rs.5,000 crores of daily net assets or part thereof. | 1.05% |

The expenses towards Investment Management and Advisory Fees under Regulation 52 (2) and the various sub-heads of recurring expenses mentioned under Regulation 52 (4) of SEBI (MF) Regulations are fungible in nature. Thus, there shall be no internal sub-limits within the expense ratio for expense heads mentioned under Regulation 52 (2) and (4) respectively. Further, the additional expenses under Regulation 52(6A)(c) shall also be incurred towards any of these expense heads.

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 a regular plan. The TER of the Direct Plan will be lower to the extent of the distribution expenses/commission which is charged in the Regular Plan and no commission for distribution of Units will be paid / charged under the Direct Plan. Accordingly, the NAV of the Direct Plan would be different from NAV of Regular Plan.

In addition to expenses under Regulation 52(6) and (6A), AMC may charge GST on investment and advisory fees, expenses other than investment and advisory fees and brokerage and transaction cost as below:

1. GST on investment and advisory fees charged to the scheme will be in addition to the maximum limit of TER as prescribed in regulation 52 (6) of the SEBI Regulations.
2. GST on expenses other than investment and advisory fees, if any, shall be borne by the scheme within the maximum limit of TER as per regulation 52 of the SEBI Regulations.
3. GST on exit load, if any, will be paid out of the exit load proceeds and exit load net of GST, if any, shall be credited to the scheme.
4. GST on brokerage and transaction cost paid for execution of trade, if any, shall be within the limit prescribed under regulation 52 of the SEBI Regulations.

In accordance with Regulation 52(6A), the following expenses can be charged in addition to the existing total recurring expenses charged under Regulation 52(6):

Brokerage and transaction costs which are incurred for the purpose of execution of trade shall be charged to the Scheme, not exceeding 0.12 % in case of cash market transactions and 0.05 % in case of derivatives transactions;

Any payment towards brokerage and transaction costs, over and above the said 12 bps and 5 bps for cash market and derivatives transactions respectively, shall be charged to the Scheme within the total recurring expenses limit specified under Regulation 52 of SEBI Regulations. Any expenditure in excess of the said limit will be borne by the AMC/Trustees/Sponsors.

In addition to the limits as specified in Regulation 52(6) of SEBI (Mutual Funds) Regulations 1996 or the Total Recurring Expenses (Total Expense Limit) as specified above, the following costs or expenses may be charged to the scheme:

Additional TER can be charged up to 30 basis points on daily net assets of the scheme as per regulation 52 of SEBI (Mutual Funds) Regulations, 1996 (hereinafter referred to as Regulations), if the new inflows from beyond top 30 cities are at least (a) 30% of gross new inflows in the scheme or (b) 15% of the average assets under management (year to date) of the scheme, whichever is higher Provided that expenses charged under this clause shall be utilised for distribution expenses incurred for bringing inflows from such cities

In case inflows from beyond top 30 cities is less than the higher of (a) or (b) above, additional TER on daily net assets of the scheme shall be charged as follows:

$$\frac{\text{Daily net assets } \mathbf{X} \text{ 30 basis points } \mathbf{X} \text{ New inflows from beyond top 30 cities}}{365^{*}\ \mathbf{X} \text{ Higher of (a) or (b) above}}$$

* 366, wherever applicable.

The top 30 cities shall mean top 30 cities based on Association of Mutual Funds in India (AMFI) data on 'AUM by Geography – Consolidated Data for Mutual Fund Industry' as at the end of the previous financial year.

The additional TER on account of inflows from beyond top 30 cities so charged shall be clawed back in case the same is redeemed within a period of 1 year from the date of investment.

Mutual funds/AMCs shall make complete disclosures in the half yearly report of Trustees to SEBI regarding the efforts undertaken by them to increase geographical penetration of mutual funds and the details of opening of new branches, especially at locations beyond top 30 cities.

As per AMFI letter no. 35P/ MEM-COR/ 85-a/ 2022-23 dated March 02, 2023 on B-30 Incentive Mechanism, AMC has been advised to keep the B-30 incentive structure in abeyance with effect from March 01, 2023 till any further guidelines regarding necessary safeguards are issued by SEBI. However, AMC will continue to accrue expenses in the mutual fund schemes under Regulation 52 (6A) (b) and make the payment of B-30 incentive in respect of new inflows received from B-30 locations prior to March 01, 2023.

The Mutual Fund would update the current expense ratios on the website (www.motilaloswalmf.com) atleast three working days prior to the effective date of the change. Investors can refer to "Total Expense Ratio" section on https://www.motilaloswalmf.com/downloads/mutual-fund/totalexpenseratio for Total Expense Ratio (TER) details.

**Illustration of impact of expense ratio on returns of the Scheme**

| | **Regular Plan** | **Direct Plan** |
|---|---|---|
| Net asset before expenses | 11,000 | 11,000 |
| Expenses other than Distribution Expenses _0.15% | 16.5 | 16.5 |

| | | |
|---|---|---|
| Distribution Expenses 0.50% | 55 | |
| Returns after Expenses at the end of the Year | 10,929 | 10,984 |
| Returns on invested amount after expenses (Rs) | 929 | 984 |
| % Returns after Expenses at the end of the Year | 9.29% | 9.84% |

- The purpose of the above illustration is purely to explain the impact of expense ratio charged to the Scheme and should not be construed as providing any kind of investment advice or guarantee of returns on investments.
- It is assumed that the expenses charged are evenly distributed throughout the year. The expenses of the Direct Plan under the Scheme may vary with that of the Regular Plan under the Scheme.
- Calculations are based on assumed NAVs, and actual returns on your investment may be more, or less.
- Any tax impact has not been considered in the above example, in view of the individual nature of the tax implications. Each investor is advised to consult his or her own financial advisor.

## D. LOAD STRUCTURE

Exit Load is an amount which is paid by the investor to redeem the units from the Scheme. 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 AMC www.motilaloswalmf.com or may call at toll free no. +91 8108622222 and +91 22 40548002 or your distributor.

| Type of Load | Load chargeable (as %age of NAV) |
|---|---|
| Exit | 1% - If redeemed on or before 365 days from the date of allotment.<br>Nil - If redeemed after 365 days from the date of allotment.<br><br>Exit Load will be applicable on switch amongst the Schemes of MOMF. No Load shall be imposed for switching between Options within the Scheme. Further, it is clarified that there will be no exit load charged on a switch-out amongst the plans within the same scheme. |

The investor is requested to check the prevailing load structure of the Scheme before investing.

Any imposition or enhancement in the load structure shall apply on a prospective basis and in no case the same would affect the existing investors adversely. Bonus units and units issued on reinvestment of IDCWs shall not be subject to entry and exit load.

Under the Scheme, the AMC reserves the right to modify/alter the load structure if it so deems fit in the interest of smooth and efficient functioning of the scheme, subject to maximum limits as prescribed under the SEBI Regulations. The load may also be changed from time to time and in case of exit/redemption, load may be linked to the period of holding.

For any change in the load structure, the AMC would undertake the following steps:

1. The addendum detailing the changes will be attached to SID and Key Information Memorandum (KIM). The addendum will be circulated to all the distributors so that the same can be attached to all SID and KIM already in stock.
2. Arrangements shall be made to display the changes/modifications in the SID in the form of a notice in all Investor Service Centres and distributors/brokers offices.
3. The introduction of the exit load along with the details shall be stamped in the acknowledgement slip issued to the

investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such load.

4. The Fund shall display an Addendum in respect of such changes on its website (www.motilaloswalmf.com).
5. The Fund shall display the addendum any other measure that the Mutual Fund shall consider necessary.

## SECTION II

## I. INTRODUCTION

### A. Definitions/Interpretation

For detailed description please refer https://www.motilaloswalmf.com/download/sid-related-documents

### B. Requirement of Minimum Investors in the Scheme

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

### C. Risk Factors

**Scheme Specific Risk Factors**

The Scheme is subject to the principal risks described below. Some or all of these risks may adversely affect Scheme's NAV, yield, return and/or its ability to meet its objectives.

- **Risks associated with investing in Equities**

Equity and Equity related instruments on account of its volatile nature are subject to price fluctuations on daily basis. The volatility in the value of the equity and equity related instruments is due to various micro and macro-economic factors affecting the securities markets. This may have adverse impact on individual securities/sector and consequently on the NAV of Scheme. The inability of the Scheme to make intended securities purchases due to settlement problems could cause the Scheme to miss certain investment opportunities as in certain cases, settlement periods may be extended significantly by unforeseen circumstances. Similarly, the inability to sell securities held in the Scheme portfolio may result, at times, in potential losses to the Scheme, should there be a subsequently decline in the value of the securities held in the Schemes portfolio.

The Scheme may find itself invested in unlisted securities either by choice or due to external events or corporate actions. This may increase the risk of the portfolio as these unlisted securities are inherently illiquid in nature and carry larger liquidity risk as compared to the listed securities or those that offer other exit options to the investors.

- **Market Risk**

The Scheme's NAV will react to stock market movements. The value of investments in the scheme may go down over a short or long period due to fluctuations in Scheme's NAV in response to factors such as performance of companies whose stock comprises the underlying portfolio, economic and political developments, changes in interest rates, inflation and other monetary factors causing movement in prices of underlining investments.

- **Asset Class Risk**

The returns from the types of securities in which the Scheme invests may underperform from the various general securities markets or different asset classes. Different types of securities tend to go through cycles of out-performance and under-performance in comparison with the general securities markets.

- **Interest Rate Risk**

Changes in interest rates will affect the Scheme's Net Asset Value. The prices of securities usually increase as interest rates decline and usually decrease as interest rates rise. The extent of fall or rise in the prices is guided by duration, which is a function of the existing coupon, days to maturity and increase or decrease in the level of interest rate. The new level of interest rate is determined by the rate at which the government raises new money and/or the price levels at which the market is already dealing in existing securities. Prices of long-term securities generally fluctuate more in response to interest rate changes than short-term securities. The price risk is low in the case of the floating rate or inflation-linked bonds. The price risk does not exist if the investment is made under a repo agreement. Debt markets, especially in developing markets like India, can be volatile leading to the possibility of price movements up or down in fixed income securities and thereby to possible movements in the NAV.

- **Credit Risk**

Credit Risk means that the issuer of a security may default on interest payments or even paying back the principal amount on maturity. (i.e. the issuer may be unable to make timely principal and interest payments on the security). Even where no default occurs, the prices of security may go down because the credit rating of an issuer goes down. It must be, however, noted that where the Scheme has invested in Government securities, there is no risk to that extent.

- **Liquidity or Marketability Risk**

This refers to the ease at which a security can be sold at or near its true value. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is characteristic of the Indian fixed income market. Trading Volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Scheme. Different segments of the Indian financial markets have different settlement periods and such period may be extended significantly by unforeseen circumstances leading to delays in receipt of proceeds from sale of securities. As liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes and settlement periods, the time taken by the Fund for redemption of units may be significant in the event of an inordinately large number of redemption requests or restructuring of the Scheme.

- **Right to Limit Redemptions**

The Trustee, in the general interest of the unit holders of the Scheme offered under this SID and keeping in view of unforeseen circumstances/unusual market conditions, may limit the total number of Units which can be redeemed on any Business Day subject to the guidelines/circulars issued by the Regulatory Authorities from time to time.

- **Risks associated with Investing in Derivatives**

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 the 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.

Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. 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 forecast price or interest rate movements correctly. There is a possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counterparty") to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mis-pricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices, illiquidity risk whereby the Scheme may not be able to sell or purchase derivative quickly enough at a fair price. The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

- **Risks associated with Segregated portfolio**

The AMC / Trustee shall decide on creation of segregated portfolio of the Scheme in case of a credit event/actual default at issuer level. Accordingly, Investor holding units of segregated portfolio may not able to liquidate their holding till the time recovery of money from the issuer. The Security comprised of segregated portfolio may not realise any value. Further, listing of units of segregated portfolio in recognised stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units in the stock market. Further trading price of units on the stock market may be significantly lower than the prevailing NAV.

- **Risk associated with Investment in foreign securities/overseas investments**

The Scheme may invest in foreign securities. Such overseas investments will be made subject to necessary approvals, conditions thereof as may be stipulated from time to time. The investment in foreign securities carries an exchange rate risks related to depreciation of foreign currency and country risks. The country risks would include events such as change in regulations or political circumstances like introduction of extraordinary exchange rate controls, restrictions on repatriation of capital due to exchange rate controls, bilateral political tensions leading to immobilisation of overseas financial assets and the prevalent tax laws of the respective jurisdiction for the execution of trades or otherwise.

As the Scheme shall invest in securities listed on the overseas stock exchange, all the risk factors pertaining to overseas stock exchange like market trading risk, liquidity risk and volatility risk, as mentioned earlier, are also applicable to the Scheme. The Scheme will also be exposed to settlement risk, as different countries have different settlement periods.

- **Risk associated with securities lending**

Securities Lending is a lending of securities through an approved intermediary to a borrower under an agreement for a specified period with the condition that the borrower will return equivalent securities of the same type or class at the end of the specified period along with the corporate benefits accruing on the securities borrowed.

In case the Scheme undertakes securities lending as prescribed in the Regulations, it may, at times be exposed to counter party risk and other risks associated with the securities lending. Unitholders of the Scheme should note that there are risks inherent to securities lending, including the risk of failure of the other party, in this case the approved intermediary, to comply with the terms of the agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure can result in the possible loss of rights to the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary. The Fund may not be able to sell such lent securities and this can lead to temporary illiquidity.

- **Trading through mutual fund trading platforms of BSE and/ or NSE**

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

- **<u>Risk associated with investing in fixed income securities and Money Market Instruments</u>**

  a. Credit risk: Credit risk or default risk refers to the risk which may arise due to default on the part of the issuer of the fixed income security (i.e. will be unable to make timely principal and interest payments on the security). Because of this risk debenture are sold at a yield spread above those offered on Treasury securities, which are sovereign obligations and generally considered to be free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the actual changes in the perceived level of credit risk as well as the actual event of default.

  b. Counterparty risk: Counterparty refers to the counterparty's inability to honor its commitments (payment, delivery, repayment, etc.) and to risk of default. This risk relates to the quality of the counterparty to which the scheme has exposures. Losses can occur in particular for the settlement/delivery of financial instruments.

  c. Interest Rate risk: This risk is associated with movements in interest rate depends on various factors such as government borrowing, inflation, economic performance etc. The value of investments will appreciate/depreciate if the interest rates fall/rise. However, if the investments are held on till maturity of the investments, the value of the investments will not be subjected to this risk.

  d. Reinvestment risk: This risk arises from uncertainty in the rate at which cash flows from the securities may be reinvested. This is because the bond will pay coupons, which will have to be reinvested. The rate at which the coupons will be reinvested will depend upon prevailing market rates at the time the coupons are received.

  e. Liquidity or Marketability Risk: This refers to the ease at which a security can be sold at or near its true value. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is characteristic of the Indian fixed income market.

  f. Different types of fixed income securities in which the Scheme would invest carry different levels and types of risk. Accordingly, the Scheme risk may increase or decrease depending upon its investment pattern. e.g. corporate bonds carry a higher level of risk than Government securities. Further even among corporate bonds, bonds, which are AAA rated, are comparatively less risky than bonds, which are AA rated.

  g. The Net Asset Value (NAV) of the Scheme, to the extent invested in Debt and Money Market securities, will be affected by changes in the general level of interest rates. The NAV of the Scheme 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.

  h. Settlement Risk: Different segments of Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. Delays or other problems in settlement of transactions could result in temporary periods when the assets of the Scheme are un invested and no return is earned thereon. The inability of the Scheme to make intended securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme's portfolio, due to the absence of a well-developed and liquid secondary market for debt securities, may result at times in potential losses to the Scheme in the event of a subsequent decline in the value of securities held in the Scheme's portfolio.

- **Risks associated with investing in Government of India Securities**

  a. Market Liquidity risk with fixed rate Government of India Securities even though the Government of India Securities market is more liquid compared to other debt instruments, on certain occasions, there could be difficulties in transacting in the market due to extreme volatility leading to constriction in market volumes. Also, the liquidity of the Scheme may suffer in case the relevant guidelines issued by Reserve Bank of India undergo any adverse changes.

  b. Interest Rate risk associated with Government of India Securities - while Government of India Securities generally carry relatively minimal credit risk since they are issued by the Government of India, they do carry price risk depending upon the general level of interest rates prevailing from time to time. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates decline, the prices of fixed income securities increase. The extent of fall or rise in the prices is a function of the coupon rate, days to maturity and the increase or decrease in the level of interest rates. The price-risk is not unique to Government of India Securities. It exists for all fixed income securities. Therefore, their prices tend to be influenced more by movement in interest rates in the financial system than by changes in the government's credit rating. By contrast, in the case of corporate or institutional fixed income Securities, such as bonds or debentures, prices are influenced by their respective credit standing as well as the general level of interest rates.

- **Risks associated with investing in TREPS Segments**

  The mutual fund is a member of securities and TREPS segments of the Clearing Corporation of India (CCIL). All transactions of the mutual fund in government securities and in TREPS segments 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). The mutual fund is exposed to the extent of its contribution to the default fund of CCIL at any given point in time. In the event that the default waterfall is triggered and the contribution of the mutual fund is called upon to absorb settlement/default losses of another member by CCIL, the scheme may lose an amount equivalent to its contribution to the default fund allocated to the scheme on a pro-rata basis.

- **Risk associated with investing in Repo of Corporate Bond Securities**

  To the extent the scheme invests in Repo of Corporate Bond Securities, the scheme will be subject to following risks –

  Corporate Bond Repo will be subject to counter party risk.

  The Scheme will be exposed to credit risk on the underlying collateral– downward migration of rating. The scheme may impose adequate haircut on the collateral to cushion against any diminution in the value of the collateral. Collateral will require to be rated AA and above rated where potential for downgrade/default is low. In addition, appropriate haircuts are applied on the market value of the underlying securities to adjust for the illiquidity and interest rate risk on the underlying instrument.

  Liquidity of collateral: In the event of default by the counterparty, the scheme would have recourse to recover its investments by selling the collateral in the market. If the underlying collateral is illiquid, then the Mutual Fund may incur an impact cost at the time of sale (lower price realization).

**Risk Factors Associated with Investments in REITs and InvITs:**

- **Risk of lower than expected distributions**
  The distributions by the REIT or InvITs will be based on the net cash flows available for distribution. The amount of cash available for distribution principally depends upon the amount of cash that the REIT/ InvITs receives as IDCWs on the interest and principal payments from portfolio assets. The cash flows generated by portfolio assets from operations may fluctuate primarily based on the below, amongst other things:
  - Success and economic viability of tenants and off-takers
  - Economic cycles and risks inherent in the business which may negatively impact valuations, returns and profitability of portfolio assets
  - Force majeure events related such as earthquakes, floods, etc. rendering the portfolio assets inoperable
  - Debt service requirements and other liabilities of the portfolio assets
  - Fluctuations in the working capital needs of the portfolio assets
  - Ability of portfolio assets to borrow funds and access capital markets
  - Changes in applicable laws and regulations, which may restrict the payment of IDCWs by portfolio assets
  - Amount and timing of capital expenditures on portfolio assets
  - Insurance policies may not provide adequate protection against various risks associated with operations of the REIT/ InvITs such as fire, natural disasters, accidents, etc.
  - Taxation and regulatory factors

- **Risk associated with potential change in Tax structure**

This summary of tax implications given in the taxation section (Units and Offer Section III) is based on the current provisions of the applicable tax laws. This information is provided for general purpose only. The current taxation laws may change due to change in the 'Income Tax Act 1961' or any subsequent changes/amendments in Finance Act/Rules/Regulations. Any change may entail a higher outgo to the scheme or to the investors by way of securities transaction taxes, fees, taxes etc. thus adversely impacting the scheme and its returns.

**Risk Control**

Risk is an inherent part of the investment function. Effective Risk management is critical to fund management for achieving financial soundness. Investment by the Scheme would be made as per the investment objective of the Scheme and in accordance with SEBI Regulations. AMC has adequate safeguards to manage risk in the portfolio construction process. Risk control would involve managing risk in order to keep in line with the investment objective of the Scheme. The risk control process would include identifying the risk and taking proper measures for the same. The system has incorporated all the investment restrictions as per the SEBI guidelines and enables identifying and measuring the risk through various risk management tools like various portfolio analytics, risk ratios, average duration and analyses the same and acts in a preventive manner.

**D. Risk mitigation strategies**

| | |
|---|---|
| **Liquidity risk**<br>The liquidity of the Scheme's investments is inherently restricted by trading volumes in the securities in which theyinvests. | The Scheme will try to maintain a proper asset-liability match to ensure redemption payments are made on time and not affected by illiquidity of the underlying stocks. |

| | |
|---|---|
| **Derivatives Risk**<br><br>As and when the Scheme trades in the derivatives market there are risk factors and issues concerning the use of derivatives since derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. | Derivatives will be used in the form of Index Options, Index Futures and other instruments as may be permitted by SEBI. All derivatives trade will be done only on the exchange with guaranteed settlement. The AMC monitors the portfolio and regulatory limits for derivatives through its front office monitoring system. Exposure to derivatives of stocks or underlying index will be done based on requisite research. Exposure with respect to derivatives shall be in line with regulatory limits and the limits specified in the SID. No OTC contracts will be entered into. |
| **Risks associated with money market investment** | |
| **Market Risk/ Interest Rate Risk**<br>As with all fixed income securities, changes in interest rates may affect the Scheme's Net Asset Value as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of long-term securities generally fluctuate more in response to interest rate changes than do short-term securities. Indian debt markets can be volatile leading to the possibility of price movements up or down in fixed income securities and thereby to possible movements in the NAV. | The Scheme may invest in money market instruments having relatively shorter maturity thereby mitigating the price volatility due to interest rate changes generally associated with long-term securities. |
| **Liquidity or Marketability Risk**<br>This refers to the ease with which a security can be sold at or near to its valuation yield- to maturity (YTM). | The Scheme may invest in money market instruments having relatively shorter maturity. While the liquidity risk for short maturity securities may be low, it may be high in case of medium to long maturity securities. |
| **Credit Risk**<br>Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e., will be unable to make timely principal and interest payments on the security). | Management analysis may be used for identifying company specific risks. Management's past track record may also be studied. |

**E. Special Considerations:**

1. Prospective investors should study this SID and SAI carefully in its entirety and should not construe the contents hereof as advise relating to legal, taxation, financial, investment or any other matters and are advised to consult their legal, tax, financial and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming units, before making a decision to invest/redeem/hold units.

2. Neither this SID and SAI nor the units have been registered in any jurisdiction. The distribution of this SID or SAI in certain jurisdictions may be restricted or totally prohibited to registration requirements and accordingly, any person who comes into possession of this SID or SAI is required to inform themselves about and to observe any such restrictions and/or legal compliance requirements of applicable laws and Regulations of such relevant jurisdiction. It is the responsibility of any persons in possession of this SID or SAI and any persons wishing to apply for units pursuant to this SID to inform themselves of and to observe, all applicable laws and Regulations of such relevant jurisdiction. Any changes in SEBI/Stock Exchange/RBI regulations and other applicable laws/regulations could have an effect on such investments and valuation thereof.

3. The AMC, Trustee or the Mutual Fund have not authorized any person to issue any advertisement or to give any information or to make any representations, either oral or written, other than that contained in this SID or SAI or as provided by the AMC in connection with this offering. Prospective Investors are advised not to rely upon any information or representation not incorporated in the SID or SAI or as provided by the AMC as having been authorized by the Mutual Fund, the AMC or the Trustee.

4. The tax benefits described in this SID and SAI are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India as on the date of this SID and the Unitholders should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Unitholder is advised to consult his / her own professional tax advisor.

5. Redemptions due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise.

6. The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise, in the event that the Scheme is wound up for the reasons and in the manner provided in SAI.

   The Mutual Fund may disclose details of the investor's account and transactions there under to those intermediaries whose stamp appears on the application form or who have been designated as such by the investor. In addition, the Mutual Fund may disclose such details to the bankers, as may be necessary for the purpose of effecting payments to the investor. The Fund may also disclose such details to regulatory and statutory authorities/bodies as may be required or necessary.

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

- MOAMC is a registered Portfolio Manager under SEBI (Portfolio Managers) Regulations, 1993 bearing registration number INP000000670 dated August 21, 2017.

- MOAMC acts as an Investment Manager to the Schemes of Motilal Oswal Alternative Investment Trust and is registered under SEBI (Alternative Investment Funds) Regulations, 2012 as Category III AIF bearing registration number IN/AIF3/13-14/0044 and IN/AIF3/19-20/0799 respectively.
- MOAMC has incorporated a wholly owned subsidiary in Mauritius which acts as an Investment Manager to the funds based in Mauritius.
- MOAMC has incorporated a wholly owned subsidiary in India which currently undertakes Investment Advisory Services to offshore clients.

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

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

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

9. The Trustee, in the general interest of the unit holders of the Scheme offered under this SID and keeping in view of the unforeseen circumstances/unusual market conditions, may limit the total number of Units which can be redeemed on any Business Day.

10. As the liquidity of the Scheme's investments may sometimes be restricted by trading volumes and settlement periods, the time taken by the Fund for Redemption of Units may be significant in the event of an inordinately large number of Redemption requests. The Trustee has the right to limit redemptions under certain circumstances. Please refer to the section "Right to limit Redemption".

11. Pursuant to the provisions of Prevention of Money Laundering Act, 2002 (PMLA), if after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, the AMC shall have absolute discretion to report such suspicious transactions to FIU-IND (Financial Intelligence Unit – India) or such other authorities as prescribed under the rules/guidelines issued thereunder by SEBI and/or RBI and take any other actions as may be required for the purposes of fulfilling its obligations under PMLA and rules/guidelines issued thereunder by SEBI and/or RBI without obtaining the prior approval of the investor/Unitholder/ any other person.

12. Termination of the scheme(s)

The Trustees reserve the right to terminate the scheme at any time. Regulation 39(2) of the SEBI Regulations provides that any scheme of a mutual fund may be wound up after repaying the amount due to the unitholders:

1. On the happening of any event which, in the opinion of the trustees, requires the scheme to be wound up; or
2. If seventy-five percent of the unitholders of a scheme pass a resolution that the scheme be wound up; or
3. If SEBI so directs in the interest of the unitholders.
4. Where a scheme is wound up under the above Regulation, the trustees shall give a notice disclosing the circumstances leading to the winding up of the scheme:

(a) to SEBI; and

(b) in two daily newspapers having circulation all over India & a vernacular newspaper circulating at the place where the mutual fund is formed.

In case of termination of the scheme, regulation 41 of the SEBI (mutual Funds) Regulations, 1996 shall apply.

**Mutual Fund schemes that are in the process of winding up**

The Scheme shall comply with the clause 7.2 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 in the event of Winding-up in terms of Regulation 39(2)(a) of MF Regulations.

The AMC, its sponsor, employees of AMC and Trustee shall not be permitted to transact (buy or sell) in the units of such schemes that are under the process of being wound up. The compliance of the same will be monitored both by the Board of AMC and Trustee.

## II. INFORMATION ABOUT THE SCHEME

### A. Investment by the Scheme:

The Scheme will invest in Equity and Equity related instruments, Debt instruments, Money Market Instruments, G-Sec, Cash and cash equivalents, etc.

Subject to the Regulations and other prevailing Laws as applicable, the corpus of the Scheme can be invested in any (but not exclusively) of the following securities:

- Equity and Equity related instruments
- Debt securities and Money Market Instruments (including reverse repos and CBLOs).
- Foreign equity and equity related instruments as may be permitted by SEBI/RBI from time to time.
- Derivatives as may be permitted by SEBI / RBI.
- Pending deployment of funds as per the investment objective of the Scheme, the funds may be parked in short term deposits of scheduled commercial banks, subject to guidelines and limits specified by SEBI.
- Units of Mutual Fund
- Any other instruments as may be permitted by RBI/SEBI regulatory authorities under prevailing laws from time to time.

The investment restrictions and the limits are specified in the Schedule VII of SEBI Regulations which are mentioned in the section 'Investment Restrictions'.

The Securities mentioned above could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity. The Securities may be acquired through initial public offerings, secondary market operations, and private placement, rights offers or negotiated transactions. The scheme may invest the funds of the scheme in short term deposits of scheduled commercial banks as permitted under extant regulations as per clause 12.16.1.3. of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024and Clause 8 of Seventh Schedule of Mutual Funds Regulations, 1996. As per the stated Regulations, Mutual Funds shall not park more than 15% of their net assets in short term deposits of all scheduled commercial banks put together. This limit however may be raised to 20% with prior approval of the Trustees. Also, parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of the total deployment by the Mutual Fund in short term deposits.

**Investments in Derivative Instruments**

The Scheme may invest in derivative products from time to time. The Scheme may enter into forward contracts, future contracts or buy or sell options or any other instruments that are permissible or may be permissible in future under applicable regulations and such investments shall be in accordance with the investment objective of the Scheme.

Exposure by the Scheme in derivative instruments shall not exceed 50% of the total Net Assets of Scheme.

For detailed Derivative Strategies refer SAI.

## B. INVESTMENT RESTRICTIONS

All the investments by the Scheme and the Fund shall always be within the investment restrictions as specified in Schedule VII of SEBI Mutual Fund Regulations as amended from time to time. Pursuant to the SEBI Regulations, the following are some of the investment and other limitations as presently applicable to the Scheme.

1. The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities:

   Provided that a Mutual Fund may engage in securities lending and borrowing specified by the SEBI,

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

2. The Mutual Fund shall get the securities purchased or transferred in the name of the Mutual Fund on account of the concerned scheme, wherever investments are intended to be of long-term nature.

3. The Mutual Fund under all its schemes shall not own more than 10% of any company's paid up capital carrying voting rights.

4. Transfers of investments from one scheme to another scheme in the same Mutual Fund shall be allowed only if,
   (*a*) such transfers are done at the prevailing market price for quoted instruments on spot basis.

[*Explanation* - "Spot basis" shall have same meaning as specified by stock exchange for spot transactions;]

(*b*) the securities so transferred shall be in conformity with investment objective of the scheme to which such transfer has been made and the Policy on Inter Scheme Transfer prepared in compliance with clause 12.3 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024

5. The Scheme may invest in another scheme under the same asset management company or any other Mutual Fund without charging any fees, provided that aggregate inter-scheme investment made by all schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the net asset value of the Mutual Fund. Provided that this clause shall not apply to any fund of funds scheme.

6. Pending deployment of funds of a Scheme in terms of investment objectives of the Scheme, the Mutual Fund may invest the funds of the scheme in short-term deposits of scheduled commercial banks, subject to the following guidelines issued by SEBI and as may be amended from time to time.

   Pursuant to clause 12.16 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, where the cash in the scheme is parked in short term deposits of Scheduled Commercial Banks pending deployment, the scheme shall abide by the following guidelines:

   (a) "Short Term" for such parking of funds by the Scheme shall be treated as a period not exceeding 91 days. Such short-term deposits shall be held in the name of the Scheme.
   (b) The Scheme shall not park more than 15% of 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 Trustees.
   (c) Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
   (d) The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
   (e) The Scheme shall not park funds in short term deposit of a bank which has invested in that Scheme. Trustees/AMCs shall also ensure that the bank in which a scheme has STD do not invest in the said scheme until the scheme has STD with such bank
   (f) The AMC will not charge any investment management and advisory fees for funds under a Plan parked in short term deposits of scheduled commercial banks.

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

7. The Scheme shall not make any investment in:
   a. any unlisted security of an associate or group company of the sponsor; or

   b. any security issued by way of private placement by an associate or group company of the sponsor; or

   c. the listed securities of group companies of the sponsor which is in excess of 25 per cent of the net assets.

8. The Scheme shall not invest more than 10 % of its NAV in the equity shares or equity related instruments of any company:

Provided that, the limit of 10 % shall not be applicable for investments in case of index fund or sector or industry specific scheme.

9. The Scheme shall not invest more than 10% 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 SEBI Act. Such investment limit may be extended to 12% of the NAV of the Scheme with the prior approval of the Boards of the Trustee Company and the AMC;

   Provided that such limit shall not be applicable for investments in Government Securities, treasury bills and Tri-Party repos on government securities or treasury bills;

   Further, in accordance with clause 12.8.3 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, within the limits specified above, following prudential limits shall be followed for the scheme:

   The scheme shall not invest more than:
   - 10% of its NAV in debt and money market securities rated AAA; or
   - 8% of its NAV in debt and money market securities rated AA; or
   - 6% of its NAV in debt and money market securities rated A and below issued by a single issuer.

   The above investment limits may be extended by up to 2% of the NAV of the scheme with prior approval of the Board of Trustees and Board of Directors of the AMC, subject to compliance with the overall 12% limit specified in clause 1 of Seventh Schedule of MF Regulation.
   Provided further that investment 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 SEBI.

10. A mutual fund scheme shall not invest in unlisted debt instruments including commercial papers, except Government Securities and other money market instruments.

    Provided that Mutual Fund Schemes may invest in unlisted non-convertible debentures up to a maximum of 5% of the debt portfolio of the scheme subject to such conditions as may be specified by the Board from time to time:

    Provided further that mutual fund schemes shall comply with the norms under this clause within the time and in the manner as may be specified by the Board.

    Provided further that the norms for investments by mutual fund schemes in unrated debt instruments shall be specified by the Board from time to time.

11. In terms of clause 12.1 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, Mutual fund scheme 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 mutual funds for hedging.

    However, mutual fund schemes may invest in unlisted Non-Convertible Debentures (NCDs) not exceeding 10% of the debt portfolio and as per respective investment limits and timelines mentioned by SEBI from time to time, 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.

In terms of clause 12.1.2 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, SEBI has allowed the existing unlisted NCDs to be grandfathered till maturity, such NCDS are herein referred to as "identified NCDs.

Accordingly, mutual funds schemes can transact in such identified NCDs and the criteria specified above shall not be applicable for such identified NCDs, Subject to compliance with investment due diligence and all other applicable investment restrictions as given below: -

A mutual fund scheme shall not invest more than 10% of its NAV in unrated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the scheme. All such investments shall be made with the prior approval of the Board of Trustees and the Board of asset Management Company.

For the purpose listed debt instruments shall include listed and to be listed debt instruments.

All fresh investments by mutual fund schemes in CPs would be made only in CPs which are listed or to be listed.

12. 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 mutual fund schemes shall be subject to the following:

a) Investments should only be made in such instruments, including bills rediscounting, usance bills, etc., that are generally not rated and for which separate investment norms or limits are not provided in SEBI (Mutual Fund) Regulations, 1996 and various circulars issued thereunder.
b) Exposure of mutual fund schemes in such instruments, shall not exceed 5% of the net assets of the schemes.
c) All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees

13. The Scheme will not invest in debt instruments having Structured Obligations / Credit Enhancements.

14. The Mutual Fund may borrow to meet liquidity needs, for the purpose of repurchase, redemption of units or payment of interest or IDCW to the Unitholders and such borrowings shall not exceed 20% of the net asset of the Scheme and duration of the borrowing shall not exceed 6 months. The Mutual Fund may borrow from permissible entities at prevailing market rates and may offer the assets of the Mutual Fund as collateral for such borrowing.

15. The Scheme shall not make any investment in any fund of funds Scheme.

16. No term loans will be advanced by the Scheme.

17. Limits for investment in Instruments having Special Features shall be as follows:
    i. No Mutual Fund under all its schemes shall own more than 10% of such instruments issued by a single issuer
    ii. A Mutual Fund scheme shall not invest –
        a. more than 10% of its NAV of the debt portfolio of the scheme in such instruments; and
        b. more than 5% of its NAV of the debt portfolio of the scheme in such instruments issued by a single

issuer.

The above investment limit for a mutual fund scheme shall be within the overall limit for debt instruments issued by a single issuer, as specified at clause 1 of the Seventh Schedule of SEBI MF Regulations and other prudential limits with respect to the debt instruments.

18. No sponsor of a mutual fund, its associate or group company including the asset management company of the fund, through the schemes of the mutual fund or otherwise, individually or collectively, directly or indirectly, have -
    a. 10% or more of the share-holding or voting rights in the asset management company or the trustee company of any other mutual fund; or
    b. Representation on the board of the asset management company or the trustee company of any other mutual fund.

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

    All investment restrictions shall be applicable at the time of making investments. The AMC may alter these limitations/objectives from time to time to the extent the SEBI Regulations change so as to permit Scheme to make its investments in the full spectrum of permitted investments to achieve its investment objective. The Trustees may from time to time alter these restrictions in conformity with the SEBI Regulations.

20. Investments Limitations and Restrictions in Foreign Securities
    Pursuant to the Reserve Bank of India guidelines, SEBI Regulations and Circulars, the following are the investment and other limitations as presently applicable to the Scheme. All the overseas investments by the Scheme and the Fund, however, will always be as per clause 12.19 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 and within the investment restrictions as specified under SEBI (Mutual Funds) Regulations, 1996, and as amended from time to time.

    Mutual Funds can make overseas investments subject to a maximum of US $ 1 billion per Mutual Fund, within the overall industry limit of US $ 7 billion. Mutual Funds can make investments in overseas Exchange Traded Fund (ETF(s)) subject to a maximum of US $ 300 million per Mutual Fund, within the overall industry limit of US $ 1 billion. An investment headroom of 20% of the average AUM in Overseas securities / Overseas ETFs of the previous three calendar months would be available to the Mutual Fund for that month to invest in Overseas securities / Overseas ETFs subject to maximum limits.

    The permissible investments in which the Scheme can invest in:
    i. ADRs/ GDRs issued by Indian or foreign companies
    ii. Equity of overseas companies listed on recognized stock exchanges overseas
    iii. Initial and follow on public offerings for listing at recognized stock exchanges overseas
    iv. 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
    v. Money market instruments rated not below investment grade
    vi. 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
    vii. Government securities where the countries are rated not below investment grade
    viii. Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities
    ix. Short term deposits with banks overseas where the issuer is rated not below investment grade

x. 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 prohibiting charging of fees on the same, shall not be applicable to investments in mutual funds units in foreign countries as per SEBI Regulations. However, the management fees and other expenses charged by the Fund in foreign countries along with the management fee and recurring expenses charged to the domestic mutual fund scheme shall not exceed the total limits on expenses as prescribed under Regulation 52(6). Where the Scheme is investing only a part of the net assets in the foreign mutual funds, the same principle shall be applicable for that part of investment.

## C. FUNDAMENTAL ATTRIBUTES

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

(i) Type of a Scheme: Flexi Cap Fund - An open ended dynamic equity scheme investing across large cap, mid cap, small cap stocks

(ii) Investment Objective:

- Investment Objective: The investment objective of the Scheme is to achieve long term capital appreciation by primarily investing in equity & equity related instruments across sectors and market-capitalization levels.

  However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.

- Investment pattern - Please refer to section 'Asset Allocation'.

(iii) Terms of Issue:

- Liquidity Provisions: Provisions with respect to listing, repurchase, redemption, fees and expenses are mentioned in the SID.
- Aggregate fees and expenses charged to the scheme: The aggregate fee and expenses to be charged to the Scheme is detailed in Section I - Part III(C) of this document.
- Any Safety Net or Guarantee Provided: The Scheme does not provide any safety net or guarantee.

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

- 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 30 days to exit at the prevailing Net Asset Value without any exit load.

- In addition to the conditions specified above for bringing change in the fundamental attributes of any scheme**,** trustees shall take comments of the Board before bringing such change(s).

## D. OTHER SCHEME SPECIFIC DISCLOSURES:

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| **Listing and transfer of units** | It is not proposed to list the units issued under this scheme. However, the Mutual Fund may at its sole discretion list the Units on one or more stock exchanges at a later date.<br><br>Units of the Scheme which are issued in demat (electronic) form will be transferred and transmitted in accordance with the provisions of SEBI (Depositories and Participants) Regulations, as may be amended from time to time.<br><br>Physical Units which are held in the form of account statement: Any addition / deletion of name from the folio of the unitholder is deemed as transfer of unit who are capable of holding units. Transfer of unit(s) shall be subject to payment of applicable stamp duty by the unitholder(s) and applicable laws. The Fund will not be bound to recognize any other transfer. The above provisions in respect of deletion of names will not be applicable in case of death of Unit holder (in respect of joint holdings) as this is treated as transmission of Units and not transfer.<br><br>**Facility for transfer of units held in SoA mode:**<br><br>i. Partial transfer of units held in a folio shall be allowed. However, if the balance units in the transferor's folio falls below specified threshold / minimum number of units as specified in the SID, such residual units shall be compulsorily redeemed, and the redemption amount will be paid to the transferor.<br><br>ii. If the request for transfer of units is lodged on the record date, the IDCW payout/ reinvestment shall be made to the transferor.<br>iii. Redemption of the transferred units shall not be allowed for 10 days from the date of transfer. This will enable the investor to revert in case the transfer is initiated fraudulently.<br><br>iv. Units held by Resident / non- resident individual unitholders in Non-Demat ('SoA') mode can be transferred only in following categories-<br><br>a) Surviving joint unitholder, who wants to add new joint holder(s) in the folio upon demise of one or more joint unitholder(s).<br><br>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. |

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| | 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).<br><br>d) transfer to siblings,<br><br>e) Gifting of units<br><br>f) Transfer of units to third party<br><br>g) addition/deletion of unit holder<br><br>**Mode of submitting the Transfer Request Non-Demat (SOA) mode**<br><br>The facility for transfer of units held in SoA mode shall be available only through online mode via the transaction portals of the RTAs and the MF Central, i.e., the transfer of units held in SoA mode shall not be allowed through physical/ paper-based mode or via the stock exchange platforms, MFU, channel partners and EOPs etc.<br>. |
| **Dematerialization and Rematerialization of units** | **<u>Dematerialization</u>**<br>i. The Units of the Scheme will be available only in the dematerialized (electronic) mode.<br>ii. The Investor under the Scheme will be required to have a beneficiary account with a Depository Participant of NSDL/CDSL and will be required to indicate in the application the Depository Participant's name, Depository Participant's ID Number and beneficiary account number of the applicant with the Depository Participant or such details requested in the Application Form / Transaction Form.<br>iii. The Units of the Scheme will be issued / repurchased and traded compulsorily in dematerialized form.<br>iv. Applications without relevant details of his / her / their depository account are liable to be rejected.<br>v. If KYC details of the investor including IPV is not updated with DP, the applications are liable to be rejected.<br><br>**<u>Rematerialization</u>**<br>Rematerialization of Units will be in accordance with the provisions of SEBI (Depositories & Participants) Regulations, 1996 as may be amended from time to time.<br><br>The process for rematerialization is as follows:<br><br>i. The investor will submit a remat request to his/her DP for rematerialization of holdings in his/her account.<br>ii. If there is sufficient balance in the investor's account, the DP will generate a Rematerialization Request Number (RRN) and the same |

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| | is entered in the space provided for the purpose in the rematerialization request form.<br>iii. The DP will then dispatch the request form to the AMC/ R&T agent.<br>iv. The AMC/ R&T agent accepts the request for rematerialization prints and dispatches the account statement to the investor and sends electronic confirmation to the DP.<br>v. The DP will inform the investor about the changes in the investor account following the acceptance of the request |
| **Minimum Target amount**<br><br>**This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return. However, if AMC fails to refund the amount within 5 business days, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of 5 business days from the date of closure of the subscription list** | Not Applicable |
| **Maximum amount to be raised (if any)** | Not Applicable |
| **Dividend Policy (IDCW)** | The Trustees may declare IDCW subject to the availability of distributable surplus calculated in accordance with SEBI (Mutual Funds) Regulations, 1996. The actual declaration of IDCW and the frequency of distribution will be entirely at the discretion of the Trustees. There is no assurance or guarantee to Unit holders as to the rate of IDCW distribution nor that the IDCWs will be declared regularly, though it is the intention of the Mutual Fund to make regular IDCW distribution under the IDCW Plan. The IDCW would be paid to the Unitholders whose names appear in the Register of Unitholders as on the record date.<br><br>**IDCW Distribution Procedure**<br>In accordance with SEBI Regulations, the procedure for IDCW distribution would be as under:<br><br>When units are sold, and sale price (NAV) is higher than face value of the unit, a portion of sale price that represents realized gains is credited to an Equalization Reserve Account and which can be used to pay IDCW. IDCW can be distributed out of investor's capital (Equalization Reserve), which is part of sale price that represents realized gains. The Trustee reserves the right to change/modify the aforesaid requirements at a later date in line with SEBI directives from time to time. |

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| | Quantum of IDCW and the record date will be fixed by the Trustee in their meeting. IDCW so decided shall be paid, subject to availability of distributable surplus. Within one calendar day of decision by the Trustee, the AMC shall issue notice to the public communicating the decision about the IDCW including the record date, in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the head office of the Mutual Fund is situated, whichever is issued earlier.<br><br>Record date shall be the date, which will be considered for the purpose of determining the eligibility of investors whose names appear on the register of Unitholders for receiving IDCWs. The Record Date will be 5 calendar days from the date of issue of notice. The notice will, in font size 10, bold, categorically state that pursuant to payment of IDCW, the NAV of the Scheme would fall to the extent of payout and statutory levy (if applicable). The NAV will be adjusted to the extent of IDCW distribution and statutory levy, if any, at the close of business hours on record date. Before the issue of such notice, no communication indicating the probable date of IDCW declaration in any manner whatsoever will be issued by Mutual Fund. |
| **Allotment** | The Fund will allot units and dispatch statement of accounts within 5 working days from the receipt of the funds. The units of the Scheme would be allotted at the applicable NAV. Investors under the Scheme will have an option to hold the Units either in dematerialized (electronic) form or in physical form. In case of investors opting to hold Units in dematerialized mode, the Units will be credited to the investors' depository account (as per the details provided by the investor). Further, a holding statement could be obtained from the Depository Participants by the Investor. In case of investors opting to hold the Units in physical mode, on allotment, the AMC/Fund will send to the Unitholders, an account statement specifying the number of units allotted by way of physical form (where email address is not registered) and/or email and/or SMS within 5 Business Days from the receipt of the Fund to the registered address/e-mail address and/or mobile number. Normally, no certificates will be issued. However, on request from the Unitholder, Unit certificates will be issued for the same. The AMC will issue a Unit certificate to the applicant within 5 Business Days of the receipt of request for the certificate. Unit certificate, if issued, must be duly discharged by the Unit holder(s) and surrendered along with the request for redemption/switch or any other transaction of Units covered therein. The AMC shall, on production of instrument of transfer together with relevant unit certificates, register the transfer and return the unit certificate to the transferee within thirty days from the date of such production.<br><br>As per regulation 37, The units shall be freely transferrable.<br><br>The allotment of units is subject to realization of the payment instrument. |

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| | Any application for subscription of units may be rejected if found incomplete by the AMC/Trustee. |
| **Refund** | If application is rejected, full amount will be refunded within 5 working days of receipt of the fund. If refunded later than 5 working days @ 15% p.a. for delay period will be paid and charged to the AMC. |
| **Mode of Payment of IDCWs** | The IDCW proceeds will be paid by way of cheque, IDCW Warrants / 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 & Transfer Agent's records. The AMC, at its discretion at a later date, may choose to alter or add other modes of payment.<br><br>Further, AMCs may also use modes of dispatch such as speed post, courier etc. for payments including refunds to unitholders in addition to the registered post with acknowledgement due.<br><br>In case of Units under the IDCW Option held in dematerialised mode, the IDCW Payout will be credited to the bank account of the investor, as per the bank account details recorded with the DP.<br><br>All the IDCW payments shall be in accordance and compliance with SEBI regulations, as amended from time to time. |
| **Who can invest**<br>**This is an indicative list and investors shall consult their financial advisor to ascertain whether the scheme is suitable to their risk profile.** | This is an indicative list and you are requested to consult your financial advisor. The following are eligible to subscribe to the units of the Scheme:<br>1. Resident adult individuals, either singly or jointly (not exceeding three) or on anyone or Survivor basis.<br>2. Minors through Parents/Lawful Guardian. AMC will follow uniform process 'in respect of investments made in the name of a minor through a guardian' by SEBI vide clause 17.6.1 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024.<br>3. Hindu Undivided Family (HUF) through its Karta.<br>4. Partnership Firms in the name of any one of the partner.<br>5. Proprietorship in the name of the sole proprietor.<br>6. Companies, Body Corporate, Societies, (including registered co-operative societies), Association of Persons, Body of Individuals, Clubs and Public Sector Undertakings registered in India if authorized and permitted to invest under applicable laws and regulations.<br>7. Banks (including co-operative Banks and Regional Rural Banks), Financial Institutions.<br>8. Mutual Fund schemes registered with SEBI.<br>9. Non-Resident Indians (NRIs) / Persons of Indian Origin (PIOs) residing abroad on repatriation basis and on non-repatriation |

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| | basis.<br>10. Foreign Portfolio Investor (FPI)<br>11. Charitable or Religious Trusts, Wakf Boards or endowments of private trusts (subject to receipt of necessary approvals as "Public securities" as required) and private trusts authorized to invest in units of Mutual Fund schemes under their trust deeds.<br>12. Army, Air Force, Navy, Para-military funds and other eligible institutions.<br>13. Scientific and Industrial Research Organizations.<br>14. Multilateral Funding Agencies or Bodies Corporate incorporated outside India with the permission of Government of India and the Reserve Bank of India.<br>15. Overseas Financial Organizations which have entered into an arrangement for investment in India, inter-alia with a Mutual Fund registered with SEBI and which arrangement is approved by Government of India.<br>16. Provident / Pension / Gratuity / Superannuation and such other retirement and employee benefit and other similar funds as and when permitted to invest.<br>17. Qualified Foreign Investors (subject to and in compliance with the extant regulations)<br>18. Other Associations, Institutions, Bodies etc. authorized to invest in the units of Mutual Fund.<br>19. Trustees, AMC, Sponsor or their associates may subscribe to the units of the Scheme.<br>20. Such other categories of investors permitted by the Mutual Fund from time to time, in conformity with the SEBI Regulations.<br>21. 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, PAN details as mentioned under the paragraph "Anti Money Laundering and Know Your Customer", updated bank account details including cancelled original cheque leaf of the new account and his specimen Signature duly authenticated by his banker. No further transactions shall be allowed till the status of the minor is changed to major.<br>22. Pursuant to clause 17.6 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 investors are required to note that the minor shall be the sole unit holder in a folio. Joint holders will not be registered.<br><br>The minor unit holder shall be represented either by natural parent (father and mother) or by a legal guardian.<br><br>Payment of investment shall be from the authorized banking channels and from the bank account of minor or joint account of minor with guardian.<br><br>The process of minor attaining major and status of investment etc. is mention in Statement of Additional Information (SAI). |

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| **Who cannot invest** | 1. Persons residing in the Financial Action Task Force (FATF) Non-Compliant Countries and Territories (NCCTs).<br>2. Pursuant to RBI Circular No. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) cannot invest in Mutual Funds.<br>3. United States Person ("U.S. person"*) and NRIs residing in Canada as defined under the laws of the United States of America and Canada respectively except lump sum subscription, System Investment Plan (SIP), switch transactions, Systematic Transfer Plan (STP), Systematic Withdrawal Plan (SWP), Fixed Amount Benefit Plan (formerly known as Cash Flow Plan and Motilal Oswal Value Index (MOVI) Pack Plan requests received from Non-resident Indians / Persons of Indian origin who at the time of such investment / first time registration of specified facility are present in India and submit a physical transaction request, or any other mode of transaction request at the discretion of the Investment Manager, along with such documents as may be prescribed by the AMC / Mutual Fund from time to time. The AMC shall accept such investments subject to the applicable laws and such other terms and conditions as may be notified by the AMC / Mutual Fund. The investor shall be responsible for complying with all the applicable laws for such investments. The AMC / Mutual Fund reserves the rights to put the transaction requests on hold / reject the transaction request / reverse allotted units, as the case may be, as and when identified by the AMC / Mutual Fund, which are not in compliance with the terms and conditions prescribed in this regard.<br>4. Such other persons as may be specified by AMC from time to time.<br><br>*The term "U.S. person" means any person that is a U.S. person within the meaning of Regulation S under the Securities Act of 1933 of U.S. or as defined by the U.S. Commodity Futures Trading Commission or as per such further amended definitions, interpretations, legislations, rules etc., as may be in force from time to time.<br><br>The Trustees/AMC reserves the right to include / exclude new / existing categories of investors to invest in the Scheme from time to time and change, subject to SEBI Regulations and other prevailing statutory regulations, if any. |
| **How to Apply and other details** | 1. This section must be read in conjunction with Statement of Additional Information Fund (herewith referred as "SAI"). Investors should mandatorily use the Application Forms, Transactions Request, included in the KIM and other standard forms available at the Investor Service Centers/ www.motilaloswalmf.com, for any financial/non-financial transactions. Any transactions received in any non-standard forms are liable to be rejected.<br><br>Investors are advised to fill up the details of their bank account numbers on the application form in the space provided. In order to protect the interest of the Unit holders from fraudulent encashment of cheques, |

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| | SEBI has made it mandatory for investors in mutual funds to state their bank account numbers in their applications. SEBI has also made it mandatory for investors to mention their Permanent Account Number (PAN) transacting in the units of Motilal Oswal Mutual Fund (herewith referred as "MOMF"), irrespective of the amount of transaction.<br><br>Please also note that the KYC is mandatory for making investment in mutual funds schemes irrespective of the amount, for details please refer to SAI. The application (both direct application and application routed through Distributor) should be complete in all respects along with the cheque / pay order / demand draft / other payment instruction should be submitted at the Investor Service Center, Official Point of Acceptance of Transaction, at the registered and corporate office of the AMC and the office of the Registrar during their Business Hours on their respective Business Day. No outstation cheques or stock invests will be accepted. Currently, the option to invest in the Scheme through payment mode as Cash is not available. The Trustees reserves the right to change/modify above provisions at a later date.<br><br>Investors can execute transactions online through the official website https://www.motilaloswalmf.com/investonline. Please refer to the SAI and Application form for the detailed instructions.<br><br>Pursuant to the clause 17.16 of SEBI Master Circular for Mutual Funds dated June 27, 2024, the Investors subscribing to units of the Scheme are compulsorily required to provide:<br>a) Nomination; or<br>b) A declaration form for opting out of nomination.<br><br>The applications where neither nomination is provided nor declaration for opting out of nomination is provided, are liable to be rejected.<br><br>2. **List of official points of acceptance:** To get more information on list of official point of acceptance, Please refer link: **https://www.motilaloswalmf.com/contact-us**<br><br>3. For Registrar and Transfer agent details and Collecting Banker details – Please refer point H of Part III (Other details) of Section II<br><br>For more details refer **SAI** |
| **The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.** | Units once redeemed/repurchased will not be re-issued |
| **Restrictions, if any, on the right to freely retain or dispose of units being offered.** | The Trustee may, in the general interest of the Unitholders of the Scheme and when considered appropriate to do so based on unforeseen circumstances/unusual market conditions, impose restriction on redemption of Units of the Schemes. The following requirements will be observed before imposing restriction on redemptions: |

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| | a. Restriction may be imposed when there are circumstances leading to a systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as:<br><br>i. **Liquidity issues** - when market at large becomes illiquid affecting almost all securities rather than any issuer specific security. AMCs should have in place sound internal liquidity management tools for schemes. Restriction on redemption cannot be used as an ordinary tool in order to manage the liquidity of a scheme. Further, restriction on redemption due to illiquidity of a specific security in the portfolio of a scheme due to a poor investment decision shall not be allowed.<br><br>ii. **Market failures, exchange closures** - when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies.<br><br>iii. **Operational issues** - when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out). Such cases can only be considered if they are reasonably unpredictable and occur in spite of appropriate diligence of third parties, adequate and effective disaster recovery procedures and systems.<br><br>b. Restriction on redemption may be imposed for a specific period of time not exceeding 10 working days in any 90 days' period.<br><br>c. Any such imposition requires specific approval of Board of AMCs and Trustees and the same shall be immediately informed to SEBI.<br><br>d. When restriction on redemption is applied the following procedure shall be followed:<br>i Redemption requests upto Rs. 2lakh will not be subject to such restriction.<br>ii In case of redemption requests above Rs. 2 lakhs, the AMC shall redeem the first Rs. 2 lakhs without restriction and remaining part over above be subject to such restriction.<br><br>Units of the Scheme which are issued in demat (electronic) form will be transferred and transmitted in accordance with the provisions of SEBI (Depositories and Participants) Regulations, as may be amended from time to time.<br><br>**Right to Limit Fresh Subscription**<br>The Trustees reserves the right at its sole discretion to withdraw / suspend the allotment / Subscription of Units in the Scheme temporarily or indefinitely, at the time of NFO or otherwise, if it is |

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| | viewed that increasing the size of such Scheme may prove detrimental to the Unit holders of such Scheme. An order to Purchase the Units is not binding on and may be rejected by the Trustees or the AMC unless it has been confirmed in writing by the AMC and/or payment has been received.<br><br>**Physical Units which are held in the form of account statement:** Additions/deletion of names in case of Units held in other than demat mode in the form of account statement will not be allowed under any folio of the Scheme. However, on request from the Unitholder, Unit certificates will be issued in lieu of account statement for the same. The AMC will issue a Unit certificate to the applicant within 5 Business Days of the receipt of request for the certificate. Unit certificate, if issued, must be duly discharged by the Unit holder(s) and surrendered along with the request for redemption/switch or any other transaction of Units covered therein. The AMC shall, on production of instrument of transfer together with relevant unit certificates, register the transfer and return the unit certificate to the transferee within thirty days from the date of such production.<br><br>The above provisions in respect of deletion of names will not be applicable in case of death of Unit holder (in respect of joint holdings) as this is treated as transmission of Units and not transfer. |
| **Cut off timing for subscriptions/ redemptions/ switches**<br><br>**This is the time before which your application (complete in all respects) should reach the official points of acceptance.** | As per clause 8.4.6.2 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 with effect from February 01, 2021, in respect of purchase of units of mutual fund schemes (except liquid and overnight schemes), 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 subject to cut-off timing provisions.<br><br>Considering the above, cut-off timings with respect to Subscriptions/Purchases including switch – ins shall be as follows:<br><br>• In respect of valid applications received by 3.00 p.m. on a Business Day and where the funds for the entire amount of subscription / purchase / switch-ins as per the application are credited to the bank account of the Scheme before the cut-off time i.e. available for utilization before the cut-off time- the closing NAV of the day shall be applicable.<br><br>• In respect of valid applications received after 3.00 p.m. on a Business Day and where the funds for the entire amount of subscription / purchase as per the application are credited to the bank account of the Scheme before the cut-off time 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.<br>• In respect of valid applications with an outstation cheques or demand drafts not payable at par at the Official Points of |

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| | Acceptance where the application is received, the closing NAV of day on which the cheque or demand draft is credited shall be applicable.<br>• In respect of valid applications, the time of receipt of applications or the funds for the entire amount are available for utilization, whichever is later, will be used to determine the applicability of NAV.<br><br>In case of other facilities like Systematic Investment Plan (SIP), Systematic Transfer Plan (STP), etc., the NAV of the day on which the funds are available for utilization by the Target Scheme shall be considered irrespective of the instalment date.<br><br>**Redemptions including switch – outs:**<br>• In respect of valid applications received upto 3.00 p.m. by the Mutual Fund, closing NAV of the day of receipt of application, shall be applicable.<br>• In respect of valid applications received after 3.00 p.m. by the Mutual Fund, the closing NAV of the next business day shall be applicable.<br><br>The AMC reserves the right to change / modify the aforesaid requirements at a later date in line with SEBI directives from time to time.<br><br><u>Transaction through online facilities/ electronic mode:</u><br>The time of transaction done through various online facilities/electronic modes offered by the AMC, for the purpose of determining the applicability of NAV, would be the time when the request of purchase/redemption/switch/SIP/STP of units is received on the servers of AMC/RTA as per terms and conditions of such facilities.<br><br><u>Transaction through Stock Exchange:</u><br>With respect to investors who transact through the stock exchange, Applicable NAV shall be reckoned on the basis of the time stamping as evidenced by confirmation slip given by stock exchange mechanism. |
| **Minimum amount for purchase/switches into the Scheme** | Rs. 500/- and in multiples of Re.1/- thereafter.<br><br>Minimum additional amount will be Rs. 500/- and in multiples of Re. 1/-thereafter.<br><br>AMC may revise the minimum/maximum amounts and the methodology for new/additional subscriptions, as and when necessary. Such change may be brought about after taking into account the cost structure for a transaction/account and /or Market practices and/or the interest of existing Unit holders. Further, such changes shall only be applicable to transactions from the date of such a change, on a prospective basis. |

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| **Minimum Redemption/switch-out Amount** | Rs. 500/- and in multiples of Re.1/- thereafter or account balance, whichever is lower.<br><br>In case the Investor specifies the number of Units and amount, the number of units shall be considered for Redemption. In case the unit holder does not specify the number or amount, Mutual Fund shall reject the transaction. If the balance Units in the Unit holder's account does not cover the amount specified in the redemption request, then the Mutual Fund shall reject the transaction. If the balance Units in the Unit holder's account is less than the specified in the redemption request, then the Mutual Fund shall reject the transaction.<br><br>In case of Units held in dematerialized mode, the Unitholder can give a request for Redemption only in number of Units. Request for subscriptions can be given only in amount. Depository participants of registered Depositories to process only redemption request of units held in Demat form. |
| **Accounts Statements** | In accordance with clause 14.4.3 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 the investor whose transaction has been accepted by the MOAMC shall receive a confirmation by way of email and/or SMS within 5 Business Days from the date of receipt of transaction request, same will be sent to the Unit holders registered e-mail address and/or mobile number. Thereafter, a Consolidated Account Statement ("CAS") shall be issued in line with the following procedure:<br><br>1. Consolidation of account statement shall be done on the basis of PAN. In case of multiple holding, it shall be PAN of the first holder and pattern of holding.<br>2. The CAS shall be generated on a monthly basis and shall be issued on or before 15th of the immediately succeeding month to the unit holder(s) in whose folio(s) transaction(s) has/have taken place during the month.<br>3. In case there is no transaction in any of the mutual fund folios then CAS detailing holding of investments across all schemes of all Mutual Funds will be issued on half yearly basis [at the end of every six months (i.e. September/ March)] and shall be issued on or before 21st of the immediately succeeding month.<br>4. Investors having MF investments and holding securities in Demat account shall receive a Consolidated Account Statement containing details of transactions across all Mutual Fund schemes and securities from the Depository by email / physical mode.<br>5. Investors having MF investments and not having Demat account shall receive a Consolidated Account Statement from the MF Industry containing details of transactions across all Mutual Fund schemes by email / physical mode. |

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| | The word 'transaction' shall include purchase, redemption, switch, IDCW payout, IDCW reinvestment, systematic investment plan, systematic withdrawal plan, and systematic transfer plan. CAS shall not be received by the Unit holders for the folio(s) wherein the PAN details are not updated. The Unit holders are therefore requested to ensure that the folio(s) are updated with their PAN. For Micro SIP and Sikkim based investors whose PAN details are not mandatorily required to be updated Account Statement will be dispatched by MOAMC for each calendar month on or before 10th of the immediately succeeding month.<br><br>The Consolidated Account statement will be in accordance to clause 14.4.3 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024. In case of a specific request received from the Unit holders, MOAMC will provide the account statement to the investors within 5 Business Days from the receipt of such request. Investors are requested/encouraged to register/update their email id and mobile number of the primary holder with the AMC/RTA through our Designated Investor Service Centres (DISCs) in order to facilitate effective communication.<br><br>Note: If the investor(s) has/have provided his/their email address in the application form or any subsequent communication in any of the folio belonging to the investor(s), Mutual Fund / Asset Management Company reserves the right to use Electronic Mail (email) as a default mode to send various communication which include account statements for transactions done by the investor(s). The investor shall from time to time intimate the Mutual Fund / its Registrar and Transfer Agents about any changes in the email address. |
| **Dividend/ IDCW** | The payment of dividend/IDCW to the unitholders shall be made within seven working days from the record date. |
| **Redemption** | The redemption or repurchase proceeds shall be dispatched to the unitholders within three working days from the date of redemption or repurchase.<br><br>For list of exceptional circumstances refer para 14.1.3 of SEBI Master Circular for Mutual Funds dated June 27, 2024. |
| **Bank Mandate** | As per SEBI requirements, it is mandatory for an investor to provide his/her bank account number in the Application Form. The Bank Account details as mentioned with the Depository should be mentioned. If depository account details furnished in the application form are invalid or not confirmed in the depository system, the application may be rejected. The Application Form without the Bank account details would be treated as incomplete and rejected. |
| **Delay in payment of redemption / repurchase proceeds/dividend** | The Asset Management Company shall be liable to pay interest to the unitholders at rate as specified vide clause 14.2 of SEBI Master Circular for Mutual Funds dated June 27, 2024 by SEBI for the period of such delay. |

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| **Unclaimed Redemption and Income Distribution cum Capital Withdrawal Amount** | In accordance with clause 14.3 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, Mutual Funds shall provide the details of investors on their website like, their name, address, folios, etc. The website shall also include the process of claiming the unclaimed amount alongwith necessary forms and document. Further, the unclaimed amount along with its prevailing value shall be disclosed to investors separately in their periodic statement of accounts/CAS.<br><br>Further, pursuant to said circular on treatment of unclaimed redemption and IDCW amounts, redemption/IDCW amounts remaining unclaimed based on expiry of payment instruments will be identified on a monthly basis and amounts of unclaimed redemption/IDCW would be deployed in the respective Unclaimed Amount Plan(s) as follows:<br><br>• Motilal Oswal Liquid Fund - Unclaimed IDCW - Upto 3 years,<br>• Motilal Oswal Liquid Fund - Unclaimed IDCW - Greater than 3 years,<br>• Motilal Oswal Liquid Fund - Unclaimed Redemption - Upto 3 years<br>• Motilal Oswal Liquid Fund - Unclaimed Redemption - Greater than 3 years<br><br>Investors are requested to note that pursuant to the circular investors who claim the unclaimed amounts during a period of three years from the due date shall be paid initial unclaimed amount along-with the income earned on its deployment. Investors, who claim these amounts after 3 years, shall be paid initial unclaimed amount along-with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education. |
| **Disclosure w.r.t investment by minors** | Minors through Parents/Lawful Guardian. AMC will follow uniform process 'in respect of investments made in the name of a minor through a guardian' in terms of clause 17.6.1 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024.<br><br>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, PAN details as mentioned under the paragraph "Anti Money Laundering and Know Your Customer", updated bank account details including cancelled original cheque leaf of the new account and his specimen Signature duly authenticated by his banker. No further transactions shall be allowed till the status of the minor is changed to major.<br><br>The minor unit holder shall be represented either by natural parent (father and mother) or by a legal guardian. Payment of investment shall |

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| | be from the authorised banking channels and from the bank account of minor or joint account of minor with guardian.<br><br>The process of minor attaining major and status of investment etc. is mention in Statement of Additional Information (SAI). |
| **KYC Requirements** | Investor are requested to take note that it is mandatory to complete the KYC requirements (including updation of Permanent Account Number) for all unit holders, including for all joint holders and the guardian in case of folio of a minor investor. Accordingly, financial transactions (including redemptions, switches and all types of systematic plans) and non-financial requests are liable to be rejected, if the unit holders have not completed the KYC requirements. Notwithstanding in the above cases, the AMC reserves the right to ask for any requisite documents before processing of financial and non-financial transactions or freeze the folios as appropriate. Unit holders are advised to use the applicable KYC Form for completing the KYC requirements and submit the form at the point of acceptance. Further, upon updation of PAN details with the KRA (KRA-KYC)/ CERSAI (CKYC), the unit holders are requested to intimate us/our Registrar and Transfer Agent their PAN information along with the folio details for updation in our records. |

## I. OTHER DETAILS

### A. PERIODIC DISCLOSURES

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| **Net Asset Value**<br>This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance. | AMC will declare separate NAV under Regular Plan and Direct Plan of the Scheme.<br><br>The NAV will be calculated on all business days and disclosed in the manner specified by SEBI. The AMC shall update the NAVs on its website www.motilaloswalmf.com and also on AMFI website www.amfiindia.com before 11.00 p.m. on every business day. If the NAVs are not available before 11.00 p.m. on any business day, the reason for delay in uploading NAV would be explained to AMFI in writing. If the NAV is not available before the commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.<br><br>Further, Mutual Funds/ AMCs shall extend facility of sending latest available NAVs to investors through SMS, upon receiving a specific request in this regard. Investors can also contact the office of the AMC to obtain the NAV of the Scheme. |
| **Monthly & Annual Disclosure of Risk-o-meter** | The fund shall communicate any change in risk-o-meter by way of Notice cum Addendum and by way of an e-mail or SMS to unitholder. Further Risk-o-meter of scheme shall be evaluated on a monthly basis and Risk-o-meter along with portfolio shall be disclosed on website (https://www.motilaloswalmf.com/download/regulatory-updates) and on AMFI website within 10 days from the close of each month.<br><br>Additionally, MOMF shall disclose the risk level of all schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on its website and AMFI website. |
| **Disclosure of Benchmark Risk-o-meter** | Pursuant to clause 5.16.1 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, the AMC shall disclose risk-o-meter of the scheme and benchmark in all disclosures including promotional material or that stipulated by SEBI wherever the performance of the scheme vis-à-vis that of the benchmark is disclosed to the investors in which the unit holders are invested as on the date of such disclosure. https://www.motilaloswalmf.com/download/month-end-portfolio |
| **Scheme Summary Document** | The AMC has provided on its website(https://www.motilaloswalmf.com/download/scheme-summary-documents) Scheme summary document which is a |

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| | standalone scheme document for all the Schemes which contains all the details of the Scheme. |
| **Monthly & Half yearly Disclosures: Portfolio**<br>This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures. | The Mutual Fund / AMC shall disclose portfolio (along with ISIN) in a user friendly & downloadable spreadsheet format, as on the last day of the month/half year for the scheme(s) on its website (www.motilaloswalmf.com) and on the website of AMFI (www.amfiindia.com) within 10 days from the close of each month/half year.<br><br>In case of investors whose email addresses are registered with MOMF, the AMC shall send via email both the monthly and half yearly statement of scheme portfolio within 10 days from the close of each month/half year respectively.<br><br>The AMC shall publish an advertisement every half-year, in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the half yearly statement of the schemes portfolio on the AMC's website (www.motilaloswalmf.com) and on the website of AMFI (www.amfiindia.com). The AMC shall provide physical copy of the statement of scheme portfolio on specific request received from investors. |
| **Half yearly Disclosures: Financial Results** | The Mutual Fund shall within one month from the close of each half year, that is on 31st March and on 30th September, host a soft copy of its unaudited financial results on its website(https://www.motilaloswalmf.com/download/financials). The mutual fund shall publish an advertisement disclosing the hosting of such financial results on their website, in atleast one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the Mutual Fund is situated. |
| **Annual Report** | The Mutual Fund / AMC will host the Annual Report of the Schemes on its website (https://www.motilaloswalmf.com/download/financials) and on the website of AMFI (www.amfiindia.com) 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).<br><br>The Mutual Fund / AMC shall mail the scheme annual reports or abridged summary thereof to those investors whose e-mail addresses are registered with MOMF. The full annual report or abridged summary shall be available for inspection at the Head Office of the Mutual Fund and a copy shall be made available to the investors on request at free of cost. |

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| | 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.<br><br>MOMF will publish an advertisement every year in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of scheme wise Annual Report on the AMC website (www.motilaloswalmf.com) and on the website of AMFI (www.amfiindia.com). |
| **Product Dashboard** | In accordance with clause 5.8.4 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, the AMC has designed and developed the dashboard on their website (Mutual Funds Performance \| Top Performing Mutual Funds to Invest in India (motilaloswalmf.com) wherein the investor can access information with regard to scheme's AUM, investment objective, expense ratios, portfolio details and past performance of all the schemes. |

**B. TRANSPARENCY/NAV DISCLOSURE**

The NAV will be calculated on all business days and shall be disclosed in the manner specified by SEBI. The AMC shall update the NAVs on its website www.motilaloswalmf.com and also on AMFI website www.amfiindia.com before 11.00 p.m. on every business day. If the NAVs are not available before 11.00 p.m. on any business day, the reason for delay in uploading NAV would be explained to AMFI in writing. If the NAVs are not available before commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAVs. Further, AMC will extend facility of sending latest available NAVs to unitholders through SMS, upon receiving a specific request in this regard.

**C. TRANSACTION CHARGES AND STAMP DUTY**

The AMC/Mutual Fund shall deduct the Transaction Charges on purchase / subscription received from first time mutual fund investors and investors other than first time mutual fund investors through the distributor or through the stock exchange platforms viz. BSE Star MF/ NSE NMF II platforms (who have specifically opted-in to receive the transaction charges) as under:

i. For existing investor in a Mutual Fund: Rs.100/- per subscription of Rs,10,000/- and above;
ii. For first time investor in Mutual Funds: Rs.150/- per subscription of Rs,10,000/- and above.

However, there will be no transaction charge on:

i. Subscription of less than Rs. 10,000/-; or
ii. Transactions other than purchases/subscriptions relating to new inflows such as Switch/STP/SWP/DTP, etc.; or

iii. Direct subscription (subscription not routed through distributor); or
iv. Subscription routed through distributor who has chosen to 'Opt-out' of charging of transaction charge.

The transaction charge as mentioned above will be deducted by AMC from subscription amount of the Unitholder and paid to distributor and the balance shall be invested in the Scheme.

The distributors shall also have the option to either opt in or opt out of levying transaction charge based on type of the product.

Pursuant to Notification No. S.O. 1226(E) and G.S.R. 226(E) dated March 30, 2020 issued by Department of Revenue, Ministry of Finance, Government of India, read with Part I of Chapter IV of Notification dated February 21, 2019 issued by Legislative Department, Ministry of Law and Justice, Government of India on the Finance Act, 2019 and Clause 10.1 of SEBI Master Circular dated June 27, 2024, a stamp duty @ 0.005% of the transaction value would be levied on applicable mutual fund transactions, with effect from July 01, 2020. Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchase/ switch-in transactions to the unitholders would be reduced to that extent.

Details to be provided in SAI.

**D. ASSOCIATE TRANSACTIONS-** Please refer to Statement of Additional Information (SAI)

**E. TAXATION-** For details on taxation please refer to the clause on Taxation in the SAI apart from the following:

Motilal Oswal Mutual Fund is a Mutual Fund registered with SEBI and is governed by the provisions of Section 10(23D) of the Income Tax Act, 1961. Accordingly, any income of a fund set up under a scheme of a SEBI registered mutual fund is exempt from tax. The following information is provided only for general information purposes and is based on the Mutual Fund's understanding of the Tax Laws as of this date of Document. Investors / Unitholders should be aware that the relevant fiscal rules or their explanation may change. There can be no assurance that the tax position or the proposed tax position will remain same. In view of the individual nature of tax benefits, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Scheme

The below Tax Rates shall be applicable for FY 2025-26:

| **Nature of Income** | **Resident Investor** | **Mutual Fund** |
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| IDCW Income | Slab rate (Applicable Rate) | Nil |
| Long Term Capital Gains (>12 Months) | 12.5% above Rs.1.25 Lac* | Nil |
| Short Term Capital Gains (< 12 Months) | 20% | Nil |
| Tax on IDCW distributed to unit holders | Slab rate | Nil |

*subject to grandfathering clause
Capital Gains tax rates are excluding Surcharge & education cess.
For details on taxation, please refer to the clause on Taxation in the Scheme Additional Information (SAI).

**F. RIGHTS OF UNITHOLDERS-** Please refer to SAI for details.

**G. LIST OF OFFICIAL POINTS OF ACCEPTANCE:**

To get more information on list of official point of acceptance, Please refer link: https://www.motilaloswalmf.com/contact-us

**Kfin Technologies Limited (Official Collection Centres)**

**Registrar**

KFin Technologies Limited
Address: Selenium, Tower B, Plot No- 31 & 32, Financial District, Nanakramguda, Serilingampally Hyderabad Rangareddi TG 500032 IN
Tel: 040 79611000 / 67162222
Toll Free No: 18004254034/35
Email: compliance.corp@kfintech.com
Website: www.kfintech.com/

To view the complete details of designated collection centres / Investor Service centres of KFin Technologies Limited Please visit link on MOMF website https://www.motilaloswalmf.com/contact-us.

**MF UTILITIES INDIA PRIVATE LIMITED (Official Collection Centres)**

Please visit www.mfuindia.com for Point of Services ("POS") locations of MF Utilities India Private Limited ("MFU") which are Official Points of Acceptance (OPAs) for ongoing transactions.

**H. 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**

**Details of pending litigations are as follows**:

Link for Brief on litigation cases:
https://www.motilaloswalmf.com/download/sid-related-documents