SCHEME INFORMATION DOCUMENT

SECTION I

JioBlackRock Short Duration Fund

(An open ended short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 1 year to 3 years. Please refer Page No. 20 of the SID for concept of Macaulay Duration. A relatively high interest rate risk and moderate credit risk.)

This product is suitable for investors who are seeking*	Risk-o-meter of the Scheme	Risk-o-meter of the Benchmark: NIFTY Short Duration Debt Index A-II (As per AMFI Tier I Benchmark)
• Income over short term investment horizon • Investment in money market and debt instruments such that the Macaulay duration of the portfolio is between 1 year to 3 years	 The risk of the scheme is Moderate	 The risk of the benchmark is Low to Moderate
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.		

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

Potential Risk Class Matrix			
Credit Risk → **Interest Rate Risk ↓**	**Relatively Low (Class A)**	**Moderate (Class B)**	**Relatively High (Class C)**
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)		**B-III**	

Offer for Units of INR 1000/- each during the New Fund Offer and Continuous Offer for Units at NAV based prices

New Fund Offer Opens on	:	January 8, 2026
New Fund Offer Closes on	:	January 13, 2026
Scheme re-opens on	:	Within five business days of allotment date

Name of Mutual Fund	:	Jio BlackRock Mutual Fund (referred as 'JioBlackRock Mutual Fund')
Name of Asset Management Company	:	Jio BlackRock Asset Management Private Limited (referred as 'JioBlackRock AMC')
Name of Trustee Company	:	Jio BlackRock Trustee Private Limited (referred as 'JioBlackRock Trustee')
Addresses, Website of the entities	:	Unit No. 1301, 13th Floor, Altimus Building, Plot No. 130, Worli Estate, Pandurang Budhkar Marg, Worli, Mumbai – 400018, Maharashtra, India. Website: www.jioblackrockamc.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 JioBlackRock Mutual Fund, standard risk factors, special considerations, tax and legal issues and general information on www.jioblackrockamc.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 Scheme Information Document is dated December 8, 2025.

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PART I. HIGHLIGHTS/ SUMMARY OF THE SCHEME

Sr. No.	Title	Description
I.	**Name of the Scheme**	JioBlackRock Short Duration Fund
II.	**Category of the Scheme**	Debt Scheme - Short Duration Fund
III.	**Scheme type**	An open ended short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 1 year to 3 years. Please refer Page No. 20 of the SID for concept of Macaulay Duration. A relatively high interest rate risk and moderate credit risk.
IV.	**Scheme code**	JBMF/O/D/SDF/25/11/0010
V.	**Investment objective**	The investment objective of the Scheme is to generate income through investment in money market and debt instruments such that the Macaulay duration of the portfolio is between 1 year to 3 years. There is no assurance that the investment objective of the Scheme will be achieved.
VI.	**Liquidity / listing details**	The Scheme is an open-ended scheme. Being an open-ended Scheme, the Scheme will be open for purchase/redemption on all business days at NAV based prices, subject to provisions of exit load, if any. Redemption proceeds shall be transferred within 3 (three) business days from the date of redemption request. In case of delay beyond 3 (three) business days, the AMC is liable to pay interest to the investors at the rate of 15% per annum. However, in case of exceptional circumstances mentioned in para 14.1.3 of SEBI Master Circular for Mutual Funds dated June 27, 2024, redemption or repurchase proceeds will be transferred to investors within the timeframe prescribed for such exceptional circumstances. The Scheme is not listed on any of the stock exchanges. The AMC, at its sole discretion, can undertake listing on any of the stock exchange(s) at a later date.
VII.	**Benchmark (Total Return Index)**	Tier I Benchmark: **NIFTY Short Duration Debt Index A-II** As prescribed under SEBI Master Circular on Mutual Funds dated June 27, 2024, the NIFTY Short Duration Debt Index A-II has been selected from amongst those notified by AMFI for the Scheme. The composition of the benchmark is in line with the intended asset allocation and investment objective of the Scheme. Hence, the benchmark Index is an appropriate benchmark for the Scheme. Tier II Benchmark: Not Applicable The Trustee reserves the right to change the benchmark for the evaluation of the performance of the Scheme from time to time, keeping in mind the investment objective of the Scheme and the appropriateness of the benchmark, subject to the compliance with Regulations/ circulars issued by SEBI and AMFI in this regard from time to time.

VIII.	**NAV disclosure**	The AMC shall update the NAVs on website of the Association of Mutual Funds in India – AMFI (www.amfiindia.com) and on the website of AMC www.jioblackrockamc.com/nav by 11.00 p.m. on every Business Day. For further details, please refer Section II.
IX.	**Applicable timelines**	**Timeline for transfer of redemption proceeds:** Redemption proceeds shall be transferred within 3 (three) business days from the date of redemption request. In case of delay beyond 3 (three) business days, the AMC is liable to pay interest to the investors at the rate of 15% per annum. However, in case of exceptional circumstances mentioned in para 14.1.3 of SEBI Master Circular for mutual funds dated June 27, 2024, redemption or repurchase proceeds will be transferred to investors within the timeframe prescribed for such exceptional circumstances. For further details, investors are requested to refer to Statement of Additional Information (SAI).
X.	**Plans and Options** Plans/Options and sub options under the Scheme	The Scheme shall offer only Direct Plan. Further, the Plan shall offer only Growth Option. The AMC may introduce further Plan/s and Option/s in future, subject to regulations.
XI.	**Load Structure**	**Exit Load:** Nil
XII.	**Minimum Application Amount / switch in**	During NFO: Minimum Application Amount (Lumpsum): Rs. 500/- and any amount thereafter. Minimum Amount for switch-in to the Scheme: Rs. 500/- and any amount thereafter. Minimum Amount for Systematic Investment Plan (SIP): Rs. 500/- and in multiples of Re. 1/- thereafter. On a continuous basis: Minimum Amount for Purchase (Lumpsum): Rs. 500/- and any amount thereafter. Minimum Amount for switch-in to the Scheme: Rs. 500/- and any amount thereafter. Minimum Amount for Systematic Investment Plan (SIP): Rs. 500/- and in multiples of Re. 1/- thereafter. Note: For mandatory investments made by designated employees of AMC in terms of para 6.10 of SEBI Master Circular for Mutual Funds dated June 27, 2024 and SEBI circular dated March 21,

		2025, requirement for minimum application/ redemption amount will not be applicable.
XIII.	**Minimum Additional Purchase Amount**	Rs. 500/- and any amount thereafter. Note: The minimum additional purchase amount will not be applicable for investment made in schemes in line with para 6.10 of SEBI Master Circular for Mutual Funds dated June 27, 2024 and SEBI circular dated March 21, 2025.
XIV.	**Minimum Redemption/switch out amount**	'Any amount' or 'any number of units' as requested by the investor. The Redemption would be permitted to the extent of credit balance in the Investor's account of the Scheme (subject to release of pledge / lien or other encumbrances). The Redemption request can be made by specifying the rupee amount or by specifying the number of Units to be redeemed.
XV.	**New Fund Offer Period** This is the period during which a new scheme sells its units to the investors.	NFO opens on: January 8, 2026 NFO closes on: January 13, 2026 As permitted by SEBI, NFO shall remain open for subscription for a minimum period of 3 business days but not more than 15 calendar days. Any extension or change to the NFO dates will be subject to the requirement of NFO period not exceeding 15 calendar days. Any changes in dates of NFO will be published through notice on website of the AMC i.e. www.jioblackrockamc.com/disclosure.
XVI.	**New Fund Offer Price:** This is the period during which a new scheme sells its units to the investors	INR 1,000/- per Unit
XVII.	**Segregated portfolio/side pocketing disclosure**	Pursuant to clause 4.4 of SEBI Master Circular for Mutual Funds dated June 27, 2024, the AMC has the provision to create segregated portfolio of debt and money market instruments under certain circumstances. Kindly refer SAI for more details.
XVIII.	**Swing pricing disclosure**	Pursuant to clause 4.10 of SEBI Master Circular for Mutual Funds dated June 27, 2024, the Scheme has enabled the provision for swing pricing. Kindly refer SAI for more details.
XIX.	**Stock lending / short selling**	Pursuant to clause 12.11 of SEBI Master Circular for Mutual Funds dated June 27, 2024, the Scheme may engage in securities lending in accordance with the framework specified by SEBI. The Scheme will not engage in short selling of securities. Kindly refer to SAI for more details.
XX.	**How to Apply**	Investors can undertake transactions in the Schemes of JioBlackRock Mutual Fund either through physical, online / electronic mode or any other mode as may be prescribed from time to time.

		Physical Transactions For subscription / redemption / switches, application form and Key Information Memorandum may be obtained from the Official Points of Acceptance (OPAs) of the AMC / RTA or downloaded from the website of the AMC (www.jioblackrockamc.com). **Online / Electronic Transactions** Investors can undertake transactions via electronic mode through various online facilities offered by JioBlackRock AMC/ other platforms specified by AMC from time to time. During the New Fund Offers (NFO) period, investors applying under the Demat mode have the option to apply through Applications Supported by Blocked Amount (ASBA) facility. Investors will be required to submit ASBA form to the respective banks, which in turn will block the amount in their account as per authority contained in the ASBA form. ASBA applications can be submitted only at Self-Certified Syndicate Banks (SCSBs) at their designated branches. The list of SCSBs and their designated branches shall be displayed on the SEBI's website (www.sebi.gov.in). ASBA form should not be submitted at locations other than SCSB as it will not be processed. For details on the ASBA process, please refer to the ASBA application form. Please refer to Section II and the SAI for further details.
XXI.	**Where can applications for subscription/redemption/switches be submitted**	For details, please refer section XX "How to Apply".
XXII.	**Investor services**	**Contact details for general service requests:** • Post feedback/suggestions on our website www.jioblackrockamc.com • Investors may call at: +91 22-35207700 & +91 22-69987700 during business hours. • Email – service@jioblackrockamc.com **Contact details for complaint resolution:** **Mr. Manish Kanchan** **Investor Relations Officer** JioBlackRock AMC, Unit no:1301, 13th Floor, Altimus building, Plot no.130, Worli Estate, Pandurang Budhkar Marg, Worli, Mumbai- 400018, Maharashtra, India For any grievances with respect to transactions through **NSE/BSE,** the investor should approach the investor grievance cell of the respective stock exchange.

		MFU Customer Care: For transactions related to MFU, Investors may contact the customer care of MFU on 022-71791111 (business hours on all days except Sunday and Public Holidays) or can raise a query or lodge a complaint by selecting the 'Help & Support' option on www.mfuindia.com.
XXIII.	**Specific attribute of the scheme (such as lock in, duration in case of target maturity scheme/close ended schemes)**	Not Applicable
XXIV.	**Special product/facility available during the NFO and on ongoing basis**	The facilities/products available are: **<u>Systematic Investment Plan (SIP)</u>** Investors of the Scheme/s can invest through SIP. SIP allows the investor to invest a specified sum of money at regular intervals. SIP facility will be available during NFO period and on an On-going basis. The minimum amount per SIP installment and minimum number of installments under all frequencies of SIP are as follows: **Frequency under SIP Facility** / **Minimum Installments** / **Minimum Amount and in multiples of** Weekly / 6 / Rs. 500 and in multiples of Re. 1/- thereafter Monthly / 6 / Rs. 500 and in multiples of Re. 1/- thereafter Quarterly / 6 / Rs. 500 and in multiples of Re. 1/- thereafter **SIP Top-Up Facility** Investors may avail SIP Top-up facility where they have options to increase the SIP Installment at pre-defined intervals. This will enhance the flexibility of the investor to invest higher amounts during the tenure of the SIP. The SIP Top-up facility will be available during <u>NFO period and on an On-going basis.</u> Investors can utilize the Top-up facility to increase their SIP installment amount by investing a minimum of Rs. 50 and in multiples of Rs. 50. Alternatively, investors can increase the SIP installment amount by 10% and in multiples of 5%. The Top-Up SIP amount will be rounded off to the nearest multiple of Re.1. The Weekly and Monthly SIP offer top-up frequency at Half-yearly and Yearly intervals. For Quarterly SIP, the top-up frequency is available on a Yearly basis. **<u>SIP Pause Facility</u>** SIP Pause facility allows investors to pause their existing SIP for a temporary period, without discontinuing the existing SIP and SIP

would restart from the immediate next installment after completion of the pause period specified by the investor. SIP Pause can be for a minimum period of 1 month to a maximum period of 6 months. SIP Pause facility will be available only on an on-going basis.

Systematic Transfer Plan (STP)
STP is a facility wherein unitholders can opt to transfer a fixed amount at regular intervals to another designated open-ended scheme of JioBlackRock Mutual Fund. STP facility will only be available on an on-going basis and will not be available during the NFO period.

The minimum amount per STP installment and minimum number of installments under all frequencies of STP are as follows:

Frequency under STP Facility	Minimum Installments	Minimum Amount and in multiples of
Daily	6	Rs. 100 and in multiples of Re. 1/- thereafter
Weekly	6	Rs. 100 and in multiples of Re. 1/- thereafter
Monthly	6	Rs. 100 and in multiples of Re. 1/- thereafter
Quarterly	6	Rs. 100 and in multiples of Re. 1/- thereafter

Systematic Withdrawal Plan (SWP)
Investors of the Scheme have the facility of enrolling themselves in a Systematic Withdrawal Plan (SWP). The SWP facility allows the investor to withdraw a specified sum of money periodically from their investments in the scheme. An SWP is ideal for investors seeking a regular inflow of funds for their needs. A fixed sum will be paid to the investor from their investments and the remaining part of the corpus will continue to earn returns. SWP facility will only be available on an on-going basis and will not be available during the NFO period.

The minimum amount per SWP installment and minimum number of installments under all frequencies of SWP are as follows:

Frequency under SWP Facility	Minimum Installment	Minimum Amount and in multiples of
Weekly	6	Rs. 500 and in multiples of Re. 1/- thereafter
Monthly	6	Rs. 500 and in multiples of Re. 1/- thereafter

		<table><tr><td>Quarterly</td><td>6</td><td>Rs. 500 and in multiples of Re. 1/- thereafter</td></tr></table> For more details on the above special products and facilities, please refer to the SAI.
XXV.	**Weblink**	The Total Expense Ratio (TER) shall be made available to the investors on the website of the AMC at www.jioblackrockamc.com/ter. The Scheme factsheet shall be made available to the investors on the website of the AMC at www.jioblackrockamc.com/disclosure.
XXVI.	**Nomination and KYC**	For details on nomination and KYC, refer SAI.

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) The AMC has complied with the compliance checklist applicable for Scheme Information Document and 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 JioBlackRock Short Duration Fund approved by them is a new product offered by JioBlackRock Mutual Fund and is not a minor modification of any existing scheme/fund/product.

Date: December 8, 2025

Place: Mumbai

Sd/-
Name: Siddharth Swaminathan

Designation: Managing Director and Chief Executive Officer

Sd/-
Name: Garima Nahar

Designation: Chief Compliance Officer and General Counsel

PART II. INFORMATION ABOUT THE SCHEME

A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

The below table includes asset allocation giving the broad classification of assets and indicative exposure level in percentage terms. The Asset Allocation Pattern of the Scheme under normal circumstances would be as under:

Instruments	Indicative allocations (% of total assets)	
	Minimum	Maximum
Debt and Money Market instruments*	0	100

* The Scheme retains the flexibility to invest across all the securities in the Debt and Money Market Instruments such that the Macaulay duration of the portfolio is between 1 year to 3 years.

- As per Clause 12.11 of SEBI Master Circular for Mutual Funds dated June 27, 2024, as amended from time to time, the Scheme shall engage in securities lending subject to a maximum of 20% in aggregate, of the net assets of the Scheme and 5% of the net assets of the Scheme in the case of a single intermediary.
- As per Clause 7.5, 7.6 and 12.25 of SEBI Master Circular for Mutual Funds dated June 27, 2024, investment in Debt Derivatives shall be upto 50% of net assets of the Scheme for hedging and non-hedging purpose.
- As per Clause 12.28 of SEBI Master Circular for Mutual Funds dated June 27, 2024 and SEBI Circular dated September 20, 2024, investment in Credit Default Swaps shall be upto 10% of the net assets and shall be within the overall limit of derivatives exposure.
- As per Clause 12.18 of SEBI Master Circular for Mutual Funds dated June 27, 2024, the investment in Repo / Reverse Repo in Corporate debt securities (including listed AA and above rated corporate debt securities and Commercial Papers (CPs) and Certificate of Deposits (CDs)) shall be up to 10% of the net assets of the Scheme.
- As per Clause 4 of the Seventh Schedule of SEBI (Mutual Funds) Regulations, 1996, the Scheme may invest in other scheme(s) under the same AMC or any other mutual fund without charging any fees, provided that aggregate inter-scheme investment made by all Schemes under the same AMC or in Schemes under the management of any other asset management shall not exceed 5% of the net asset value of the Mutual Fund. Further, the Scheme shall not invest in any fund of funds scheme.
- As per Clause 16A.2.4.2 of SEBI Master Circular for Mutual Funds dated June 27, 2024, the Scheme will invest 25 bps of Assets Under Management (AUM) in the units of Corporate Debt Market Development Fund (CDMDF). Subsequently, as per Clause 2.10 of SEBI Master Circular for Mutual Funds dated June 27, 2024, while calculating the asset allocation limits of mutual fund schemes, the investment in units of CDMDF shall be excluded from base of net asset.
- As per Clause 12.15 of SEBI Master Circular for Mutual Funds dated June 27, 2024, investments in Securitised debt will be upto 20% of the net assets of the Scheme.
- As per para 12.3 of Master Circular for Mutual Funds dated June 27, 2024, the investment of the Scheme in the debt instruments having structured obligations / credit enhancements shall not exceed 10% of the debt portfolio of the Scheme and the group exposure in such instruments shall not exceed 5% of the debt portfolio of the Scheme.

- As per Clause 12.2 of SEBI Master Circular for Mutual Funds dated June 27, 2024, the investment limits of mutual funds in Instruments with Special Features such as AT1 and AT2 Bonds shall be as under:

  a) No Mutual Fund under all its schemes shall own more than 10% of such instruments issued by a single issuer;

  b) A Mutual Fund scheme shall not invest

  i. more than 10% of its NAV of the debt portfolio of the scheme in such instruments; and
  ii. 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 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 (Mutual Funds) Regulations, 1996, and other prudential limits with respect to the debt instruments.

- A part of the net assets may be invested in the Tri-party Repos on Government securities or treasury bills (TREPS) or repo or in an alternative investment as may be provided by RBI to meet the liquidity requirements, subject to approval, if any.

- The cumulative gross exposure through debt and money market instruments, repo / reverse repo in corporate debt securities, debt derivative positions, units of mutual funds, securitized debt, instruments with special features, credit enhancement and structured Obligations and such other securities/assets as may be permitted by SEBI from time to time subject to regulatory approvals, if any should not exceed 100% of the net assets of the Scheme as per Clause 12.24 of SEBI Master Circular for Mutual Funds dated June 27, 2024.

- Pursuant to para 12.25.3 of SEBI Master Circular for Mutual Funds dated June 27, 2024, cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure. Cash Equivalent shall consist of the following securities having residual maturity of less than 91 days: a) Government Securities; b) T-Bills; and c) Repo on Government securities.

- In line with para 4.5 of SEBI Master Circular for Mutual Funds dated June 27, 2024, Securities in which investment is made for the purpose of ensuring liquidity (debt and money market instruments) are those that fall within the definition of liquid assets which includes Cash, Government Securities, T-bills and Repo on Government Securities.

- Pending deployment of funds of the Scheme in securities in terms of the investment objective of the Scheme as stated above, the funds of the Scheme may be invested in short term deposits of scheduled commercial banks in accordance with para 12.16 of SEBI Master Circular for Mutual Funds dated June 27, 2024.

- In line with SEBI circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2025/23 dated February 27, 2025; deployment of the funds garnered in an NFO shall be made within 30 business days from the date of allotment of units. In an exceptional case, if the AMC is not able to deploy the funds in 30 business days, reasons in writing, including details of efforts taken to deploy the funds, shall be placed before the Investment Committee. The Investment Committee, after examining the root cause for delay, may extend the timeline by 30 business days. In case the funds are not deployed as per the asset allocation mentioned above and as per the aforesaid mandated plus extended timelines, the AMC shall comply with the provisions mentioned in SEBI circular no. SEBI/HO/IMD/IMD Po1/P/CIR/2025/23 dated February 27, 2025.

- Pursuant to SEBI Master Circular for Mutual Funds dated June 27, 2024 read with AMFI Best Practices Guidelines circular ref. no. 135/BP/93/2021-22 dated July 24, 2021, the Scheme shall hold-(i) at least 10% of its net assets in liquid assets; OR (ii) liquid assets basis Liquidity Ratio based on 30 -day Redemption at Risk (i.e LR –RaR), whichever is higher. For this purpose, "liquid assets" shall include Cash, Government Securities, T-bills and Repo on Government Securities. For ensuring liquidity the scheme will undertake the investment in liquid assets as per SEBI (Mutual Funds) Regulations, 1996.

- In addition to the above, the Scheme shall also maintain the liquidity ratio based on 30-day Conditional Redemption at Risk (LR-CRaR) in 'eligible assets' for LR-CRaR, in accordance with the guidelines / computation methodology (including definition of eligible assets for this purpose), as provided in the AMFI Best Practices Guidelines circular dated July 24, 2021.It shall be ensured that the liquid assets / eligible assets are maintained to the extent of the LR-RaR and LR-CRaR ratios. In case, the exposure in such liquid assets / eligible assets falls below the prescribed threshold levels of net assets of the Scheme, the AMC shall ensure that the LR-RaR and LR-CRaR ratios are restored to 100% of the required level(s) by ensuring that the net inflows (through net subscription / accruals / maturity & sale proceeds) into the Scheme are used for restoring the ratios before making any new purchases outside 'Liquid Assets / Eligible Assets' as specified in the above referred circular(s).

- As per Clause 12.1.5 of SEBI Master Circular for Mutual Funds dated June 27, 2024, the Scheme may invest in Unrated debt and money market instruments upto 5% of the net assets of the Scheme, subject to approval of the Board of AMC and the Board of Trustees.

- As per Clause 12.1 of SEBI Master Circular for Mutual Funds dated June 27, 2024, the Scheme may invest in Unlisted Non-convertible debentures (NCDs) upto 10% of the debt portfolio of the Scheme.

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

Sl. No.	**Type of Instrument**	**Percentage of exposure**	**Circular references**
1	Securities lending	a) Upto 20% of the net assets of the Scheme b) Upto 5% of the net assets at single intermediary i.e. broker level	Clause 12.11 of SEBI Master Circular for Mutual Funds dated June 27, 2024
2	Debt Derivatives (Hedging and Non-hedging)	Upto 50% of the net assets of the Scheme	Clause 7.5, 7.6 and 12.25 of SEBI Master Circular for Mutual Funds dated June 27, 2024

Sl. No.	Type of Instrument	Percentage of exposure	Circular references
3	Credit Default Swaps	Upto 10% of net assets of the Scheme	Clause 12.28 of SEBI Master Circular for Mutual Funds dated June 27, 2024 and SEBI Circular dated September 20, 2024
4	Repo/ Reverse Repo in corporate debt securities	Upto 10% of the net assets of the Scheme	Clause 12.18 of SEBI Master Circular for Mutual Funds dated June 27, 2024
5	Mutual Funds Units	The Scheme may invest in units of schemes of Jio BlackRock Mutual Fund and/or any other mutual fund subject to the overall limit of upto 5% of the net asset value of the mutual fund.	Clause 4 of Seventh Schedule of SEBI (Mutual Funds) Regulations, 1996.
6	Units of CDMDF	0.25% of the net assets of the Scheme	Clause 16A.2.4.2 of SEBI Master Circular for Mutual Funds dated June 27, 2024
7	Securitised debt	Upto 20% of the net assets of the Scheme	Clause 12.15 of SEBI Master Circular for Mutual Funds dated June 27, 2024
8	Debt securities having structured obligations (SO rating) and/or credit enhancements (CE rating)	Upto 10% of the debt portfolio of the Scheme and the group exposure in such instruments shall not exceed 5% of the debt portfolio of the Scheme	Clause 12.3 of SEBI Master Circular for Mutual Funds dated June 27, 2024
9	Debt instruments with special features (such as AT1 and AT2 bonds)	a) Upto 10% of its NAV of the debt portfolio of the Scheme and b) Upto 5% of its NAV of the debt portfolio of the Scheme at single issuer level.	Clause 12.2 of the SEBI Master Circular for Mutual Funds dated June 27, 2024
10	Short Term Deposits	Upto 15% of net assets of all scheduled commercial banks put together and upto 10% of net assets in single scheduled commercial bank.	Clause 12.16 of SEBI Master Circular for Mutual Funds dated June 27, 2024
11	Liquid Assets (Cash, Government Securities, T-bills and Repo on Government Securities)	Atleast 10% of the net assets of the Scheme	Clause 4.6.1 of SEBI Master Circular for Mutual Funds dated June 27, 2024/
12	Unrated debt and money market instruments	Upto 5% of the net assets of the Scheme	Clause 12.1.5 of SEBI Master Circular for Mutual Funds dated June 27, 2024
13	Unlisted Non-convertible debentures (NCDs)	Upto 10% of the debt portfolio of the Scheme	Clause 12.1 of SEBI Master Circular for Mutual Funds dated June 27, 2024

The Scheme will not invest/engage into the following instruments:

Sl. No.	Type of Instrument
1	Short Selling of securities
2	Equity & Equity Related Instruments including Equity Derivatives
3	Overseas securities
4	Units of REITs and InvITs

Short Term Defensive Considerations:

Subject to SEBI (MF) Regulations, the asset allocation indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially depending upon the perception of the Fund Manager, the intention being at all times to seek to protect the interests of the investors. As per clause 1.14.1.2.b of SEBI Master Circular for Mutual Funds dated June 27, 2024, as may be amended from time to time, such changes in the investment pattern will be for short term and for defensive consideration only.

In the event of change in the asset allocation, the fund manager will carry out portfolio rebalancing within 30 calendar days from the date of such deviation or such other timeline as may be prescribed by SEBI from time to time.

Portfolio Rebalancing:

In the event of any deviations from the mandated asset allocation as mentioned above due to passive breaches, portfolio rebalancing will be carried out by the AMC/fund manager within 30 business days of the date of the said deviation. This rebalancing will be subject to prevailing market conditions and in the interest of the investors. In case the portfolio of the Scheme is not rebalanced within the period of 30 business days, justification in writing, including details of efforts taken to rebalance the portfolio shall be placed before the Investment Committee of the AMC. The Investment Committee, if it so desires, can extend the timeline for rebalancing up to 60 business days from the date of completion of mandated rebalancing period. Further, in case the portfolio is not rebalanced within the aforementioned mandated plus extended timelines the AMC shall comply with the prescribed restrictions, the reporting and disclosure requirements as specified in para 2.9 of SEBI Master Circular on Mutual Funds dated June 27, 2024.

B. WHERE WILL THE SCHEME INVEST?

The corpus of the Scheme shall be invested in accordance with the investment objective in any (but not exclusively) of the following securities:

a) Securities issued by Government of India. Repos/ Reverse repos in Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).
b) Securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).
c) Debt obligations of domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee.
d) Repo/ Reverse Repo transactions in corporate debt securities.
e) Money Market Instruments including but not limited to Commercial Paper, Commercial Bills, Certificates of Deposit, Treasury Bills, Bills Rediscounting, Triparty Repo, Repo/ Reverse repo

in government securities, Call or notice money, Usance Bills, and any other short-term instruments allowed under current Regulations.

f) Debt securities (including non convertible portion of convertible instruments) issued by companies, banks, financial institutions and other bodies corporate (both public and private sector undertakings) including Bonds (coupon bearing / zero coupon), Debentures, Notes, Strips, etc.
g) Securitized debt.
h) Units of Mutual Fund Schemes.
i) Debt Derivative instruments like Interest Rate Swaps, Forward Rate Agreements, Interest Rate Futures and such other derivative instruments permitted by SEBI/RBI.
j) Units of Corporate Debt Market Development Fund (CDMDF).
k) Credit Default Swaps (CDS).
l) Debt Instruments with special features (AT1 and AT2 Bonds)
m) Debt instruments having Structured Obligations / Credit Enhancements
n) Short Term Deposits of Scheduled Commercial Banks
o) Cash & cash equivalents.
p) Any other like instruments as may be permitted by RBI/SEBI/ such other Regulatory Authority from time to time.

Note: The securities/debt instruments mentioned above could be listed or unlisted, secured or unsecured, rated or unrated and of varying maturity and other terms of issue. The securities may be acquired through Initial Public Offerings (IPOs), secondary market operations, private placement, rights offer or negotiated deals.

The inter Scheme transfer of investments shall be in accordance with the provisions contained in Clause 12.30 of the Master Circular dated June 27, 2024, pertaining to Inter-Scheme transfer of investments.

C. WHAT ARE THE INVESTMENT STRATEGIES?

An open-ended, actively managed debt scheme investing in debt and money market instruments such that the Macaulay duration of the portfolio is between 1 year to 3 years. The investment strategy would be towards generating returns through a portfolio of Debt and Money Market instruments seeking to capture the term and credit spreads. Every investment opportunity in Debt and Money Market Instruments would be assessed with regard to parameters such as credit risk, interest rate risk, liquidity risk, derivatives risk and other such parameters. The Scheme shall endeavor to develop a well-diversified portfolio of debt and money market instruments. Investments made from the net assets of the Scheme would be in accordance with the investment objective of the Scheme and the provisions of the SEBI (MF) Regulations.

A part of the fund's corpus may be invested in instruments like units of mutual fund, repo transactions in corporate debt securities, credit default swaps, short term deposits, securitised debt, units of CDMDF. Such investments will be as per the limits in the asset allocation table of the Scheme, subject to permissible limits specified under SEBI (MF) Regulations. Investment in Debt securities and Money Market Instruments will be guided by credit quality, liquidity, interest rate outlook.

Derivatives Strategy:

The Scheme may take exposure to debt derivatives like Interest Rate Swaps, Interest Rate Futures, Forward Rate Agreements or other derivative instruments for the purpose of hedging / non-hedging, portfolio rebalancing and other purposes, as permitted by regulations from time to time. Such exposure to derivative instruments will be in line with the investment objective and overall strategy of the scheme. Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

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

For detailed derivative strategies, please refer to SAI.

Portfolio Turnover:

Portfolio Turnover is a term used to measure the volume of trading that occurs in a Scheme's portfolio during a given time period. The Scheme has no specific target relating to turnover of securities, given the low liquidity in the debt market. However, the turnover is guided by sale and purchase of securities arising out of the purchase and redemption of Units. Trading opportunities may arise due to changes in system liquidity, interest rate policy announced by RBI, shifts in the yield curve, change or anticipation of change in the credit worthiness or credit rating of securities or any other factors, which may lead to increase in the turnover. The fund manager will endeavour to optimize portfolio turnover to maximize gains and minimize risks keeping in mind the cost associated with it.

Risk Control:

Investments made from the net assets of the Scheme would be in accordance with the investment objective of the Scheme and the provisions of the SEBI (MF) Regulations. The AMC will strive to achieve the investment objective by way of a judicious portfolio mix comprising of Debt and Money Market Instruments. Every investment opportunity in Debt and Money Market Instruments would be assessed with regard to credit risk, interest rate risk, liquidity risk and concentration risk.

Concept of Macaulay Duration

The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price. Macaulay duration can be calculated as follows:

$$\text{Macaulay Duration} = \frac{\sum_{t=1}^{n} \frac{t * C}{(1+y)^t} + \frac{n * M}{(1+y)^n}}{\text{Current Bond Price}}$$

Where:

- t = respective time period
- C = periodic coupon payment
- y = periodic yield
- n = total number of periods
- M = maturity value
- Current Bond Price = Present value of cash flows

The Macaulay duration can be viewed as the economic balance point of a group of cash flows. Another way to interpret the statistic is that it is the weighted average number of years an investor must maintain a position in the bond until the present value of the bond's cash flows equals the amount paid for the bond.

D. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

The Scheme benchmark would be **NIFTY Short Duration Debt Index A-II**.

As prescribed under SEBI Master Circular on Mutual Funds dated June 27, 2024, the NIFTY Short Duration Debt Index A-II has been selected from amongst those notified by AMFI for the Scheme. The composition of the benchmark is in line with the intended asset allocation and investment objective of the Scheme. Hence, the benchmark Index is an appropriate benchmark for the Scheme.

The composition of the aforesaid benchmark is such that it is most suited for comparing the performance of the scheme.

Tier II Benchmark: Not Applicable

The Trustee reserves the right to change the benchmark for the evaluation of the performance of the Scheme from time to time, keeping in mind the investment objective of the Scheme and the appropriateness of the benchmark, subject to the compliance with Regulations/ circulars issued by SEBI and AMFI in this regard from time to time.

E. WHO MANAGES THE SCHEME?

Name of the Fund Manager & Age	Educational Qualification	Brief Experience (last 10 years)	Other schemes under his/her management
Mr. Arun Ramachandran	Financial Risk Management (2010)	JioBlackRock AMC (Fund Manager – Fixed Income) –	• JioBlackRock Liquid Fund

Name of the Fund Manager & Age	Educational Qualification	Brief Experience (last 10 years)	Other schemes under his/her management
Age: 42 Years (Managing the Scheme since inception)	Post Graduate Diploma in Business Administration (Mumbai Education Trust – 2006)	December 27, 2024 – Present. SBI Funds Management Limited (Fund Manager – Fixed Income) – March 02, 2009 – December 26, 2024.	• JioBlackRock Money Market Fund • JioBlackRock Overnight Fund • JioBlackRock Nifty 8-13 yr G-Sec Index Fund
Mr. Vikrant Mehta Age: 54 Years (Managing the Scheme since inception)	M.S. (Engineering) from Kiev Polytechnical Institute, Ukraine Chartered Financial Analyst, Institute of Chartered Financial Analysts of India (ICFAI)	JioBlackRock AMC (Senior Fund Manager) - December 02, 2024 – Present. ITI Asset Management Limited (Head – Fixed Income and Portfolio Manager) – January 15, 2021 – November 14, 2024. Indiabulls Asset Management Company Limited (Head – Fixed Income and Portfolio Manager) – January 28, 2019 – May 31, 2020. PineBridge India Private Limited (Vice President – Fixed Income) – December 04, 2006 – December 31, 2018.	• JioBlackRock Liquid Fund • JioBlackRock Money Market Fund • JioBlackRock Overnight Fund • JioBlackRock Nifty 8-13 yr G-Sec Index Fund
Mr. Siddharth Deb Age: 42 Years (Managing the Scheme since inception)	MMS Finance from University of Mumbai B.Sc. (Zoology) from University of Kolkata	JioBlackRock AMC (Senior Fund Manager) – May 01, 2025 – Present. Nippon Life India Asset Management Limited (Fund Manager) – November 2016 – April 2025. Goldman Sachs Asset Management India (Fund Manager) – August 2011 – November 2016.	• JioBlackRock Liquid Fund • JioBlackRock Money Market Fund • JioBlackRock Overnight Fund • JioBlackRock Nifty 8-13 yr G-Sec Index Fund

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

For details of the scheme differentiation, please visit www.jioblackrockamc.com/disclosure.

G. HOW HAS THE SCHEME PERFORMED?

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

H. ADDITIONAL SCHEME RELATED DISCLOSURES

i. Scheme's portfolio holdings (top 10 holdings by issuer and fund allocation towards various sectors including detailed description.)

Not Applicable as this is a new Scheme.

ii. 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 including detailed description.

Not Applicable.

iii. Functional website link for Portfolio Disclosure - Fortnightly / Monthly/ Half Yearly.

The Mutual Fund / AMC will disclose the portfolio (along with ISIN and other prescribed details) of the Scheme in the prescribed format on a Fortnightly, monthly and Half Yearly basis on its website www.jioblackrockamc.com/disclosure.

The details can be accessed using the following links:

Fortnightly portfolio	www.jioblackrockamc.com/disclosure
Monthly Portfolio	www.jioblackrockamc.com/disclosure
Half yearly portfolio	www.jioblackrockamc.com/disclosure

iv. Portfolio Turnover Rate.

Not Applicable.

v. Aggregate investment in the Scheme by:

Sr. No.	**Category of Persons**	**Net Value***		**Market Value (in Rs.)**
1	Concerned scheme's Fund Manager(s)	Units	NAV per unit	
Not Applicable				

**includes mandatory investments under SEBI guidelines, if any.*

The above disclosures are not applicable since this Scheme is a new scheme and does not contain any details.

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

vi. Investments of AMC in the Scheme:

Subject to the SEBI (MF) Regulations, the sponsors and investment companies managed by them, their associate companies, subsidiaries and affiliates of the sponsors, the funds managed by associates and/or the AMC may acquire a substantial portion of the Scheme. Accordingly, redemption of units held by such funds, associates and sponsors may have an adverse impact on the units of the scheme because the timing of such redemption may impact the ability of other unit holders to redeem their units.

Pursuant to Regulation 25(16A) of the SEBI (MF) Regulations, 1996, the AMC shall invest in the scheme based on the risk associated with the scheme as specified in SEBI Master Circular for Mutual Funds dated June 27, 2024 read with AMFI Best Practice Guidelines Circular 135/BP/100/2022-23 dated April 26, 2022 and any other circulars issued there under, from time to time.

In addition to investments as mandated above, the AMC may invest in the Scheme subject to the SEBI (MF) Regulations. Under the Regulations, the AMC will not charge any investment management and advisory services fee on its own investment in the Scheme.

The investors can refer to the investments made by the AMC in the Scheme on the website of the AMC at www.jioblackrockamc.com/disclosure.

PART III. OTHER DETAILS

A. COMPUTATION OF NAV

The NAV of the units of the Scheme would be computed by dividing the net assets of the Scheme by the number of outstanding units on the valuation date. The AMC shall value the investments according to the valuation norms, as specified in the SEBI (MF) Regulations. All expenses and incomes accrued up to the valuation date shall be considered for computation of NAV. The NAV of the Scheme would be calculated up to four decimal places and would be declared on each business day.

NAV of units under the scheme shall be calculated as shown below:

NAV (Rs.) =

$$\frac{\text{Market or Fair Value of Scheme's investments + Current Assets including Accrued Income - Current Liabilities and Provision including accrued expenses}}{\text{No. of units outstanding under the scheme on the Valuation Day}}$$

Illustration on Computation of NAV: If the net assets of the Scheme are INR 10,55,55,550.00 and units outstanding are 1,00,000 then the NAV per unit will be computed as follows:

10,55,55,550.00 / 1,00,000 = INR. 1055.5555 per unit (up to four decimals).

Methodology of calculating the sale price:
The price or NAV an investor is charged while investing in an open-ended scheme is called sale / subscription price. Pursuant to clause 10.4.1.a of the SEBI Master circular for Mutual Funds dated June 27, 2024, no entry load will be charged by the Scheme to the investors.

Therefore, Sale / Subscription price = Applicable NAV

Methodology of calculating the repurchase price

Repurchase or redemption price is the price or NAV at which an open-ended scheme purchases or redeems its units from the investors. It may include exit load, if applicable. The exit load, if any, shall be charged as a percentage of Net Assets Value (NAV) i.e. applicable load as a percentage of NAV will be deducted from the "Applicable NAV" to calculate the repurchase price.

Therefore, Repurchase / Redemption Price = Applicable NAV *(1 – Exit Load, if any)

For example, If the Applicable NAV of the Scheme is Rs. 10 and the Exit Load applicable at the time of investment is 1% if redeemed before completion of 1 year from the date of allotment of units and the investor redeems units before completion of 1 year, then the repurchase/redemption price will be: = Rs. 10*(1-0.01) = Rs. 9.90

The Repurchase Price will not be lower than 97% of the NAV.

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

B. NEW FUND OFFER (NFO) EXPENSES

These are the expenses incurred for the purpose of new fund offer of the scheme including marketing, advertising, communication, registrar expenses, statutory expenses, printing expenses, stationery expenses, bank charges, exchange related charges, service provider related charges etc. As required in SEBI Regulations, all NFO expenses will be borne only by the AMC and not by the Scheme. Accordingly, the NFO expenses would be incurred from AMC books and not from Scheme books.

C. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the Scheme. These expenses include investment management and advisory fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc.

The AMC has estimated that up to 2% of the daily net assets of the Scheme will be charged to the Scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of Mutual Fund at www.jioblackrockamc.com/ter.

Expense Head	% p.a. of daily Net Assets (Estimated p.a.)
Investment Management & Advisory Fee	Up to 2.00%
Audit fees / fees and expenses of trustees[3]	
Custodial Fees	
Registrar & Transfer Agent Fees including cost of providing account statements/ IDCW/ redemption cheques/ warrants	
Marketing & Selling Expenses including Agents Commission and statutory Advertisement	
Costs related to investor communications	
Costs of fund transfer from location to location	

Cost towards investor education & awareness[1]	
Brokerage & Transaction cost on value of trades[2]	
Goods & Services Tax on expenses other than investment and advisory fees[4]	
Goods & Services Tax on brokerage and transaction cost[4]	
Other Expenses (to be specified as per Reg 52 of SEBI (MF) Regulations, 1996)	
Maximum Total expenses ratio (TER) permissible under Regulation 52 (6) (c) [5]	Up to 2.00%
Additional expenses under Regulations 52(6A)(c)	Up to 0.05%*

*As per Para 10.1.7 of SEBI Master Circular on Mutual Funds dated June 27, 2024, schemes wherein exit load is not levied, the AMC shall not be eligible to charge the above-mentioned additional expenses for such scheme.

As per the Regulations, the maximum recurring expenses that can be charged to debt Schemes shall be subject to a percentage limit of daily net assets as in the table below:

First INR 500 Crore	Next INR 250 Crore	Next INR 1250 Crore	Next INR 3000 Crores	Next INR 5000 Crores	Next INR 40000 Crores	On balance of the assets
2.00%	1.75%	1.50%	1.35%	1.25%	Total expense ratio reduction of 0.05% for every increase of INR 5,000 crores of daily net assets or part thereof	0.80%

[1]Investor Education and Awareness initiatives: As per clause 10.1.16 of SEBI Master Circular for Mutual Funds dated June 27, 2024, the AMC shall annually set apart 2 basis points p.a. (i.e. 0.02% p.a.) on daily net assets of the Plan(s) under the Scheme within the limits of total expenses prescribed under Regulation 52 of SEBI (MF) Regulations for investor education and awareness initiatives undertaken.

[2]Additional Expenses under Regulation 52 (6A):

(i) Brokerage and transaction cost incurred for the purpose of execution of trade shall be charged to the schemes as provided under Regulation 52 (6A) (a) up to 12 bps and 5 bps for cash market transactions and derivatives transactions (if permitted under the scheme) respectively. Any payment towards brokerage and transaction costs, over and above the said 12 bps and 5 bps may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under Regulation 52.

[3]Trusteeship fees:

Trustee Fees will be ascertained and payable in the manner at the rate as may be decided by the Trustee Board from time to time, within the overall limits of the regulatory TER.

All scheme related expenses by whatever name it may be called and in whatever manner it may be paid, shall necessarily paid from the scheme only within the regulatory limits and not from the books of AMC, its associate, sponsor, trustees or any other entity through any route in terms of SEBI circulars, subject to the clarifications provided by SEBI to AMFI vide letter dated February 21, 2019 as amended from time to time on implementation of clause 10.1.12 of SEBI Master Circular for Mutual Funds dated June 27, 2024 on Total Expense Ratio (TER) and performance disclosure for Mutual Fund.

The total expenses charged to the Scheme shall not exceed the limits stated in Regulation 52 of the SEBI (MF) Regulations and as permitted under SEBI Circulars issued from time to time.

The Mutual Fund would update the current expense ratios on its website – www.jioblackrockamc.com/ter under the separate head 'Total Expense Ratio (TER)', at least three working days prior to the effective date of the change.

[4]GST:

As per clause 10.3 of the SEBI Master Circular for Mutual Funds dated June 27, 2024, GST shall be charged as follows:

1. GST on investment management and advisory fees shall be charged to the Scheme in addition to the maximum limit of TER as prescribed in Regulation 52 (6) of the SEBI (MF) Regulations.
2. GST on other than investment management and advisory fees, if any, shall be borne by the Scheme within the maximum limit of TER as prescribed in Regulation 52 (6) of the SEBI (MF) Regulations.
3. GST on exit load, if any, shall 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 (MF) Regulations.

[5]There shall be no internal sub-limits within the expense ratio for expense heads mentioned under Regulation 52 (2) and (4) viz. investment management and advisory fees and various sub-heads of recurring expenses respectively.

Illustration:

Impact of Expense Ratio on Scheme's return: To further illustrate the above in rupees terms, for the Scheme under reference, suppose an Investor invested INR 10,000/- (after deduction of stamp duty and transaction charges, if any) the impact of expenses charged will be as under:

Particulars	Direct Plan	Regular Plan
Amount invested at the beginning of the year (INR)	10,000	10,000
Returns before expenses (INR)	1,500	1,500
Expenses other than Distribution expenses (INR)	50	50
Distribution expenses (INR)	-	100
Returns after expenses at the end of the year (INR)	1450	1350
Returns (in %)	14.50%	13.50%

Note(s):

- The purpose of the above illustration is purely to explain the impact of expense ratio charged under 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 will be lower to the extent of the distribution expenses/commission.
- 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 seek appropriate advice.
- JioBlackRock Short Duration Fund offers only Direct Plan under the Scheme. The above illustration is only to disclose impact of Expense Ratio on returns of both Direct Plan and Regular Plan for understanding purpose only.

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 at www.jioblackrockamc.com or call the Contact Center no.- +91 22-35207700 & +91 22-69987700 during business hours.

Type of Load	Load chargeable (as %age of NAV)
Entry	Not Applicable
Exit	Nil

Subject to the Regulations, the AMC reserves the right to modify/alter the load structure on the Units subscribed / redeemed on any business day. At the time of changing the load structure, the AMC / Mutual Fund may adopt the following procedure:

i. The addendum detailing the changes will be attached to Scheme Information Documents and Key Information Memorandum.
ii. Arrangements will be made to display the addendum in the Scheme Information Document in the form of a notice in all the investor service centres.
iii. The introduction of the exit load along with the details will be stamped in the acknowledgement slip issued to the investors on submission of the application form and will also be disclosed in the statement of accounts issued after the introduction of such load.
iv. A public notice shall be provided on the website of the AMC in respect of such changes.

The AMC reserves the right to modify the Exit Load / Fee mentioned above at any time in future on a prospective basis, subject to the limits prescribed under the SEBI Regulations.

SECTION II

I. Introduction

A. Definitions / Interpretation:

The investors may refer to the website of the AMC at link www.jioblackrockamc.com/disclosure for definition of terms used in this Scheme Information Document.

B. Risk factors:

a) Standard Risk Factors:

- Investment in Mutual Fund units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.

- As the price / value / interest rate of the securities in which the Scheme invests fluctuates, the value of your investment in the scheme can go up or down depending on various factors and forces affecting capital markets and money markets.

- Past performance of the Sponsor (s)/ AMC/ Mutual Fund does not guarantee the future performance of the Scheme.

- The name of the Scheme does not in any manner indicate its quality or its future prospects and returns.

- The Sponsor(s) are not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1 lakh each made by it towards setting up the Fund.

- The present scheme is not a guaranteed or assured return scheme.

Please refer SAI for details.

b) Scheme Specific Risk Factors

Some of the specific risk factors related to the schemes include, but are not limited to the following:

Risk factors associated with investing in Debt securities and Money Market Instruments

The Scheme will invest in debt securities and money market instruments, which are subject to credit risk, interest rate risk, and settlement risk. Credit risk arises from the possibility that the issuer of a security may default on its payment obligations. Interest rate risk affects the valuation of money market instruments, while settlement risk may delay the realization of proceeds from the sale of these instruments.

1. Market Risk / Interest Rate Risk: The Net Asset Value (NAV) of the Scheme, to the extent that it is invested in Debt and Money Market instruments, will be influenced by changes in general interest rates. A decrease in interest rates is expected to result in an increase in the NAV, while an increase in interest rates would adversely affect the NAV.

2. Liquidity Risk: While money market instruments are relatively liquid, they lack a well-developed secondary market, which may limit the Scheme's ability to sell these instruments and could result in losses until the securities are eventually sold.

3. Credit Risk: Investments in debt securities and money market instruments involve credit risk, as reflected in the short-term rating of the issuers. It is the risk of an issuer's inability to meet interest and principal payments on its obligations and market perception of the creditworthiness of the issuer.
   Investments in Debt instruments are subject to varying degrees of credit risk, including the risk of default (i.e., the risk that an issuer may be unable to meet its interest or principal payments). Other factors that may adversely affect an issuer's credit quality and the value of its securities include changes in the issuer's financial condition, as well as broader economic and political changes. The Investment Manager will attempt to manage credit risk through in-house credit analysis.

4. Prepayment Risk: Some fixed-income securities give the issuer the right to call back the securities before their maturity date, particularly in periods of declining interest rates. This prepayment risk may force the Scheme to reinvest the proceeds at lower yields, resulting in reduced interest income.

5. Reinvestment Risk: This risk pertains to the interest rate levels at which cash flows received from the securities in the Scheme are reinvested. The concern is that these cash flows may need to be reinvested at a lower rate than originally anticipated, thereby reducing the "interest on interest" component of returns.

6. Settlement Risk: Different segments of the Indian financial markets have varying settlement periods, which may be extended due to unforeseen circumstances. Settlement delays could lead to periods where the Scheme's assets are uninvested, resulting in no returns. Additionally, the Scheme may miss certain investment opportunities if it is unable to make intended securities purchases due to settlement issues. Similarly, the inability to sell securities held in the Scheme’s portfolio due to a lack of a well-developed and liquid secondary market for debt securities could result in potential losses if the value of these securities declines.

7. **Risks associated with investment in unlisted securities:** Except for any security of an associate or group company, the scheme may invest in securities which are not listed on a stock exchange (“unlisted Securities”) which in general are subject to greater price fluctuations, less liquidity and greater risk than those which are traded in the open market. Unlisted securities may lack a liquid secondary market and there can be no assurance that the Scheme will realize their investments in unlisted securities at a fair value. The AMC may choose to invest in unlisted securities that offer attractive yields, which could increase the risk of the portfolio.

8. **Risks associated with investment in unrated securities:** Investment in unrated securities may involve a risk of default or decline in market value higher than rated instruments due to adverse economic and issuer-specific developments. Such investments display increased price sensitivity to changing interest rates and to a deteriorating economic environment. The market values for unrated investments tends to be more volatile and such securities tend to be less liquid than rated debt securities

9. Price Risk: Government securities where a fixed return is offered run price-risk like any other fixed income security. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates. The new level of interest rate is determined by the rates at which government raises new money and/or the price levels at which the market is already dealing in existing securities. The price-risk is not unique to Government Securities. It exists for all fixed income securities. However, Government Securities are unique in the sense that their local currency credit risk generally remains zero. Therefore, their prices are primarily influenced by movements in interest rates within the financial system.

10. Different types of fixed income securities in which the Scheme(s) would invest as given in the Scheme Information Document carry different levels and types of risk. Accordingly, the Scheme(s) 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, AAA rated bonds are comparatively less risky than AA rated bonds.

11. As zero-coupon securities do not provide periodic interest payments to the holder of the security, these securities are more sensitive to changes in interest rates. Therefore, the interest rate risk of zero-coupon securities is higher. The AMC may choose to invest in zero coupon securities that offer attractive yields. This may increase the risk of the portfolio.

Systematic Risk

The Scheme is exposed to systematic risks that affect the entire market, such as economic recessions, changes in interest rates, geopolitical tensions, and natural disasters. These risks cannot be mitigated through diversification, and any negative macroeconomic developments could impact the overall performance of the scheme.

Legal and Regulatory Risks

Changes in laws, regulations, or accounting standards governing the scheme's operations could have adverse implications for the scheme and its investors. Regulatory actions, legal disputes, or changes in taxation could also affect the scheme’s performance, NAV, and the investors' returns.

Risks associated with Securities Lending

Engaging in securities lending is subject to risks related to fluctuations in collateral value and settlement / liquidity and counterparty risks. The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of another party, in this case the approved intermediary, to comply with the terms of agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure to comply can result in the possible loss of rights in the collateral put up by the borrower of the securities, the inability of the approved intermediary 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 Mutual Fund may not be able to sell such lent securities and this can lead to temporary illiquidity.

Risk factors associated with investment in Tri-Party Repo

All transactions of the mutual fund in government securities and in Tri-party Repo trades are settled centrally through the infrastructure and settlement systems provided by Clearing Corporation of

India (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).
As per the waterfall mechanism, after the defaulter's margins and the defaulter's contribution to the default fund have been appropriated, CCIL's contribution is used to meet the losses. Post utilization of CCIL's contribution if there is a residual loss, it is appropriated from the default fund contributions of the non-defaulting members. Thus, the Scheme is subject to risk of the initial margin and default fund contribution being invoked in the event of failure of any settlement obligations. In addition, the fund contribution is allowed to be used to meet the residual loss in case of default by the other clearing member (the defaulting member). CCIL shall maintain two separate Default Funds in respect of its Securities Segment, one with a view to meet losses arising out of any default by its members from outright and repo trades and the other for meeting losses arising out of any default by its members from Triparty Repo trades. The mutual fund is exposed to the extent of its contribution to the default fund of CCIL, in the event that the contribution of the mutual fund is called upon to absorb settlement/default losses of another member by CCIL, as a result the scheme may lose an amount equivalent to its contribution to the default fund.

Risk factors 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 investment strategies depends upon the ability of the fund manager(s) to identify such opportunities which may not be available at all times. Identification and execution of the strategies to be pursued by the fund manager(s) involve uncertainty and decision of fund manager(s) may not always be profitable. No assurance can be given that the fund manager(s) will be able to identify or execute such strategies.

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

The AMC, on behalf of the Scheme, may use various derivative products from time to time to protect the portfolio's value and enhance investor’s interest. Derivative products are specialized instruments that require different investment techniques and risk analysis compared to traditional securities and bonds. Effective use of derivatives requires an understanding of both the underlying instrument and the derivative itself. Additional risks include the potential for mispricing or improper valuation and the possibility that derivatives may not perfectly correlate with underlying assets, rates, and indices. The scheme may use derivative instruments like Interest Rate Swaps, Forward Rate Agreements or other fixed income derivatives.

1. Leverage Risk: Derivative products are leveraged instruments, meaning they can lead to disproportionate gains as well as disproportionate losses. The success of such strategies depends on the fund manager’s ability to identify and capitalize on opportunities. However, the identification and execution of these strategies involve uncertainty, and the fund manager's decisions may not always result in profits. There is no assurance that the fund manager will successfully identify or execute these strategies.

2. Risk Comparison: The risks associated with the use of derivatives are distinct from, and may be greater than, those associated with direct investment in securities and other traditional investments.

3. Credit Risk: In derivative transactions, the credit risk is the possibility that the counterparty will default on its obligations. This risk is generally low, as derivative transactions typically do not involve an exchange of principal amounts.

4. Market Risk: Adverse market movements can negatively impact the pricing and settlement of derivatives.

5. Illiquidity Risk: This risk arises when a derivative cannot be sold or purchased quickly at a fair price due to a lack of market liquidity.

Risk factors associated with instruments having special features

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

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

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

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

iii. The instruments are also subject to Liquidity Risk pertaining to how saleable a security is in the market.

The particular security may not have a market at the time of sale due to uncertain/insufficient liquidity in the secondary market, then the scheme may have to bear an impact depending on its exposure to that particular security.

Risks associated with investment in Credit Default Swap

Mutual Fund schemes can buy Credit Default Swap (CDS) to hedge credit risk of corporate bond holdings in the portfolio. Below are the risks associated with investment in CDS:

Counterparty Risk: This is the risk that the seller of the CDS might default on their obligation. If the counterparty fails to pay in the event of a default by the bond issuer, the mutual fund could face significant losses.

Market Liquidity Risk: The CDS market can become illiquid during periods of financial stress. This means that mutual funds might find it difficult to buy or sell CDS contracts at favorable prices when required.

Regulatory Risk: SEBI has specific guidelines for mutual fund schemes participating in buying/selling CDS. Any changes in these regulations could impact the mutual fund's ability to effectively use CDS for hedging

Credit Risk of the CDS Seller: The creditworthiness of the CDS seller is crucial. If the seller's credit rating deteriorates, the protection offered by the CDS might become less reliable.

Risk associated with Interest Rate Futures

Basis Risk: The risk arises when the price movements in derivative instrument used to hedge the underlying assets does not match the price movements of the underlying assets being hedged. Such difference may potentially amplify the gains or losses, thus adding risk to the position.

Price Risk: The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

Risk of mismatch between the instruments: The risk arises if there is a mismatch between the prices movements in derivative instrument used to hedge, compared to the price movement of the underlying assets being hedged. For example, when Interest Rate Futures which has government security as underlying is used, to hedge a portfolio that contains corporate debt securities.

Correlation weakening and consequent risk of regulatory breach: SEBI Regulation mandates minimum correlation criterion of 0.9 (calculated on a 90-day basis) between the portfolio being hedged and the derivative instrument used for hedging. In cases where the correlation falls below 0.9, a rebalancing period of 5 business days has been permitted. Inability to satisfy this requirement to restore the correlation level to the stipulated level, within the stipulated period, due to difficulties in rebalancing would lead to a lapse of the exemption in gross exposure computation. The entire derivative exposure would then need to be included in gross exposure, which may result in gross exposure in excess of 100% of net asset value.

Risk associated with Securitized Debt

A securitization transaction involves sale of receivables by the originator (a bank, non-banking finance company, housing finance company, microfinance companies or a manufacturing/service company) to a Special Purpose Vehicle (SPV), typically set up in the form of a trust. Investors are issued rated Pass-Through Certificates (PTCs), the proceeds of which are paid as consideration to the originator. In this manner, the originator, by selling his loan receivables to an SPV, receives consideration from investors much before the maturity of the underlying loans. Investors are paid from the collections of the underlying loans from borrowers. Typically, the transaction is provided with a limited amount of credit enhancement (as stipulated by the rating agency for a target rating), which provides protection to investors against defaults by the underlying borrowers. Generally available asset classes for securitization in India are:

- Commercial vehicles
- Auto and two-wheeler pools
- Mortgage pools (residential housing loans)
- Personal loan, credit card and other retail loans
- Corporate loans/receivables
- Microfinance receivables

In pursuance to SEBI communication dated: August 25, 2010, given below are the requisite details relating to investments in Securitized debt.

Risk profile of securitized debt vis-à-vis risk appetite of the scheme

Securitized debt instruments are relatively illiquid in the secondary market and hence they are generally held to maturity which would match with the long-term investment horizon of these investors. Investment in these instruments will help the Scheme in aiming at reasonable returns. These returns come with a certain degree of risks which are covered separately in the Scheme Information Document.

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

Risk mitigation strategies for investments with each kind of originator

For a complete understanding of the policy relating to selection of originators, the AMC has first analysed below risks attached to a securitization transaction.

In terms of specific risks attached to securitization, each asset class would have different underlying risks, however, residential mortgages are supposed to be having lower default rates as an asset class. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Some of the asset classes such as personal loans, credit card receivables etc., being unsecured credits in nature, may witness higher default rates. As regards corporate loans/receivables, depending upon the nature of the underlying security for the loan or the nature of the receivable the risks would correspondingly fluctuate. However, the credit enhancement stipulated by rating agencies for such asset class pools is typically much higher, which helps in making their overall risks comparable to other AAA/AA rated asset classes.

The Scheme may invest in securitized debt assets. These assets would be in the nature of Asset Backed Securities (ABS) and Mortgage-Backed Securities (MBS) with underlying pool of assets and receivables like housing loans, auto loans and single corporate loan originators. The Scheme intends to invest in securitized instruments rated AAA/AA by a SEBI recognized credit rating agency.

Before entering into any securitization transaction, the risk is assessed based on the information generated from the following sources:

(1) Rating provided by the rating agency
(2) Assessment by the AMC

(1) Assessment by a Rating Agency
In its endeavor to assess the fundamental uncertainties in any securitization transaction, a credit rating agency normally takes into consideration following factors:

Credit Risk: Credit risk forms a vital element in the analysis of securitization transaction. Adequate credit enhancements to cover defaults, even under stress scenarios, mitigate this risk. This is done by evaluating following risks:

- Asset risk
- Originator risk
- Portfolio risk
- Pool risks

The quality of the pool is a crucial element in assessing credit risk. In the Indian context, generally, pools are 'cherry-picked' using positive selection criteria. To protect the investor from adverse selection of pool contracts, the rating agencies normally take into consideration pool characteristics such as pool seasoning (seasoning represents the number of installments paid by borrower till date: higher seasoning represents better quality), over dues at the time of selection and Loan to Value (LTV). To assess its risk profile vis-à-vis the overall portfolio, the pool is analyzed with regard to geographical location, borrower profile, LTV, and tenure.

Counterparty Risk

There are several counterparties in a securitization transaction, and their performance is crucial. Unlike in the case of credit risks, where the risks emanate from a diversified pool of retail assets, counterparty risks result in either performance or non-performance. The rating agencies generally mitigate such risks through the usage of stringent counterparty selection and replacement criteria to reduce the risk of failure. The risks assessed under this category include:

- Servicer risk
- Commingling risk
- Miscellaneous other counterparty risks

Legal Risks

The rating agency normally conducts a detailed study of the legal documents to ensure that the investors' interest is not compromised, and relevant protection and safeguards are built into the transaction.

Market Risks

Market risks represent risks not directly related to the transaction, but other market related factors, stated below, which could have an impact on transaction performance, or the value of the investments to the investors.

- Macro-economic risks
- Prepayment risks
- Interest rate risks

Other Risks associated with investment in securitized debt and mitigation measures:

Limited Liquidity and Price Risk

There is no assurance that a deep secondary market will develop for the Certificates. This could limit the ability of the investor to resell them.

Risk Mitigation: Securitized debt instruments are relatively illiquid in the secondary market and hence they are generally held to maturity. The liquidity risk and HTM nature is taken into consideration at the time of analyzing the appropriateness of the securitization. Please refer Liquidity Risk Framework and Stress testing under Risk mitigation section for additional risk mitigation.

Limited Recourse, Delinquency and Credit Risk

The Credit Enhancement stipulated represents a limited loss cover to the Investors. These Certificates represent an undivided beneficial interest in the underlying receivables and do not represent an obligation of either the Issuer or the Seller or the originator, or the parent of the Seller, Issuer and Originator. No financial recourse is available to the Certificate Holders against the Investors' Representative. Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the Investor Payouts to the Certificate Holders may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall. On persistent default of an Obligor to repay his obligation, the Servicer may repossess and sell the Asset. However, many factors may affect, delay or prevent the repossession of such Asset or the length of time required to realize the sale proceeds on such sales. In addition, the price at which such Asset may be sold may be lower than the amount due from that Obligor.

Risk Mitigation: In addition to careful scrutiny of credit profile of borrower/pool, additional security in the form of adequate cash collaterals and other securities may be obtained to ensure that they all qualify for similar rating.

Risks due to possible prepayments: Weighted Tenor / Yield
Asset securitization is a process whereby commercial or consumer credits are packaged and sold in the form of financial instruments. Full prepayment of underlying loan contract may arise under any of the following circumstances;

- Obligor pays the Receivable due from him at any time prior to the scheduled maturity date of that Receivable; or
- Receivable is required to be repurchased by the Seller consequent to its inability to rectify a material misrepresentation with respect to that Receivable; or
- The Servicer recognizing a contract as a defaulted contract and hence repossessing the underlying Asset and selling the same
- In the event of prepayments, investors may be exposed to changes in tenor and yield.

Risk Mitigation: A certain amount of prepayments is assumed in the calculations at the time of purchase based on historical trends and estimates. Further a stress case estimate is calculated and additional margins are built in.

Bankruptcy of the Originator or Seller

If originator becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that the sale from originator to Trust was not a sale, then an Investor could experience losses or delays in the payments due. All possible care is generally taken in structuring the transaction so as to minimize the risk of the sale to Trust not being construed as a “True Sale”. Legal opinion is normally obtained to the effect that the assignment of Receivables to Trust in trust for and for the benefit of the Investors, as envisaged herein, would constitute a true sale.

Risk Mitigation: Normally, specific care is taken in structuring the securitization transaction so as to minimize the risk of the sale to the trust not being construed as a 'true sale'. It is also in the interest of the originator to demonstrate the transaction as a true sell to get the necessary revenue recognition and tax benefits.

Bankruptcy of the Investor’s Agent

If Investor’s agent becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that the recourse of Investor’s Agent to the assets/receivables is not in its capacity as agent/Trustee but in its personal capacity, then an Investor could experience losses or delays in the payments due under the swap agreement. All possible care is normally taken in structuring the transaction and drafting the underlying documents so as to provide that the assets/receivables if and when held by Investor’s Agent is held as agent and in Trust for the Investors and shall not form part of the personal assets of Investor’s Agent. Legal opinion is normally obtained to the effect that the Investors Agent’s recourse to assets/receivables is restricted in its capacity as agent and trustee and not in its personal capacity.

Risk Mitigation: All possible care is normally taken in structuring the transaction and drafting the underlying documents so as to provide that the assets/receivables if and when held by Investor’s Agent is held as agent and in Trust for the Investors and shall not form part of the personal assets of Investor’s Agent.

Credit Rating of the Transaction / Certificate:
The credit rating is not a recommendation to purchase, hold or sell the Certificate in as much as the ratings do not comment on the market price of the Certificate or its suitability to a particular investor. There is no assurance by the rating agency either that the rating will remain at the same level for any given period of time or that the rating will not be lowered or withdrawn entirely by the rating agency

Risk of Co-mingling
With respect to the Certificates, the Servicer will deposit all payments received from the Obligors into the Collection Account. However, there could be a time gap between collection by a Servicer and depositing the same into the Collection account especially considering that some of the collections may be in the form of cash. In this interim period, collections from the Loan Agreements may not be segregated from other funds of originator. If originator in its capacity as Servicer fails to remit such funds due to Investors, the Investors may be exposed to a potential loss.

(2) Assessment by the AMC

Mapping of structures based on underlying assets and perceived risk profile.
The scheme may invest in securitized debt originated by Banks, NBFCs and other issuers.
The AMC may evaluate following factors, while investing in securitized debt:

- **Originator**
  Acceptance Evaluation Parameters (For Pool Loan and Single Loan Securitization Transactions)

- **Track record**
  The AMC ensures that there is adequate past track record of the Originator before selection of the pool including a detailed look at the number of issuances in past, track record of issuances, experience of issuance team, etc.

- **Willingness to pay**
  As the securitized structure has underlying collateral structure, depending on the asset class, historical NPA trend and other pool / loan characteristics, a credit enhancement in the form of cash collateral, such as fixed deposit, bank, guarantee etc. is obtained, as a risk mitigation measure.

- **Ability to pay**
  This assessment is based on a strategic framework for credit analysis, which entails a detailed financial risk assessment. Management analysis is used for identifying company specific financial risks. One of the most important factors for assessment is the quality of management based on its past track record and feedback from market participants. In order to assess financial risk a broad assessment of the issuer's financial statements is undertaken to review its ability to undergo stress on cash flows and asset quality. Business risk assessment, wherein following factors may be considered:
  - Outlook for the economy (domestic and global)
  - Outlook for the industry
  - Company specific factors

  In addition, a detailed review and assessment of rating rationale is done including interactions with the company as well as agency

Critical Evaluation Parameters (For Pool Loan and Single Loan Securitization Transactions)

Typically, the AMC would avoid investing in securitization transaction (without specific risk mitigant strategies / additional cash/security collaterals/ guarantees) if there are concerns on the following issues regarding the originator / underlying issuer:

- High default track record/ frequent alteration of redemption conditions / covenants
- High leverage ratios – both on a standalone basis as well on a consolidated level/ group level
- Higher proportion of re-schedulement of underlying assets of the pool or loan, as the case may be
- Higher proportion of overdue assets of the pool or the underlying loan, as the case may be
- Poor reputation in market
- Insufficient track record of servicing of the pool or the loan, as the case may be.

Advantages of Investments in Single Loan Securitized Debt

- **Wider Coverage:** A Single Loan Securitized Debt market offers a more diverse range of issues / exposures as the Banks / NBFCs lend to larger base of borrowers.

- **Credit Assessment:** Better credit assessment of the underlying exposure as the Banks / NBFCs ideally co-invest in the same structure or take some other exposure on the same borrower in some other form.

- **Better Structuring:** Single Loan Securitized Debt investments facilitates better structuring than investments in plain vanilla debt instruments as it is governed by Securitization guidelines issued by RBI.

- **Better Legal documentation:** Single Loan Securitized Debt structures involve better legal documentation than Non-Convertible Debenture (NCD) investments.

- **End use of funds:** Securitized debt has better standards of disclosures as well as limitation on end use of funds as compared to NCD investments wherein the end use is general corporate purpose.

- **Yield enhancer:** Single Loan Securitized Debt investments give higher returns as compared to NCD investments in same corporate exposure.

- **Regulator supervision:** Macro level supervision from RBI in Securitization Investments as compared to NCD investments.

- **Tighter covenants:** Single Loan Securitized Debt structures involve tighter financial covenants than NCD investments.

Disadvantages of Investments in Single Loan Securitized Debt

- **Liquidity risk: Investments in Single Loan Securitized Debts have relatively less liquidity as compared to investments in NCDs.**

- **Co-mingling risk:** Servicers in a securitization transaction normally deposit all payments received from the obligors into a collection account. However, there could be a time gap between collection by a servicer and depositing the same into the collection account. In this interim period, collections from the loan agreements by the servicer may not be segregated from other funds of the servicer. If the servicer fails to remit such funds due to investors, investors in the Scheme may be exposed to a potential loss.

Table below illustrates the framework that may be applied while evaluating investment decision relating to a pool securitization transaction:

Characteristics / Type of Pool	**Mortgage Loans**	**Commercial Vehicle and Construction Equipment**	**Car**	**2-wheelers**	**Micro Finance Pools**	**Personal Loans**
Approximate Average Maturity (in Months)	36-120	12-60	12-60	15-48	15-80	5-36
Collateral margin (including cash, guarantees, excess interest spread, subordinate tranche)	3-10%	4-12%	4-13%	4-15%	5-15%	5-15%
Average Loan to Value Ratio	75%-95%	80%-98%	75%-95%	70%-95%	Unsecured	Unsecured
Average Seasoning of the Pool	3-5 months	3-6 months	3-6 months	3-5 months	2-7 weeks	1-5 months
Maximum Single Exposure Range (%)	4-5%	3-4%	NA (Retail Pool)	NA (Retail Pool)	NA (Very Small Retail loan)	NA (Retail Pool)
Average Single Exposure Range (%)	0.5%-3%	0.5%-3%	<1% of the Fund size	<1% of the Fund size	<1% of the Fund size	<1% of the Fund size

Notes:

1. Retail pools are the loan pools relating to Car, 2 wheelers, micro finance and personal loans, wherein the average loan size is relatively small and spread over large number of borrowers.

2. Information illustrated in the Tables above, is based on the current scenario relating to Securitized Debt market and is subject to change depending upon the change in the related factors.

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

4. Majority of our securitized debt investments shall be in asset backed pools wherein the AMC may have underlying assets as Medium and Heavy Commercial Vehicles, Light Commercial Vehicles (LCV), Cars, and Construction Equipment etc. Where the AMC invests in Single Loan Securitization, as the credit is on the underlying issuer, the AMC focuses on the credit review of the borrower.

In addition to the framework as per the table above, the AMC also take into account following factors, which are analyzed to ensure diversification of risk and measures identified for less diversified investments:

Size of the Loan

The AMC generally analyses the size of each loan on a sample basis and analyze a static pool of the originator to ensure the same matches the Static pool characteristics. Also indicates whether there is excessive reliance on very small ticket size, which may result in difficult and costly recoveries. To illustrate, the ticket size of housing loans is generally higher than that of personal loans. Hence in the construction of a housing loan asset pool for say Rs.1,00,00,000/- it may be easier to construct a pool with just 10 housing loans of Rs.10,00,000 each rather than to construct a pool of personal loans as the ticket size of personal loans may rarely exceed Rs.5,00,000/- per individual. Also to amplify this illustration further, if one were to construct a pool of Rs.1,00,00,000/-consisting of personal loans of Rs.1,00,000/- each, the larger number of contracts (100 as against one of 10 housing loans of Rs.10 lakh each) automatically diversifies the risk profile of the pool as compared to a housing loan based asset pool.

Average Original Maturity of the Pool

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

Default Rate Distribution

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

Geographical Distribution

Regional/state/ branch distribution is preferred to avoid concentration of assets in a particular region/state/branch.

Loan to Value Ratio

Indicates how much % value of the asset is financed by borrower's own equity. The lower LTV, the better it is. This Ratio stems from the principle that where the borrowers own contribution of the asset cost is high, the chances of default are lower. To illustrate for a Truck costing Rs.20 lakhs, if the borrower has himself contributed Rs.10 lakh and has taken only Rs.10 lakh as a loan, he is going to have lesser propensity to default as he would lose an asset worth Rs.20 lakhs if he defaults in repaying an installment. This is as against a borrower who may meet only Rs.2 lakh out of his own equity for a truck costing Rs.20 lakh. Between the two scenarios given above, the latter would have higher risk of default than the former.

Average seasoning of the pool

Indicates whether borrowers have already displayed repayment discipline. To illustrate, in the case of a personal loan, if a pool of assets consist of those who have already repaid 80% of the installments without default, this certainly is a superior asset pool than one where only 10% of installments have been paid. In the former case, the portfolio has already demonstrated that the repayment discipline is far higher.

Risk Tranching

Typically, the AMC may avoid investing in mezzanine debt or equity of Securitized debt in the form of subordinate tranche, without specific risk mitigant strategies / additional cash / security collaterals/ guarantees, etc.

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

Investments made by the scheme in any asset are done based on the requirements of the scheme and are in accordance with the investment policy. All Investments are made entirely at an arm's length basis with no consideration of any existing / consequent investments by any party related to the transaction (originator, issuer, borrower etc.). Investments made in Securitized debt are made as per the Investment pattern of the Scheme and are done after detailed analysis of the underlying asset. There might be instances of Originator investing in the same scheme but both the transactions are at arm's length and avoid any conflict of interest.

In general, the resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt.

The risk assessment process for securitized debt, as detailed in the preceding paragraphs, is similar to any other credit. The investments in securitized debt are done after appropriate research. The ratings are monitored for any movement.

Note: The information contained herein is based on current market conditions and may change from time to time based on changes in such conditions, regulatory changes and other relevant factors. Accordingly, our investment strategy, risk mitigation measures and other information contained herein may change in response to the same.

Risk factors associated with investment in Perpetual Debt Instrument (PDI):

Perpetual Debt instruments are issued by Banks, non-banking financial institutions (NBFCs) and corporates to improve their capital profile. Some of the PDIs issued by Banks which are governed by the Reserve Bank of India (RBI) guidelines for Basel III Capital Regulations are referred to as Additional Tier I (AT1 bonds). RBI regulations also apply to PDIs issued by NBFC. However, there are no regulatory guidelines for issuance of PDIs by corporate bodies. The instruments are treated as perpetual in nature as there is no maturity date. The key risks associated with these instruments are highlighted below:
Risk associated with coupon servicing:

- **Banks**
  As per the terms of the instruments, Banks may have discretion at all times to cancel distributions/payment of coupons. In the event of non-availability of adequate distributable

reserves and surpluses or inadequacy in terms of capital requirements, RBI may not allow banks to make payment of coupons.

- **NBFCs**
  While NBFCs may have discretion at all times to cancel payment of coupon, coupon may also be deferred (instead of being cancelled), in case paying the coupon leads to breach of capital ratios

- **Corporates**
  Corporates usually have discretion to defer the payment of coupon. However, the coupon is usually cumulative and any deferred coupon shall accrue interest at the original coupon rate of the PDI.

Risk associated with write-down or conversion into equity

Banks
AT1 Bonds could be written down or converted to common equity, at the discretion of RBI, in the event of non-maintenance of capital adequacy ratios and/or Point of Non Viability Trigger (PONV). Minimum capital adequacy ratio requirements would be as per Basel III regulations. PONV is a point, determined by RBI, when a bank is deemed to have become non-viable unless appropriate measures are taken to revive its operations. Further Tier II bonds issued under Basel III, having a fixed maturity date, are also liable to be written down or converted to common equity under the aforesaid event of PONV. This risk is not applicable in case of NBFCs and Corporates.

Risk of instrument not being called by the Issuer

- **Banks**
  The issuing banks have an option to call back the instrument after minimum period as per the regulatory requirement from the date of issuance and specified period thereafter, subject to meeting the RBI guidelines. However, if the bank does not exercise the call on first call date, the Scheme may have to hold the instruments for a period beyond the first call exercise date.

- **NBFCs**
  The NBFC issuer has an option to call back the instrument after minimum period as per the regulatory requirement from date of issuance and specified period thereafter, subject to meeting the RBI guidelines. However, if the NBFC does not exercise the call option the Scheme may have to hold the instruments for a period beyond the first call exercise date.

- **Corporates**
  There is no minimum period for call date. However, if the corporate does not exercise the call option, the Scheme may have to hold the instruments for a period beyond the call exercise date.

Risk Factors associated with investing in Gilt Securities
Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in prices is a function of the existing coupon, days to maturity and the increase or decrease in interest rates. Price risk is not unique to government securities but is true for all fixed income securities. The default risk however, in respect of Government securities is zero. Therefore, their prices are influenced only by movement in interest rates in the financial system. On the other hand, in the case of corporate or institutional fixed

income securities, such as bonds or debentures, prices are influenced by credit standing of the issuer as well as the general level of interest rates. Even though the Government securities market is more liquid compared to other debt instruments, on occasions, there could be difficulties in transacting in the market due to extreme volatility or unusual constriction in market volumes or on occasions when an unusually large transaction has to be put through.

Risks Associated with Repo/ Reverse Transactions in Corporate Debt Securities

The scheme may be exposed to counterparty risk in the event that the counterparty fails to honor its obligations under a repurchase agreement (repo). This risk arises when the counterparty does not repurchase the securities at the agreed-upon price and time, potentially leading to financial losses for the scheme. However, in repo transactions, the risk is mitigated by the underlying collateral provided by the counterparty. In the event of default, the scheme can sell the collateral to recover the repo amount. A loss would only be realized if the sale price of the collateral is lower than the amount lent in the repo transaction.

Over-collateralization is a strategy that is used to further reduce the risk. The value of the collateral provided by the counterparty exceeds the amount of the repo. This cushion provides additional protection against potential declines in the collateral's value, ensuring that the scheme has adequate security even in adverse market conditions. This approach helps safeguard the scheme's assets and mitigate the impact of any counterparty default.

In the event of the scheme being unable to pay back the money to the counterparty as contracted, the counter party may dispose of the assets (as they have sufficient margin). This risk is normally mitigated by better cash flow planning to take care of such repayments. Further, there is also a Credit Risk that the Counterparty may fail to return the security or Interest received on due date. It is endeavored to mitigate the risk by following an appropriate counterparty selection process, which include their credit profile evaluation.

Risks Associated with Investing in Mutual Fund Schemes

Investing in mutual funds involves risks, including the potential impact of fluctuations in the Net Asset Value (NAV) of the underlying funds on the Scheme's performance. Changes in the investment strategies, objectives, or fundamental attributes of these funds can also affect the performance of the Scheme. Additionally, any redemptions from these funds may be subject to exit loads, which could further impact returns. Furthermore, the underlying funds may carry specific risks related to their own portfolios, such as market, credit, or liquidity risks, which may indirectly affect the Scheme's overall risk profile.

Risks Associated with Corporate Debt Market Development Fund (‘CDMDF’)

Default Risk: CDMDF invests in corporate debt, which exposes it to the risk of issuer defaults and credit downgrades. In periods of market dislocation, the fund may hold distressed or lower-rated debt, increasing the potential for credit losses.

Liquidity Risk: The fund's ability to provide liquidity support during market stress may be constrained.

Borrowing and Leverage Risk: CDMDF may borrow from financial institutions to finance its corporate debt purchases. This leverage amplifies potential risks, particularly if market conditions deteriorate further.

Loss Absorption: Mutual funds selling to CDMDF bear the risk of first loss, as per the prescribed loss absorption mechanism. This could result in losses for the MF schemes involved, particularly during severe market dislocations.

Risks associated with segregated portfolio

Investors should be aware that while the creation of a segregated portfolio is intended to isolate distressed or illiquid assets in exceptional situations such as credit events or issuer defaults, it comes with its own set of risks

1. Limited Liquidity: Units in a segregated portfolio may have limited liquidity, as they are typically not available for subscription or redemption. Investors holding such units may face difficulties in exiting their investments until the underlying assets are recovered or resolved.

2. Valuation Uncertainty: The valuation of assets in a segregated portfolio may fluctuate due to their illiquid or distressed nature. As a result, the NAV of the segregated portfolio may be highly volatile, and there is no assurance that the portfolio will recover its full value over time.

3. Recovery Risk: There is no guarantee that the segregated assets will recover their value or that any recovery will occur within a specified timeframe. In certain cases, the realization of value may take an extended period, or there may be no recovery at all, resulting in potential losses for investors.

4. Credit and Default Risk: Segregated portfolios are typically created in response to credit events or issuer defaults. As such, the assets in the portfolio may continue to carry a high degree of credit risk, including the possibility of further downgrades, defaults, or adverse actions affecting the underlying securities.

5. Market and Legal Risks: The resolution of segregated portfolio assets may be influenced by legal, regulatory, or market conditions. Unfavorable changes in the legal environment or prolonged market disruptions may further delay or reduce the recovery of the segregated assets.

Investors are strongly advised to carefully consider the associated risks before making any investment decisions related to schemes that may create segregated portfolios in the event of a credit event or other exceptional circumstances.

Risks associated with Investing in Structured Obligation (SO) & Credit Enhancement (CE) rated securities

In addition to the risk factors associated with debt instruments, below are the risks factors for the Structured Obligations & Credit Enhancement:

- Credit rating agencies assign CE rating to an instrument based on any identifiable credit enhancement for the debt instrument issued by an issuer. The credit enhancement could be in various forms such as guarantee, shortfall undertaking, letter of comfort, pledge of shares listed on stock exchanges etc. from the issuers, promoters or another entity. This entity could be either related or non-related to the issuer like a bank, financial institution, etc. Hence, for CE rated instruments evaluation of the credit enhancement provider, as well as the issuer is undertaken to determine the issuer rating.

- SO transactions are asset backed/ mortgage backed securities, securitized paper backed by hypothecation of loan receivables, securities backed by trade receivables, credit card receivables etc. In case of SO rated issuer, the underlying loan pools or securitization, etc. is assessed to arrive at rating for the issuer.
- Liquidity Risk: SO rated securities are often complex structures, with a variety of credit enhancements. Debt securities lack a well-developed secondary market in India, and due to the credit enhanced nature of CE securities as well as structured nature of SO securities, the liquidity in the market for these instruments is low as compared to similar rated debt instruments. Hence, lower liquidity of such instruments, could lead to inability of the scheme to sell such debt instruments and generate liquidity for the scheme or higher impact cost when such instruments are sold.
- Credit Risk: The credit risk of debt instruments which are CE rated derives rating based on the combined strength of the issuer as well as the structure. Hence, any weakness in either the issuer or the structure could have an adverse credit impact on the debt instrument. The weakness in structure could arise due to inability of the investors to enforce the structure due to issues such as legal risk, inability to sell the underlying collateral or enforce guarantee, etc. In case of SO transactions, comingling risk and risk of servicer increases the overall risk for the securitized debt or assets backed transactions. Therefore, apart from issuer level credit risk such debt instruments are also susceptible to structure related credit risk.

Investors are strongly advised to carefully consider the associated risks before making any investment decisions related to schemes that may create segregated portfolios in the event of a credit event or other exceptional circumstances.

Risks associated with Passive Breach of Investment Limits

The Scheme's portfolio may inter alia passively breach prescribed investment limits due to external factors such as market fluctuations, corporate actions (e.g., mergers), or significant investor redemptions, and not due to a new investment by the AMC. In such an event, the AMC will take corrective action to rebalance the portfolio within the timeline stipulated by SEBI and will refrain from making further investments in the specific security or sector until the breach is rectified

Other Scheme Specific Risk factors

a) As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for redemption of Units may be significant in the event of an inordinately large number of redemption requests or restructuring of the Scheme. In view of the above, limits on redemptions (including suspending redemptions) may be invoked under certain circumstances, as described under ‘Restrictions on Redemptions of Units’ under Other Scheme Specific Disclosures section. Any Redemption or suspension of Redemption of the Units in the scheme(s) of the Fund shall be implemented only after prior approval of the Board of Directors of the AMC and Trustee Company and subsequently informing the same to SEBI immediately.

b) Although, the objective of the Fund is to generate optimal returns, the objective may or may not be achieved.

c) Credit And Rating Downgrade Risk, Prepayment and Foreclosures Risk for Senior PTC (Pass Through Certificate) Series, Prepayment and Foreclosures Risk for Senior PTC Series, Servicing Agent Risk, Co-mingling Risk, and Bankruptcy of the Seller.

d) The AMC may, considering the overall level of risk of the portfolio, invest in lower rated / unrated securities offering higher yields as well as zero coupon securities that offer attractive yields. This may increase the absolute level of risk of the portfolio.

e) Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options to the investor, including a put option. The AMC may choose to invest in unlisted securities that offer attractive yields. This may increase the risk of the portfolio.

f) Investment decisions made by the AMC may not always be profitable.

g) The tax benefits available under the scheme are as available under the present taxation laws and are available only to certain specified categories of investors and that is subject to fulfillment of the relevant conditions. The information given is included for general purposes only and is based on advice that the AMC has received regarding the law and the practice that is currently in force in India and the investors, and the investors should be aware that the relevant fiscal rules and 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 investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Investor is advised to consult his/her own professional tax advisor.

C. Risk mitigation strategies:

As listed out above, investments in debt and money market instruments are subject to several risks e.g. credit risk, liquidity risk, interest rate risk, market risk. The investment team shall endeavor to mitigate the risks faced by investors using several risk mitigation strategies centered around risk detection and risk control.

The AMC has established a comprehensive framework for enterprise-level risk mitigation in line with SEBI regulations. The Risk Management team operates independently within the organization. Internal limits are set following analysis by the research team and are monitored. Risk indicators across various parameters are regularly assessed. Additionally, a dedicated Risk Management Committee at the Board level ensures focused oversight. Further, there is oversight from the Trustees over the AMC to ensure internal controls are met.

The strategies for risk management to mitigate various risks are listed below:

Risk	Risk Mitigation Strategy
Interest Rate Risk Security price volatility due to movements in interest rate. Since Macaulay Duration of the portfolio will be managed within a specified range, the Scheme will be subject to interest rate risk on an ongoing basis	An active duration management strategy is employed by controlling the portfolio’s duration and continuously evaluating its structure in the context of the prevailing interest rate environment. The scheme will have regular stress tests run on the portfolio that simulate various interest rate risk related scenarios to provide the fund manager insight into how to best handle interest rate risk in adverse scenarios.
Credit Risk	Investment universe is carefully defined to include issuers with high credit quality, critical evaluation of credit profile of issuers on an on-going basis.

Risk	Risk Mitigation Strategy
Risk that the issuer may default on interest and/or principal payment obligations	Securities held in the portfolio shall be analyzed by the Investment Committee to ascertain creditworthiness, rating migration to mitigate the risk of a default occurring in the scheme's holdings.
Liquidity Risk Risk associated with saleability of portfolio securities	Liquidity risk is managed at the portfolio construction stage by strategically allocating investments in securities that have high liquidity. The scheme will have regular stress tests run on the portfolio that simulate various liquidity-related scenarios to provide the fund manager insight into how to best handle liquidity crunches, allowing them to make changes to the portfolio to better protect investors against illiquidity scenarios.
Reinvestment Risk Risk that future cash flows (like coupon payments) will be reinvested at a lower interest rate than the original investment	Reinvestment risk is limited to the relatively small portion of the portfolio comprising coupon payments from debt instruments. This risk is mitigated by investing in securities that offer interest rates aligned with the portfolio's investment objective and strategy.
Volatility Risk Risk that the market value of the debt securities may fluctuate due to changes in interest rates, credit spreads, or liquidity conditions	The Scheme will endeavor to reduce volatility risk by diversifying investments to reduce the chance of fluctuation in any security's price affecting the fund's NAV substantially.
Derivative Risk Various inherent risks arising as a consequence of investing in derivatives	The Scheme has provision for using derivative instruments for hedging & non hedging purposes and portfolio balancing. Interest rate swaps will be done with approved counter parties under pre-approved ISDA agreements. Mark-to-Market of swaps, netting off of cash flow and default provision clauses will be provided as per international best practice on a reciprocal basis. Interest rate swaps and other derivative instruments including Credit Default Swap (CDS) will be used as per SEBI/RBI regulatory guidelines.
Instruments having Special Features	In case of investment in instruments having special features, Investment may be done in Additional Tier I bonds, and Tier 2 bonds issued under Basel III framework as permitted under SEBI Mutual Fund Regulations.
Structured Obligation (SO) & Credit Enhancement (CE) rated securities	Scheme wise investments as prescribed by the regulations limits the exposure to such securities. Additionally, covenants of such structured papers are reviewed periodically for adequate maintenance of covers as prescribed in the Information Memorandum of such papers.

Liquidity Risk Management Framework:

The Scheme adopts the Liquidity Risk Management Framework (LRM) as mandated by AMFI and SEBI, which requires Scheme Portfolio to maintain certain portion of their investments in liquid assets. This portion as required to be kept, is ascertained basis the scheme's liability profile, i.e. investor profile. This framework seeks to estimate a likely quantum of redemption that the scheme is expected to face over the subsequent 30-day period and requires the scheme to maintain liquid assets to that extent as a minimum requirement. The Framework also enumerates corrective actions to be taken in the event of any shortfall owing to higher redemption than estimated. The Investment Manager also has in place an Asset Liability Mismatch (ALM) Framework which monitors similar aspects.

Potential Risk Matrix and Risk-o-meter

The maximum risk that a scheme will run as per design and a measurement of that risk on a regular basis. Remedial measures also in place in case any of the design boundaries are breached.

Swing Pricing

Pursuant to clause 4.10 of SEBI Master Circular for Mutual Funds dated June 27, 2024, the AMC has a Swing Pricing policy in place to help in case of severe liquidity stress at an AMC level or a severe dysfunction at market level, the Swing Pricing offers the contingency plan in case of extreme exigencies. Investors are suggested to read the detailed disclosure pertaining to this policy under "Swing Pricing" section in SAI.

In case of severe liquidity stress at an AMC level or a severe dysfunction at market level, the Swing Pricing guidelines get triggered which offers the contingency plan in case all else fails.

Stress Testing:

Stress testing in open-ended debt schemes addresses the asset side risk from an Interest Rate Risk, Credit Risk & Liquidity Risk perspective at an aggregate portfolio level in terms of its impact on Net Asset Value of the scheme. The AMC conducts stress tests on the portfolio, focusing on key risks such as interest rate risk, credit risk, and liquidity risk to better understand the risks exposure of the portfolio. These tests are performed at the aggregate portfolio level to assess the potential impact on NAV from each risk. The resulting NAV impact figures are then compared against thresholds set by both the AMC and AMFI for monitoring and, if necessary, corrective action. The stress tests are carried out according to the methodology and frequency mandated by AMFI in consultation with SEBI, subject to updates and revisions over time.

Backstop Facility in Form of Investment in CDMDF:

CDMDF is set up as a scheme of the Trust registered as an Alternative Investment Fund ('AIF') in accordance with the SEBI (Alternative Investment Funds) Regulations, 2012 ("AIF Regulations"). The objective of the CDMDF is to help to develop the corporate debt market by providing backstop facility to instill confidence amongst the market participants in the corporate debt/bond market during times of market dislocation and to enhance the secondary market liquidity. In times of market dislocation, CDMDF shall purchase and hold eligible corporate debt securities from the participating investors (i.e., specified debt-oriented MF schemes) and sell as markets recover. The CDMDF will thus act as a key enabler for facilitating liquidity in the corporate debt market and to respond quickly in times of market dislocation. The trigger and period for which the backstop facility will be open shall be as decided by SEBI. Thus, this backstop facility will help fund managers of the aforementioned Schemes to better generate liquidity during market dislocation to help the schemes fulfill liquidity obligations under stress situation.

In accordance with the requirement of regulation 43A of SEBI (Mutual Funds) Regulations, 1996 read with para 16A.2 of SEBI Master Circular for Mutual Funds dated June 27, 2024 on Investment by Mutual Fund Schemes in units of Corporate Debt Market Development Fund, the aforementioned schemes shall invest 25 bps of its AUM as on December 31, 2022 in the units of the Corporate Debt Market Development Fund ('CDMDF'). An incremental contribution to CDMDF shall be made every six months to ensure 25 bps of scheme AUM is invested in units of CDMDF. However, if AUM decreases there shall be no return or redemption from CDMDF. Contribution made to CDMDF, including the appreciations on the same, if any, shall be locked-in till winding up of the CDMDF.

Investments in CDMDF units shall not be considered as violation while considering maturity restriction as applicable for various purposes (including applicable Investment limits) and the calculations of Potential Risk Class (PRC) Matrix, Risk-o-meter, Stress testing and Duration for various purposes shall be done after excluding investments in units of CDMDF.

While these measures are expected to mitigate the above risks to a large extent, there can be no assurance that these risks would be completely eliminated. The measures mentioned above is based on current market conditions and may change from time to time based on changes in such conditions, regulatory changes and other relevant factors. Accordingly, our risk mitigation measures and other information contained herein may change in response to the same.

II. Information about the scheme:

A. Where will the scheme invest?

The corpus of the Scheme shall be invested in accordance with the investment objective in any (but not exclusively) of the following securities:

a) Securities issued by Government of India. Repos/reverse repos in Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).

Repo: As per Section 45U (c) of RBI Act, 1934, "repo" means an instrument for borrowing funds by selling securities with an agreement to repurchase the securities on a mutually agreed future date at an agreed price which includes interest for the funds borrowed.

Reverse Repo: As per Section 45U (c) of RBI Act, 1934, "reverse repo" means an instrument for lending funds by purchasing securities with an agreement to resell the securities on a mutually agreed future date at an agreed price which includes interest for the funds lent.

Triparty Repo: According to Repurchase Transactions (Repo) (Reserve Bank) Directions, 2018, triparty repo means a repo contract where a third entity (apart from the borrower and lender), called a Triparty Agent, acts as an intermediary between the two parties to the repo to facilitate services like collateral selection, payment and settlement, custody, and management during the life of the transaction.

b) Securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).

A Government Security (G-Sec) is a tradeable instrument issued by the Central Government or the State Governments of India. It acknowledges the Government's debt obligation. They are generally long term with maturity of one year or more. In India, the Central Government issues both, treasury bills and bonds or dated securities while the State Governments issue only bonds or dated securities, which are called the State Development Loans (SDLs). G-Secs carry practically no risk of default and, hence, are called risk-free gilt-edged instruments. Repos / Reverse Repos enables collateralized short-term borrowing and lending through sale/purchase operations in the such government securities.

c) Debt obligations of domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee.

d) Repo / Reverse Repo transactions in Corporate Debt Securities

e) Cash and cash equivalents

f) Money Market Instruments include but not limited to Commercial Paper, Commercial Bills, Certificates of Deposit, Treasury Bills, Bills Rediscounting, Triparty Repo, Repo/ Reverse repo in government securities, Government securities with an unexpired maturity upto 1 year, Call or notice money, Usance Bills, and any other short-term instruments allowed under current Regulations.

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

- A Commercial Bill is a short-term, negotiable instrument (also known as a bill of exchange) used by firms to finance their working capital, typically arising from sales on credit.

- Commercial Paper (CPs): CP is an unsecured negotiable money market instrument issued in the form of a promissory note, generally issued by the corporates, primary dealers and all India Financial Institutions as an alternative source of short term borrowings. They are issued at a discount to the face value as may be determined by the issuer. CP is traded in secondary market and can be freely bought and sold before maturity

- Bills Re-discounting is an instrument where a financial institution discounts the bills of exchange that it has discounted previously with another financial institution.

- A Usance bill is a financial instrument where payment is not due immediately, but rather at a predetermined future date.

g) Debt Instruments include but not limited to Non-convertible debentures, Bonds, Secured premium notes, Zero interest bonds, Deep discount bonds, Floating rate bond / notes. These are financial instruments issued by companies (both public and private) to raise long-term funds through public issues. They are generally rated by credit rating agencies.

h) Securitised Debt Obligations.

i) Units of Mutual Fund- Mutual fund means a fund established in the form of a trust to raise monies through the sale of units to the public or a section of the public under one or more schemes for investing in securities, money market instruments, gold or gold related instruments, silver or silver related instruments, real estate assets and such other assets and instruments as may be specified by the SEBI from time to time.

j) Derivative instruments like Interest Rate Swaps, Interest Rate Futures, Forward Rate Agreements and such other derivative instruments permitted by SEBI/RBI from time to time.

Debt derivative instruments

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

- **Interest Rate Futures**: A futures contract is a standardized, legally binding agreement to buy or sell a commodity or a financial instrument in a designated future month at a market determined price (the futures price) by the buyer and seller. The contracts are traded on a futures exchange. An Interest Rate Future is a futures contract with an interest bearing instrument as the underlying asset.
  Characteristics of Interest Rate Futures
  1. Obligation to buy or sell a bond at a future date
  2. Standardized contract.
  3. Exchange traded
  4. Physical settlement
- **Forward Rate Agreement** A Forward Rate Agreement (FRA) is a financial contract between two parties to exchange interest payments for a 'notional principal' amount on settlement date, for a specified period from start date to maturity date. Accordingly, on the settlement date, cash payments based on contract (fixed) and the settlement rate, are made by the parties to one another. The settlement rate is the agreed bench-mark/ reference rate prevailing on the settlement date.

k) Investment in units of CDMDF: In accordance with the requirement of Regulation 43A of SEBI (Mutual Funds) Regulations, 1996 read with Chapter 16A of SEBI Master Circular dated June 27, 2024, on Corporate Debt Market Development Fund, scheme shall invest 25 bps of its AUM in the units of CDMDF (AIF units).

l) Credit default swaps is a financial contract that enables an investor to transfer or hedge their credit risk by exchanging it with another party

m) Liquid assets - Liquid assets shall include Cash, Government Securities, T-bills and Repo on Government Securities.

n) Short Term Deposits are offered by Scheduled Commercial Banks (both public and private sector banks) with a fixed/floating interest rate and maturity date.

o) Debt Instruments with special features (AT1 and AT2 Bonds)

Additional Tier 1 (AT1) bonds are a type of perpetual bonds. Banks use these bonds to increase their core equity base.AT1 bonds never mature, implying that the bond issuers will never repay the principal. However, banks pay regular interest. But, if the bank's capital ratio falls below a specific percentage or if the bank is making losses, the interest payments can be skipped.
Banks issue Subordinated Tier 2 bonds to meet their Tier 2 capital requirements. These have to be for a minimum period of 5 years at the time of issue. They are unsecured and subordinated in claims to depositors, unsecured creditors and senior bonds of the bank.

p) Debt Instruments with SO / CE rating Debt instruments with Structured Obligation (SO) or Credit Enhancement (CE) ratings are bonds or loans that have been enhanced with additional credit support to reduce default risk. SO ratings indicate that the instrument's creditworthiness is improved through structural mechanisms like collateral, guarantees, or insurance. CE ratings signify that external support, such as a third-party guarantee or letter of credit, bolsters the instrument's credit profile. These enhancements provide greater security to investors, often resulting in higher credit ratings and lower interest rates compared to non-enhanced debt instruments.

q) Any other like instruments as may be permitted by RBI/SEBI/ such other Regulatory Authority from time to time

Subject to the Regulations, the securities mentioned above could be listed, unlisted, privately placed, secured, unsecured and of varying maturity. The securities may be acquired through public offer, secondary market operations, private placement, rights issue or negotiated deals. Further, the Scheme intend to participate in securities lending as permitted under the Regulations. The Scheme may also enter into repurchase and reverse repurchase in various securities as per the guidelines and regulations applicable to such transactions.
The fund manager reserves the right to invest in any other securities that may be permitted from time to time and that align with the Scheme's investment objectives. Any change in the asset allocation affecting the investment profile of the Scheme will be effected only in accordance with SEBI (MF) Regulations.

Debt Markets in India:

What is a Debt Instrument?

A Debt Instrument is a borrowing obligation which the borrower has to service for mutually agreed period and rate of interest.

There are a huge variety of debt or fixed income instruments, as they are usually called. The sheer variety in these instruments mean that they can be classified on the basis of any of these features.

List of Features (list is indicative)
- Face Value: Stated value of the paper /principal amount
- Coupon: Zero, fixed or floating
- Frequency: Semi-annual; annual, sometimes quarterly or monthly
- Maturity: Bullet, staggered
- Redemption: Face Value; premium or discount
- Options: Call/Put Issue Price: Par (Face Value) or premium or discount.

List of Debt Market Instruments: The Indian Debt market comprises of the Money Market and Debt Market. Money market instruments are Commercial Papers (CPs), Certificates of Deposit (CDs), Treasury bills (T-bills), Repos, Inter-bank Call money deposit, Reverse Repo and TREPS etc. Money market instruments have a tenor of less than one year while debt market instruments typically have a tenor of more than one year. Debt market in India comprises mainly of two segments viz., the Government securities market and the corporate securities market.

Government securities include central, state and quasi govt issues. The main instruments in this market are dated securities (fixed or floating) and Treasury bills (Discounted Papers). These securities are generally issued through auctions on the basis of ‘uniform price’ method or ‘multiple price’ method.

Corporate Debt segment on the other hand includes bonds/debentures issued by private corporates, public sector units (PSUs), public financial institutions (PFIs) and development financial institutions (DFIs). These instruments carry a variety of ratings based on the credit profile evaluated by the rating agency and are priced accordingly. These bonds too can be fixed or floating.

Debt derivatives market comprises mainly of Forward Rate Agreements, Interest rate Futures, Interest rate Swap. Banks and corporates are major players here and of late mutual funds have also started hedging their exposures through these products.

The following table gives approximate yields prevailing during the 30-day period ending December 3, 2025, on some of the instruments. These yields are indicative and do not indicate yields that may be obtained in future as interest rates keep changing consequent to changes in macro-economic conditions and RBI policy.

Instrument	**Yield Range (% per annum)**
Interbank Call Money	5.35 (WAR)*
91 Day Treasury Bill	5.32-5.35
364 Day Treasury Bill	5.52-5.54
A1 + Commercial Paper 90 Days	6.15-6.20
5 Year Government of India Security	6.21-6.24
10 Year Government of India Security	6.50-6.53
15 Year Government of India Security	6.90-6.94
1 Year Corporate Bond - AAA Rated	6.60-6.63
3 Year Corporate Bond - AAA Rated	6.72-6.75
5 Year Corporate Bond - AAA Rated	6.83-6.86

Source: Bloomberg **WAR – weighted average rate*

These yields are indicative and do not indicate yields that may be obtained in future as interest rates keep changing consequent to changes in macro-economic conditions and RBI policy. The price and yield on various debt instruments fluctuate from time to time depending upon the macro-economic situation, inflation rate, overall liquidity position, foreign exchange scenario etc.

B. What are the investment restrictions?

Pursuant to the Regulations and amendments thereto and subject to the asset allocation pattern of the Scheme, following investment restrictions are applicable:

- The Fund shall ensure that total exposure of the Scheme, in a particular sector (excluding investments in Bank CDs, triparty repo, G-Secs, T-Bills, short term deposits of scheduled commercial banks and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the scheme; Provided that an additional exposure to financial services sector (over and above the limit of 20%) not exceeding 10% of the net assets of the scheme shall be allowed only by way of increase in exposure to Housing Finance Companies (HFCs); Further, an additional exposure of 5% of the net assets of the scheme has been allowed for investments in securitized debt instruments based on retail housing loan portfolio and/or affordable housing loan portfolio. Provided further that the additional exposure to such securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NHB) and the total investment/ exposure in HFCs shall not exceed 20% of the net assets of the scheme.

- Conditions for undertaking repo in corporate debt securities:

  i. The gross exposure of any mutual fund scheme to repo transactions in corporate debt securities including Commercial Papers (CPs) and Certificate of Deposits (CDs) shall not be more than 10 % of the net assets of the concerned scheme.
  ii. The cumulative gross exposure through debt and money market instruments, repo / reverse repo in corporate debt securities, debt derivative positions, units of mutual funds, securitized debt, instruments with special features, credit enhancement and structured Obligations and such other securities/assets as may be permitted by SEBI from time to time subject to regulatory approvals, if any should not exceed 100% of the net assets of the Scheme as per Clause 12.24 of SEBI Master Circular for Mutual Funds dated June 27, 2024.
  iii. The scheme shall borrow through repo transactions only if the tenor of the transaction does not exceed a period of six months.
  iv. The exposure limit/investment restrictions prescribed under the Seventh Schedule of the Regulations and circulars issued there under (wherever applicable) shall be applicable to repo transactions in corporate debt securities.
  v. Counterparty selection & credit rating:

     Mutual funds shall participate in repo transactions on following Corporate Debt securities;
     - Listed AA and above rated corporate debt securities and Commercial Papers (CPs) and Certificate of Deposits (CDs).

     - In terms of Regulation 44 (2), mutual funds shall borrow through repo transactions only if the tenor of the transaction does not exceed a period of six months.

     - Mutual funds shall ensure compliance with the Seventh Schedule of the Mutual Funds Regulations about restrictions on investments, wherever applicable, with respect to repo transactions in corporate debt securities including Commercial Papers (CPs) and Certificate of Deposits (CDs). However, for transactions where settlement is guaranteed by a Clearing Corporation, the exposure shall not be considered for the purpose of determination of investment limits for single issuer, group issuer and sector level limits.

- The Mutual Fund/AMC shall make investment out of the NFO proceeds only on or after the closure of the NFO period. The Mutual Fund/ AMC can however deploy the NFO proceeds in Tri-Party Repo before the closure of NFO period. However, AMCs shall not charge any investment management and advisory fees on funds deployed in Tri-party Repo during the NFO period. The appreciation received from investment in Tri-Party Repo shall be passed on to investors

- The Fund shall ensure that total exposure of debt schemes of mutual funds in a group (excluding investments in securities issued by Public Sector Units, Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the scheme. Such investment limit may be extended to 25% of the net assets of the Scheme with the prior approval of the Board of Trustees. The investments by debt mutual fund schemes in debt and money market instruments of group companies of both the sponsor and the asset management company shall not exceed 10% of the net assets of the scheme. Such investment limit may be extended to 15% of the net assets of the Scheme with the prior approval of the Board of Trustees. For this purpose, a group means a group as defined under regulation 2 (mm) of SEBI (Mutual Funds) Regulations, 1996 (Regulations) and shall include an entity, its subsidiaries, fellow subsidiaries, its holding company and its associates

- 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 Act. Such investment limit may be extended to 12% of the NAV of the Scheme with the prior approval of the Board of Trustees and Board of Directors of the AMC.

  A mutual fund scheme shall not invest more than:
  a. 10% of its NAV in debt and money market securities rated AAA; or
  b. 8% of its NAV in debt and money market securities rated AA; or
  c. 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.

  Note:
  i. The long-term rating of issuers shall be considered for the money market instruments. However, if there is no long-term rating available for the same issuer, then based on credit rating mapping of CRAs between short term and long-term ratings, the most conservative long term rating shall be taken for a given short term rating.
  ii. Exposure to government money market instruments such as TREPS on G-Sec/ T-bills shall be treated as exposure to government securities.

  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 TREPS.

  Provided further that investment within such limit can be made in mortgaged backed securitized debts which are rated not below investment grade by a credit rating agency registered with SEBI

- Investment restrictions as given below:-
  a) Maximum investment in unlisted NCDs will be 10 % of the debt portfolio of the scheme
  b) 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:

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

- The Scheme may invest in another scheme under the AMC 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.

- The Scheme 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. Further, the Mutual Fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by SEBI. Additionally, the sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by RBI in this regard.

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.

- The investment of the Scheme in the following instruments as per para 12.3 of SEBI Master Circular for Mutual Funds dated June 27, 2024, shall not exceed 10% of the debt portfolio of the Scheme and the group exposure in such instruments shall not exceed 5% of the debt portfolio of the Scheme:

  Unsupported rating of debt instruments (i.e. without factoring-in credit enhancements) is below investment grade; and

  Supported rating of debt instruments (i.e. after factoring-in credit enhancement) is above investment grade.

  The above limits shall not be applicable on investments in securitized debt instruments. Investment by the Scheme in debt instruments, having credit enhancements backed by equity shares directly or indirectly, shall have a minimum cover of 4 times considering the market value of such shares. Further, the investment in debt instruments having credit enhancements should be sufficiently covered to address the market volatility and reduce the inefficiencies of invoking of the pledge or cover, whenever required, without impacting the interest of the investors. In case of fall in the value of the cover below the specified limit, AMCs will initiate necessary steps to ensure protection of the interest of the investors.

- The Scheme shall not invest more than 5% of its net assets 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. All such investments shall be made with the prior approval of the Board of Trustees and the Board of AMC. Investments should only be made in such instruments, including bills re-discounting, usance bills, etc., that are generally not rated and for which separate investment norms or limits are not provided in SEBI (Mutual Fund) Regulations, 1996 and various circulars issued thereunder.

- The Scheme shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of repurchase/ redemption of units or payment of interest to the unit holders. Such borrowings shall not exceed more than 20% of the net assets of the individual scheme and the duration of the borrowing shall not exceed a period of 6 months.

- The Scheme shall not make any investment in,

    a. any unlisted security of an associate or group company of the sponsor; or
    b. any security issued by way of private placement by an associate or group company of the sponsor; or
    c. the listed securities of group companies of the sponsor which is in excess of 25% of the net assets subject to such conditions as may be specified by SEBI.

- 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 the investment objective of the scheme to which such transfer has been made.

    The AMC shall comply with the guidelines issued under SEBI Master Circular for Mutual Funds dated June 27, 2024, and such other guidelines as may be notified from time to time.

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

- The Scheme will not advance any loan for any purpose.

- Debentures, irrespective of any residual maturity period (above or below one year), shall attract the investment restrictions as applicable to debt instruments under clause 1 and 1 A of the VII Schedule to the regulations.

- As per clause 12.2 of SEBI Master Circular for Mutual Funds dated June 27, 2024 , as amended from time to time, no Mutual Fund under all its schemes shall own more than 10% of instruments issued by a single issuer in debt instruments with special features such as subordination to equity (absorbs losses before equity capital) and /or convertible to equity upon trigger of a pre-specified event for loss absorption (“hereinafter referred to as “perpetual debt instruments”). Further, a Mutual Fund scheme shall not invest - a) more than 10% of its NAV of the debt portfolio of the scheme in perpetual debt instruments; and b) more than 5% of its NAV of the debt portfolio of the scheme in perpetual debt instruments issued by a single issuer. The limit mentioned at a) and

b) above shall be within the overall limit for debt instruments issued by a single issuer and other prudential limits with respect to the debt instruments.

- Investments in Derivatives shall be in accordance with the guidelines as stated under para 7.5, 7.6 and 12.25 of SEBI Master Circular for Mutual Funds dated June 27, 2024, as may be amended from time to time

- As per para 12.25 of SEBI Master Circular for Mutual Funds dated June 27, 2024, on "Review of norms for investment and disclosure by Mutual Funds in derivatives", the limits for exposure towards derivatives are as under:

  1. The cumulative gross exposure through debt and money market instruments, repo / reverse repo in corporate debt securities, debt derivative positions, units of mutual funds, securitized debt, instruments with special features, credit enhancement and structured Obligations and such other securities/assets as may be permitted by SEBI from time to time subject to regulatory approvals, if any should not exceed 100% of the net assets of the Scheme.

  2. Mutual Funds shall not write options or purchase instruments with embedded written options.

  3. The total exposure related to option premium paid must not exceed 20% of the net assets of the scheme.

  4. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.

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

     a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.

     b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1.

     c. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.

     d. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.

6. The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme. However, if the Scheme is transacting in IRS through an electronic trading platform offered by the Clearing Corporation of India Ltd. (CCIL) and CCIL

is the central counterparty for such transactions guaranteeing settlement, the single counterparty limit of 10% shall not be applicable.

7. Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.

8. Exposure in derivative positions shall be computed as follows:

Position	Exposure
Long Future	Futures Price * Lot Size * Number of Contracts
Short Future	Futures Price * Lot Size * Number of Contracts
Option bought	Option Premium Paid * Lot Size * Number of Contracts

As and when SEBI notifies amended limits in position limits for exchange traded derivative contracts in future, the aforesaid position limits, to the extent relevant, shall be read as if they were substituted with the SEBI amended limits.

- The Scheme shall not invest in unlisted debt instruments including commercial papers, except Government Securities and other money market instruments:
  Provided that the Scheme may invest in unlisted non-convertible debentures up to a maximum of 10% 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 the Scheme shall comply with the norms under this clause within the time and in the manner as may be specified by SEBI from time to time

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

- Pending deployment of funds of a Scheme in terms of investment objectives of the Scheme, a mutual fund may invest them in short term deposits of schedule commercial banks, subject to provision no. 12.16 of SEBI Master Circular on Mutual Fund dated June 27, 2024.

  a. The term 'short term' for parking of funds shall be treated as a period not exceeding 91 days.
  b. Such deposits shall be held in the name of each Scheme.
  c. Each Scheme shall not park more than 15% of its net assets in the short-term deposit(s) of all the scheduled commercial banks put together. However, it may be raised to 20% with the prior approval of the Trustee. Also, 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. Each Scheme shall not park more than 10% of its net assets in short term deposit(s) with any one scheduled commercial bank including its subsidiaries.
  e. Trustees /AMC will ensure that no funds of a scheme is parked in short term deposit of a bank which has invested in that scheme and the bank in which a scheme has short term deposit do not invest in that scheme until the scheme has short term deposit with such bank.

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

- Exposure limit for participating in Interest Rate Futures - In addition to the existing provisions of SEBI Master Circular for Mutual Funds dated June 27, 2024, the following are prescribed:•To reduce interest rate risk in a debt portfolio, mutual fund may hedge the portfolio or part of the portfolio (including one or more securities) on weighted average modified duration basis by using Interest Rate Futures (IRFs). The maximum extent of short position that may be taken in IRFs to hedge interest rate risk of the portfolio or part of the portfolio, is as per the formula given below

  <u>Portfolio Modified Duration * Market Value of the Portfolio)</u>
  (Futures Modified Duration * Future Price/ PAR)

  In case the IRF used for hedging the interest rate risk has different underlying security(s) than the existing position being hedged, it would result in imperfect hedging. Imperfect hedging using IRFs may be considered to be exempted from the gross exposure, up to a maximum of 20% of the net assets of the scheme, subject to the following:

  - Exposure to IRFs is created only for hedging the interest rate risk based on the weighted average modified duration of the bond portfolio or part of the portfolio.
  - Mutual Funds are permitted to resort to imperfect hedging without it being considered under the gross exposure limits if and only if the correlation between the portfolio or part of the portfolio (excluding the hedged portions, if any) and the IRF is at least 0.9 at the time of initiation of hedge. In case of any subsequent deviation from the correlation criteria, the same may be rebalanced within 5 working days and if not rebalanced within the timeline, the derivative positions created for hedging shall be considered under the gross exposure computed in terms of SEBI Master Circular for Mutual Funds dated June 27, 2024. The correlation should be calculated for a period of last 90 days.

Explanation: If the fund manager intends to do imperfect hedging upto 15% of the portfolio using IRFs on weighted average modified duration basis, either of the following conditions need to be complied with:
i. The correlation for past 90 days between the portfolio and the IRF is at least 0.9 or
ii. The correlation for past 90 days between the part of the portfolio (excluding the hedged portions, if any) i.e. at least 15% of the net asset of the scheme (including one or more securities) and the IRF is at least 0.9.
• At no point of time, the net modified duration of part of the portfolio being hedged should be negative.
• The portion of imperfect hedging in excess of 20% of the net assets of the scheme should be considered as creating exposure and shall be included in the computation of gross exposure in terms of SEBI Master Circular for Mutual Funds dated June 27, 2024.
• The basic characteristics of the scheme should not be affected by hedging the portfolio or part of the portfolio (including one or more securities) based on the weighted average modified duration.
• The interest rate hedging of the portfolio should be in the interest of the investors

Apart from the investment restrictions prescribed under SEBI (Mutual Fund) Regulations, the fund follows certain internal norms vis-à-vis limiting exposure to a particular scrip, issuer or sector, etc. within the mentioned restrictions, and these are subject to review from time to time.

The Scheme will comply with SEBI regulations and any other regulations applicable to the investments of Funds from time to time.

All investment restrictions shall be applicable at the time of making investment.

The Trustee/AMC may alter the above-stated limitations from time to time, and also to the extent the SEBI (Mutual Funds) Regulations, 1996 change or as deemed fit in the general interest of the unitholders, so as to permit the Scheme to make their investments in the full spectrum of permitted investments in order to achieve their investment objective.

C. Fundamental Attributes

The following are the Fundamental Attributes of the Scheme, in terms of Clause 1.14 of SEBI Master Circular for Mutual Funds dated June 27, 2024:

(i) Type of scheme: Please refer to point no. III of 'Part I. Highlights/Summary of the Scheme' under Section I.

(ii) Investment Objective: Please refer to point no. V of 'Part I. Highlights/Summary of the Scheme' and point no. A of 'Part II. Information about the Scheme' under Section I.

(iii) Terms of Issue

- Liquidity provisions such as listing, repurchase, redemption:

  Being an open-ended Scheme under which sale and repurchase of Units will be made on continuous basis by the Mutual Fund, the Units of the Scheme are generally not proposed to be listed on any stock exchange. However, the AMC may at its sole discretion, list the Units under the Scheme on one or more stock exchanges at a later date, if deemed necessary. For details on repurchase, redemption, please refer section 'Other Scheme Specific Disclosures'.

- Aggregate fees and expenses charged to the scheme:

  The provisions in respect of fees and expenses are as indicated in this SID. Please refer to section "Part III - Other Details" under Section I.

- Any safety net or guarantee provided:

  This scheme is not a guaranteed or an assured return scheme.

In accordance with Regulation 18(15A) and 25 of the SEBI (MF) Regulations and Clause 1.14.1.4 of SEBI Master Circular for Mutual Funds dated June 27, 2024, the Trustees and AMC 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 investors 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 investor 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 investors are given an option for a period of at least 30 calendar days to exit at the prevailing Net Asset Value without any exit load.

D. Index methodology (for index funds, ETFs and FOFs having one underlying domestic ETF)

Not applicable.

E. Principles of incentive structure for market makers (for ETFs)

Not applicable.

F. Floors and ceiling within a range of 5% of the intended allocation against each sub class of asset, as per clause 13.6.2 of SEBI Master Circular for Mutual Funds dated June 27, 2024 (only for close ended debt schemes)

Not applicable.

G. Other Scheme Specific Disclosures:

Listing and transfer of units	The Scheme is an open ended scheme and will not be listed on any of the stock exchanges. However, the AMC may, at its discretion, list the Units under the Scheme on one or more stock exchange at a later date. The Units of the Scheme in demat form can be transferred in accordance with the provisions of SEBI (Depositories and Participants) Regulations, 2018 as may be amended from time to time and as stated in Clause 14.4.4 of SEBI Master Circular for Mutual Funds dated June 27, 2024. Further, for the procedure of release of lien, the investors shall contact their respective Depository Participant. <u>Transfer of Units held in Non-Demat [Statement of Account ('SOA')] Mode:</u> Additions / deletion of names will not be allowed under any folio of the Scheme except the following categories: a. If a person becomes a holder of the Units consequent to operation of law or upon enforcement of a pledge, the Mutual Fund will, subject to production of satisfactory evidence, effect the transfer, if the transferee is otherwise eligible to hold the Units. Similarly, in cases of transfers taking place consequent to death, insolvency etc., the transferee's name will be recorded by the Mutual Fund subject to production of satisfactory evidence. b. surviving joint holder, who wants to add new joint holder (s) in the folio upon demise of one or more joint unitholder (s). c. 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; d. 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). Redemption of the transferred units shall be subject to cooling period of 10 business days from the date of transfer. This will enable the investor to revert in case the transfer is initiated fraudulently. Please refer SAI for further details.

Dematerialization of units	The applicants are given an Option to subscribe to/hold the units by way of an Account Statement or in Dematerialized ('Demat') form. The applicants intending to hold Units in demat mode would be required to have a beneficiary account with a Depository Participant of the NSDL/CDSL and would be required to mention in the application form DP's Name, DP ID No. and Beneficiary Account No. with the DP at the time of purchasing Units during the NFO. In case, the investor desires to hold the Units in a Dematerialized /Rematerialized form at a later date, the request for conversion of units held in Account Statement (non- demat) mode into electronic (demat) form or vice-versa should be submitted alongwith a Demat/Remat Request Form to their Depository Participant(s). Investors should ensure that the combination of names in the account statement is the same as that in the demat account. For further details, please refer SAI.
Minimum Target amount (This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return.)	INR 20,00,00,000 (Rupees Twenty Crores)
Maximum Amount to be raised (if any)	Not Applicable
Dividend (IDCW) Policy	The Scheme is currently not offering IDCW option. However, the said option may be introduced at later date.
Allotment (Detailed procedure)	All Applicants whose monies towards purchase of Units have been realised by the Fund on or before the allotment date, will receive a full and firm allotment of Units, provided also the applications are complete in all respects and are found to be in order. Any application for subscription of Units may be rejected if found invalid or incomplete. For applicants applying through 'APPLICATIONS SUPPORTED BY BLOCKED AMOUNT (ASBA)', during NFO, under the Demat mode, on or before allotment, the amount will be unblocked in their respective bank accounts and account will be debited only to the extent required to pay for allotment of Units applied in the application form. Units will be allotted up to 3 decimals. Face Value per Unit of all Plans/ Options under the Scheme is INR 1000/-.

	Post-NFO, on an ongoing basis, units will be allotted for purchases, switch-ins, and SIP installments at the applicable NAV (subject to applicable cut-off timings and realization of funds). A Consolidated Account Statement (CAS) detailing all the transactions across all mutual funds and their holding at the end of the month shall be sent to the Investors in whose folios transactions have taken place during the month by email on or before the 12th day of the succeeding month and by physical means on or before the 15th day of the succeeding month. The holding(s) of the beneficiary account holder for units held in demat mode will be shown in the statement issued by respective Depository Participants (DPs) periodically. Investors have the option to hold units in dematerialized (demat) form. Allotment in demat form will be made within 2 working days from the date of receipt of all necessary documents and realization of funds. Investors must provide their DP ID and Client ID along with relevant supporting documents while applying under the demat mode. Note: Allotment of Units will be done after deduction of applicable stamp duty and statutory charges, if any. Applicants under the Scheme will have an option to hold the Units either in physical form (i.e. account statement) or in dematerialized form. Accordingly, the AMC shall allot Units either in physical form (i.e. account statement) or in dematerialized form within 5 Business Days from the date of closure of the NFO period.
Refund	The Fund will refund the application money to applicants whose applications are found to be incomplete, invalid or have been rejected for any other reason whatsoever. Refund instruments will be processed within 5 business days of the closure of NFO period. In the event of delay beyond 5 business days, the AMC shall be liable to pay interest at 15% per annum or such other rate of interest as maybe prescribed from time to time. The bank and/ or collection charges, if any, will be borne by the applicant. Refunds may be made through electronic modes such as RTGS, NEFT, Direct Credits or through Cheques as applicable.
Who can invest This is an indicative list and investors shall consult their financial advisor to ascertain whether the scheme is suitable to their risk profile.	The following persons are eligible and may apply for subscription to the Units of the Scheme (subject, wherever relevant, to subscription of Units of Mutual Fund being permitted under relevant statutory regulations): • Resident Indian adult individual either singly or jointly (not exceeding three) • Minor through parent/lawful guardian • Companies, Bodies Corporate, Public Sector Undertakings, association of persons or bodies of individuals and societies registered under the Societies Registration Act, 1860 (so

	long as the subscription of units is permitted under their respective constitutions) • Religious and Charitable Trusts under the provisions of Section 11(5)(xii) of the Income Tax Act, 1961 read with Rule 17C of Income-tax Rules, 1962 • Trustees of private trusts authorised to invest in mutual fund schemes under their trust deeds. • Partnership Firms • Hindu Undivided Family (HUF) through Karta • Proprietorship in the name of the sole proprietor • Banks and Financial Institutions • Non-resident Indians (NRI)/Persons of Indian Origin (PIO)/ Overseas Citizen of India (OCI) residing abroad on full repatriation basis or on non-repatriation basis • Army, Air Force, Navy and other para-military funds • Scientific and Industrial Research Organizations • Other Mutual Funds registered with SEBI • Foreign Portfolio Investor subject to the applicable regulations • International Multilateral Agencies approved by the Government of India • Universities and Educational Institutions • Any other category of investor so long as wherever applicable they are in conformity with applicable SEBI Regulations/RBI, etc. Every investor, depending on any of the above category under which he/she/ it/they fall are required to provide relevant documents along with the application form as may be prescribed by AMC. All applicants should be KYC compliant with valid PAN (except for Micro investments/ PAN exempt category). For complete details on KYC and PAN requirements refer SAI. Subject to the Regulations, any application for subscription of Units may be accepted or rejected if found incomplete or due to unavailability of underlying securities, etc. For example, the Trustee may reject any application for the Purchase of Units if the application is invalid or incomplete or if, in its opinion, increasing the size of any or all of the Scheme's Unit capital is not in the general interest of the investors, or if the Trustee for any other reason does not believe that it would be in the best interest of the Scheme or its investors to accept such an application.
Who cannot invest	The following persons are not eligible to invest in the scheme and apply for subscription to the units of the Scheme: 1. Overseas Corporate Bodies, as defined under the Foreign Exchange Management Act, 1999. 2. Investor residing in any Financial Action Task Force (FATF) designated High Risk jurisdiction. 3. A person who is resident of Canada;

	4. United States Person (U.S. person*) as defined under the extant laws of the United States of America, except the following: a. NRIs/PIOs may invest/transact, in the Scheme, when physically present in India, upon submission of such documents/undertakings, etc., as may be stipulated by AMC/Trustee from time to time and subject to compliance with all applicable laws and regulations. b. FPIs may invest in the Scheme through submission of physical form in India, subject to compliance with all applicable laws and regulations and the terms, conditions, and documentation requirements stipulated by the AMC/Trustee from time to time and subject to compliance with all applicable laws and regulations. The Trustee/AMC reserves the right to put the transaction requests received from such U.S. person on hold or reject the transaction request and redeem the units, if allotted, as the case may be, as and when identified by the Trustee / AMC that the same is not in compliance with the applicable laws and/or not fulfilled the terms and conditions stipulated by Trustee/AMC from time to time. Such redemptions will be subject to applicable taxes and exit load, if any. The application form(s) for transactions (in non-demat mode) from such U.S. person will be accepted ONLY at the Investor Service Centers (ISCs) of the AMC. *The term "U.S. person" means any person that is a U.S. person within the meaning of Regulations 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. The Fund reserves the right to include / exclude new / existing categories of investors who can invest in the Scheme from time to time, subject to SEBI Regulations and other prevailing statutory regulations, as applicable. The AMC/ Trustee shall not be liable for any loss or expenses incurred in respect of those transaction requests/allotted units which have been kept on hold or rejected or reversed.
How to Apply and other details	Investors can undertake transactions in the Schemes of JioBlackRock Mutual Fund either through physical, online / electronic mode or any other mode as may be prescribed from time to time. **Physical Transactions** For subscription / redemption / switches, application form and Key Information Memorandum may be obtained from the Official Points of Acceptance (OPAs) of AMC / RTA or downloaded from the website of AMC (www.jioblackrockamc.com).

	<u>Online / Electronic Transactions</u> Investors can undertake transactions via electronic mode through various online facilities offered by the AMC / other platforms specified by the AMC from time to time. Refer back cover page for contact details of Registrar and Transfer Agent (CAMS), brief details various official points of acceptance, collecting bankers during NFO (if any), etc. The list of the ISCs/ OPAs, of the AMC is provided on the website of the AMC. i.e. www.jioblackrockamc.com Please refer to the SAI and Application form for the instructions.
Where can you submit the filled up application	Investors can submit the duly filled application forms at any Official Points of Acceptance (OPAs) of JioBlackRock AMC. The list of OPAs is available on AMC website (www.jioblackrockamc.com). **AMC and RTA branches** Investors may submit their applications at any branches of JioBlackRock AMC. The updated list of AMC branches is available on AMC website (www.jioblackrockamc.com). Investors can also submit their applications at the Registrar's - Computer Age Management Services Limited (CAMS) branches. The updated list of CAMS branches is available on CAMS website (www.camsonline.com). **JioBlackRock AMC Website and Mobile App** Investor can also subscribe to the Units of the Scheme through our website (www.jioblackrockamc.com) or our mobile app by downloading from the google play store or apple store. **CAMS (RTA) Website and Mobile App** Investor can also subscribe to the Units of the Scheme through the website of CAMS (www.camsonline.com) or through their mobile app (myCAMS) by downloading from the google play store or apple store. **Stock Exchanges** Investors can also subscribe to the Units of the Scheme on BSE StAR MF Platform, MFSS and NSE NMF II. **MF Utilities (MFU)** Investors may purchase units of the Plan(s) under the Scheme through MFU. All financial and non-financial transactions pertaining to Schemes of JioBlackRock Mutual Fund can also be submitted through MFU either electronically or physically through the authorized Points of Service ("POS") of MFU. The list of POS of

	MFU is published on the website of MFU at www.mfuindia.com and may be updated from time to time. **MFCentral** Investor can also submit their applications through MFCentral, a unified platform for mutual fund transactions and services. The servers including email servers (maintained at various locations) of AMC, CAMS, and the servers of any other service provider/transaction platform with whom the AMC has tied up for this purpose will be the official point of acceptance for all online / electronic transactions mentioned above. For the purpose of, determining the applicability of NAV, the time when the request for purchase / sale / switch of units is received in the servers of AMC/ RTA or such other service provider/ transaction platform, shall be considered. Channel Partners / Execution Only Platforms (EOP): In addition to the existing Official Point of Acceptance of transactions, the server(s) of CAMS, shall be an OPA for electronic transactions received from the Channel Partners / EOP with whom the AMC has entered or may enter specific arrangements for all financial transactions relating to the units of mutual fund schemes. For more details, please refer to 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.	Not applicable
Restrictions, if any, on the right to freely retain or dispose of units being offered.	The Units of the Scheme held in the dematerialised form will be fully and freely transferable (subject to lock-in period, if any and subject to lien, if any marked on the units) in accordance with the provisions of SEBI (Depositories and Participants) Regulations, 2018 as may be amended from time to time and as stated in. Additions/ deletion of names will not be allowed under any folio of the Scheme except for approved categories. Refer section of **Listing and transfer of units**. **Restrictions on Redemptions of Units** The Fund shall at its sole discretion reserves the right to restrict Redemption (including switch-out) of the Units (including Plan/Option) of the scheme(s) of the fund on the occurrence of the below mentioned event for a period not exceeding ten (10) business days in any ninety (90) days period. The restriction on the Redemption (including switch-out) shall be applicable where the Redemption (including switch-out) request is for a value above Rs. 2,00,000/- (Rupees Two Lakhs). Further, no restriction shall be applicable for the Redemption/switch-out request upto Rs. 2,00,000/- (Rupees Two Lakhs). Further, in case of redemption

<table>
<tr><td></td><td>request beyond Rs. 2,00,000/- (Rupees Two Lakhs), no restriction shall be applicable for first Rs. 2,00,000/- (Rupees Two Lakhs).

The restriction on redemption of the units of the Scheme 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. A list of such circumstances are as follows:
• Liquidity issues: when market at large becomes illiquid affecting almost all securities rather than any issuer specific security.
• 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.
• Operational issues - when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out).
• If so directed by SEBI

Since the occurrence of the abovementioned eventualities have the ability to impact the overall market and liquidity situations, the same may result in exceptionally large number of Redemption being made and in such a situation the indicative timeline mentioned by the Fund in the scheme offering documents, for processing of request of Redemption may not be applicable.

Any restriction on Redemption or suspend Redemption of the Units in the scheme(s) of the Fund shall be made applicable only after prior approval of the Board of Directors of the AMC and Trustee Company and thereafter, immediately informing the same to SEBI.

Refer SAI for further details.</td></tr>
<tr><td>Cut off timing for subscriptions/ redemptions/ switches

This is the time before which your application (complete in all respects) should reach the official points of acceptance.</td><td>Cut off timing for subscriptions/ redemptions/ switches:

In case of Subscription/Switch-in for any amount (duly time stamped): Cut off timing is 3.00 p.m.

<table>
<tr><td>Valid applications received up to 3.00 p.m. and where the funds for the entire amount are available for utilization before the cut-off time i.e. credited to the bank account of the Scheme/Mutual Fund before the cut-off time.</td><td>The closing NAV of the same day</td></tr>
<tr><td>Valid applications received after 3.00 p.m. and where the funds for the entire amount are credited to the bank account of the Scheme /Mutual Fund either on the same day or before the cut-off time of the next Business Day i.e. available for utilization before the cut-off time of the next Business Day.</td><td>The closing NAV of the next Business Day.</td></tr>
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<td>Irrespective of time of receipt of application, where the funds for the entire amount are available for utilisation before the cut-off time on any subsequent business day</td>
<td>The closing NAV of such subsequent Business Day.</td>
</tr>
</table>
Realisation of funds means funds available for utilization and not date and time of debit from investor’s account.
In case application is time stamped after cut off timing on any day, the same will be considered as deemed to be received on the next Business Day.
In case funds are realised after cut-off timing on any day, the same will be considered as deemed to be realised / available for utilisation on the next Business Day.
In case of investments through Systematic Investment Plan (SIP), Systematic Transfer Plan (STP), other methods as may be offered by the AMC etc. the Units would be allotted as per the closing NAV of the day on which the funds are available for utilization irrespective of the installment date of the SIP, STP, etc.
Since different payment modes have different settlement cycles including electronic transactions (as per arrangements with Payment Aggregators/Banks/Exchanges etc), it may happen that the investor’s account is debited, but the money is not credited within cut-off time on the same date to the Scheme’s bank account, leading to a gap/delay in Unit allotment. Investors are therefore urged to use the most efficient electronic payment modes to avoid delays in realization of funds and consequently in Unit allotment.
Redemptions including switch-outs:
In respect of valid applications received up to 3.00 pm on a Business Day by the Mutual Fund, same day’s closing NAV shall be applicable. In respect of valid applications received after the cut off time by the Mutual Fund, the closing NAV of the next Business Day shall be applicable.
Demand Drafts/ Outstation Cheques will not be accepted.
Valid application for “switch out” shall be treated as redemption and for “switch in” shall be treated as purchases and the relevant NAV of “Switch in” and “Switch Out” shall be applicable accordingly.
</td>
</tr>
<tr>
<td>Where can the applications for purchase / redemption switches be submitted?</td>
<td>
Please refer the AMC website - www.jioblackrockamc.com for the list of official points of acceptance.
For further details, kindly refer section Other Scheme Specific Disclosures - “How to apply” and / or SAI
It is mandatory for applicants to mention their bank account numbers in their applications for subscription or redemption of Units of the Scheme. If the investor fails to provide the bank mandate, the request
</td>
</tr>
</table>

	for redemption would be considered as not valid and the Scheme retains the right to withhold the redemption until a proper bank mandate is furnished. Any provision with respect to penal interest in such cases will not be applicable.
Minimum amount for purchase / redemption / switches	• Minimum amount for Purchase (lumpsum): Rs. 500/- and any amount thereafter. • The minimum redemption amount shall be 'any amount' or 'any number of units' as requested by the investor at the time of redemption. • Redemption would be permitted to the extent of credit balance in the Investor's account of the Scheme (subject to release of pledge / lien or other encumbrances). The Redemption request can be made by specifying the rupee amount or by specifying the number of Units to be redeemed. • Minimum amount for Switch-in to the Scheme: Rs. 500/- and any amount thereafter. • Minimum amount for Systematic Investment Plan (SIP): Rs. 500/- and in multiples of Re.1 thereafter. • Minimum amount for Systematic Transfer Plan (STP): Rs. 100/- and in multiples of Re. 1/- thereafter • Minimum amount for Systematic Withdrawal Plan (SWP): Rs. 500/- and in multiples of Re. 1/- thereafter
Minimum balance to be maintained and consequences of non-maintenance	There is no minimum balance requirement.
Accounts Statements	The AMC shall send an allotment confirmation specifying the units allotted by way of email and / or SMS to the investor's registered email ID and / or mobile number within 5 business days of receipt of valid application / transaction and realization of funds towards purchase of units, whichever is later. A Consolidated Account Statement (CAS) detailing all the transactions across all mutual funds and their holding at the end of the month shall be sent to the Investors in whose folio(s) transactions have taken place during the month by email on or before the 12th day of the succeeding month and by physical means on or before the 15th day of the succeeding month. Half-yearly physical CAS shall be issued at the end of every six months (i.e. April and October) on or before 21st day of succeeding month. e-CAS will be issued on or before 18th day of succeeding month to all investors providing the prescribed details across all schemes of mutual funds and securities held in dematerialized form across demat accounts, if applicable. The investor may request for a physical account statement without any charges by writing to/calling the AMC/ISC/RTA. The Mutual

	Fund/ AMC shall dispatch an account statement within 5 Business Days from the date of the receipt of request from the investor. For further details, please refer to the SAI.
Dividend / IDCW	Not Applicable The AMC / Trustee at its discretion may introduce IDCW Option in future.
Redemption	The redemption or repurchase proceeds shall be dispatched to the investors within 3 (three) Business Days from the date of redemption or repurchase. For list of exceptional circumstances refer para 14.1.3 of SEBI Master Circular for Mutual Funds dated June 27, 2024.
Bank Mandate	It is mandatory for the Investors to mention their bank account details in the applications. Investors are requested to provide the full particulars of their Bank Account i.e., Name, Account Number, 11-digit IFSC, branch address in the specified fields in the application form. For detailed information, please refer SAI. The AMC reserves the right to call for any additional documents as may be required, for processing of such transactions with missing/incomplete/invalid bank account details. The AMC also reserves the right to reject such applications.
Delay in payment of redemption / repurchase proceeds / dividend	Redemption shall be processed by the AMC within 3 (three) Business Days of the receipt of redemption request. The AMC shall be liable to pay interest to the investors at rate (currently 15% per annum) 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. Investor may note that in case of exceptional scenarios as prescribed by AMFI vide its communication no. AMFI/ 35P/ MEMCOR/ 74 / 2022-23 dated January 16, 2023, read with clause 14.1.3 of SEBI Master Circular for Mutual Funds dated June 27, 2024 (SEBI Master Circular), the AMC may not be liable to adhere with the timelines prescribed above. Please refer SAI for details.
Unclaimed Redemption and Income Distribution cum Capital Withdrawal Amount	Unclaimed Redemptions are those amounts that are processed and released but not encashed by/credited to the bank account of the unitholders of the schemes of JioBlackRock Mutual Fund. Investors have to submit request to redeem unclaimed units. Investors can either submit 'Financial Transaction Form' OR simple request letter for claiming of unclaimed units at any of our OPAs. The form needs to be duly signed as per the mode of holding.

	To process the claim, valid bank account details are required. Investors are requested to get the bank account updated in their folio prior submitting the claim request. Please refer to SAI for details.
Disclosure w.r.t investment by minors	Payment for investment by means of cheque, or any other mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian only, else the transaction is liable to get rejected. However, irrespective of the source of payment for subscription, all redemption proceeds shall be credited only in the verified bank account of the minor, i.e. the account the minor may hold with the parent/ legal guardian. For systematic transactions in a minor folio, the AMC would register standing instructions till the date of the minor attaining majority OR till the end date of the systematic plan, whichever is earlier Upon attaining the status of major, the minor in whose name the investment was made, shall be required to provide all the KYC details, updated bank account details including cancelled original cheque leaf of the new bank account, incase of change. All transactions / standing instructions / systematic transactions etc. will be suspended i.e. the Folio will be frozen for operation by the guardian from the date of beneficiary child completing 18 years of age, till the status of the minor is changed to major. For more details, please refer to SAI.
Potential Risk Class Matrix	Pursuant to the provisions of Clause 17.5 of SEBI Master Circular for Mutual Funds dated June 27, 2024, all debt schemes are required to be classified in terms of a Potential Risk Class matrix consisting of parameters based on maximum interest rate risk (measured by Macaulay Duration (MD) of the scheme) and maximum credit risk (measured by Credit Risk Value (CRV) of the scheme). Mutual Funds are required to disclose the PRC matrix (i.e. maximum risk that a fund manager can take in a Scheme) along with the mark for the cell in which the Scheme resides on the front page of initial offering application form, SID, KIM, common application form and scheme advertisements in the manner as prescribed in the said circular. The scheme would have the flexibility to take interest rate risk and credit risk below the maximum risk as stated in the PRC matrix. Subsequently, once a PRC cell selection is done by the Scheme, any change in the positioning of the Scheme into a cell resulting in a risk (in terms of credit risk or duration risk) which is higher than the maximum risk specified for the chosen PRC cell, shall be considered as a fundamental attribute change of the Scheme in terms of Regulation 18(15A) of SEBI (Mutual Fund) Regulations, 1996.

III. Other Details

A. In case of Fund of Funds Scheme, Details of Benchmark, Investment Objective, Investment Strategy, TER, AUM, Year wise performance, Top 10 Holding/ link to Top 10 holding of the underlying fund

Not Applicable.

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

i. Scheme Portfolio

Portfolio shall be disclosed (i) on a fortnightly basis (i.e. as on 15th and as on the last day of the month), within 5 days from end of the fortnight and (ii) as on the last day of the month and half-year i.e. March 31 and September 30 within 10 days from the close of each month and half-year respectively. Portfolio shall be disclosed on AMC website www.jioblackrockamc.com and on AMFI website www.amfiindia.com. Portfolio shall be disclosed in a user-friendly and downloadable spreadsheet format. Portfolio shall also be sent by e-mail to all investors by the AMC/Mutual Fund. The AMC/ Mutual Fund shall publish an advertisement disclosing uploading of half year scheme portfolio on its website, in one English daily newspaper and in one Hindi daily newspaper having nationwide circulation. Physical copy of the scheme portfolio shall be provided to investors on receipt of specific request from the investors, without charging any cost.

ii. Half Yearly Financial Results

The AMC / Mutual Fund shall within one month from the close of each half year, that is on March 31 and on September 30, host a soft copy of its unaudited financial results on the AMC website www.jioblackrockamc.com/disclosure and shall publish an advertisement disclosing the hosting of financial results on the AMC website, in at least 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. The unaudited financial results would be displayed on AMC website www.jioblackrockamc.com/disclosure and AMFI website www.amfiindia.com.

iii. Annual Report

Scheme wise annual report or an abridged summary thereof shall be mailed to all Investors within four months from the date of closure of the relevant financial year i.e. 31st March each year as under:

- by email to the investor whose email address is available with the Mutual Fund.
- in physical form to the investor whose email address is not available with the Fund and/or to those investors who have opted / requested for the same.

An advertisement shall also be published in all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the scheme wise annual report on the website of the AMC www.jioblackrockamc.com/disclosure and AMFI website www.amfiindia.com. The physical copy of the scheme wise annual report or abridged summary shall be made available to the investors at the registered office of the AMC.

The AMC / Mutual Fund shall also provide a physical copy of abridged summary of the annual report without charging any cost, on specific request received from the investor. A copy of scheme wise annual report shall also be made available to investor on payment of nominal fees.

iv. Disclosure on Risk-o-meters

In accordance with Clause 17.4 of SEBI Master Circular for Mutual Funds dated June 27, 2024, the risk-o-meter shall be evaluated on a monthly basis and the risk-o-meter alongwith portfolio disclosure shall be disclosed on the AMC website [www.jioblackrockamc.com/disclosure] as well as AMFI website within 10 days from the close of each month. In accordance with SEBI Circular no. SEBI/HO/IMD/PoD1/CIR/P/2024/150 dated November 5, 2024, any change in risk-o-meter of the scheme and / or its benchmark shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to investors of that scheme in specified format.

v. Disclosure on Scheme Summary Document (SSD)

A Scheme Summary Document (SSD) of the Scheme which contains details such as Scheme features, Fund Manager details, investment details, investment objective, expense ratio etc. will be made available on the website of the AMC [www.jioblackrockamc.com/disclosure] and AMFI [www.amfiindia.com].

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

The AMC will calculate and disclose the first NAV up to four decimal places of the Scheme within a period of 5 Business Days from the date of allotment. Subsequently, the AMC will calculate and disclose the NAVs up to four decimal places on all Business Days.

The AMC shall update the NAVs on website of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) and on the website of AMC (www.jioblackrockamc.com/nav) before 11.00 p.m. on every business day. NAVs shall be available in all centres for acceptance of transactions. NAVs shall also be made available at all Investor Service Centres and the contact number of the AMC i.e. Contact Center no.- +91 22-35207700 & +91 22-69987700 during business hours.

If the NAVs are not available before the commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons for the delay and explaining when the Mutual Fund would be able to publish the NAV.

In case NAV of Corporate Debt Market Development Fund (‘CDMDF’) units is not available by 9:30 p.m. of same business day, requirement for NAV declaration timing on the website of the AMC and AMFI for the Scheme holding units of CDMDF shall be 10 a.m. on next business day instead of 11 p.m. on same business day.

D. Transaction charges and stamp duty:

No transaction charges will be levied on the investor.

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 FinanceAct,2019, astampdutyattherateof0.005%ofthe transactionvaluewouldbeleviedonapplicablemutualfundinvestmenttransactionssuchas purchases(including switch-in)with effect from July 1, 2020. Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchases, switch-ins, Systematic Investment Plan (SIP) installments, Systematic Transfer Plan (STP-ins) installments etc.to the unit holders would be reduced to that extent.

For further details, refer SAI.

E. Associate Transactions:

Please refer to Statement of Additional Information (SAI) for this information.

F. Taxation:

Particulars	Tax rates applicable for Resident Investors	Tax rates applicable for Non-Resident Investors	Tax rates applicable for Mutual Fund (other than Equity Oriented Fund and Infrastructure Debt Fund)
1) Dividend income			
Withholding tax rate	10% on income (in excess of INR 10,000)	20%[4] + applicable surcharge + 4% cess[5]	Nil
Tax rates	Individual / HUF – Income tax rate applicable to the Unit holders as per their income slabs[6] Domestic Company - 30% + surcharge as applicable + 4% cess[5] 25%[7] + surcharge as applicable + 4% cess[5] 22%[8] + 10% surcharge + 4% cess[5] 15%[8] + 10% surcharge + 4% cess[5]	20% + applicable surcharge + 4% cess[5]	Nil
2) Long Term Capital Gains on sale of listed and unlisted units	NA	NA	Nil
3) Deemed Short Term Capital Gains	Individual / HUF – Income tax rate applicable to the Unit holders as per their income slabs[6] Domestic Company - 30% + surcharge as applicable + 4% cess[5] 25%[7] + surcharge as applicable + 4% cess[5] 22%[8] + 10% surcharge + 4% cess[5] 15%[8] + 10% surcharge + 4% cess[5]	Non-resident (other than Foreign Company) – Income tax rate applicable to the Unit holders as per their income slabs[4] Foreign Company - 35% + Surcharge as applicable + 4% cess[5]	Nil

Notes:

1. Under the terms of the Scheme Information Document, the scheme is classified as "Short Duration Fund".

2. As per section 50AA of the Act, "specified mutual fund" means (a) a Mutual Fund by whatever name called, which invests more than sixty-five per cent of its total proceeds in debt and money market instruments; or (b) a fund which invests sixty-five per cent or more of its total proceeds in units of a fund referred to in sub-clause (a)."

   Provided that the percentage of investment in debt and money market instruments or in units of a fund, as the case may be, in respect of the Specified Mutual Fund, shall be computed with reference to the annual average of the daily closing figures.

   Provided further that for the purposes of this clause, "debt and money market instruments" shall include any securities, by whatever name called, classified or regulated as debt and money market instruments by the Securities and Exchange Board of India.'.

   The above definition of "specified mutual fund" will be effective from 01 April 2025.

3. Income of the Mutual Fund is exempt from income tax in accordance with the provisions of Section 10(23D) of the Income-tax Act, 1961 (Act).

4. The withholding tax would be lower of 20% (plus applicable surcharge and cess) or the rate provided under the relevant tax treaty, whichever is lower, subject to eligibility and compliance with applicable conditions.

   Under Section 196D of the Act, a 20% withholding tax rate (plus applicable surcharge and cess) applies to income from securities referred to in section 115AD(1)(a) paid to Foreign Institutional Investors (FII)[1]. However, tax treaty benefits can be claimed at the time of withholding tax on income with respect to securities, if the FII provides a tax residency certificate and other necessary documents required to claim treaty benefits. Additionally, no withholding is required for capital gains from the transfer of securities as specified under Section 115AD of the Act.

   [1] As per Notification No. 9/2014 dated 22 January 2014, the Central Government has specified Foreign Portfolio Investors registered under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as 'Foreign Institutional Investor' for the purposes of clause (a) of the Explanation to section 115AD of the Act.

5. Health and Education Cess shall be applicable at 4% on aggregate of base tax and surcharge.

6. The Finance (No. 2) Act 2024 has amended the provisions of Section 115BAC to make new tax regime the default tax regime. The slab rates as prescribed under section 115BAC(1A) of the ITA [as amended by Finance Act, 2025 and effective from FY 2025-26] are as under:

Total Income	**Tax rates (excluding surcharge and cess)**
Up to INR 4,00,000	Nil
From INR 4,00,001 to INR 8,00,000	5%

From INR 8,00,001 to INR 12,00,000	10%
From INR 12,00,001 to INR 16,00,000	15%
From INR 16,00,001 to INR 20,00,000	20%
From INR 20,00,001 to INR 24,00,000	25%
Above INR 24,00,000	30%

However, the taxpayers have the option to opt out of new tax regime and choose to be taxed under old tax regime. The slab rates as per the old tax regime are as under:

Total Income	**Tax rates (excluding surcharge and cess)**
Up to INR 2,50,000**	Nil
From INR 2,50,001 to INR 5,00,000	5%
From INR 5,00,001 to INR 10,00,000	20%
INR 10,00,001 and above	30%

** In case of a resident individual of the age of 60 years or more but less than 80 years, the basic exemption limit is INR 3,00,000. In case of a resident individual of the age of 80 years or more, the basic exemption limit is INR 5,00,000.

7. A tax rate of 25% (plus applicable surcharge and health and education cess) is applicable for the financial year 2025-26 in the case of domestic companies having total turnover or gross receipts not exceeding Rs. 400 crores in the financial year 2023-24.

8. Domestic companies may opt for a lower tax rate of 22% (plus fixed surcharge at the rate of 10% and health and education cess) (as per section 115BAA of the Act), subject to fulfilment of prescribed conditions. Further, new domestic manufacturing companies may opt for a lower tax rate of 15% (plus fixed surcharge at the rate of 10% and health and education cess) (as per section 115BAB of the Act), subject to fulfilment of prescribed conditions.

9. Short term/ long term capital gain tax will be deducted at the time of redemption of units in case of non-resident investors only. However, as per section 196A of the Act, withholding tax would be lower of 20% (plus applicable surcharge and cess) or the rate provided under the relevant tax treaty subject to fulfilment of certain conditions for being able to avail benefits under the tax treaty viz. obtain a valid tax residency certificate (TRC) and electronically file Form 10F.

10. If the total income of a resident investor (being individual or HUF) [without considering such Long Term Capital Gains / Short Term Capital Gains] is less than the basic exemption limit, then such Long-term capital gains/short-term capital gains should be first adjusted towards basic exemption limit and only excess should be chargeable to tax.

11. Non-resident investors may be subject to a separate of tax regime / eligible to benefits under Tax Treaties, depending upon the facts of the case. The same has not been captured above.

12. In case of resident individuals opting out from section 115BAC rebate of up to Rs. 12,500 is available if total income does not exceed Rs. 500,000.

13. The Finance Act, 2025 amended Section 87A of the Act to provide that where an Individual apply for lower slab rates provided under section 115BAC(1A) and the total income:

    i. does not exceed 12,00,000, a rebate shall be provided on tax to the extent of an amount equal to 100% of such income-tax or an amount of INR 60,000 (whichever is less);
    ii. exceeds INR 12,00,000 and the income-tax payable on such total income exceeds the amount by which the total income is in excess of 12,00,000, a rebate shall be provided on tax of an amount equal to the amount by which the tax payable is in excess of the amount by which the total income exceeds 12,00,000

    Further, such rebate of income-tax will not be available on tax on incomes chargeable to tax at special rates (for e.g.: capital gains u/s 111A, 112 etc.)

    For further details on taxation please refer to the Section 'Taxation On Investing In Mutual Funds' in Statement of Additional Information ('SAI')'

G. Rights of Unitholders:

Please refer to SAI for details.

H. List of official points of acceptance:

The details pertaining to official points of acceptance of AMC and RTA are available on the website of the AMC at www.jioblackrockamc.com/disclosure.

Details of the Registrar and Transfer Agent:

Name	Computer Age Management Services Limited (CAMS)
Address	Rayala Towers, 158, Anna Salai, Chennai – 600 002.
Website Address	www.camsonline.com
Email id	service@jioblackrockamc.com
Contact no.	18004192267

I. 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:

There have been no penalties or pending litigation on the AMC since its incorporation.

The investors may refer to the details on the website of the AMC at link: www.jioblackrockamc.com/disclosure.

Notes:

The Scheme under this Scheme Information Document was approved by the Trustees on August 28, 2025.

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

For and on behalf of the Board of
Directors of JioBlackRock AMC

Sd/-

Siddharth Swaminathan
Managing Director and Chief Executive Officer

Place: Mumbai
Date: December 8, 2025