S.O.1

SCHEME INFORMATION DOCUMENT
SECTION I
UTI Balanced Hybrid Fund

(An open ended balanced scheme investing only in equity and debt securities.)
No arbitrage is permitted in the scheme

THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING*:	Scheme Risk-o-meter: UTI Balanced Hybrid Fund	Benchmark Risk-o-meter: NIFTY 50 Hybrid Composite Debt 50:50 Index
• Long term capital appreciation • Investment in equity and equity related instruments and fixed income securities		

S.O.3

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

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

Offer of Units of Rs. 10/- each during the New Fund Offer and Continuous Offer of Units at NAV based prices

New Fund Offer Opens on: **,** 2026
New Fund Offer Closes on: ,2026
Scheme Reopens on: 2026,

New Fund Offer shall remain open for subscription for a minimum period of 3 working days but will not be kept open for more than 15 calendar days

UTI Mutual Fund
UTI Asset Management Company Limited
UTI Trustee Company Private Limited

Address of the Mutual Fund, AMC and Trustee Company:
UTI Tower, 'Gn' Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.
Website: www.utimf.com/

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

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 / UTI Financial Centres (UFCs) / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of UTI Mutual Fund, Standard Risk Factors, Special Considerations, Tax and Legal issues and general information on www.utimf.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 UTI Financial 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 July 27, 2026.

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Part I. HIGHLIGHTS/SUMMARY OF THE SCHEME

	Sr. No.	Title	Description
S.O.1	I	**Name of the scheme**	UTI Balanced Hybrid Fund
	II	**Category of the Scheme**	Balanced Hybrid Fund
S.O.7	III	**Scheme Type**	An open ended balanced scheme investing only in equity and debt securities. No arbitrage is permitted in the scheme
	IV	**Scheme Code**	To be disclosed after obtaining scheme code
S.O.5	V	**Investment Objective**	The investment objective of the Scheme is to provide long term capital appreciation and generate income by investing in a balanced portfolio of equity & equity related instruments and debt & money market instruments. However, there can be no assurance or guarantee that the investment objective of the scheme will be achieved.
	VI	**Liquidity / Listing Details**	**Liquidity** The scheme will offer subscription and redemption of units at applicable NAV on every business day on an ongoing basis within 5 working days from the date of allotment. **Listing** The Scheme is an open-ended scheme under which sale and repurchase will be made on a continuous basis and therefore listing on stock exchanges is not envisaged. However, the Trustee may at their discretion list the units on any Stock Exchange.
	VII	**Benchmark (Total Return Index)**	NIFTY 50 Hybrid Composite Debt 50:50 Index
	VIII	**NAV Disclosure**	Declaration of NAV on a daily basis within 5 business days from the date of allotment. The Mutual Fund shall declare the Net asset value for the scheme by 11 p.m. on every business day on the website of UTI Mutual Fund, www.utimf.com and on AMFI's website www.amfiindia.com/ The latest available NAV for the fund can be viewed/ requested from website, toll free number and whatsapp. Further, the Mutual Fund will extend facility of sending latest available NAVs to unit holders through SMS, upon users registering for the said service through website in NAV Disclosure section. Further details please refer Section II.
	IX	**Applicable timelines**	(a) The redemption proceeds shall be paid to the unitholders within 3 (three) working days from the date of redemption. (b) The payment of dividend/IDCW to the unitholders shall be made within 7 (seven) working days from the record date. (c) A penal interest of 15% per annum or such other rate as may be prescribed by SEBI from time to time, shall be paid in case the redemption or repurchase proceeds are not transferred within the prescribed timelines
	X	**Plans and Option**	**The Scheme offers following Plans:** Direct Plan Regular Plan **Both the Plans offer following options** **i.** Growth Option **ii.** Payout of Income Distribution cum Capital Withdrawal Option (Payout of IDCW Option)

Default Option Growth Option

Direct Plan:
Direct Plan is only for investors who purchase/subscribe units directly with the Fund and is not available for investors who route their investments through a Distributor.

The Direct Plan will be a separate plan under the Scheme and shall have a lower expense ratio excluding distribution expenses, commission etc. and will have a separate NAV. No commission shall be paid / charged from Direct Plan.

Portfolio of the Scheme under the Regular Plan and Direct Plan will be common.

How to apply: Investors subscribing under Direct Plan of UTI Balanced Hybrid Fund will have to indicate "Direct Plan" against the Scheme name in the application form, for example. "UTI Balanced Hybrid Fund – Direct Plan".

Treatment of applications under "Direct" / "Regular" Plans:

Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured
1	Not mentioned	Not mentioned	Direct Plan
2	Not mentioned	Direct	Direct Plan
3	Not mentioned	Regular	Direct Plan
4	Mentioned	Direct	Direct Plan
5	Direct	Not Mentioned	Direct Plan
6	Direct	Regular	Direct Plan
7	Mentioned	Regular	Regular Plan
8	Mentioned	Not Mentioned	Regular Plan

XI **Load Structure**

Entry Load: Not Applicable#

#In terms of provision no 11.7.1 of para 11.7 under Chapter 11 of SEBI Master Circular for Mutual Funds, no entry load will be charged by the scheme to the investor.

Exit Load (As % of NAV):

i. Redemption / switch-out upto and including 10% of Units allotted on or before completion of 12 months from the date of allotment- Nil exit load
ii. Redemption/ switch out in excess of the 10% of Units allotted on or before completion of 12 months from the date of allotment – 1.00% exit load
iii. If redeemed / switched out after 12 months from the date of allotment – Nil exit load

XII **Minimum Application Amount / switch in**

Minimum amount of investment during NFO and on an Ongoing basis under all Plans and Options

Minimum initial investment amount is Rs. 1,000/- and in multiples of Re.1/- thereafter.

Subsequent minimum investment amount under a folio is Rs.1,000/- and in multiples of Re.1/- thereafter with no upper limit.

Note: Allotment of units will be done after deduction of applicable stamp duty and transaction charges, if any.

Minimum SIP Amount

			The minimum SIP amount for Daily, Weekly and Monthly SIP is Rs.500/- and in multiples of Re.1/- thereafter. The minimum SIP amount for Quarterly SIP is Rs. 1,500/- and in multiples of Re.1/- thereafter
	XIII	**Minimum Additional Purchase amount**	Subsequent minimum investment amount under a folio is Rs.1,000/- and in multiples of Re.1/- thereafter with no upper limit. **Note:** Allotment of units will be done after deduction of applicable stamp duty and transaction charges, if any
	XIV	**Minimum Redemption / switch out Amount**	The minimum Redemption amount is Re.1/- and in multiples of Re.1/- thereafter. In case of partial redemption, if the balance amount held in the Unit holder's folio / account under the Plan / Option of the Scheme is less than the minimum investment amount, then the transaction shall be treated as an all units redemption and the entire balance of available Units in the folio / account of the Unit holder shall be redeemed.
S.O.34	**XV**	**New Fund Offer Period** This is the period during which a new scheme sells its units to the investors	**UTI Balanced Hybrid Fund** **NFO opens on:**, 2026 **NFO closes on**: , 2026 New Fund Offer shall remain open for subscription for a minimum period of 3 working days but will not be kept open for more than 15 calendar days Any changes in the pre closure and extension of the offer will be published through notice on the website of AMC i.e. https://www.utimf.com/.
	XVI	**New Fund Offer Price:** This is the price per unit that the investors have to pay to invest during the NFO.	Offer of Units of Rs. 10/- each during the New Fund Offer and Continuous Offer of Units at NAV based prices
S.O.53	**XVII**	**Segregated portfolio / side pocketing disclosure**	The AMC may create a segregated portfolio in case of a credit event at the issuer level i.e., a downgrade in credit rating by a SEBI registered Credit Rating Agency (CRA), subject to guidelines specified in clause no. 5.5 under Chapter 5 of SEBI Master Circular for Mutual Funds. The creation of a segregated portfolio shall be optional and at the discretion of UTI AMC. Please refer to SAI for further details.
	XVIII	**Swing pricing disclosure**	Not Applicable
	XIX	**Stock lending /short selling**	The Scheme may engage in stock lending / Short selling subject to percentage as specified in asset allocation, For details kindly refer SAI.
S.O.35	**XX**	**How to Apply and other details**	**Details regarding-** Availability of application form from either the Investor Service Centers (ISCs)/Official Points of Acceptance (OPAs) of AMC or may be downloaded from the website of UTI Mutual Fund; https://www.utimf.com/forms/kims-application-form-and-addenda **Please refer to the SAI and Application form for the instructions**. It is mandatory for investors to mention their Core banking Solutions (CBS) bank account particulars in their applications/requests for redemption
	XXI	**Investor services**	**Name and Address of Registrar** KFin Technologies Limited., Unit: UTIMF, Karvy Selenium Tower B, Plot Nos. 31 & 32 Financial District, **All investors could refer their grievances giving full particulars of investment at the following address:** Ms. Madhavi Dicholkar

S.O.61

<table>
<tr><td></td><td></td><td>Nanakramguda,
Serilingampally Mandal,
Hyderabad – 500032,

Board No: 040 - 6716 2222,
Fax no : 040 - 6716 1888,
Email: uti@kfintech.com</td><td>UTI Asset Management Company Ltd.
UTI Tower, Gn Block,
Bandra-Kurla Complex,
Bandra (East),
Mumbai – 400 051
Tel: 022-6678 6666/6678 6258

Investors may post their grievances at our website: www.utimf.com or e-mail us at service@uti.co.in</td></tr>
<tr><td>XXII</td><td>Special product / facility available during the NFO and on ongoing basis</td><td>
Special Products / Facilities Offered
1. Systematic Investment Plan (SIP)
a. Step up facility
b. Any Day SIP
c. Micro SIP (Non PAN exempt folios)
d. Pause facility

I. Systematic Investment Plan (SIP):
Existing unit holders can join SIP by quoting the existing folio no. / Investor ID on the SIP application form. New investors should attach the SIP Enrolment Form along with the Scheme Application Form.
(i) SIP is offered with following Periodicity.
1. Daily Systematic Investment Plan
2. Weekly Systematic Investment Plan
3. Monthly Systematic Investment Plan (MSIP) and
4. Quarterly Systematic Investment Plan (QSIP).
(ii) The applications of SIP) will be accepted at all Official Points of Acceptance (OPAs). No outstation cheques will be accepted. Unitholders are required to submit all the post-dated cheques at one go and not in a staggered manner.
(iii) The disbursal of SIP cheques could be as under:
<table>
<tr><td></td><td>Daily, Weekly and Monthly Option</td><td>Quarterly Option</td></tr>
<tr><td>New investor</td><td>1 Cheque of initial investment + 5 Cheques (Min)</td><td>1 Cheque of initial investment + 3 Cheques</td></tr>
<tr><td>Existing unit holder</td><td>6 Cheques (Min)</td><td>4 Cheques</td></tr>
</table>
Note: If an unit holder desires to submit 12 cheques under the monthly option, the same will be accepted.
(iv) The first investment cheque could be of any date and any amount (subject to minimum applicable amount) and other cheques should be of a uniform date (Date can be any date of the month). However, there should be a gap of minimum one month between the 1st investment cheque and the subsequent cheques.
(v) Units Allotment: Units will be allotted at (closing NAV of the day on which the funds are available for utilization) purchase price declared for the Scheme on the SIP Date opted by the investor in the SIP enrolment form. In case, the date falls on a non-business day or falls during a book closure period, the immediate next business day will be taken into account for the purpose of determining the price. The unit allotment will be done as per the NAV applicable depending on the date of realisation.
(vi) Account statement: An account statement will be issued to the unitholder normally within 5 working days from the date of first transactions / cheque realization and thereafter on each transaction. However, in case of SIP & STP, the statement will be issued once every quarter ending March, June, September and
</td></tr>
</table>

December within 10 working days of the end of the respective quarter. The first Statement of Accounts shall however be issued within 10 working days of the initial transaction.

(vii) Switch in/out, Systematic Investment Plan (SIP) and Systematic Transfer Plan (STP) will also attract Load like regular Purchases and Redemption.

(viii) The Auto Debit Facility is available as under:

A. **Auto Debit (Direct Debit):** The Direct Debit Facility is available only with the banks with which UTI AMC or its service provider has tie up for Direct Debit.

B. **NACH (National Automated Clearing House):-** SIP is also available through NACH platform of National Payments Corporation of India (NPCI) wherein mandates are registered based on the scanned images by destination bank (s) or through the eNACH platform of NPCI or under any other platform / arrangement as may be applicable. The timelines for registration is 21 days in case of mandate registration through scanned image and 3 working days in case of eNACH platform. The investor's bank should be participating in the NACH Clearing.

The daily and weekly frequencies will be available for SIPs registered using Electronic mode only.

SIP facility is available subject to terms and conditions. Please refer to the SIP enrolment form for terms and conditions before enrolment.

Investor can register for multiple SIP debits for the same cycle date, same folio and the same scheme subject to a maximum of 10 such debits. Investor needs to submit fresh SIP mandate for the additional amount.

The facility of issuing units in Demat mode is extended for investments through SIP under various options of the Scheme (s) / Plan (s) of the Fund offering SIP, wherever the Investor provides demat account details.

The units will be allotted in demat form based on the applicable Net Asset Value (NAV) per unit as per the Scheme Information Document (SID) / Statement of Additional Information (SAI) and will be credited to the Investor's Demat Account on a weekly basis upon receipt of details of realization of funds from the bank/service provider. For example, Units will be credited to Investor's Demat Account every Monday for realization status received in last week from Monday to Friday.

1. **Step up' facility**:
   Under this facility, an Investor can opt for stepping up his SIP amount at specified intervals (Half-yearly / Yearly). Upon exercising this option, the SIP debit amount will increase by the amount specified by the Investor at the Intervals opted.

   For example, an Investor gives a SIP Mandate for 5 years in Scheme A for an amount of Rs.1,000/- which starts on August 1, 2020 and also opts for this 'Step up' facility with the interval frequency as 'Yearly' & SIP Step Up amount as Rs.1,000/-. In this case, the SIP will run as under:

SIP Period (Dates)	Regular SIP without 'Step Up' facility	With 'Step Up' facility of Rs.1,000/- as 'Step Up' amount

		and frequency as 'Yearly'
From August 1, 2020 to July 31, 2021	Rs.1,000/-	Rs. 1,000/-
From August 1, 2021 to July 31, 2022	Rs.1,000/-	Rs. 2,000/-
From August 1, 2022 to July 31, 2023	Rs.1,000/-	Rs. 3,000/-
From August 1, 2023 to July 31, 2024	Rs.1,000/-	Rs. 4,000/-
	And So on……	And So on.....

The Minimum SIP Step Up amount will be Rs.500/- and in multiples of Rs.100/-. If the 'Step Up' amount is mentioned and the 'frequency' is not mentioned, then the default frequency shall be taken as 'Yearly'. Similarly, if the 'frequency' is mentioned and 'Step Up' amount is not mentioned, then the 'Step Up' amount shall be considered as Rs.500/-. The detailed terms and conditions are available in the respective Service Request Form.

Facility to Change the SIP from one eligible Scheme to another eligible Scheme under SIP facility / change in any attributes of SIP like changes in Date, Amount:

Under this facility, an Investor can opt to change the eligible scheme during the tenure of the SIP, without having to terminate the existing SIP. He may also change any of the attributes like SIP Date, SIP Amount during the existence of the SIP Period.

For example, an Investor who had opted for a tenure of 5 years for SIP in Scheme-A, after continuing the SIP for a period of say 3 years, can change the Scheme to Scheme-B for the rest of the period, instead of the existing process of cancelling the SIP Mandate of Scheme-A and giving fresh mandate for Scheme-B. The Scheme/s can be changed multiple times during the tenure of SIP.

Investors may avail this facility any time during the tenure of the SIP. The application for such changes should be submitted at least 15 days prior to the next SIP installment amount due date.

2. **Any Day SIP:**
Investors can choose any date of his/her preference as SIP Debit Date. If in any month, the SIP Debit Date opted by the Investor is not available (Say, 29th & 30th in February and 31st in case of alternate months), then the SIP Debit Date for those months shall be the last available Business Day in that month.

All other terms & conditions of the eligible Scheme(s)/Plan(S) will remain unchanged.

UTI AMC reserves the right to amend / terminate this facility at any time, keeping in view business / operational exigencies.

3. **'Pause' facility under Systematic Investment Plan (SIP)**
The unit holder(s) who have registered their Systematic Investment Plan in any of the Schemes, can opt to Pause the SIP debits subject to terms and conditions defined hereunder.

(a) **Available Mode:**
The Pause facility is available for SIPs registered using any of the modes (Physical / Electronic). This facility will not be available for

Mandates registered under Standing Instruction mode under Direct Debit arrangement.

(b) **Available Schemes:**
The Pause Facility is available in all the Schemes that are eligible for SIP.

(c) **Limitations:**
i) SIP Pause can be opted only after payment of first 6 installments from the start of SIP.
ii) SIP Pause can be opted only 2 times during the entire life time of a SIP mandate.

(d) **Minimum and Maximum Duration of Pause:**
The 'Pause' facility can be exercised for the following duration, per instance:

Frequency of SIP	Minimum	Maximum
Daily / Weekly / Monthly	One Month	Six Months
Quarterly	90 days	180 days

(e) **Turnaround time for activation of Pause SIP:**
All the requests for Pause facility must be submitted at least 10 calendar days in advance of the next SIP Debit due date.

(f) **General Conditions:**
i) SIP Debit will automatically resume after the completion of the Pause Period.
ii) If Pause facility period coincides with Step Up registered in the SIP, the Stepped up amount will be debited after the closure of the Pause Period.

(g) **Termination of Pause Facility:**
Pause facility can be cancelled by submitting a signed request by the investor. Upon cancellation of the SIP Pause registered in the folio, the SIP Debits will automatically start.

(h) The Trustee reserves the right to change/modify the terms and conditions of Pause facility under SIP or withdraw the facility at a later date.

Auto Cancellation of SIP
Pursuant to SEBI Letter No. SEBI/HO/OW/IMD/IMD-SEC-1/P/2024 /270/1 dated January 03, 2024 on Uniformity in Cancellation of Systematic Investment Plan SIPs across Mutual Funds, investors are hereby requested to note the below mentioned changes with respect to Systematic Investment Plans (SIPs) in the Schemes of UTI Mutual Fund:

Sr. no	SIP Interval	No. of failed debit attempts prior to cancellation of SIP
1	Daily	3
2	Weekly, Fortnightly	3
3	Monthly	3
4	Bi-monthly, Quarterly or Longer interval SIPs	2

In case of a request placed by the investor for cancellation of SIP, the cancellation of auto-debit/SIP shall be processed within 10 calendar days of such request placed by the investor.

II. Systematic Withdrawal Plan (SWP)
Systematic Withdrawal Plan (SWP) will be available under the scheme.

The features of the Systematic Withdrawal Plan are as under.

a) **Options of the SWP:** Monthly / Quarterly / Half Yearly / Annual options will be available under SWP.

b) **SWP Dates: Any pre-specified date of** every month. In case the date falls on a holiday / book closure period, the next business day will be considered for this purpose.
However, if in any month, the SWP date opted by the Investor is not available (Say, 29th & 30th in February and 31st in case of alternate months), then the SWP for those dates shall be processed for the last available Business Day in that month.
SWP request will be registered and activated within T+1 working day from the date of clear funds available under the scheme.

c) Minimum Investment
All the options i.e. monthly, quarterly, half yearly and annual options will have the minimum investment amount as applicable. There is no maximum limit.

d) **Eligibility**: Investment under Growth option of the scheme are eligible. SWP will start after a cooling period of one month (excluding the month of investment).

e) **Methodology:** The amount of monthly / quarterly / half yearly / annual payment desired by the unitholder would have to be indicated in the application form subject to the following minimum limits.

Option	Minimum SWP (INR)	Thereafter in multiples of (INR)	Minimum no. of installments
Monthly	500	1	3
Quarterly	500	1	3
Half Yearly	500	1	3
Annual	500	1	3

Minimum amount of redemption: The redemption will continue till the outstanding amount in the folio is reduced to nil or such other amount as may be decided by UTI AMC from time to time. If the amount in the folio is less than the opted amount, the available amount will be paid to the unitholder. Further, if, say, the opted amount under SWP is Rs.1000/- and during the course of SWP, an amount of Rs.1500/- only is left in the account, the entire outstanding amount of Rs.1500/- may be paid out at one go, at the discretion of the UTI AMC. For the transactions through SWP, the provision of "Minimum Redemption amount" and "Minimum balance" as specified in the respective Scheme Information Document (SID) of the scheme will not be applicable.

f) **Redemption of units:** Based on the option viz. Monthly / Quarterly / Half Yearly / Annual opted for by the investor, appropriate number of units equivalent to the amount of the monthly / quarterly / half yearly / annual payment will be redeemed on First In First Out (FIFO) basis and the unit holder's account will be debited to that extent on the first business day of each month / quarter / half year / annual, as the case may be. Redemption of units under SWP will be at NAV after deducting the applicable exit load for respective schemes.

g) **Withdrawal from SWP:** In case, any investor wants to withdraw from the SWP, he/she may do so by intimating UTI AMC in writing at least 15 days in advance of the next SWP date.

h) **Termination of SWP**: SWP will automatically get terminated under the following conditions:

I. The unit holding under the scheme becomes nil.
II. In the case of death of the first unit holder.
III. If the unit holder wishes to terminate at any time by sending a written request to Official Points of Acceptance. The request will be acted upon not later than 15 days after receipt of the letter.

		i) **Receipt by unitholder to discharge UTI AMC** The receipt by the unitholder for any amount paid to him/her in respect of the outstanding units shall be deemed to be a good discharge to the UTI AMC. **III. Systematic Transfer Plan (STP):** (Available as Destination Scheme and Source Scheme) It is a facility wherein investor can opt to transfer a fixed amount at regular intervals from one designated scheme to another designated scheme of UTI MF. Please refer the SID for the eligible schemes / plans / Options. a. **Minimum Amount of Investment**: Minimum amount of investment in case of new investment / Unit value in case of existing investment in the source scheme for registration of STP is Nil. b. **Periodicity of transfer:** STP facility is offered with the following periodicity: Daily, Weekly, Monthly and Quarterly. Weekly STP will not be allowed, if the STP under the folio is already registered with any other frequency (Daily / Monthly / Quarterly). c. **Transfer of funds:** Transfer of funds will take place from source scheme to destination scheme for the schemes mentioned above in the table. d. **Date of transfer:** Unitholders will be eligible to transfer a fixed amount on daily basis i.e. on every business day under Daily periodicity; on any pre-specified date frequency of the month under Weekly periodicity; on any pre-specified date of each month under the Monthly periodicity and on any pre-specified date of the first month of each quarter, under Quarterly periodicity. If that day being a holiday, next business day would be considered for the transaction**.** However, if in any month, the STP date opted by the Investor is not available (Say, 29th & 30th in February and 31st in case of alternate months), then the STP for those dates shall be processed for the last available Business Day in that month. STP will be registered and activated within T+1 working day from the date of clear funds available under the scheme. e. **Minimum amount of transfer**: The minimum amount to be transferred is Rs.100/- per business day under Daily Periodicity; Rs.1000/- under the Weekly Periodicity; Rs.1,000/- under the Monthly Periodicity and Rs.3,000/- under the Quarterly Periodicity. f. **Maximum amount of transfer**: There is no upper limit for transfer under all the periodicities. g. **Minimum number of STP:** Minimum number of STP will be 20 under Daily Periodicity, 6 under Weekly Periodicity, 6 under Monthly Periodicity and 2 under Quarterly Periodicity. There will be no upper limit. If the minimum number is not mentioned, then by default, the transaction to be continued till the amount in the source scheme gets exhausted. h. **Transfer of amount**: The transfer of amount from the source scheme to the destination scheme will be effected by redeeming the units of the source scheme at applicable NAV as on specified date and the amount will be converted into units as per applicable NAV under the destination scheme as on the specified date. i. **Load:** Load structure existing at the time of investment under source / destination scheme will be applicable under the respective schemes**.** j. **Termination of STP:** STP will automatically get terminated under the following conditions: The unit holdings under the source scheme becomes nil or lower than minimum amount to be transferred as stipulated. ➢ In the case of death of the first unit holder.

		➢ If the unit holder wishes to terminate at any time by sending a written request to official points of acceptance. Such notice will have to be sent at least 15 calendar days prior to the due date of the next transfer date. ➢ If lien or pledge or STOP is marked against the units in the source scheme. k. The provision of "Minimum Application Amount" and "Minimum Redemption Amount" if specified in the respective scheme information document of the source and destination scheme will not be applicable in the case of transaction through STP. If the residual amount in source Scheme is less than the scheme minimum amount, then the residual amount will be included in the last STP installment. However, on termination of STP, if the balance in the destination scheme is found to be below the minimum amount as per the provisions of scheme, the same will be redeemed at the redemption price applicable on the effective date of termination under the conditions stated in 12.j. above. l. STP request will be registered for a folio, even if it is already under Systematic Investment Plan (SIP), Monthly Withdrawal Plan (MWP) or Fixed Withdrawal Plan (FWP). UTI AMC reserves the right to change / modify the terms & conditions of STP facility at any time. For more details / information, please do refer to our Systematic Transfer Plan (STP) – Enrolment Form. **IV. Flexi Systematic Transfer Plan (Flexi STP) facility** (Available as Destination Scheme and Source Scheme) The facility of Flexi STP is introduced from Dec 18, 2019 wherein the unit holder(s) can opt to transfer an amount at regular intervals from a designated open-ended Scheme of UTI Mutual Fund ("Transferor Scheme") herein after referred to as **Source Scheme** to the Growth Option of a designated, open-ended Scheme of UTI Mutual Fund ("Transferee Scheme") hereinafter referred to as **Destination Scheme**. (a) **Available Mode:** The Flexi STP Facility is available only for units held / to be held in Non-Demat Mode in the Source and the Destination Scheme. (b) **Available Schemes:** The Flexi STP will be available in all source schemes and for the destination schemes in which the Regular STP is allowed. (c) **Limitation on Destination Scheme:** Only one Flexi STP registration per destination scheme in a folio would be allowed. Though multiple Flexi STPs and / or Normal STPs are allowed in source schemes, only one Flexi STP or Normal STP will be allowed in the destination scheme. (d) **Frequencies Available** are Daily, Weekly, Monthly and Quarterly intervals. (e) **Date of transfer:** Unitholders will be eligible to transfer a fixed amount on daily basis i.e. on every business day under Daily periodicity; on any pre-specified date under Weekly periodicity; Monthly periodicity and of the first month of each quarter, under Quarterly periodicity. If that day being a holiday, next business day would be considered for the transaction. However, if in any month, the Flexi STP date opted by the Investor is not available (Say, 29th & 30th in February and 31st in case of alternate months), then the Flexi STP for those dates shall be processed for the last available Business Day in that month. (f) **Target Investment Value:** In Flexi STP, transfers into the Destination Scheme from the Source Scheme are made to achieve the Total Target Investment Value in the Destination Scheme. The

amount to be transferred will be arrived at on the basis of difference between the Target Investment Value and the Actual Market Value of the holdings in the Destination Scheme on the date of transfer.

(g) **First Flexi STP Installment:** The first Flexi STP installment will be processed for the installment amount specified by the Unit holder at the time of enrollment. From the second installment, Flexi STP installment will be higher of the installment amount or the amount as derived by the formula stated below:
[(Installment amount) X (Number of installments including the current installment)] - (Market Value of the investments through Flexi STP in the Destination Scheme on the date of transfer)}

(h) **Total Amount Invested:** The total amount invested through Flexi STP over its tenure in the Destination Scheme, may be higher or lower than the Total Target Investment Value of the investment i.e. the [(Installment amount) X (total number of installments specified by the Unit holder)]. This may be on account of fluctuations in the market value of the Destination Scheme. If Unit Holder decides to take up this facility, then he/she should be aware of the possibility, that the total amount invested through Flexi STP could be higher or lower than the Total Target Investment Value of the investment.

(i) **Minimum Amount, Frequency and Number of Flexi STPS:** The minimum amount per Flexi STP installment amount and number of STPs at the time of registration shall be as follows:

Frequency	Minimum Amount per Installment	Minimum Number of Installments
Daily	Rs. 100 and in multiples of Re.1	20
Weekly & Monthly	Rs.1000 and in multiples of Re.1	6
Quarterly	Rs. 3000 and in multiples of Re.1	2

(j) **Minimum Redemption Amount:** The provision of 'Minimum Redemption Amount' as specified in the Scheme Information Document(s) (SID) of the respective designated Source Scheme(s) and 'Minimum Application Amount' specified in the SID(s) of the respective designated Destination Scheme(s) will not be applicable for Flexi STP.

(k) **Minimum Investment Amount for Flexi STP Activation:** Minimum amount of investment in case of new investment / Unit value in case of existing investment in the source scheme for registration of Flexi STP is Nil.

(l) **Turnaround time for activation of Flexi STP:** All the Flexi STPs will be registered and activated on a T+1 business day basis from the date clear funds are available in the source scheme. T being the date on which clear funds are available.

(m) **Load Structure:** In respect of units created under Flexi STP enrolments, the Load Structure prevalent at the time of registration of the Flexi STP mandate shall govern the investors during the tenure of the Flexi STP.

(n) **Exit Load:** The transfer under the Flexi STP from the Source Scheme to the Destination Scheme will take effect by redeeming units of Source Scheme / Plan / Option at the Applicable NAV, after payment of Exit Load & TDS (In case of NRIs), if any, and subscribing to the units of the Destination Scheme at Applicable NAV.

(o) **Termination of Flexi STP:** Flexi STP will be terminated in case any of the below reasons are met.

(a) The units balance becomes NIL in the Source Scheme or their value is lower than minimum amount to be transferred as stipulated.

(b) Upon registration of Lien or Pledge or STOP against the Units in Source Scheme

(c) Upon receipt of intimation of death of the unit holder.
(d) If the unit holder submits a duly signed request for termination of Flexi STP, such Flexi STP shall be cancelled on a T+1 basis on of receipt of a valid request from the Unit Holder.
(e) The Trustee reserves the right to change/modify the terms and conditions of Flexi STP or withdraw the Flexi STP at a later date.
(f) **Know Your Customer (KYC):** Flexi STP will be registered only if the Investor(s) / Guardian in case of Minor are KRA KYC complied.

Examples for calculation of transfer amount under Flexi STP facility are as under;

Illustration 1:

Flexi STP Enrollment Details:	
Source Scheme	UTI Liquid Fund
Destination Scheme	UTI Flexi Cap Fund – Growth Option
Frequency & Date of Transfer	Monthly – 1st of every Month
Flexi STP amount of Transfer per installment	Rs. 1000/-
No. of Installments	12
Enrollment Period	January – December
Steps for calculating Flexi STP Amount for the 5th Installment as under (i.e. 1st May 2022)	
Total units allotted up to the date of last installment (i.e. 1st April 2022)	28 Units
NAV of UTI Flexi Cap Fund – Growth Option on 1st May 2022	Rs. 145.8101/- per unit
Market Value of the investment in the destination Scheme on the date of transfer (Rs. 145.8101*28 Units)	Rs. 4083/-
5th Flexi STP Amount for 1st May 2022 will be;	
A. Flexi STP amount of Transfer per installment	Rs. 1000/-
B. Installment As determined by Formula {(1000*5) – 4083}	Rs.917/-
Hence the installment Amount on 1st May 2022 (**Higher of A or B**)	Rs. 1000/-

Illustration 2:

Flexi STP Enrollment Details:	
Source Scheme	UTI Liquid Fund
Destination Scheme	UTI Value Fund – Growth Option
Frequency & Date of Transfer	Monthly – 1st of every Month
Flexi STP amount of Transfer per installment	Rs. 1000/-
No. of Installments	12
Enrollment Period	November – October
Steps for calculating Flexi STP Amount for the 7th Installment as under (i.e. 1st May 2022)	
Total units allotted upto the date of last installment (i.e. 1st April 2022)	82 Units
NAV of UTI Value Fund – Growth Option on 1st May 2022	Rs. 65.5676/- per unit
Market Value of the investment in the destination Scheme on the date of transfer (Rs. 65.5676*82 Units)	Rs. 5376/-

		7th Flexi STP Amount for 1st May 2022 will be;
		A. Flexi STP amount of Transfer per installment — Rs. 1000/-
		B. Installment As determined by Formula {(1000*7) – 5376} — Rs.1624/-
		Hence the installment Amount on 1st May 2022 (**Higher of A or B**) — Rs. 1624/-
		Note: The amounts have been rounded off to nearest Rupee. The above are only illustrations explaining the concept of Flexi STP using assumed figures. The Load and STT, if any, is not considered for this illustration. **V. Transfer of Income Distribution cum capital withdrawal Plan (**Transfer of IDCW Plan**) – Not available** **VI Auto Switch Facility is available under segregated portfolio(s)** Under this facility the distribution made by segregated portfolio(s) can be switched by the investor to any open ended scheme of UTI Mutual Fund subject to such terms and conditions as may be decided from time to time Please refer to SAI for further details.
XXIII	**Weblink**	TER for last 6 months, Daily TER and Factsheet is available under the following link on the website of UTI Mutual Fund. TER Link: https://www.utimf.com/downloads/fater-mfs Fact Sheet Link: https://www.utimf.com/downloads/fact-sheet

DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

Due Diligence Certificate for
UTI Balanced Hybrid Fund

It is confirmed that:

(i) The Scheme Information Document submitted to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 2026 and the guidelines and directives issued by SEBI from time to time.

(ii) All legal requirements connected with the launching of the 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.

S.O.55

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

(v) The contents of the Scheme Information Document including figures, data, yields etc. have been checked and are factually correct

(vi) A confirmation that the AMC has complied with the compliance checklist applicable for Scheme Information Documents and other than cited deviations/ that there are no deviations from the regulations

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

(viii) The Trustees have ensured that the **UTI Balanced Hybrid Fund** approved by them is a new product offered by UTI Mutual Fund and is not a minor modification of any existing scheme/fund/product.

Date: July 27, 2026
Place: Mumbai

Gayatri Kannan
Compliance Officer

Part II. INFORMATION ABOUT THE SCHEME

A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Asset Allocation:
The funds collected under the Scheme shall be invested in alignment with the objective of the Scheme in the following manner:

S.O.13

Instruments	Indicative Allocations (% of Total Assets)	
	Minimum	**Maximum**
Equity and equity related instruments	40	60
Debt and Money market instruments	40	60

- No Arbitrage would be permitted in this scheme
- Investors are requested note that since this is a hybrid category of scheme, as permitted under categorization norms prescribed by master circular, residual portion may be invested in Infrastructure Investment Trusts (InvITs), Gold ETF , Silver ETF and ETCDs, and mutual fund units subject to ceilings laid out in Mutual Fund Regulations w.r.t respective asset class.

S.O.18

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

S.O.20

S. No	Type of Instrument	Percentage of exposure	Master Circular Reference
1	Securities Lending (Stock lending)/ Short selling	Up to 20% of the net assets of the scheme	Paragraph 13.6 under Chapter 13 of the SEBI Master Circular
2	Derivatives including equity derivatives for hedging and non-hedging purposes	Up to 50% of the net assets of the scheme (No arbitrage is permitted)	Paragraph 8.5 and 13.15 of the SEBI Master Circular
3	Securitized Debt	The fund may invest up to 50% of its debt portfolio in securitized debt	Paragraph 13.1(2) of the SEBI Master Circular
4	Debt Instruments with Special Features (AT1 and AT2 Bonds)	10% of NAV of debt portfolio of the scheme	Paragraph 13.1(9) of SEBI Master Circular
5	Debt instruments with SO/ CE rating	The investment in the following instruments 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: (a) Unsupported rating of debt instruments (i.e. without factoring-in credit enhancements) is below investment grade; and (b) Supported rating of debt instruments (i.e. after factoring-in credit	Paragraph 13.1(10) of the SEBI Master Circular

		enhancement) is above investment grade.	
6	Repo/ Reverse repo transactions in corporate debt securities	Up to 10% of the net assets of the scheme	Paragraph 13. 8 .2 of the SEBI Master Circular
8	Covered call options	As per regulatory limits	Paragraph 13.15.1 of the SEBI Master Circular
9	Overseas Securities	Up to 20% of the net assets of the scheme	Paragraph 13.11 of the Master Circular
10	InvITs	a) Upto 10% of NAV in the units of InVIT b) Upto 5% of NAV in the units of InVIT at single issuer level.	Paragraph 13.13.5 of the SEBI Master Circular
11	Credit Default Swaps	Upto 10% of AUM of scheme and shall be within the overall limit of derivatives	Paragraph 13.17 of the SEBI Master Circular
12	ETCD	Upto 10 % of NAV of the scheme	Paragraph 13.16.9 of the SEBI Master Circular

The scheme may take exposure in derivatives, including writing covered call options in line with the SEBI guidelines, up to a maximum of 50% of the net assets.

The Scheme may take exposure in debt derivatives up to a maximum of 25% of the net assets of the Scheme.

The scheme may undertake exposures in repo transactions, short selling, and such other transactions as permitted by the SEBI from time to time.

The gross exposure of the scheme to repo transactions shall not be more than 10% of the net asset scheme or as permitted by the RBI/SEBI from time to time.

The scheme intends to invest in –
- Credit Default Swaps
- Total Return Swaps

Stock Lending: "Subject to the SEBI (Mutual Funds) Regulations, 2026, and in accordance with Securities Lending Scheme, 1997, Provision no. 13.6 under Chapter 13 of SEBI Master Circular for Mutual, as may be amended from time to time, the scheme may engage in short selling, borrowing, and lending of securities.

The AMC shall adhere to the following limits for stock lending:
a. Up to 20% of the net assets of the scheme
b. Up to 5% of the net assets of the scheme in any single approved intermediary/ counterparty."

The scheme shall not engage in naked short selling and will fulfil its obligation to deliver securities at the time of settlement.

The scheme may invest in Mutual Fund units including ETFs, subject to the prevailing regulatory limits of aggregate inter-scheme investment made by all schemes under the same management or in schemes under the management of any other asset management company, which shall not exceed 5% of the net asset value of the mutual fund.

S.O.11 & 15

Investment in Foreign Securities: The scheme may seek investment opportunities in the ADRs/ GDRs/ Foreign securities subject to the Regulations. Such investments shall not exceed 20% of the net assets of the scheme.

Pursuant to provisions of para no. 13.11 of Chapter 13 of SEBI Master Circular, mutual funds can make overseas investments subject to a maximum of US $ 1 billion per Mutual Fund, within the overall industry limit of US$ 7 billion. Mutual Funds can make overseas investments in Exchange Traded Fund (ETF(s) subject to a maximum of US$ 300 million per Mutual Fund, within the overall industry limit of US$ 1 billion.

The below mentioned limits will be applicable for a period of six months from the date of closure of NFO period:

S.O.16

a. The scheme intends to make overseas investment of up to US$ 100 million (excluding overseas ETF),
b. The scheme intends to invest in Overseas Exchange Traded Funds an amount of up to US$ 20 million.

Thereafter on an on-going basis the scheme shall invest in Overseas Securities/ Overseas ETFs subject to the headroom of 20% of average AUM of the Scheme for the previous three calendar months subject to maximum limits specified by SEBI from time to time.

The scheme may invest in derivatives to engage in permitted currency hedging transactions with the intention of reducing exchange rate fluctuations between the currency of the scheme (INR) and the foreign currency exposure.

S.O.17

The cumulative gross exposure through equity, debt, derivatives, repo transactions, InvITs, ADR/GDR/Foreign securities and such other securities/assets as may be permitted by the SEBI from time to time, and such other securities/assets subject to regulatory approvals, if any, as may be permitted by the SEBI from time to time should not exceed 100% of the net assets of the scheme.

S.O.22

Rebalancing due to Short Term Defensive Considerations:

S.O.23

In accordance with the provision no.3.11 under Chapter 3 of SEBI Master Circular for Mutual Funds the above investment pattern is only indicative and may be changed by the Fund Manager for a short term period on defensive considerations, keeping in view the market conditions, market opportunities, applicable SEBI (MF) Regulations 2026, legislative amendments and other political and economic factors, the intention being at all times to seek to protect the interests of the Unit Holders upto 30 calendar days. Rebalancing of the portfolio will be done when the asset allocation falls outside the range given above. If the exposure falls outside the above mentioned asset allocation pattern, it will be restored within 30 days. If owing to adverse market conditions or with the view to protect the interest of the investors, the fund manager is not able to rebalance the asset allocation within the above mentioned period of 30 days, the same shall be reported to the Internal Investment Committee. The Internal Investment Committee shall then decide the further course of action.

S.O.24

Rebalancing due to passive breach:

Further accordance with Chapter 3 of SEBI Master Circular for Mutual Funds, as may be amended from time to time, in the event of deviation from mandated investment limits, including but not limited to asset allocation, issuer limits, sector limits, group limits or any other investment restriction prescribed under SEBI Regulations or circulars, due to passive breaches (i.e., occurrences not arising out of omission or commission of the AMC), the Fund Manager shall rebalance the portfolio of the Scheme within thirty (30) Business Days from the date of such deviation.

In case the portfolio of the Scheme is not rebalanced within the period of thirty (30) Business Days, a 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, may extend the timeline for rebalancing by up to sixty (60) Business Days from the date of completion of the initial 30 Business Days' period.

In case the portfolio is not rebalanced within the aforementioned (mandated plus extended) timelines, the AMC shall comply with the restrictions, reporting, and disclosure requirements as specified in para 3.11.4 of Chapter 3 of the SEBI Master Circular for Mutual Funds, as may be amended from time to time.
The AMC may create segregated portfolio in case of a credit event in respect of debt and money market instruments at issuer level i.e., downgrade in credit rating by a SEBI registered Credit Rating Agency (CRA). (subject to guideline specified by SEBI which may change from time to time).

The creation of segregated portfolio shall be optional and at the discretion of UTI AMC.

Deployment of Funds collected in New Fund Offer (NFO) period

The AMC shall deploy the funds raised in an NFO within 30 business days from the date of unit allotment.

In terms of of Para 7. 24 of SEBI Master Circular for Mutual Funds the AMC shall deploy the funds raised in an NFO within 30 business days from the date of unit allotment. If the AMC is unable to deploy the funds within the 30-business-day period, a written explanation, including details of the deployment efforts, must be presented to the AMC's Investment Committee. The Investment Committee may extend the deployment timeline by up to 30 business days and will provide recommendations to ensure timely deployment in the future. If the funds are not deployed within the mandated and extended timelines, the AMC shall be prohibited from receiving new inflows into the scheme until the deployment aligns with the asset allocation. Additionally, the AMC will not charge any exit load on investors who choose to leave the scheme after 60 business days of non-compliance with the allocation. The AMC shall notify all NFO investors of their option to exit the scheme without exit load via email, SMS, or similar communication. Furthermore, any deviations shall be reported to the Trustees at each stage of the process.

S.O.29

B. WHERE WILL THE SCHEME INVEST?

1. Subject to SEBI (Mutual Funds) Regulations, as amended from time to time and the disclosures made under the sections "How will the Scheme allocate its assets" and "What is the Investment objective of the Scheme", the corpus of the Scheme can be invested in any (but not exclusively) of the following securities:

a) Domestic equity and equity related instruments including, Units of REITs, convertible bonds, debentures and warrants etc. carrying the right to obtain equity shares.
b) Derivative instruments like Stock / Index Futures, Stock/ Index Options etc traded on derivatives markets in India and any other derivative instruments permitted by SEBI.
The Scheme may take derivatives position based on the opportunities available subject to the guidelines issued by SEBI from time to time and in line with the overall investment objective of the Scheme. These may be taken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under the SEBI Regulations.
c) ADRs/GDRs issued by Indian companies subject to the guidelines issued by the RBI and SEBI.
d) Equity of overseas companies listed on recognized stock exchanges overseas.
e) Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities.
f) Units/securities of overseas mutual funds/ overseas ETFs.
g) Short term deposits with banks overseas where the issuer is rated not below investment grade.
h) Initial and public offerings for listing at recognized stock exchanges overseas.
i) Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/ registered credit rating agencies.
j) Government securities where the countries are rated not below investment grade.
k) The scheme may invest in derivatives to engage in permitted currency hedging transactions with an intention to reduce exchange rate fluctuations between the currency of the scheme (INR) and the foreign currency exposure.

Investment in various overseas Securities, as aforesaid, (clauses 'c' to 'k') shall be made in accordance with the requirements stipulated by SEBI and RBI.

l) Securities created and issued by the Central and State Governments and/or repos/reverse repos in such government securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills)
m) Securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills)
n) Repos in the form of investment, where the counterparty is rated not below investment grade and which does not involve any borrowing of funds by the Scheme/Fund
o) Debt securities issued by domestic Government agencies, quasi government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee

p) Corporate debt securities (of both public and private sector undertakings)
q) Obligations or Securities issued by banks (both public and private sector) including term deposits as permitted by SEBI / RBI from time to time and development financial institutions
r) Money market instruments as permitted by SEBI/RBI and rated not below the investment grade
s) Triparty Repos on Government Securities or treasury bill
t) Securities with Floating rate Instruments
u) Certificate of Deposits (CDs).
v) Listed or to be listed Commercial Paper (CPs).
w) Pass through, Pay through or other Participation Certificates, representing interest in a pool assets including receivables
x) Securitized debt, pass through obligations, various types of securitization issuances including but not limited to Asset Backed Securitization, Mortgage Backed Securitization, single loan securitization and other domestic securitization instruments, as may be permitted by SEBI/ RBI from time to time
y) Investments in the units of Infrastructure Investment Trust ('InvITs') subject to limits prescribed by SEBI
z) Mutual Fund units including ETFs
aa) Such other securities / assets as may be permitted by the SEBI from time to time.
bb) Derivative instruments like Interest Rate Futures (IRF), Interest Rate Swaps (IRS) etc and any other debt instruments permitted by SEBI. (including Forward Rate Agreements)
cc) Units issued by REITs and InvITs as per SEBI guidelines. The securities mentioned above could be listed, unlisted, publicly offered, privately placed, secured, unsecured, rated or unrated and of varying maturity. The securities may be acquired through public offerings (IPOs), secondary market operations, private placement, rights offers or negotiated deals.

The securities as mentioned above could be listed, unlisted, privately placed, secured, unsecured, rated or unrated (post investment in portfolio) and of any maturity. The securities may be acquired through Initial Public Offerings (IPOs), secondary market operations, private placement, rights offers or negotiated deals etc.

2. **Investment in Money Market Instruments**:
Investment in money market instruments including Triparty Repo on Government Securities or treasury bill, Commercial Papers, Certificate of Deposits, BRDS, Treasury Bills, Repo, etc. will be made to meet the liquidity needs of the scheme and manage desired duration as permitted by SEBI and RBI from time to time.

3. **Investment in units of InvITs**
Investment limits applicable for investment in units of InvIT-
a) At Mutual fund level - All schemes of mutual fund shall not own more than 10% of units issued by a single issuer of InvIT; and
b) At individual scheme level - A mutual fund scheme shall not invest –
   i. more than 10% of its NAV in the units of InvIT; and
   ii. more than 5% of its NAV in the units of InvIT issued by a single issuer.

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

4. **Debt and Money market in India**
(i) Debt Instrument Characteristics:
A Debt Instrument is basically an obligation which the borrower has to service periodically and generally has the following features:

Face Value	: Stated value of the paper / Principal Amount
Coupon	: Zero; fixed or floating
Frequency	: Semi-annual; annual, sometimes quarterly
Maturity	: Bullet, staggered
Redemption	: FV; premium or discount
Options	: Call/Put
Issue Price	: Par (FV) or premium or discount

A debt instrument comprises of a unique series of cash flows for each paper, terms of which are decided at the time of issue. Discounting these cash flows to the present value at various applicable discount rates (market rates) provides the market price.

(ii) Debt Market Structure:

The Indian Debt market comprises of the Money Market and the Long Term Debt Market.

Money market instruments have a tenor of less than one year while debt market instruments typically have a tenor of more than one year.

Money market instruments are Commercial Papers (CPs), Certificates of Deposit (CDs), Treasury bills (T-bills), Repos, Inter-bank Call money deposit, Triparty Repos on Government Securities or treasury bill etc. They are mostly discounted instruments that are issued at a discount to face value.

Long Term Debt market in India comprises mainly of two segments viz., the Government securities market and the corporate securities market.

Government securities includes central, state and local issues. The main instruments in this market are Dated securities (Fixed or Floating) and Treasury bills (Discounted Papers). The Central Government securities are generally issued through auctions on the basis of 'Uniform price' method or 'Multiple price' method while State Govt. are through on-tap sales.

Corporate debt segment on the other hand includes bonds/debentures issued by private corporates, public sector units (PSUs) and development financial institutions (DFIs). The debentures are rated by a rating agency and based on the feedback from the market, the issue is priced accordingly. The bonds issued may be fixed or floating. The floating rate debt market has emerged as an active market in the rising interest rate scenario. Benchmarks range from Overnight rates or Treasury benchmarks.

Debt derivatives market comprises mainly of Interest Rate Swaps linked to Overnight benchmarks called MIBOR (Mumbai Inter Bank Offered Rate) and is an active market. Banks and corporate are major players here and Mutual Funds have also started hedging their exposures through these products.

(iii) Regulators: The RBI operates both as the monetary authority and the debt manager to the government. In its role as a monetary authority, the RBI participates in the market through open-market operations as well as through Liquidity Adjustment facility (LAF) to regulate the money supply. It also regulates the bank rate and repo rate, and uses these rates as indirect tools for its monetary policy. The RBI as the debt manager issues the securities at the cheapest possible rate. The SEBI regulates the debt instruments listed on the stock exchanges.

(iv) Market Participants:

Given the large size of the trades, the debt market has remained primarily a wholesale market.

Primary Dealers

Primary dealers (PDs) act as underwriters in the primary market, and as market makers in the secondary market.

Brokers

Brokers bring together counterparties and negotiate terms of the trade.

Investors

Banks, Insurance Companies, Mutual Funds are important players in the debt market. Other players are Trusts, Provident and pension funds.

(v) Trading Mechanism

Government Securities and Money Market Instruments

Currently, G-Sec trades are primarily routed though NDS-OM which is a screen based anonymous order matching systems for secondary market trading in Government Securities owned by RBI. Corporate Debt is basically a phone driven market where deals are concluded verbally over recorded lines. The reporting of trade is done on the NSE Wholesale Debt Market segment.

C. WHAT ARE THE INVESTMENT STRATEGIES?

Investment focus and asset allocation strategy

S.O.27 & 28

The Scheme seeks to generate capital appreciation/income by investing in a diversified portfolio of equity and debt securities. The Scheme shall endeavour to maintain a balanced exposure to Equity & Debt securities and the portfolio construct shall be dependent on various factors such as market conditions, economic scenarios, global events, interest rate movement, etc.

The Scheme shall follow an active investment strategy. The Scheme can invest across market capitalization and across sectors depending on relative valuations, earnings outlook, macro-economic factors, market opportunities etc. The Scheme shall also consider business and economic fundamentals, long-term growth prospects and liquidity/risk parameters.

The Scheme shall invest in Debt and money market Instruments available across duration and credit. The credit evaluation includes a study of the operating environment of the company, the past track record as well as the future prospects of the issuer, the short as well as long term financial health of the issuer.

D. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

S.O.25

NIFTY 50 Hybrid Composite Debt 50:50 Index

The benchmark has been chosen based on the investment pattern/objective of the scheme and the composition of the index. The benchmark may be changed in future if benchmark better suited to the investment objective of the scheme is available. The performance will be benchmarked to the Total Returns variant of the index.

E. WHO MANAGES THE SCHEME?

S.O.33

Mr. Ajay Tyagi, Mr. Kamal Gada (Equity Portion) and Mr. Anurag Mittal (Debt Portion) are the Fund Managers of UTI Balanced Hybrid Fund.

Name and Age (in yrs.)	Educational Qualifications	Experience	Other Schemes Managed
Mr. Ajay Tyagi 48 yrs.	Masters in Finance, CFA Charterholder	Mr. Tyagi joined UTI AMC in the year 2000 and has been working in the Equity Research and Fund Management functions since then. He is presently working as a Fund Manager and Head of Equity in the Equity Fund Management Team where he manages a few domestic mutual fund schemes. He is also an Investment Advisor to a few India dedicated offshore funds. Prior to being designated as a Fund Manager he has worked as an Assistant Fund Manager in the Offshore Funds division.	1. UTI Flexi Cap Fund 2. UTI Unit Linked Insurance Plan (Equity Portion);
Mr. Kamal Gada 43 years	B.com, CA, CS, CFA	Mr. Gada is the Senior Vice President - Equity. He is a Chartered Accountant from the Institute of Chartered Accountants of India as well as a CFA Charter holder from The CFA Institute, USA. He graduated in Bachelor of Commerce in 2003 from Mumbai University. He began his career with BPCL as Senior Accounts Officer in 2004. Kamal joined UTI AMC in 2008 as Research Analyst. He has over 18 years of experience in Equity Research.	1. UTI Healthcare Funds 2. UTI Unit Linked Insurance Plan (Equity Portion);

		Presently he is Fund Manager for Scheme(s) of UTI Mutual Fund	
Mr. Anurag Mittal 42 yrs.	B Com, Chartered Accountant, MSc in Accounting and finance with specialisation in Finance, London School of Economics, University of London	Mr. Mittal joined UTI AMC Ltd in 2021. He is Senior Executive Vice President & Head- Fixed Income. He is B.Com from University of Delhi. He is a Chartered Accountant holder from Institute of Chartered Accountants of India. He also holds a degree in Master of Science from London School of Economics, University of London. He began his career with Bank of America. Prior to joining UTI AMC he was working with Bandhan AMC. He had been associated with HDFC MF, Axis MF, ICICI Prudential Life Insurance. He has total work experience of 20 years	1. UTI Banking & PSU Fund 2. UTI Corporate Bond Fund 3. UTI Money Market Fund (Along with Mr. Amit Sharma) 4. UTI Low Duration Fund 5. UTI Balanced Advantage Fund 6. UTI Income Plus Arbitrage Active Fund Of Fund 7. UTI Unit Linked Insurance Plan (Debt Portion) 8. UTI Children's Hybrid Fund (Debt Portion) 9. UTI Retirement Fund (Debt Portion) 10. UTI Equity Savings Fund (Debt Portion) 11. UTI Ultra Short Duration Fund 12. UTI Short Duration Fund 13. UTI Credit Risk Fund 14. UTI Medium Duration Fund

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

The following list consists of the existing hybrid Schemes of UTI Mutual Fund

Sr. No.	Name of the scheme
1	UTI Arbitrage Fund
2	UTI Aggressive Hybrid Fund
3	UTI Multi Asset Allocation Fund (UTI Multi Asset Fund
4	UTI Conservative Hybrid Fund SID (UTI Regular Savings Fund)
5	UTI Equity Savings Fund
6	UTI Balanced Advantage Fund

Please refer to the below mentioned link for detailed comparative table:
https://www.utimf.com/downloads/data-related-to-sid

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

This is a new Scheme and therefore, the requirement of following additional disclosures shall not be applicable for the Scheme.

i. Scheme's portfolio holdings (top 10 holdings by issuer and fund allocation towards various sectors to be provided through a functional website link that contains detailed description.) – NA
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 through a functional website link that contains detailed description – NA
iii. Functional website link for Portfolio Disclosure - Fortnightly / Monthly – NA
iv. Functional website link to the respective addendums to the SID after the last update of SID- NA
v. Portfolio Turnover Ratio - Being a new scheme, this data is not available - NA
vi. Aggregate investment in the Scheme by -NA
vii. Investments of AMC in the Scheme – NA

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

Part III – OTHER DETAILS

S.O.42 **A. COMPUTATION OF NAV**

(a) The Net Asset Value (NAV) of the scheme shall be calculated by determining the value of the scheme's assets and subtracting therefrom the liabilities of the scheme taking into consideration the accruals and provisions. NAV shall be declared separately for the different Plans and Options of the scheme.

(b) The NAV per unit of the scheme shall be calculated by dividing the NAV of the scheme by the total number of units issued and outstanding on the date of calculation under the scheme. The NAV shall be rounded off upto four decimal places for the scheme.

NAV of the Units under the Scheme shall be calculated as shown below:-

$$\text{NAV} = \frac{\text{Market or Fair Value of Scheme's investments + Current Assets - Current Liabilities and Provision}}{\text{No of Units outstanding under Scheme on the Valuation Date}}$$

The NAV under the Scheme would be rounded off to 4 decimals and Units will be allotted upto three decimal places or such other formula as may be prescribed by SEBI from time to time.

Methodology for Calculation of Sale and Re-purchase price of the units of mutual fund scheme
i) In case of Purchase of mutual fund units

As per existing regulation, no entry load is charged with respect to applications for purchase / additional purchase of mutual fund units. Therefore, Computation of Sale Price is as below:

NAV	10.00
Entry Load	Not Applicable
Sale Price	10.00

This also means, Sale Price = NAV as on date of investment

ii) Redemption/ Repurchase of mutual fund units

In case of redemption, repurchase price is calculated as below
Repurchase Price = NAV as on date of redemption - exit load (if applicable)

iii) Illustration showing how repurchase price is calculated under 2 different scenarios-

Amount Invested- Rs.10,000/-
Date of Investment- 1st April 2022
NAV as on date of investment- Rs.10/- per unit
Exit load- For exit on or before 12 months from the date of allotment- 1%
For exit after 12 months from the date of allotment- Nil
No of units allotted at the time of purchase

$$= \frac{\text{Amount invested}}{\text{NAV of the scheme on the date of investment}}$$

= 10,000 / 10 = 1000 units

Particulars	**Scenario I**	**Scenario II**
	Redemption during applicability of exit load	**Redemption in case of Nil Exit load**
Date of Redemption	On or before 31st March 2023	After 31st March 2023
NAV as on date of redemption	Rs. 12	Rs.12

Applicable Exit load	1%	Nil
Repurchase Price (NAV as on date of redemption-Exit load)	Rs.12 - (1-1%)	Rs.12- (Nil)
Repurchase Price on date of Redemption	Rs.11.88	Rs.12
Redemption Amount payable to investors (no of units allotted x Repurchase Price)	Rs.11.88 x 1000	Rs.12 x 1000
	= Rs.11,880/-	Rs.12,000/-

Note - This is only for illustration purpose. Actual Exit load charged in the Scheme may vary.

S.O.47

The repurchase price shall not be lower than 97% of the NAV. For other details such as policies w.r.t computation of NAV, rounding off, investment in foreign securities, procedure in case of delay in disclosure of NAV etc. refer to SAI

The above mentioned example does not take into consideration any applicable statutory levies and taxes.

(c) A valuation day is a day other than (i) Saturday and Sunday (ii) a day on which both the stock exchanges (BSE and NSE) and the banks in Mumbai are closed (iii) A day on which the purchase and redemption of units is suspended. If any business day in UTI AMC, Mumbai is not a valuation day as defined above then the NAV will be calculated on the next valuation day and the same will be applicable for the previous business day's transactions including all intervening holidays.

(d) The Mutual Fund shall declare the Net asset value separately for both the Plans by 11 p.m. on every business day on the website of UTI Mutual Fund, www.utimf.com and on AMFI's website www.amfiindia.com. The Mutual Fund shall prominently disclose the NAVs of the scheme under a separate head on the website and on the website of Association of Mutual Funds in India (AMFI). Further, the Mutual Fund will extend facility of sending latest available NAVs to unit holders through SMS, upon receiving a specific request in this regard.

B. NEW FUND OFFER (NFO) EXPENSES

All New Fund Offer expenses would be borne by AMC.

C. ANNUAL SCHEME RECURRING EXPENSES

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

The AMC has estimated that upto 1.85% of the daily net assets of the scheme will be charged to the scheme as expenses. The current expense ratios would be updated on the website of UTI Mutual Fund at least three working days prior to the effective date of the change. Investors can refer https://www.utimf.com/downloads/fater-mfs and website of AMFI namely www.amfiindia.com for Total Expense Ratio (TER) details.

Expense Head	**% of Daily Net Assets (Estimated p.a.)**
	UTI Balanced Hybrid Fund – Regular Plan
Investment Management and Advisory Fees	Up to 1.85%
Audit fees/fees and expenses of trustees	
Custodian Fees	
Registrar & Transfer Agent Fees including cost of providing account statements / IDCW / redemption cheques/ warrants	
Marketing & Selling Expenses including fees, commission and charges towards distribution of mutual fund schemes	
Costs related to investor communications	

Costs of fund transfer from location to location	
Cost towards investor education, awareness and financial inclusion	
Brokerage and transaction cost over and above 6 bps and 2 bps of trade value for cash and derivative market trades respectively.	
Cost of statutory advertisements	
Other Expenses (to be specified as per Reg 66 of SEBI MF Regulations)	
Other Expenses	
Maximum Total expenses ratio (TER) permissible under Regulation 66	Up to 1.85%
Statutory levies (including GST) on all expenses excluding brokerage and transaction cost	GST of 18% or any other rate as may be levied from time to time on the Taxable /Invoice /Contract amount. Additionally, levies such as Stamp Duty, STT etc.
Statutory levies (including GST) on brokerage and transaction cost	Will be charged on Turnover of securities which will be at prescribed rates.

Note: Direct Plan (investment not routed through a distributor) under the scheme shall have a lower expense ratio excluding distribution expenses, commission etc. and no commission shall be paid from such Plan. Portfolio of the Scheme under the Regular Plan and Direct Plan will be common.

The TER of the Direct Plan will be lower to the extent of the distribution expenses/ commission which is charged in the Regular Plan.

All fees and expenses charged in a direct plan (in percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in a Regular Plan.

The purpose of the table is to assist the investor in understanding the various costs and expenses that an investor in the scheme will bear directly or indirectly. These estimates have been made in good faith as per the information available to the Investment Manager based on past experience and are subject to change inter-se. Types of expenses charged shall be as per the SEBI (MF) Regulations.

(2) Total Expense Ratio (TER) and Additional incentives:
(i)Total Expense Ratio (TER):

As defined in MF Regulations, 2026, Total expense ratio (TER) means the ratio of total of all expenses charged to the investors of the scheme to the total asset under management of the scheme.

The TER shall consist of the following components:
Base expense ratio (BER) (sub-regulation 7 of Regulation 66) - The BER shall be charged to the scheme(s) within the base expense ratio limits* specified under the MF Regulations, 2026.

The BER shall include:
- Investment and Advisory fees (sub-regulation 4 of Regulation 66)
- Recurring expenses (sub-regulation 5 of Regulation 66)
- Charges/ commission/ fees related to distribution of mutual fund schemes (Sub-regulation 6 of Regulation 66)

but excludes statutory levy applicable, if any, on above expenses and transaction cost specified under sub-regulation 10 of Regulation 66.

Brokerage Cost (sub-regulation 9 of Regulation 66) – schemes may charge expense incurred towards brokerage, for the purpose of execution of trade, over and above the base expense ratio subject to a maximum

of 0.06 per cent of trade value in case of cash market transactions and 0.02 per cent of trade value in case of derivatives transactions. Expense charged towards brokerage, over and above the specified limit, shall be part of the base expense ratio limit specified under sub regulation 7 of Regulation 66.

Transaction cost (sub-regulation 10 of Regulation 66) - incurred for the purpose of execution of a trade shall mean regulatory levies and any other expenses charged by the stock exchanges, clearing corporation, and clearing house, as applicable. Such transaction costs shall not form part of the base expense ratio.

Statutory levy (clause yy of sub regulation 1 of Regulation 2) - means levy imposed by state government and central government.

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

No charges other than the base expense ratio, brokerage cost, transaction cost, statutory levy and exit load including levies as may be specified by SEBI, shall be charged to the investors.

Any expenditure in excess of the base limits specified in the MF Regulations shall be borne by the AMC or the trustees or sponsors. If any expense of the scheme is borne by the AMC or by the trustees or sponsors, the same shall be done only after the investment and advisory fees charged to the scheme, if any, is fully reversed.

Following AUM slab wise Base Expense Ratio Limits for scheme shall be as per the limits prescribed under the MF Regulations:

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

Additional incentives

S.O.46

As per the Provision No. 11.6 of Chapter 11 of SEBI Master Circular for Mutual Funds and applicable AMFI guidelines, the AMC shall pay additional commission to distributors for onboarding eligible new investors as given below, effective from March 01, 2026:

(a) **Eligibility criteria**:

a) New individual investors (new PAN) from B-30 cities at the mutual fund industry level
b) New women individual investors (new PAN) from both Top 30 and B-30 cities.

(b) Incentive Structure to be applied:

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

For further details on TER, please refer to SAI.

(ii) Statutory Levy (Goods and Services Tax (GST))

GST on exit load, if any, shall be paid out of the load proceeds. Exit load, net of GST, if any, shall be credited to the Scheme.

(iii) Investor Education and Awareness

UTI Mutual Fund (UTI MF) shall annually set apart atleast 2 bps on daily net assets within the maximum limit of BER for investor education and awareness initiatives.

(iv) Illustration of impact of expense ratio on scheme's returns

S.O.44

Simple illustration to describe the impact of the expense ratio on returns of the scheme.

	Particulars	Regular Plan	Direct Plan
A	Amount invested (Rs.)	10,000	10,000
B	Gross returns – assumed	14%	14%
C	Closing NAV before expenses (Rs.)	11400	11400
D	Scheme Expenses (Rs.)	150	150
E	Distribution Expenses (Rs.)	50	0
F	Total NAV after charging expenses (C-D-E)	11200	11250
G	Net returns to investor	12.0%	12.5%

- As per SEBI Regulation expenses are charged to the scheme on daily basis on daily net assets and as per percentage limits specified by SEBI.
- The illustration is to simply describe the impact of expenses charged to the Scheme on schemes returns and should not be construed as providing any kind of investment advice or guarantee of returns on investments.
- The above calculations are based on assumed NAVs, and actual returns on investment would be different.

(v) Change in expense ratio

AMCs shall prominently disclose on a daily basis, the TER (scheme-wise, date-wise) of all schemes under a separate head – "Total Expense Ratio of Mutual Fund Schemes" on their website and on the website of AMFI in a downloadable spreadsheet format.

Any change in the BER in comparison to previous base TER charged to any scheme/plan shall be communicated to investors of the scheme/plan through notice via email or SMS at least three working days prior to effecting such change. Provided that any increase or decrease in BER in a mutual fund scheme due to change in AUM and any decrease in BER in a mutual fund scheme due to various other regulatory requirements would not require issuance of any prior notice to the investors.

The above change in the base BER in comparison to previous base BER charged to the scheme shall be intimated to the Board of Directors of AMC along with the rationale recorded in writing.

The changes in BER shall also be placed before the Trustees on quarterly basis along with rationale for such changes.

D. LOAD STRUCTURE– for all classes of investors

(1) Exit Load is an amount which is paid by the investor to redeem the units from the scheme. This amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. There will not be any distinction among unit holders should be made based on the amount of subscription while charging exit loads. Any imposition or enhancement in the load shall be applicable on prospective investments only. For the current applicable structure, please refer to the website of the AMC www.utimf.com or call at 1800 266 1230 (toll free number) or (022) 6227 8000 (non toll free number) or your distributor.

S.O.47

Entry Load (As % of NAV)	Exit Load (As % of NAV)
Nil	i. Redemption / switch-out of 10% of Units allotted on or before completion of 12 months from the date of allotment- Nil exit load ii. Redemption/ switch out in excess of the 10% of Units allotted on or before completion of 12 months from the date of allotment – 1.00% exit load iii. If redeemed / switched out after 12 months from the date of allotment – Nil exit load

(2) In accordance with the requirements specified by the by the provision no. 11.7.1 of para 11.7 under Chapter 11 of SEBI Master Circular for Mutual Funds no entry load will be charged for purchase/additional purchase /switch-in accepted by the Fund. Similarly, no entry load will be charged with respect to applications for registrations under Systematic Investment Plans/Systematic Transfer Plans accepted by the Fund.

Switch in/out, Systematic Investment Plan (SIP) and Systematic Transfer Plan (STP) will also attract Load like regular Purchases and Redemption.

The AMC reserves the right to change/modify exit/switchover load, depending upon the circumstances prevailing at any given time. A load structure when introduced by the AMC may comprise of exit load and/or switchover load as may be permissible under the SEBI Regulations. The load may also be changed from time to time and in the case of an exit/redemption load this may be linked to the period of holding. The switchover load may be different for different plans. However, any such change in the load structure shall be applicable on prospective investment only.

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

For any change in load structure, AMC will issue an addendum and display it on the website/UTI Financial Centres.

(3) Any imposition or enhancement of load shall be applicable on prospective investments only. The AMC shall not charge any load on units allotted on reinvestment of IDCW for existing as well as prospective investors.
At the time of changing the load structure, the Mutual Fund shall consider the following measures to avoid complaints from investors about investment in the scheme without knowing the exit load:
(i) The addendum detailing the changes shall be attached to the Scheme Information Document and Key Information Memorandum. The addendum shall be circulated to all the distributors/brokers so that the same can be attached to all Scheme Information Document and Key Information Memorandum already in stock.
(ii) Arrangements shall be made to display the addendum in the Scheme Information Document in the form of a notice in all the official points of acceptance and distributors/brokers office.
(iii) The introduction of the exit load alongwith the details may be stamped in the acknowledgement slip issued to the investors on submission of the application form and shall also be disclosed in the statement of accounts issued after the introduction of such load.
(iv) Any other measures which the Mutual Fund may feel necessary.

SECTION II

I. INTRODUCTION

A. DEFINITIONS/INTERPRETATION –

Please refer the below mentioned link for Definitions/ Interpretations:
https://www.utimf.com/downloads/data-related-to-sid

S.O.8

B. RISK FACTORS

Standard Risk Factors

1. Investment in mutual fund scheme units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.

2. As the price / value / interest rates of the securities in which the scheme invests fluctuates, the value of your investment in the scheme may go up or down.

3. Past performance of the Sponsors/AMC/Mutual Fund does not guarantee future performance of the scheme.

4. The name of the scheme does not in any manner indicate either the quality of the scheme or its future prospects and returns. There may be instances where no IDCW could be made.

5. The sponsors are not responsible or liable for any loss resulting from the operation of the scheme beyond the initial contribution of Rs.10,000/- made by them towards setting up the Fund.

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

7. Statements/Observations made in the Scheme Information Document are subject to the laws of the land as they exist at any relevant point of time.

8. Growth, appreciation, IDCW and income, if any, referred to in this Scheme Information Document are subject to the tax laws and other fiscal enactments as they exist from time to time.

9. The NAVs of the Scheme may be affected by changes in the general markets conditions, factors and forces affecting capital market, in particular, level of interest rates, various markets related factors and trading volumes, settlement periods and transfer procedures.

10. **Credit Risk:** Bonds / debentures as well as other money market instruments issued by corporates run the risk of down grading by the rating agencies and even default as the worst case. Securities issued by Central/State governments have lesser to zero probability of credit / default risk in view of the sovereign status of the issuer.

11. **Interest - Rate Risk:** Bonds / Government securities which are fixed income securities, 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 level of interest rates is determined by the rates at which government raises new money through RBI, the price levels at which the market is already dealing in existing securities, rate of inflation etc. The extent of fall or rise in the prices is a function of the prevailing coupon rate, number of days to maturity of a security and the increase or decrease in the level of interest rates. The prices of Bonds / Government securities are also influenced by the liquidity in the financial system and / or the open market operations (OMO) by RBI.

    Pressure on exchange rate of the rupee may also affect security prices. Such rise and fall in price of bonds / government securities in the portfolio of the scheme may influence the NAVs under the scheme as and when such changes occur.

12. **Liquidity Risk:** The Indian debt market is such that a large percentage of the total traded volumes on particular days might be concentrated in a few securities. Traded volumes for particular securities differ significantly on a daily basis. Consequently, the scheme might have to incur a significant "impact cost" while transacting large volumes in a particular security.

13. **Securities Lending:** It is one of the means of earning additional income for the scheme with a lesser degree of risk. Securities lending is lending of Securities through an approved intermediary to a borrower under an agreement for a specified period with the condition that the borrower will return equivalent Securities of the same type or class at the end of the specified period along with the corporate benefits accruing on the Securities borrowed. As per provision no. 12.11.1 of para 12.11 under Chapter 12 of SEBI Master Circular for Mutual Funds, "The SLB shall be operated through Clearing Corporation/Clearing House of stock exchanges having nation-wide terminals who are registered as Approved Intermediaries (AIs)."

    The risk is adequately covered as Securities Lending & Borrowing (SLB) is an Exchange traded product. Exchange offers an anonymous trading platform and gives the players the advantage of settlement guarantee without the worries of counter party default. However, the Fund may not be able to sell such lent securities during contract period or have to recall the securities which may be at higher than the premium at which the security is lent.

14. **Reinvestment Risk:** This risk refers to the interest rate levels at which cash flows received from the securities in the Scheme are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.

15. Money Market Instruments are subject to the risk of an issuer's inability to meet interest and principal payments on its obligations and market perception of the creditworthiness of the issuer.

16. **Investment in overseas markets:** The success of investment in overseas markets depends upon the ability of the fund manager to understand conditions of those markets and analyse the information which could be different from Indian markets. Operations in foreign markets would be subject to exchange rate fluctuation risk besides market risks of those markets.

17. **Trading in debt and equity derivatives involves certain specific risks like**:
    a. Credit Risk: This is the risk of default by the counter party. This is usually to the extent of difference between actual position and contracted position. This risk is substantially mitigated where derivative transactions happen through clearing corporation.
    b. Market Risk: Market movement may also adversely affect the pricing and settlement of derivative trades like cash trades.
    c. Illiquidity Risk: The risk that a derivative product may not be sold or purchased at a fair price due to lack of liquidity in the market.
    d. An exposure to derivatives can lead to losses. Success of dealing in derivatives depends on the ability of the Fund Manager to correctly assess the future market movement and in the event of incorrect assessment, if any, performance of the scheme could be lower.
    e. Interest Rate Swaps (IRSs) and Forward Rate Agreements (FRAs) do also have inherent credit and settlement risks. However, these risks are substantially less as they are limited to the interest stream and not the notional principal amount.
    f. Participating in derivatives is a highly specialized activity and entails greater than ordinary investment risks. Notwithstanding such derivatives being used for limited purpose of hedging and portfolio balancing, the overall market in these segments could be highly speculative due to action of other participants in the market.
    S.O.28 g. 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.
    S.O.28 h. 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.

18. The aggregate value of "illiquid securities" of the scheme, which are defined by SEBI as non traded, thinly traded and unlisted equity shares, shall not exceed 15% of the total assets of the scheme and any illiquid securities held above 15% of the total assets shall be assigned zero value.

19. In the event of receipt of inordinately large number of redemption requests or a restructuring of the schemes' portfolio, there may be delays in the redemption of units.

20. Different types of securities in which the scheme 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. For e.g. Corporate bonds carry a higher amount of risk than Government securities. Further even among corporate bonds, bonds which are AAA rated are comparatively less risky than bonds which are AA rated.

21. **Scheme specific risks factors**
    a. Investors may note that AMC/Fund Manager's investment decisions may not always be profitable, even though it is intended to generate capital appreciation and maximize the returns by actively investing in equity/ equity related instruments.
    b. The value of the investments in the scheme, may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or policies of any appropriate authority and other political and economic developments and closure of stock exchanges which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. Consequently, the NAV of the Units of the Scheme may fluctuate and can go up or down.
    c. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the equity and equity related investments made by the Scheme which could cause the scheme to miss certain investment opportunities. Different segments of the financial markets have different settlement periods, and such periods may be extended significantly by unforeseen circumstances leading to delays in receipt of proceeds from sale of securities. The inability of the Scheme to make intended securities purchases due to settlement problems could also cause the Scheme to miss certain investment opportunities. By the same rationale, the inability to sell securities held in the scheme's portfolio due to the absence of a well developed and liquid secondary market for debt securities would result, at times, in potential losses to the Scheme, in case of a subsequent decline in the value of securities held in the scheme's portfolio.
    d. 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. Within the regulatory limits, the AMC may have chosen to invest in unlisted securities as permitted for investment by the scheme. Listed securities which may become unlisted in future may increase the risk in the portfolio.
    e. The Scheme may use various derivative products as permitted by the Regulations. Use of derivatives requires an understanding of not only the underlying instrument but also of the derivative itself. Other risks include the risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Usage of derivatives will expose the Scheme to certain risks inherent to such derivatives.
    f. The Scheme may also invest in ADRs / GDRs as permitted by Reserve Bank of India and Securities and Exchange Board of India. To the extent that some part of the assets of the scheme may be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by the changes in the value of certain foreign currencies relative to the Indian Rupee.
    The repatriation of capital also may be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.
    g. The scheme intends to deploy funds in money market instruments to maintain liquidity. To the extent that some assets/funds are deployed in money market instruments, the scheme will be subject to credit risk as well as settlement risk, which might affect the liquidity of the scheme.

22. **Risk Factors specific to investments in Securitised Papers:**
    Types of Securitised Debt vary and carry different levels and types of risks. Credit Risk on Securitised Bonds depends upon the Originator and varies depending on whether they are issued with Recourse to Originator or otherwise. A structure with Recourse will have a lower Credit Risk than a structure without Recourse. Underlying assets in Securitised Debt may assume different forms and the general types of receivables include Auto Finance, Credit Cards, Home Loans or any such receipts. Credit risks relating to these types of receivables depend upon various factors including macro economic factors of these industries and economies. Specific factors like nature and adequacy of property mortgaged against these borrowings, nature of loan agreement/ mortgage deed in case of Home Loan, adequacy of documentation in case of Auto Finance and Home Loans, capacity of borrower to meet its obligation on borrowings in case of Credit Cards and intentions of the borrower influence the risks relating to the asset borrowings underlying the securitised debt.

Holders of the securitised assets may have low credit risk with diversified retail base on underlying assets especially when securitised assets are created by high credit rated tranches, risk profiles of Planned Amortisation Class tranches (PAC), Principal Only Class Tranches (PO) and Interest Only class tranches (IO) will differ depending upon the interest rate movement and speed of prepayment. Various types of major risks pertaining to Securitised Papers are as below:

Liquidity & Price risk
Presently, secondary market for securitised papers is not very liquid. This could limit the ability of the investor to resell them. Even if a secondary market develops and sales were to take place, these secondary transactions may be at a discount to the initial issue price due to changes in the interest rate structure.

Delinquency and Credit Risk
Securitised transactions are normally backed by pool of receivables and credit enhancement as stipulated by the rating agency, which differ from issue to issue. The Credit Enhancement stipulated represents a limited loss cover to the Investors. These Certificates represent an undivided beneficial interest in the underlying receivables and there is no obligation of either the Issuer or the Seller or the originator, or the parent or any associate 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 may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall. On persistent default of a Obligor to repay his obligation, the Servicer may repossess and sell the underlying 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.

Prepayment Risk
Asset securitisation 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 take place during the tenure of the paper. In the event of prepayments, investors may be exposed to changes in tenor and reinvestment risk.

23. **Risks associated with investment in units of mutual fund**:
Investment in Mutual Fund Units involves investment risks, including but not limited to risks such as liquidity risk, volatility risk, default risk including the possible loss of principal.

Liquidity risk – The liquidity of the scheme's investments is inherently restricted by trading volumes and settlement periods. In the event of an inordinately large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant. In view of the same, the Trustees may limit redemptions (including suspending redemptions) under certain circumstances as specified under the Scheme Information Document.

Volatility risks: There is the risk of volatility in markets due to external factors like liquidity flows, changes in the business environment, economic policy etc. The scheme will manage volatility risk through diversification across companies and sectors within PSUs.

Default risk - Credit risk is risk resulting from uncertainty in counterparty's ability or willingness to meet its contractual obligations. This risk pertains to the risk of default of payment of principal and interest. Government Securities have zero credit risk while other debt instruments are rated according to the issuer's ability to meet the obligations.

24. **Risks associated with investing in ETFs:**
ETFs are passively managed and may be affected by a general decline in the Indian markets relating to its Underlying Index. ETFs invests in the securities included in its Underlying Index regardless of their investment merit. The AMC does not attempt to individually select stocks or to take defensive positions in declining markets.

- ETFs are listed on a stock exchange/s, however, there can be no assurance that an active secondary market will develop or be maintained.
- Investment in ETFs is subject to tracking error. Factors such as the fees and expenses of the Scheme, corporate actions, cash balance, changes to the Underlying Index and regulatory policies may affect theAMC"s ability to achieve close correlation with the Underlying Index of the Scheme. The AMC will endeavour to constantly minimize the tracking error and track the index as closely as possible.

25. **Risk factors of repo market**
    a. **Illiquidity Risk**
    The repo market for corporate debt securities is over the counter (OTC) and illiquid. Hence, repo obligations cannot be easily sold to other parties. Therefore, to mitigate such risks, it has been stipulated that gross exposure to Repo in corporate bonds would be limited to 10% of net assets of the concerned scheme. Further, the tenor of repo would be taken based on nature and unit holders' pattern of the scheme.

    b. **Counter-party Risk**
    Credit risk would arise if the counter-party fails to repurchase the security as contracted or if counterparty fails to return the security or interest received on due date. To mitigate such risks, the schemes shall carry out repo transactions with only those counter parties, which has a credit rating of 'A1+'or 'AA- and above'. In case of lending of funds as a repo buyer, minimum haircuts on the value of the collateral security have been stipulated, and we would receive the collateral security in the scheme's account before the money is lent to the counter-party. Overall, we would have a limited number of counter-parties, primarily comprising of Mutual Funds, Scheduled Commercial banks, Financial Institutions and Primary dealers.

    Similarly, in the event of the scheme being unable to pay back the money to the counter party as contracted, the counter-party may hurriedly dispose of the assets (as they have sufficient margin) and the net proceeds may be refunded to the Scheme. Thus, the Scheme may suffer losses in such cases. Sufficient funds flow management systems are in place to mitigate such risks.

    c. **Collateral Risk (as a repo buyer)**
    Collateral risks arise due to fall in the value of the security (change in credit rating and/or interest rates) against which the money has been lent under the repo arrangement. To mitigate such risks, we have stipulated the minimum credit rating of the issuer of collateral security ('AA' for long-term instruments /A1+ for money market instruments), maximum duration of the collateral security (10 years) and minimum haircuts on the value of the securitys.

26. **Risk factors associated with Structured Obligations –**
    a. There may be liquidity risk, since the market for structured products is not very deep.
    b. Structured obligations such as corporate / promoter guarantee: Securities which have a structure with a guarantee from the corporate / promoter, may see an adverse effect if there are any signs of stress at the promoter / group level, even though the standalone borrowing entity's debt servicing capability and repayments may not see any material impact, from a future cash flow perspective.

27. **Risks associated with Investing in Structured Obligation (SO) & Credit Enhancement (CE)**
    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 and could include guarantee, shortfall undertaking, letter of comfort, etc. from another entity. This entity could be either related or non-related to the issuer like a bank, financial institution, etc. Credit enhancement could include additional security in form of pledge of shares listed on stock exchanges, etc. SO transactions are asset backed/ mortgage backed securities, securitized paper backed by hypothecation of car loan receivables, securities backed by trade receivables, credit card receivables etc. Hence, for CE rated instruments evaluation of the credit enhancement provider, as well as the issuer is undertaken to determine the issuer rating. 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 adversely affected 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.

28. **Risk factors associated with instruments having special features**
    - The scheme shall 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 is also convertible to equity upon trigger of a pre-specified event for loss absorption as may be decided by the RBI.
    - The debt instruments with special features are considered as Non-Convertible Debentures, may be treated as debt instruments until converted to equity.
    - The instruments are subject to features that grants 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 trigger (PONV) event" and other events as more particularly described as per the term sheet of the underlying instruments.
    - The instrument is 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.

29. **Risks associated with writing covered call options for equity shares**

    Listed below are the risks associated with writing covered call options, in addition to the risks associated with derivative instruments.

    - **Market Risk:** Appreciation in the underlying equity shares could lead to loss of opportunity in case of writing of covered call option. In case if the appreciation in equity share price is more than the option premium received, the appreciation in the scheme would be capped.

    - **Liquidity Risk:** This strategy of writing covered call in a scheme will be used, provided the scheme has adequate number of underlying equity shares as per regulatory requirement. Subsequently, the scheme will have to set aside a portion of investment in the underlying equity shares.

    Further, in case the covered call options are sold to the maximum extent as allowed under the purview of regulations, the scheme would be unable to sell the shares of the respective stock, to the extent that would be blocked under the covered call. Hence, if the call option contracts which have been written become illiquid, it may lead to a loss of opportunity or can cause exit issues.

    As a result, it may happen that the scheme is not able to sell the underlying equity shares immediately, which can lead to temporary illiquidity of the underlying equity shares and may result in loss of opportunity.

30. **Risk factors associated with investing in Foreign Securities:**

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

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

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

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

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

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

31. **Risk factors associated with investing in Derivatives**
    (a) The AMC, on behalf of the Scheme may use various derivative products, from time to time, in an attempt to protect the value of the portfolio and enhance Unit holders' interest. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Other risks include, the risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
    (b) 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.
    (c) 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.
    (d) **Credit Risk**: The credit risk in derivative transaction is the risk that the counter party will default on its obligations and is generally low, as there is no exchange of principal amounts in a derivative transaction.
    (e) **Illiquidity risk:** This is the risk that a derivative cannot be sold or purchased quickly enough at a fair price, due to lack of liquidity in the market.

32. **Risk involved in imperfect hedging using Interest Rate Futures (IRFs)**
    With imperfect hedging, there is a risk that offsetting investments in a hedging strategy will not experience price changes in entirely same direction from each other. This imperfect correlation between the two investments creates the potential for excess gains or losses in a hedging strategy, thus adding risk to the position.

    For example, in the attempt to hedge interest rate risk of the scheme (diversified portfolio of various debt securities) with a modified duration of say 6 years, the fund manager takes a short position in 10 year IRF having a modified duration of 6 years. The risk is that price changes in IRF and the scheme portfolio may not move in the same direction or in the same proportion.

    Numerical Example:
    To understand risk associated with imperfect hedging let us look at the following illustration:
    On Nov 1, 2022 the fund buys Rs. 100 Crs of 10 year Power Finance Co. (corporate bond) with a modified duration of 6 years from the spot market at a yield of 7.50% (Price: Rs. 100). Subsequently, it is anticipated that the interest rate will rise in the near future. Therefore, to hedge the exposure in underlying corporate bond, the fund sells Nov 2022, 10 year benchmark Interest Rate Futures at yield of 7.00% (Price: Rs. 98.50) having a modified duration of 6 years.

    Let us assume the following two scenarios:
    (i) Both the securities experience price changes in the same direction:

    On Nov 15, 2022 the corporate bond and government bond yields move up by 10 basis points (0.10%) on back of deteriorating macro economic factors.
    Loss in Corporate Bond Holding = Portfolio Value * Change in Interest Rate * Modified Duration

Loss in Corporate Bond Holding = Rs. 100 Crs * 0.10% * 6 = (Rs. 60 Lacs)
Similarly, Profit on short selling of Interest Rate Futures = Rs. 100 Crs * 0.10% * 6 = Rs. 60 Lacs
This allows the fund manager to hedge the portfolio against interest rate movement using Interest Rate Futures.

(ii) Securities experience price changes in the opposite direction:

On Nov 15, 2022 the corporate bond yield moves up by 10 basis points (0.10%) on back of higher supply of corporate bonds & the government bond yield fell by 5 bps due to improving macro economic factors.

Loss in Corporate Bond Holding = Portfolio Value * Change in Interest rate * Modified Duration

Loss in Corporate Bond Holding = Rs. 100 Crs * 0.10% * 6 = (Rs. 60 Lacs)

Similarly, Loss on short selling of Interest Rate Futures = Rs. 100 Crs * 0.05% * 6 = (Rs. 30 Lacs)

On certain instances like the one illustrated above, it is observed that the co-relation between the corporate bonds and government securities may not be perfect over a short period of time leading to imperfect hedging which may result in higher loss/ gain from the strategy. The likelihood of such instances being prevalent on a sustainable basis is expected to be minimal due to strong correlation between government securities & bond markets over the medium to long term.

33. **Risk Management framework to mitigate liquidity risk is summarised as below:**

Diversified portfolio – The portfolio held is well diversified in terms of issuer, group and sector, in line with regulatory guidelines and internal Risk Metrics.

Potential Risk Class – Defines to maximum potential risk a fund may take based on the credit rating and duration of the debt securities

Liquid assets – Based on the profile of the investors and concentration of distributors, the following type of liquid assets are maintained to address potential Liquidity requirement over a 30-day period.
(a) Liquid assets to address 95 percentile Redemption at Risk (maintained in the form of Cash, Government Securities, T-bills and Repo on Government Securities)
(b) Liquid assets to address 95 percentile Conditional Redemption at Risk (maintained in the form of above assets and highest rated debt securities)

Asset Liability Management – ALM to address potential Liquidity requirement over a 90-day period, based on the putative liabilities vis-à-vis secondary market liquidity of the portfolio.

Borrowing – A fund may borrow up to 20% of AUM (or such higher limits as may be allowed by the regulator from time to time) to meet redemption requirements.

Stress testing – Stress Testing is an exercise to simulate adverse scenario on our portfolio based on the past events, and assess the impact such event on the portfolio. This helps in raising timely alerts to take necessary action to address the situation.

34. **Participation in repo in corporate debt securities:-**

In line with para 12.18 of SEBI master circular of Mutual Funds, and read along with SEBI Circular no. SEBI/HO/IMD/POD-2/CIR/P /2023/0085 dated June 8, 2023 and SEBI Circular no. SEBI/HO/ IMD/IMD PoD-2/P/CIR/2023/87 dated June 13, 2023 on 'Participation of mutual funds in repo in corporate debt securities', the Scheme may participate in repo transactions in Corporate Debt Securities, within the following overall framework, as per the guidelines of Securities and Exchange Board of India and Boards of UTI Trustee Company Private Limited & UTI Asset Management Company Limited:

(A) Eligibility

The scheme can participate in repos on following corporate debt securities:
- Listed AA and above rated corporate debt securities
- Commercial Papers (CPs) and Certificate of Deposits (CDs)

For the purpose of consideration of credit rating of exposure on repo transactions for various purposes including for Potential Risk Class (PRC) matrix, liquidity ratios, Risk-o-meter etc., the same shall be as that of the underlying securities, i.e., on a look through basis.

(B) Gross Exposure Norms

(i) The gross exposure of any scheme to 'corporate bonds repo transactions' shall not be more than 10% of the net assets of the concerned scheme.

(ii) The cumulative gross exposure through equity, debt, derivatives, repo transactions, InvITs, ADR/GDR/Foreign securities and such other securities/assets as may be permitted by the SEBI from time to time, and such other securities/assets subject to regulatory approvals, if any, as may be permitted by the SEBI from time to time should not exceed 100% of the net assets of the scheme.

(iii) 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.

(C) Category of the counter-party to be considered for making investment

All entities eligible for transaction in corporate debt repos, as defined by Reserve Bank of India (RBI) and SEBI, shall be considered for repo transactions.

(D) Credit Rating of Counterparty to be considered for making investment

The scheme shall carry out repo transactions with only those counterparties, who have a credit rating of 'AA- and above' (Long term rating) or 'A1+' (Short term rating).

(E) Tenor of Repo

As a repo seller, the scheme can borrow for a period not more than six months as per the existing Regulation 44(2) of the SEBI (Mutual Funds) Regulations, 1996.

As a repo buyer, the scheme can lend for a maximum period of one year, subject to provision/s of the Scheme Information Document (SID).

(F) Tenor and Credit Rating of the Collateral

The scheme shall participate in repo transactions in listed Corporate Bonds rated 'AA' and above ('A1+' in respect of money market instruments).

The tenor of the collateral shall not be more than 10 years.

For the purpose of consideration of credit rating of exposure on repo transactions for various purposes including for Potential Risk Class (PRC) matrix, liquidity ratios, Risk-o-meter etc., the same shall be as that of the underlying securities, i.e., on a look through basis.

(G) Minimum Haircut

In terms of RBI guidelines, repo transactions shall be subject to the following minimum haircuts:-

Rating of the Security	AAA	AA+	AA
Minimum Haircut	7.50%	8.50%	10%

The above are minimum stipulated haircuts where the repo period is overnight or where the re-margining frequency (in case of longer tenor repos) is daily. In all other cases, Fund Manager may adopt appropriate higher haircuts.

Depending on the market conditions and risk perceptions, the Fund Manager may seek higher haircut (while lending) or give a higher haircut (while borrowing).

(H) Risk factors and mitigation measures Risk factors of repo market

(i) Illiquidity Risk

The repo market for corporate debt securities is over the counter (OTC) and illiquid. Hence, repo obligations cannot be easily sold to other parties. Therefore, to mitigate such risks, it has been stipulated that gross exposure to Repo in corporate bonds would be limited to 10% of net assets of the concerned scheme. Further, the tenor of repo would be taken based on nature and unit holders' pattern of the scheme.

(ii) Counter-party Risk

Credit risk would arise if the counter-party fails to repurchase the security as contracted or if counterparty fails to return the security or interest received on due date. To mitigate such risks, the schemes shall carry out repo transactions with only those counterparties, which has a credit rating of 'A1+' or 'AA- and above'. In case of lending of funds as a repo buyer, minimum haircuts on the value of the collateral security have been stipulated, and we would receive the collateral security in the scheme's account before the money is lent to the counter-party. Overall, we would have a limited number of counter-parties, primarily comprising of Mutual Funds, Scheduled Commercial banks, Financial Institutions and Primary dealers.

Similarly, in the event of the scheme being unable to pay back the money to the counterparty as contracted, the counter-party may hurriedly dispose of the assets (as they have sufficient margin) and the net proceeds may be refunded to the Scheme. Thus, the Scheme may suffer losses in such cases. Sufficient funds flow management systems are in place to mitigate such risks.

(iii) Collateral Risk (as a repo buyer)

Collateral risks arise due to fall in the value of the security (change in credit rating and/or interest rates) against which the money has been lent under the repo arrangement. To mitigate such risks, we have stipulated the minimum credit rating of the issuer of collateral security ('AA' for long-term instruments /A1+ for money market instruments), maximum duration of the collateral security (10 years) and minimum haircuts on the value of the security.

35. **Participating in Derivative Products:**

Derivatives:

A derivative instrument, broadly, is a financial contract whose payoff structure is determined by the value of an underlying security, index, interest rate etc. Thus a derivative instrument derives its value from some underlying variable.

Derivatives are further classified into:-
Futures
Options
Swaps

Futures: A futures contract is a standardized contract between two parties where one of the parties commits to sell, and the other to buy, a stipulated quantity of a security at an agreed price on or before a given date in future.

Options: An option is a derivative instrument, which gives its holder (buyer) the right but not the obligation to buy or sell the underlying security at the contracted price on or before the specified date. The purchase of an option requires an up-front payment (premium) to the seller of the option.

There are two basic types of options, call option and put option.

(a) Call option: A call option gives the buyer of the option the right but not the obligation to buy a given quantity of the underlying asset, at a given price (strike price), on or before a given future date.

(b) Put option: A put option gives the buyer of the option the right but not the obligation to sell a given quantity of the underlying asset, at a given price (strike price), on or before a given future date.

On expiry of a call option, if the market price of the underlying asset is lower than the strike price the call would expire unexercised. Likewise, if, on the expiry of a put option, the market price of the underlying asset is higher than that of the strike price the put option will expire unexercised.

The buyer/holder of an option can make loss of not more than the option premium paid to the seller/writer but the possible gain is unlimited. On the other hand, the option seller/writer's maximum gain is limited to the option premium charged by him from the buyer/holder but can make unlimited loss.

36. **Covered Call Options**

A call option gives the holder (buyer) the right but not the obligation to buy an asset by a specific date for a specific price. Covered calls are an options strategy that consists of writing (selling) call options of a stock that is covered by an equivalent long (buy) stock position in the portfolio.

Benefits of using Covered Call strategy in Mutual Funds:
The covered call strategy can be followed by the Fund Manager to hedge risk subsequently resulting in better risk adjusted returns for the Scheme. Following are the benefits offered by this strategy:

a. Hedge against market risk - Since the fund manager sells a call option on a stock already owned by the mutual fund scheme, the downside from fall in the stock price would be lower to the extent of the premium earned from the call option.
b. Generating additional returns in the form of option premium in a range bound market. Thus, a covered call strategy involves gains for unit holders in case the strategy plays out in the right direction.

Illustration:

As on Nov 1, 2022		
Strategy	**Total Quantity**	**Price (in INR)**
Buy Stocks of Company A	100	1000
Write (sell) call options of the Company A – Nov 2022 expiry with a strike price of Rs.1050 Total Premium Received for writing call option = Rs.1000 (10*100)	1 (lot size = 100 stocks)	10

	Market Scenario on the day of Expiry of Options Contract	**Payoffs from the Covered Call strategy & Impact on the Portfolio**
Scenario 1	Market goes up and the stock price of Company A goes up to Rs.1030 Call Option will expire worthless (strike price (Rs.1050) > underlying stock price (Rs.1030)) → Option writer can keep the option premium	Stock Return = Rs.(1030 - 1000) * 100 = Rs.3000 Return from Option = Option Premium received = Rs.1000 Net Gain from the strategy = Rs. (3000 + 1000) = Rs.4000
Scenario 2	Market goes up and the stock price of Company A goes up to Rs.1100 Call Option in the money: Strike Price (Rs.1050) < Stock Price (Rs.1100) → Option writer to pay option buyer Rs.5000 (Rs.50*100) & receive option premium Rs.1000	Stock Return = Rs. (1100 - 1000) * 100 = Rs.10,000 Option Premium received = Rs.1000 Payment done to option buyer = Rs.5000 Net Return from Option = (-)Rs.5000 + Rs.1000 = (-)Rs.4000 Net Gain from the strategy = Rs.10,000 – Rs.4000 = Rs.6000

Swaps:
The exchange of a sequence of cash flows that derive from two different financial instruments. For example, the party receiving fixed in an ordinary Interest Rate Swap receives the excess of the fixed coupon payment over the floating rate payment. Of course, each payment depends on the rate, the relevant day count convention, the length of the accrual period, and the notional amount.

Debt derivatives are as of now customized over the counter products and there is no guarantee that these products will be available on tap. There are various possible combinations of strategies, which may be adopted, in a specific situation. The provision for trading in derivatives is an enabling provision and it is not binding on the Scheme to undertake trading on a day to day basis.

Some of the derivative techniques / strategies that may be used are:-

(i) The scheme will use hedging techniques including dealing in derivative products – like futures and options, warrants, interest rate swaps (IRS), forward rate agreement (FRA) as may be permissible under SEBI (MF) Regulations.
(ii) The scheme may take derivatives position based on the opportunities available and in line with the overall investment objective of the scheme. This may be taken to hedge the portfolio and rebalance the same.
(iii) The Fund manager may use various strategies for trading in derivatives with a view to enhancing returns and taking cover against possible fluctuations in the market.
(iv) The Fund Manager may sell the index forward by taking a short position in index futures to save on the cost of outflow of funds or in the event of negative view on the market.

37. **Participation in Interest Rate Futures**

(i) **Investment Norms:**

To reduce interest rate risk in a debt portfolio, the scheme 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:

(Portfolio Modified Duration * Market Value of the Portfolio) / (Futures Modified Duration * Futures Price / Par Value)

At no point of time, the net modified duration of part of the portfolio being hedged shall be negative.

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 will be considered to be exempted from the gross exposure, upto maximum of 20% of the net assets of the scheme, subject to certain conditions such as exposure to IRFs is created only for hedging, the correlation between the portfolio and the IRF is atleast 0.9 etc. as prescribed in above mentioned SEBI circular.

(ii) **Risk involved in imperfect hedging using Interest Rate Futures (IRFs)**

With imperfect hedging, there is a risk that offsetting investments in a hedging strategy will not experience price changes in entirely same direction from each other. This imperfect correlation between the two investments creates the potential for excess gains or losses in a hedging strategy, thus adding risk to the position.

For example, in the attempt to hedge interest rate risk of the scheme (diversified portfolio of various debt securities) with a modified duration of say 6 years, the fund manager takes a short position in 10 year IRF having a modified duration of 6 years. The risk is that price changes in IRF and the scheme portfolio may not move in the same direction or in the same proportion.

Numerical Example:

To understand risk associated with imperfect hedging let us look at the following illustration:

On Nov 1, 2021 the fund buys Rs. 100 Crs of 10 year Power Finance Co. (corporate bond) with a modified duration of 6 years from the spot market at a yield of 7.50% (Price: Rs. 100). Subsequently, it is anticipated that the interest rate will rise in the near future. Therefore, to hedge the exposure in underlying corporate bond, the fund sells Nov 2021, 10 year benchmark Interest Rate Futures at yield of 7.00% (Price: Rs. 98.50) having a modified duration of 6 years.

Let us assume the following two scenarios:

(iii) Both the securities experience price changes in the same direction:

On Nov 15, 2021 the corporate bond and government bond yields move up by 10 basis points (0.10%) on back of deteriorating macro economic factors.

Loss in Corporate Bond Holding = Portfolio Value * Change in Interest Rate * Modified Duration

Loss in Corporate Bond Holding = Rs. 100 Crs * 0.10% * 6 = (Rs. 60 Lacs)

Similarly, Profit on short selling of Interest Rate Futures = Rs. 100 Crs * 0.10% * 6 = Rs. 60 Lacs

This allows the fund manager to hedge the portfolio against interest rate movement using Interest Rate Futures.

(iv) Securities experience price changes in the opposite direction:

On Nov 15, 2021 the corporate bond yield moves up by 10 basis points (0.10%) on back of higher supply of corporate bonds & the government bond yield fell by 5 bps due to improving macro economic factors.

Loss in Corporate Bond Holding = Portfolio Value * Change in Interest rate * Modified Duration

Loss in Corporate Bond Holding = Rs. 100 Crs * 0.10% * 6 = (Rs. 60 Lacs)

Similarly, Loss on short selling of Interest Rate Futures = Rs. 100 Crs * 0.05% * 6 = (Rs. 30 Lacs)

On certain instances like the one illustrated above, it is observed that the co-relation between the corporate bonds and government securities may not be perfect over a short period of time leading to imperfect hedging which may result in higher loss/ gain from the strategy. The likelihood of such instances being prevalent on a sustainable basis is expected to be minimal due to strong correlation between government securities & bond markets over the medium to long term.

38. **Risk factors associated with investments in REITs and InvITs** –

VOLATILITY OF DISTRIBUTIONS

The REITs & InvITs distributions will be based on the Net Distributable Cash Flows available for distribution, and not on whether the REITs & InvITs makes an accounting profit or loss. The amount of cash available for distribution principally depends upon the amount of cash that the REIT/InvIT receives as dividends or the interest and principal payments from portfolio assets. The cash flows generated by portfolio assets from operations may fluctuate based on, among other things.

- Economic cycles and risks inherent in the business which may negatively impact valuations, returns and profitability of portfolio assets.
- Force majeure events related such as earthquakes, floods etc. rendering the portfolio assets inoperable.
- Debt service requirements and other liabilities of the portfolio assets.
- Fluctuations in the working capital needs of the portfolio assets.
- Ability of portfolio assets to borrow funds and access capital markets.
- Changes in applicable laws and regulations, which may restrict the payment of dividends by portfolio assets.
- Amount and timing of capital expenditures on portfolio assets.
- Insurance policies may not provide adequate protection against various risks associated with operations of the REIT/InvIT such as fire, natural disasters, accidents.

OPERATIONAL AND RESIDUAL RISKS

- InvITs Assets are subject to various risks that we may not be insured against, adequately or at all, including:
  (i) Changes in governmental and regulatory policies;
  (ii) Shortages of, or adverse price movement for, materials, equipment and plants;
  (iii) Design and engineering defects;
  (iv) Breakdown, failure or substandard performance of the underlying assets and other equipment's;
  (v) Improper installation or operation of the underlying assets and other equipment;
  (vi) Terrorism and acts of war;
  (vii) Inclement weather and natural disasters;
  (viii) Environmental hazards, including earthquakes, flooding, tsunamis and landslide.

a) Any additional debt financing or issuance of additional Units may have a material, adverse effect on the InvITs distributions.
b) Any future issuance of Units by InvITs or sales of Units by the Sponsor or any of other significant Unitholders may materially and adversely affect the trading price of the Units.
c) The Valuation Report, and any underlying reports, and the valuation contained therein may not be indicative of the true value of the Project SPVs' assets.
d) Risk related to business or industry sector.
e) There can be no assurance that InvITs will be able to successfully undertake future acquisitions.

Market Risk:
InvITs are volatile and prone to price fluctuations on a daily basis owing to market movements. AMC/Fund Manager's investment decisions may not always be profitable, as actual market movements may be at variance with the anticipated trends. NAV of the Scheme is vulnerable to movements in the prices of

securities invested by the scheme, due to various market related factors like changes in the general market conditions, factors and forces affecting capital market, level of interest rates, trading volumes, settlement periods and transfer procedures.

Liquidity Risk:
As the liquidity of the investments made by the scheme(s) could, at times, be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for liquidating the investments in the scheme may be high in the event of immediate redemption requirement. Investment in such securities may lead to increase in the scheme portfolio risk. The subsequent valuation of illiquid units may reflect a discount from the market price of comparable securities for which a liquid market exists.

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

Price-Risk or Interest-Rate Risk:
InvITs run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing securities fall and when interest rates drop, such 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.

Credit Risk:
In simple terms this risk means that the issuer of a debenture/ bond or a money market instrument may default on interest payment or even in paying back the principal amount on maturity. InvITs are likely to have volatile cash flows as the repayment dates would not necessarily be pre scheduled.

RISK MITIGATION FACTORS:
The UTI AMC Ltd. (AMC) endeavours to invest in InvITs, where adequate due diligence and research has been performed by AMC. The AMC also relies on its own research as well as third party research. This involves one-to-one meetings with the managements, attending conferences and analyst meets and also tele-conferences. The analysis will focus, amongst others, on the strength of management, predictability and certainty of cash flows, value of assets, capital structure, business prospects, policy environment, volatility of business conditions, etc.

39. **Risk Factors Associated with Investments in Exchange Traded Commodity Derivatives (ETCDs)**
    a. An exchange traded commodity derivative is a derivative instrument that mimics the price movements of an underlying commodity, allowing an investor exposure to the commodity without physical purchase.
    b. Liquidity Risk: While ETCDs that are listed on an exchange carry lower liquidity risk, the ability to sell these contracts is limited by the overall trading volume on the exchanges. The liquidity of the Schemes' investments is inherently restricted by trading volumes of the ETCD contracts in which it invests. Additionally, change in margin requirements or intervention by government agencies to reduce overall volatility in the underlying commodity could lead to adverse impact on the liquidity of the ETCD.
    c. Price risk: ETCDs are leveraged instruments hence, a small price movement in the underlying security could have a large impact on their value. Also, the market for ETCDs is nascent in India hence, arbitrages can occur between the price of the physical commodity and the ETCD, due to a variety of reasons such as technical issues and volatile movement in the price of the physical good. This can result in mispricing and improper valuation of investment decisions as it can be difficult to ascertain the amount of the arbitrage.
    d. Settlement risk: ETCDs can be settled either through the exchange or physically. The inability to sell ETCDs held in the Schemes' portfolio in the exchanges due to the extraneous factors may impact liquidity and would result in losses, at times, in case of adverse price movement. Wherein the underlying commodity is physically delivered in order to settle the derivative contract, such settlement could get impacted due to various issues, such as logistics, Government policy for trading in such commodities.

40. **Risk factors relating to investments in Gold ETFs**
    a. The price of gold may fluctuate due to various reasons which are:
        (i) Global gold supplies and demand, which is influenced by factors such as forward selling by gold producers, purchases made by gold producers to unwind gold hedge positions, central bank

purchases and sales, and productions and cost levels in major gold producing countries such as the South Africa, the United States and Australia.

(ii) Investor's expectations with respect to the rate of inflation.
(iii) Currency exchange rates.
(iv) Interest rates
(v) Investment and trading activities of commodity funds/hedge funds.
(vi) Global or regional political, economic or financial events and situations.

In addition, there is no assurance that gold will maintain its long-term value in terms of purchasing power in the future. In the event that the price of gold declines, the value of investment in units in which the scheme has invested will, in general, decline proportionately.

b. There may be certain circumstances that may motivate large-scale sales of gold by the issuer of Gold ETFs which could decrease the price of gold and adversely affect the value of investment in the Gold ETFs in which the Scheme has invested.

c. The gold underlying in the Gold ETFs in which the Scheme has invested may be subject to loss, damage, theft, or restriction on access. There is a risk that part or all of the underlying gold of the Gold ETFs could be lost, damaged or stolen. Access to the said gold could also be restricted by natural events (such as earthquake) or human actions (such as terrorist attack). Any of these actions may adversely affect investment value of the Gold ETFs in which the Scheme has invested.

d. **Impact cost risk**:
Impact costs are implicit costs also which is paid by liquidity demanders to liquidity providers. Generally, the best bid and ask prices quoted in the market are for only small transactions. Larger transactions may have to be executed at even less favorable prices. The additional cost is called an impact cost. For e.g. if the ruling market price of a security is `500/- one may be able to buy/sell small quantities for that price. But, if one wishes to buy/sell huge quantities he might have to pay /receive higher/ lower price. Similarly, absence of adequate liquidity of Gold ETF units may impact the cost of purchasing and selling the Gold ETF units.

e. Changes in indirect taxes like custom duties for import, sales tax, GST or any other levies will have an impact on the valuation of gold and consequently the NAV of the units in which the scheme has invested.

41. **Risk factors relating to investments in Silver ETFs**

a. The price of silver may fluctuate due to various factors such as: –

(i) Global silver supplies and demand, which is influenced by factors such as forward selling by silver producers, purchases made by silver producers to unwind silver hedge positions, central bank purchases and sales, and productions and cost levels in major silver producing countries such as the South Africa, the United States, Australia and China.
(ii) Currency exchange rates.
(iii) Investor's expectations with respect to the rate of inflation.
(iv) Interest rates
(v) Investment and trading activities of commodity funds/hedge funds.
(vi) Global or regional political, economic or financial events and situations.
(vii) In addition, there is no assurance that silver will maintain its long-term value in terms of purchasing power in the future. In the event that the price of silver declines, the value of investment in units in which the scheme has invested will, in general, decline proportionately.

b. The sale of silver by AMC to pay expenses will reduce the amount of silver represented by each unit on an ongoing basis irrespective of whether the trading price of the units rises or falls in response to changes in the price of silver.

c. The sale of the Scheme's silver to pay expenses at a time of low silver prices may adversely affect the value of the units.

d. There may be certain circumstances that may motivate large scale sales of silver which could decrease the price of silver and adversely affect an investment in the Units.

e. The Scheme's silver may be subject to loss, damage, theft or restriction on access. There is a risk that part or all of the Scheme's silver could be lost, damaged or stolen. Access to the Scheme's silver could also be restricted by natural events (such as earthquake) or human actions (such as terrorist attack). Any of these actions may adversely affect the operations of the scheme and consequently an investment in units.

f. **Impact cost risk:** The scheme may have to bear the impact cost arising from purchase and sale of Silver either when the scheme accepts/gives cash or cash equivalents in lieu of Silver.

Impact costs are implicit costs also paid by liquidity demanders to liquidity providers. Generally, the best bid and ask prices quoted in the market are for only small transactions. Larger transactions may have to be executed at even less favorable prices. The additional cost is called an impact cost. For e.g. if the ruling market price of a security is Rs.500/ – one may be able to buy/sell small quantities for that price. But, if one wishes to buy/sell huge quantities he might have to pay /receive higher/lower price. The same principle applies for silver also.

g. Changes in indirect taxes like GST, custom duties for import, etc or any other levies will have an impact on the valuation of silver and consequently the NAV of the Scheme.

42. **Risk factors associated with Creation of Segregated Portfolio –**
    a. Investor holding units of segregated portfolio may not be able to liquidate their holding till the time recovery of money from the issuer.
    b. Security comprises of segregated portfolio may not realise any value.
    c. Listing of units of segregated portfolio in recognised stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units in the stock market. Further trading price of units on the stock market may be significantly lower than the prevailing NAV.

43. **Deployment of NFO Proceeds in Triparty Repo on government securities or treasury bill:**
    In terms of SEBI Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2025/23 dated February 27, 2025, NFO proceeds may be deployed in Triparty Repo on government securities or treasury bill before the closure of NFO period. However, no investment management and advisory fees will be charged on funds deployed in Triparty Repo on government securities or treasury bills during the NFO period. Further, the appreciation received from investment in Triparty Repo on government securities or treasury bill shall be passed on to the investors. In case the minimum subscription amount is not garnered by the scheme during the NFO period, the interest earned upon investment of NFO proceeds in Triparty Repo on government securities or treasury bill shall be returned to investors, in proportion of their investments, alongwith the refund of the subscription amount.

44. **Risk Factors for Debt:**
    Basis Risk: Basis Risk refers to the risk arising from imperfect correlation between the movement in the price/yield of a debt security and the movement in the benchmark yield or reference rate. Differences in liquidity, maturity profile, issuer characteristics and market conditions may result in the security performing differently from the benchmark, thereby affecting the Scheme's performance.

    Spread Risk: Spread Risk refers to the risk arising from changes in the credit spread of a debt security over the risk-free benchmark yield. Credit spreads may widen due to deterioration in issuer fundamentals, liquidity conditions, macroeconomic developments or changes in investor sentiment, resulting in a decline in the market value of such securities.

    Risk associated with investment in Unrated Instruments: Investments in unrated debt instruments are subject to relatively higher credit risk and liquidity risk as compared to rated instruments since there is no independent external assessment of the issuer's creditworthiness. Such securities may also witness lower secondary market liquidity and greater price volatility. The Scheme shall invest in unrated instruments only after carrying out an internal credit appraisal and within the limits prescribed under the SEBI Regulations and internal risk management framework.

    Risk associated with Credit Default Swaps (CDS): Credit Default Swaps are derivative instruments that transfer credit risk from one party to another. Investments in CDS are exposed to counterparty risk, credit event risk, valuation risk and liquidity risk. Failure of the counterparty to honour its obligations or changes in the credit quality of the reference entity may adversely impact the value of the transaction. The Scheme shall undertake CDS transactions only in accordance with the SEBI Regulations and applicable internal risk management policies.

    Counterparty Risk: The Scheme may be exposed to counterparty risk arising from repo transactions, credit default swaps, derivative transactions, securities lending and other permitted transactions. Failure of a counterparty to fulfil its contractual obligations may result in financial loss to the Scheme. Such risk shall be mitigated through dealing with approved counterparties, prescribed exposure limits, collateral requirements wherever applicable and continuous monitoring.

Credit Migration Risk: The credit quality of an issuer may change over time due to changes in its financial position, business environment or market conditions. Any downgrade in the credit rating of a debt security may adversely impact its market value and consequently the NAV of the Scheme.

REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme. However, if such limit is breached during the NFO of the Scheme, the Fund will endeavour to ensure that within a period of three months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. In case the Scheme does not have a minimum of 20 investors in the stipulated period, the provisions of 36(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme shall be wound up and the units would be redeemed at applicable NAV. The two conditions mentioned above shall also be complied within each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25% limit. Failure on the part of the said investor to redeem his exposure over the 25% limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable Net Asset Value on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

S.O.9

C. RISK MITIGATION STRATEGIES:

The scheme may use various derivative products as permitted by the Regulations. Participating in derivatives is a highly specialized activity and entails greater than ordinary investment risks. Primarily, derivatives including Interest Rate Futures would be used for purpose of hedging and portfolio balancing.

The AMC has necessary framework in place for risk mitigation at an enterprise level. The Risk Management division is an independent division within the organization. Risk indicators & internal limits are defined and judiciously monitored on a regular basis. There is a Board level Committee, the Risk Management Committee of the Board, which enables a dedicated focus on risk factors and the relevant risk mitigation measures.

Nature of Risk	Risk Mitigation by AMC
For making investments in Equity and Equity Related Instruments	
Volatility	By monitoring sector / company exposure at portfolio level.
Concentration	The fund manager will endeavor to build a well diversified portfolio within the overall fund specific investment strategy through diversification across stocks/sectors.
Liquidity	Periodical review of the liquidity position of each scrip (Market capitalization, average volume in the market vis-à-vis Portfolio Holding). The fund manager will monitor and manage the liquidity at portfolio construction level.
Derivatives Risk As and when the Scheme trades in the derivatives market there are risk factors and issues concerning the use of derivatives since derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds.	The Scheme may invest in derivative for the purpose of hedging, portfolio balancing and other purposes as may be permitted under the Regulations. Derivatives will be used in the form of Index Options, Index Futures, Stock Options and Stock Futures and other instruments as may be permitted under the Regulations. Fund managers will endeavor to use derivatives which are relatively liquid and traded frequently on the exchanges. Exposure with respect to derivatives shall be in line with regulatory limits and the limits specified in the SID.
Currency Risk The Scheme may invest in foreign securities as permitted by the concerned regulatory authorities in India. Since the assets will be invested in securities denominated in foreign currency, the INR equivalent of the net assets, distributions and income may be adversely affected by changes / fluctuations in the value of the foreign currencies relative to the INR.	The Scheme may employ various measures (as permitted by SEBI/RBI) including but not restricted to currency hedging (such as currency options and forward currency exchange contracts, currency futures, written call options and purchased put options on currencies and currency swaps), to manage foreign exchange movements arising out of investment in foreign securities. All currency derivatives trade, if any will be done only through the stock exchange platform.
For making investments in Fixed Income and Money Market Instruments	
Credit Risk	In addition to external ratings by accredited credit rating agencies, the credit team will undertake independent credit assessment capturing quantitative (financial statements) and qualitative aspects (accounting policies, management quality, disclosure standards etc.) to assess fundamental credit strength and guide investment decisions. There is also a regulatory cap on exposure to each issuer to ensure a diversified portfolio and reduced credit risk.
Liquidity or Marketability Risk This refers to the ease with which a security can be sold at or near to its valuation yield-to-maturity (YTM).	The Scheme may invest in government securities, corporate bonds and money market instruments. While the liquidity risk for government securities, money market instruments and short maturity corporate bonds may be low, it may be high in case of medium to long maturity corporate bonds. The Scheme will however, endeavor to minimize liquidity risk by investing in securities having a relatively liquid market.

Investing in unrated securities	The schemes have a rigorous credit research process and such investments, if any, are analysed and approved by the Investment Review Committee before investment. There is also a regulatory and internal cap on exposure to unrated issuers, limiting exposure.
Delays or other problems in settlement of transactions could result in temporary periods when the assets of the Scheme are not invested and no return is earned thereon.	The AMC has a strong operations team and well laid out processes and systems, which mitigate operational risks attached with settlement process.
Investing in Securitised Debt	Investment in securitized debt (especially pool securities) is subject to prepayment risk. Reinvestment risk is inherent in portfolio management. It can be managed by investing in securities with relatively low intermittent cash flows.
Reinvestment Risk	Reinvestment risk is an inherent feature of portfolio management. It may be managed, to a certain extent, by seeking to invest in securities with low intermittent cash flows.

i 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:

i Rating provided by the rating agency
ii Assessment by the AMC

(1) Assessment by a Rating Agency Asset risk
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 instalments 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.

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 realise 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 securitisation 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.

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
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 are considered:

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

In addition, a detailed review and assessment of rating rationale is done including interactions with the 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 reschedulement of underlying assets of the pool or loan, as the case may be
- Higher proportion of overdue assets of the pool or the underlying loan, as the case may be
- Poor reputation in market
- Insufficient track record of servicing of the pool or the loan, as the case may be.

Table below illustrates the factors which may be taken into account while evaluating investment decision relating to a pool securitization transaction:

Characteristics/Type of Pool	Mortgage Loan	Commercial Vehicle and Construction Equipment	CAR	2 wheelers	Micro Finance Pools	Personal Loans
Approximate Average maturity (in Months)	36-120 months	12-60 months	12-60 months	15-48 months	15-80 weeks	5 months-3 years
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 wheeler, 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 invest 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 factors, 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
- Average Original Maturity of the Pool
- **Delinquency Distribution**
- Geographical Distribution
- Loan to Value Ratio
- Average seasoning of the pool
- Risk Tranching:

Typically, the AMC would avoid investing in mezzanine debt or equity of Securitized debt in the form of sub ordinate 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 is 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 same as any other credit. The investments in securitized debt are done after appropriate research by credit analyst. The ratings are monitored for any movement. Monthly Pool Performance MIS is received from the trustee and is analyzed for any variation. The entire securitized portfolio is published in the fact sheet and disclosed in the website with details of underlying exposure and originator.

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.

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Exposure limits as per provision no. 13.18.1 to 13.18.6 of para 13.18 under Chapter 13 of SEBI Master Circular for Mutual Funds:

a. The cumulative gross exposure through equity, debt, derivatives, repo transactions, InvITs, ADR/GDR/Foreign securities and such other securities/assets as may be permitted by the SEBI from time to time, and such other securities/assets subject to regulatory approvals, if any, as may be permitted by the SEBI from time to time should not exceed 100% of the net assets of the scheme.
b. Mutual Funds shall not write options or purchase instruments with embedded written options.
c. The total exposure related to option premium paid must not exceed 20% of the net assets of the scheme.

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

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.

f. Mutual Funds 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.

g. 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 a.

Definition of Exposure in case of Derivative Positions

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

Exposure in derivative positions shall be computed as follows:

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

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

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

(ii) 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.

(iii) Imperfect hedging using IRFs may be considered to be exempted from the gross exposure, upto maximum of 20% of the net assets of the scheme, subject to the following:

a) 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.

b) 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 atleast 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 paragraph 13.18.1 of para 13.18 under Chapter 13 of SEBI Master Circular for Mutual Funds. 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.

c) At no point of time, the net modified duration of part of the portfolio being hedged should be negative.

d) 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 paragraph 13.18.5 of para 13.18 under Chapter 13 of SEBI Master Circular for Mutual Funds.

(iv) 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.

Explanation: In case of long term bond fund, after hedging the portfolio based on the modified duration of the portfolio, the net modified duration should not be less than the minimum modified duration of the portfolio as required to consider the fund as a long term bond fund.

(v) The interest rate hedging of the portfolio should be in the interest of the investors.

The AMC retains the right to enter into such derivative transactions as may be permitted by the Regulations from time to time. For risks associated with investments in derivatives investors are requested to refer to Risk Factors of this Scheme Information Document.

II. INFORMATION ABOUT THE SCHEME:

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A. WHERE WILL THE SCHEME INVEST – Detailed description of the instruments mentioned in Section I

1. Subject to SEBI (Mutual Funds) Regulations, as amended from time to time and the disclosures made under the sections "How will the Scheme allocate its assets" and "What is the Investment objective of the Scheme", the corpus of the Scheme can be invested in any (but not exclusively) of the following securities:
   a) Domestic equity and equity related instruments including, Units of REITs, convertible bonds, debentures and warrants etc. carrying the right to obtain equity shares.
   b) Derivative instruments like Stock / Index Futures, Stock/ Index Options etc traded on derivatives markets in India and any other derivative instruments permitted by SEBI.
   The Scheme may take derivatives position based on the opportunities available subject to the guidelines issued by SEBI from time to time and in line with the overall investment objective of the Scheme. These may be taken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under the SEBI Regulations.
   c) ADRs/GDRs issued by Indian companies subject to the guidelines issued by the RBI and SEBI.
   d) Equity of overseas companies listed on recognized stock exchanges overseas.
   e) Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities.
   f) Units/securities of overseas mutual funds/ overseas ETFs.
   g) Short term deposits with banks overseas where the issuer is rated not below investment grade.
   h) Initial and public offerings for listing at recognized stock exchanges overseas.
   i) Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/ registered credit rating agencies.
   j) Government securities where the countries are rated not below investment grade.
   k) The scheme may invest in derivatives to engage in permitted currency hedging transactions with an intention to reduce exchange rate fluctuations between the currency of the scheme (INR) and the foreign currency exposure.

   Investment in various overseas Securities, as aforesaid, (clauses 'c' to 'k') shall be made in accordance with the requirements stipulated by SEBI and RBI.
   l) Securities created and issued by the Central and State Governments and/or repos/reverse repos in such government securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills)
   m) Securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills)
   n) Repos in the form of investment, where the counterparty is rated not below investment grade and which does not involve any borrowing of funds by the Scheme/Fund
   o) Debt securities issued by domestic Government agencies, quasi government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee
   p) Corporate debt securities (of both public and private sector undertakings)
   q) Obligations or Securities issued by banks (both public and private sector) including term deposits as permitted by SEBI / RBI from time to time and development financial institutions
   r) Money market instruments as permitted by SEBI/RBI and rated not below the investment grade
   s) Triparty Repos on Government Securities or treasury bill
   t) Securities with Floating rate Instruments

u) Certificate of Deposits (CDs).
v) Listed or to be listed Commercial Paper (CPs).
w) Pass through, Pay through or other Participation Certificates, representing interest in a pool assets including receivables
x) Securitized debt, pass through obligations, various types of securitization issuances including but not limited to Asset Backed Securitization, Mortgage Backed Securitization, single loan securitization and other domestic securitization instruments, as may be permitted by SEBI/ RBI from time to time
y) Investments in the units of Infrastructure Investment Trust ('InvITs') subject to limits prescribed by SEBI
z) Mutual Fund units including ETFs
aa) Such other securities / assets as may be permitted by the SEBI from time to time.
bb) Derivative instruments like Interest Rate Futures (IRF), Interest Rate Swaps (IRS) etc and any other debt instruments permitted by SEBI. (including Forward Rate Agreements)
cc) Units issued by REITs and InvITs as per SEBI guidelines. The securities mentioned above could be listed, unlisted, publicly offered, privately placed, secured, unsecured, rated or unrated and of varying maturity. The securities may be acquired through public offerings (IPOs), secondary market operations, private placement, rights offers or negotiated deals.

The securities as mentioned above could be listed, unlisted, privately placed, secured, unsecured, rated or unrated (post investment in portfolio) and of any maturity. The securities may be acquired through Initial Public Offerings (IPOs), secondary market operations, private placement, rights offers or negotiated deals etc.

2. **Investment in Money Market Instruments**:
Investment in money market instruments including Triparty Repo on Government Securities or treasury bill, Commercial Papers, Certificate of Deposits, BRDS, Treasury Bills, Repo, etc. will be made to meet the liquidity needs of the scheme and manage desired duration as permitted by SEBI and RBI from time to time.

3. **Investment in units of InvITs**

Investment limits applicable for investment in units of InvIT-

a) At Mutual fund level - All schemes of mutual fund shall not own more than 10% of units issued by a single issuer of InvIT; and

b) At individual scheme level - A mutual fund scheme shall not invest –
   i. more than 10% of its NAV in the units of InvIT; and
   ii. more than 5% of its NAV in the units of InvIT issued by a single issuer.

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

4. **Debt and Money market in India**

(i) Debt Instrument Characteristics:

A Debt Instrument is basically an obligation which the borrower has to service periodically and generally has the following features:

Face Value	: Stated value of the paper / Principal Amount
Coupon	: Zero; fixed or floating
Frequency	: Semi-annual; annual, sometimes quarterly
Maturity	: Bullet, staggered
Redemption	: FV; premium or discount
Options	: Call/Put
Issue Price	: Par (FV) or premium or discount

A debt instrument comprises of a unique series of cash flows for each paper, terms of which are decided at the time of issue. Discounting these cash flows to the present value at various applicable discount rates (market rates) provides the market price.

(ii) Debt Market Structure:
The Indian Debt market comprises of the Money Market and the Long Term Debt Market.

Money market instruments have a tenor of less than one year while debt market instruments typically have a tenor of more than one year.

Money market instruments are Commercial Papers (CPs), Certificates of Deposit (CDs), Treasury bills (T-bills), Repos, Inter-bank Call money deposit, Triparty Repos on Government Securities or treasury bill etc. They are mostly discounted instruments that are issued at a discount to face value.

Long Term Debt market in India comprises mainly of two segments viz., the Government securities market and the corporate securities market.

Government securities includes central, state and local issues. The main instruments in this market are Dated securities (Fixed or Floating) and Treasury bills (Discounted Papers). The Central Government securities are generally issued through auctions on the basis of 'Uniform price' method or 'Multiple price' method while State Govt. are through on-tap sales.
Corporate debt segment on the other hand includes bonds/debentures issued by private corporates, public sector units (PSUs) and development financial institutions (DFIs). The debentures are rated by a rating agency and based on the feedback from the market, the issue is priced accordingly. The bonds issued may be fixed or floating. The floating rate debt market has emerged as an active market in the rising interest rate scenario. Benchmarks range from Overnight rates or Treasury benchmarks.

Debt derivatives market comprises mainly of Interest Rate Swaps linked to Overnight benchmarks called MIBOR (Mumbai Inter Bank Offered Rate) and is an active market. Banks and corporate are major players here and Mutual Funds have also started hedging their exposures through these products.

(iii) Regulators: The RBI operates both as the monetary authority and the debt manager to the government. In its role as a monetary authority, the RBI participates in the market through open-market operations as well as through Liquidity Adjustment facility (LAF) to regulate the money supply. It also regulates the bank rate and repo rate, and uses these rates as indirect tools for its monetary policy. The RBI as the debt manager issues the securities at the cheapest possible rate. The SEBI regulates the debt instruments listed on the stock exchanges.

(iv) Market Participants:
Given the large size of the trades, the debt market has remained primarily a wholesale market.

Primary Dealers
Primary dealers (PDs) act as underwriters in the primary market, and as market makers in the secondary market.

Brokers
Brokers bring together counterparties and negotiate terms of the trade.

Investors
Banks, Insurance Companies, Mutual Funds are important players in the debt market. Other players are Trusts, Provident and pension funds.

(v) Types of Security Issuances and Eligible Investors

Issuer	Instruments	Indicative _Yields % (as on 30.06.2026)	Maturity	Investors
Central Government	Dated Securities	5.65-7.31 (Semi)	1-30 years	Banks, Insurance Co, PFs, MFs, PDs, Individuals, FPI

Central Government	T-Bills	5.58-5.31	364/91 days	Banks, Insurance Co, PFs, MFs, PDs, Individuals, FPI
State Govt.	Dated Securities	7.45-7.55	10 years	Banks, Insurance Co, PFs, MFs, PDs, Individuals
PSUs Corporates	Bonds	7.30-7.50	5-10 years	Banks, Insurance Co, PFs, MFs, PDs, Individuals, FPI
Corporates (AAA Rated)	Bonds	7.30-7.60	1-10 years	Banks, MFs, Corporates, Individuals, FPI
Corporates	Commercial Papers	6.40-7.30	15 days to 1 year	Banks, MFs, Fin Inst, Corporates, Individuals, FPIs
Banks	Certificates of Deposit	6.20-7.15	15 days to 1 year	Banks, Insurance Co, PFs, MFs, PDs, Individuals
Banks	Infra Bonds	7.40-7.50	10 years	Banks, Companies, MFs, PDs, Individuals

(vi) Trading Mechanism

Government Securities and Money Market Instruments
Currently, G-Sec trades are primarily routed though NDS-OM which is a screen based anonymous order matching systems for secondary market trading in Government Securities owned by RBI. Corporate Debt is basically a phone driven market where deals are concluded verbally over recorded lines. The reporting of trade is done on the NSE Wholesale Debt Market segment.

B. WHAT ARE THE INVESTMENT RESTRICTIONS?

Subject to SEBI (MF) Regulations, guidelines on investment from time to time:

(a) The scheme shall invest not more than 10% of its NAV in the equity shares or equity related instruments of any entity.

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

(b) All investments by a mutual fund scheme in equity shares and equity related instruments shall be made only in listed or to be listed securities.

(c) The aggregate value of "illiquid securities" of the scheme, which are defined by SEBI as non traded, thinly traded and unlisted equity shares, shall not exceed 15% of the total assets of the scheme and any illiquid securities held above 15% of the total assets shall be assigned zero value.

(d) As per provision no. 13.1 under Chapter 13 of SEBI Master Circular for Mutual Funds, 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 specified in provision no. 13.1 under Chapter 13 of SEBI Master Circular for Mutual Funds.

(e) Debentures, irrespective of any residual maturity period (above or below one year), shall attract the investment restrictions as applicable for debt instruments. It is further clarified that the investment limits as mentioned in (d) above are applicable to all debt securities, which are issued by public bodies/institutions such as electricity boards, municipal corporations, state transport corporations etc. guaranteed by either state or central government. Government securities issued by central/state government or on its behalf by the RBI are exempt from the above investment limits.

(f) As per provision no. 10.17.1 of para 10.17 under Chapter 10 of SEBI Master Circular for Mutual Funds, investments by Mutual Funds in partly paid debentures shall be made as per the guidelines issued by AMFI, in consultation with SEBI from time to time.

(g) Save as otherwise expressly provided under the SEBI (Mutual Funds) regulations, the mutual fund shall not advance any loans for any purpose.

(h) 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 provision no. 13.7 under Chapter 13 of SEBI Master Circular for Mutual Funds and such deposits shall abide by the following guidelines:

- "Short Term" for parking of funds shall be treated as a period not exceeding 91 days.
- Such short-term deposits shall be held in the name of the Scheme.
- The scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustee.
- Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
- The scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
- Trustees/Asset Management Companies (AMCs) shall ensure that no funds of a scheme are parked in short term deposit (STD) of a bank which has invested in that scheme. Trustees/AMCs shall also ensure that the bank in which a scheme has STD does not invest in the said scheme until the scheme has STD with such bank.
- Asset Management Company (AMC) shall not be permitted to charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.
- The AMC/Trustee may alter these above stated restrictions from time to time to the extent the SEBI Regulations change, so as to permit the Scheme to make their investments in the full spectrum of permitted investments for mutual funds to achieve its respective investment objective. All investments of the Scheme will be made in accordance with the SEBI Regulations and any other regulations that may be applicable from time to time.
- The above shall not apply to Term Deposits placed as margins for trading in cash and derivatives market.

(i) UTI Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relative securities and in all cases of sale, deliver the securities and shall in no case put itself in a position whereby it has to make short sale or carry forward transaction unless allowed by SEBI. Provided that the scheme may enter into derivatives transactions for the purpose of hedging and re-balancing the portfolio as may be permissible under guidelines issued by SEBI.

(j) The Mutual Fund under all its schemes taken together will not own more than 10% of any Company's paid up capital carrying voting rights as per SEBI Regulations from time to time.

Provided that the Sponsor of the Fund, its associate or group company including the asset management company of the Fund, through the Scheme(s) of the Fund or otherwise, individually or collectively, directly or indirectly, shall not have 10% or more of the share-holding or voting rights in the asset management company or the trustee company of any other mutual fund.

Provided further that in the event of a merger, acquisition, scheme of arrangement or any other arrangement involving the sponsors of the mutual funds, shareholders of the asset management companies or trustee companies, their associates or group companies which results in the incidental acquisition of shares, voting rights or representation on the board of the asset management companies or trustee companies beyond the above specified limit, such exposure may be rebalanced within a period of one year of coming into force of such an arrangement.

(k) Investments of the scheme are held in the name of the scheme. UTI MF shall, get the securities purchased by the scheme transferred in the name of the scheme, wherever investments are intended to be of long-term nature.

(l) (i) The scheme may participate in the securities lending program, in accordance with the terms of securities lending scheme announced by SEBI. The activity shall be carried out through approved intermediaries.
(ii) The maximum exposure of the scheme to a single approved intermediary in the securities lending programme at any point of time would be 5% of the market value of the security class of the scheme or such limit as may be specified by SEBI.
(iii) The scheme, in appropriate circumstances, may borrow securities in accordance with SEBI guidelines as amended from time to time.

(m) The scheme shall not make any investment in any unlisted security of an associate or Group Company of the sponsors; or any security issued by way of private placement by an associate or group company of the sponsors; or the listed securities of group companies of the sponsors which is in excess of 25% of the net assets except for investments by equity oriented exchange traded funds and index funds and subject to such conditions as may be specified by the SEBI.

(n) Investment in non-publicly offered debt: Depending upon the available yields the scheme, which are permitted to invest in Debt instruments, may invest in non-publicly offered debt securities.

(o) Based upon the liquidity needs, the scheme may invest in Government of India/State Government Securities to the extent to which such investment can be made by the scheme.

(p) Investment by this Scheme in other Mutual Fund Schemes will be in accordance with provision no. 13.14 under Chapter 13 of SEBI Master Circular for Mutual Funds as under:

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The scheme may invest in another Scheme under the same Asset Management Company or any other mutual fund without charging any fees, provided that aggregate inter Scheme investment made by all Schemes under the same management or in Schemes under the management of any other asset management company shall not exceed 5% of the net asset value of the mutual fund.

Such investment will be consistent with the investment objective of the Scheme. No investment management fees will be charged by the AMC on such investments.

(q) The scheme shall not make any investment in any fund of fund scheme.

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(r) **IST (Inter Scheme Transfer) -** Transfer of investments from one Scheme to another Scheme in the same mutual fund, shall be allowed only if:-
(i) such transfers are made at the prevailing market price for quoted Securities on spot basis. Explanation: spot basis shall have the same meaning as specified by Stock exchange for spot transactions.
Provided that inter scheme transfer of money market or debt security (irrespective of maturity) shall take place based on prices made available by valuation agencies as prescribed by SEBI from time to time.
(ii) the securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfer has been made
(iii) ISTs shall take place in compliance with various conditions as specified by provision no. 13.19.1 & 13.19.2 (a) and (b) (i) of para 13.19 under Chapter 13 of SEBI Master Circular for Mutual Funds.

In case of Open Ended Schemes, ISTs may be allowed in the following scenarios:

For meeting liquidity requirement in a scheme in case of unanticipated redemption pressure:
AMCs shall have an appropriate Liquidity Risk Management (LRM) Model at scheme level, approved by trustees, to ensure that reasonable liquidity requirements are adequately provided for. Recourse to ISTs for managing liquidity will only be taken after the following avenues for raising liquidity have been attempted and exhausted:
I. Use of scheme cash & cash equivalent
II. Use of market borrowing
III. Selling of scheme securities in the market
IV. After attempting all the above, if there is still a scheme level liquidity deficit, then out of the remaining securities, outward ISTs of the optimal mix of low duration paper with highest quality shall be effected.

The use of market borrowing before ISTs will be optional and Fund Manager may at his discretion take decision on borrowing in the best interest of unitholders. The option of market borrowing or selling of security as mentioned at para (r) II & (r) III above may be used in any combination and not necessarily in the above order. In case option of market borrowing and/or selling of security is not used, the reason for the same shall be recorded with evidence.

(s) Valuation of money market and debt securities with respect to Inter-scheme transfer in accordance with provision no. 10.13.1 to 10.13.5 of para 10.13 under Chapter 10 of SEBI Master Circular for Mutual Funds is as follows:

i. AMCs shall seek prices for IST of any money market or debt security (irrespective of maturity), from the valuation agencies.
ii. AMFI, in consultation with valuation agencies shall decide a turn-around-time (TAT), within which IST prices shall be provided by the agencies.
iii. If prices from the valuation agencies are received within the pre-agreed TAT, an average of the prices so received shall be used for IST pricing.
iv. If price from only one valuation agency is received within the agreed TAT, that price may be used for IST pricing.
v. If prices are not received from any of the valuation agencies within the agreed TAT, AMCs may determine the price for the IST, in accordance with provision no. 13.19.1 of para 13.19 under Chapter 13 of SEBI Master Circular for Mutual Funds.

(t) The Fund may use derivative instruments like Stock/Index Futures, Interest Rate Swaps, Interest Rate futures and Forward Rate Agreements or such other derivative instruments as may be introduced from time to time for the purpose of hedging and portfolio balancing, or to undertake any other strategy within a limit of 50% of the Net Assets of the scheme. Total investments in debt, equity, money market instruments, units of mutual fund scheme, derivatives and hybrid instruments shall not exceed 100% of the net assets of the scheme.

(u) The Scheme may seek investment opportunity in the ADR/GDR/Foreign Securities, in accordance with guidelines stipulated in this regard by SEBI and RBI from time to time. Under normal circumstances, the scheme shall not have an exposure of more than 20% of its net assets in foreign securities subject to regulatory limits.

Investment in Foreign Securities shall be in compliance with requirement of the provision no. 13.11 under Chapter 13 of SEBI Master Circular for Mutual Funds and other applicable regulatory guidelines. The Scheme may invest in derivatives to engage in permitted currency hedging transactions with an intention to reduce exchange rate fluctuations between the currency of the Scheme (INR) and the foreign currency exposure.

The Scheme may invest in derivatives to engage in permitted currency hedging transactions with an intention to reduce exchange rate fluctuations between the currency of the Scheme (INR) and the foreign currency exposure

(v) **Prudential limits in sectoral exposure and group exposure of the Scheme:**

The exposure of the Scheme in a particular sector (excluding investments in Bank CDs, Triparty Repo on Government Securities or treasury bill, 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;

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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.

However, the overall exposure in HFCs shall not exceed the sector exposure limit of 20% of the net assets of the scheme.

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.

Group Exposure –

(a) The total exposure of the Scheme 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.

(b) 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 (x) of SEBI (Mutual Funds) Regulations, 2026 (Regulations) and shall include an entity, its subsidiaries, fellow subsidiaries, its holding company and its associates.

The investments of mutual fund schemes in debt and money market instruments of group companies of both the sponsor and the asset management company of the mutual fund in excess of the limits specified therein, made on or before October 1, 2019 may be grandfathered till maturity date of such instruments. The maturity date of such instruments shall be as applicable on October 1, 2019.

(w) **Investment in unlisted and Unrated Debt instruments SEBI vide the provision no. 13.1 under Chapter 13 of SEBI Master Circular for Mutual Funds:**

1. Mutual fund scheme shall not invest in unlisted debt instruments including commercial papers (CPs), other than (a) government securities, (b) other money market instruments and (c) derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. which are used by mutual funds for hedging.
   However, mutual fund schemes may invest in unlisted Non-Convertible Debentures (NCDs) not exceeding 10% of the debt portfolio of the scheme subject to the condition that such unlisted NCDs have a simple structure (i.e. with fixed and uniform coupon, fixed maturity period, without any options, fully paid up upfront, without any credit enhancements or structured obligations) and are rated and secured with coupon payment frequency on monthly basis.
   However, investments in such identified NCDs shall continue to be subject to compliance with investment due diligence and all other applicable investment restrictions.
2. For the purpose of the provisions of paragraph (w), listed debt instruments shall include listed and to be listed debt instruments.
3. All fresh investments by mutual fund schemes in CPs would be made only in CPs which are listed or to be listed.
4. Further, investment in unrated debt and money market instruments, other than government securities, treasury bills, derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. by mutual fund schemes shall be subject to the following:
   a. Investments should only be made in such instruments, including bills re-discounting, usance bills, etc., that are generally not rated and for which separate investment norms or limits are not provided in SEBI (Mutual Funds) Regulations, 2026 and various circulars issued thereunder.
   b. Exposure of mutual fund schemes in such instruments, shall not exceed 5% of the net assets of the schemes.
   c. All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees.

(x) **Restrictions on Investment in debt instruments having Structured Obligations / Credit Enhancements: SEBI vide the provision no. 13.1 under Chapter 13 of SEBI Master Circular for Mutual Funds:**

1. The investment of mutual fund schemes in the following instruments shall not exceed 10% of the debt portfolio of the schemes and the group exposure in such instruments shall not exceed 5% of the debt portfolio of the schemes:

a. 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.
b. For the purpose of this provision, 'Group' shall have the same meaning as defined in paragraph B(3)(b) of SEBI Circular No. SEBI/HO/IMD/DF2/CIR/P/2016/35 dated February 15, 2016.

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

S.O.5

AMCs may ensure that the investment in debt instruments having credit enhancements are 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 should initiate necessary steps to ensure protection of the interest of the investors.

3. Details of investments in debt instruments having structured obligations or credit enhancement features should be disclosed distinctively in the monthly portfolio statement of mutual fund schemes.

(y) The mutual fund shall not borrow except to meet temporary liquidity needs of the mutual fund for the purpose of repurchase, redemption of units or payment of interest or IDCW to the unitholders:

Provided that the mutual fund shall not borrow more than 20% of the net asset of the scheme and the duration of such a borrowing shall not exceed a period of six months.

Investments Limitations and Restrictions in Covered call Strategy

The scheme may write call options only under a covered call strategy for constituent stocks of Nifty 50 and BSE Sensex, and any other stock as and when allowed by SEBI, subject to the following:

a) The total notional value (taking into account strike price as well as premium value) of call options written by a scheme shall not exceed 15% of the total market value of equity shares held in that scheme.
b) The total number of shares underlying the call options written shall not exceed 30% of the unencumbered shares of a particular company held in the scheme. The unencumbered shares in a scheme shall mean shares that are not part of Securities Lending and Borrowing Mechanism (SLBM), margin or any other kind of encumbrances.
c) At all points of time the Mutual Fund scheme shall comply with the provisions at paragraph (a) and (b) above. In case of any passive breach of the requirement at paragraph (a), the respective scheme shall have 7 trading days to rebalance the portfolio. During the rebalancing period, no additional call options can be written in the said scheme.
d) In case a Mutual Fund scheme needs to sell securities on which a call option is written under a covered call strategy, it must ensure compliance with paragraphs (a) and (b) above while selling the securities.
e) In no case, a scheme shall write a call option without holding the underlying equity shares. A call option can be written only on shares which are not hedged using other derivative contracts.
f) The premium received shall be within the requirements prescribed in terms of paragraph 5 of SEBI circular dated August 18, 2010, i.e., the total gross exposure related to option premium paid and received must not exceed 20% of the net assets of the scheme.
g) The exposure on account of the call option written under the covered call strategy shall not be considered as exposure in terms of paragraph 3 of SEBI Circular no. Cir/IMD/DF/11/2010, dated August 18, 2010.
h) The call option written shall be marked to market daily and the respective gains or losses factored into the daily NAV of the respective scheme(s) until the position is closed or expired.

C. FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the scheme, in terms of Paragraph 1.9 of SEBI Master Circular for Mutual Funds:

S.O.1

(i) Type of the scheme

UTI Balanced Hybrid Fund is an open ended balanced scheme investing only in equity and debt securities. No arbitrage is permitted in the scheme

(ii) Investment Objective

Main Objective – The investment objective of the Scheme is to provide long term capital appreciation and generate income by investing in a balanced portfolio of equity & equity related instruments and debt & money market Instruments

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

Investment pattern - The tentative portfolio break-up of Equity, Debt, Money Market Instruments, Infrastructure Investment Trusts (InvITs) other permitted securities and such other securities as may be permitted by the SEBI from time to time with minimum and maximum asset allocation, while retaining the option to alter the asset allocation for a short term period on defensive considerations – as given in Part II A.

(iii) Terms of Issue

Liquidity provision of such as listing, repurchase, redemption: Only provisions relating to redemption as given in the SID.

The scheme will offer subscription and redemption of units at applicable NAV on every business day on an ongoing basis within 5 business days from the date of allotment.

Aggregate Expense and Fees [as given in Part III (B) (a) & (b)] charged to the scheme.

Any safety net provided: UTI Balanced Hybrid Fund is not a guaranteed or return scheme.

Change in Fundamental Attributes

In accordance with Regulation 22(9)(c)of the SEBI (MF) Regulations, and Clause 1.9.2 under chapter 1 of SEBI Master Circular for Mutual Funds the Trustees shall ensure that no change in the fundamental attributes of the Scheme and the Options there under or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Options there under and affect the interests of Unitholders is carried out.

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The asset management company shall ensure that no change in the fundamental attributes of any scheme or the trust, fees and expenses payable or any other change which would modify the scheme and affect the interest of unit holders, shall be carried out unless

(i) SEBI has reviewed and provided its comments on the proposal.

(ii) A written communication (including digital modes such as email/sms etc.) about the proposed change is sent to each Unitholder and details as specified by the SEBI are appropriately displayed on the website of the AMC; and

(iii) The Unitholders are given an option for a period of atleast 30 calendar days to exit at the prevailing NAV without any exit load.

In addition to the conditions specified under Regulation 22(9)(c) for bringing change in the fundamental attributes of any scheme, the trustees shall seek comments of the SEBI before bringing such change(s).

D. OTHER SCHEME SPECIFIC DISCLOSURES:

Listing and Transfer / Pledge / Transmission/ Assignment of Units	**1. Listing** Being open ended Scheme under which purchase and redemption of Units will be made on continuous basis by the Mutual Fund, the Units of the Scheme is not listed on any stock exchange. However, the Mutual Fund may at its sole discretion list the Units under the Scheme on one or more stock exchanges at a later date. **2. Transfer / Pledge/ Assignment of units**

		(a) **Transfer** Units of the scheme are freely transferable. Transfers should be only in favour of transferees who are capable of holding units. The AMC shall not be bound to recognize any other transfer. A unitholder, of the scheme, who desires to trade in units shall hold units in dematerialised form. **Provided** that if the units are with the depository such units will be transferable in accordance with the provisions of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018. Under special circumstances, holding of units by a company or other body corporate with another company or body corporate or an individual/s, none of whom is a minor, may be considered by the AMC. **(b) Pledge/Assignment of units permitted only in favour of banks/other financial institutions:** The uniholders may pledge/assign units in favour of banks/other financial institutions as a security for raising loans. Units can be pledged by completing the requisite forms/formalities as may be required by the Depository. The pledger may not be allowed to redeem units so pledged until the bank/ financial institution to which the units are pledged provides a written authorization to the Depository that the pledge/charge/lien may be removed.
S.O.57	**Dematerialization of units**	(a) Pursuant to the provision no.15.7.2 of para 15.7 under Chapter 14 of SEBI Master Circular for Mutual Funds; the unit holders of the scheme shall be provided an option to hold units in demat form in addition to physical form. (b) The Unit holders would have an option to hold the Units in dematerialized form. Accordingly, the Units of the Scheme will be available in dematerialized (electronic) form. The Applicant intending to hold Units in dematerialized form will be required to have a beneficiary account with a Depository Participant (DP) of the National Securities Depositories Limited (NSDL)/ Central Depository Services Limited (CDSL) and will 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 of the Scheme. (c) Further, investors also have an option to convert their physical holdings into the dematerialized mode at a later date. Each Option held in the dematerialized form shall be identified on the basis of an International Securities Identification Number (ISIN) allotted by NSDL and CDSL. The ISIN No. details of the respective option can be obtained from your DP or you can access the website link www.nsdl.co.in or www.cdslindia.com. The holding of units in the dematerialized mode would be subject to the guidelines/ procedural requirements as laid by the Depositories viz. NSDL/CDSL from time to time.
	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.)	An amount of Rs. 100 crore is targeted to be raised during the New Fund Offer Period of the scheme. If the targeted amount of Rs. 100 crore is not subscribed to, UTI AMC shall refund the entire amount collected by the scheme within a period of five business days from the date of closure of subscription list and in the manner as may be specified by the SEBI from time to time. In the event of failure to refund the amounts within the specified period, UTI AMC shall be liable to pay interest to the applicants at a rate of fifteen per cent per annum from the expiry of five business days from the date of closure of the subscription list.

Maximum Amount to be raised (if any)	No maximum limit. Over subscription above Rs. 100 crores will be retained in full subject to regulatory limits.
Dividend Policy (IDCW)	(a) **IDCW:** IDCW, if any, under the scheme will be made subject to availability of distributable surplus and other factors and a decision is taken by the Trustee to make IDCW. (b) As per the para 12.2 Chapter 12 of SEBI Master Circular for Mutual Funds on Review of Dividend option(s)/ Plan(s) in case of Mutual Fund Schemes, the amounts can be distributed out of investors capital (Equalization Reserve), which is part of sale price that represents realized gains. .
Allotment (Detailed procedure)	Subject to the receipt of the specified Minimum Subscription Amount for the Scheme, full allotment will be made to all valid applications received during the New Fund Offer. Allotment will be completed within 5 (Five) working days from the closure of the New Fund Offer. Any amount to be refunded to the applicants shall be refunded within a period of five working days from the date of closure of subscription list and in the manner as may be specified by the SEBI from time to time. (a) An applicant in a scheme whose application has been accepted shall have the option either to receive the statement of accounts or to hold the units in dematerialised form and the Asset Management Company shall issue to such applicant, a statement of accounts specifying the number of units allotted to the applicant or issue units in the dematerialized form as soon as possible but not later than five working days from the date of closure of the initial subscription list or from the date of receipt of the application. (b) Every unitholder will be given a membership/folio number, which will be appearing in SoA for his initial investment. Further investments in the same name(s) and in the same order would be registered under the same folio, if folio number is mentioned by the unitholder. In all future correspondence with the UTI AMC the unitholder shall have to quote the membership/folio number. (c) SoA will be valid evidence of admission of the applicant into the scheme. However, where the units are issued subject to realization of cheques/draft such issue of units will be cancelled if the cheques/draft is returned unpaid and treated having not been issued. (d) The NRI applicant may choose to receive the SoA at his/her Indian/foreign address or at the address of his/her relative resident in India. (e) UTI AMC shall send the SoA at the address mentioned in the application form and recorded with UTI AMC and shall not incur any liability for loss, damage, mis-delivery or non-delivery of the SoA. (f) In case the SoA is mutilated/defaced/lost, UTI AMC may issue a duplicate SoA on receipt of a request to that effect from the unitholder on a plain paper or in the manner as may be prescribed from time to time.
Refund	If application is rejected, full amount will be refunded within 5 working days of closure of NFO. In the event of failure to refund the amounts within the specified period, UTI AMC shall be liable to pay interest to the applicants at a rate of fifteen per cent per annum from the expiry of five working days from the date of closure of the subscription list.
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.	An application for issue of units may be made by any resident or non-resident Indian as well as non-individuals as indicated below: a. a resident individual or a NRI or a person of Indian origin residing abroad, either singly or jointly with another or upto two other individuals on joint/anyone or survivor basis. An individual may make an application in his personal capacity or in his capacity as an officer of a Government or of a Court; b. a parent, step-parent or other lawful guardian on behalf of a resident or a NRI minor. Minor (as the first and the sole holder only) through a natural guardian (i.e. father or mother) or a court appointed legal guardian. There shall not be

	any joint holding with minor investments. Process for Investments made in the name of a Minor through a Guardian shall be in line with the provision no. 15.13.1 to 15.13.4 of para 15.13 under Chapter 15 of SEBI Master Circular for Mutual Funds and SEBI Circular No. SEBI/HO/IMD/ POD-II/CIR/P/2023/0069 dated May 12, 2023. (i) Payment for investment by any mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian. For existing folios, the AMCs shall insist upon a Change of Pay-out Bank mandate before redemption is processed. Irrespective of the source of payment for subscription, all redemption proceeds shall be credited only in the verified bank account of the minor, i.e. the account the minor may hold with the parent/ legal guardian after completing all KYC formalities. For existing folios, investors are requested to submit Form for change of Pay-out Bank mandate with the required documents before submission of redemption request. (ii) Upon the minor attaining the status of major, the minor in whose name the investment was made, shall be required to provide all the KYC details, updated bank account details including cancelled original cheque leaf of the new account. No further transactions shall be allowed till the status of the minor is changed to major. (iii) The standing instructions registered for Systematic Investment Plan (SIP), Systematic Transfer Plan (STP), Systematic Withdrawal Plan (SWP) and Transfer of Income Distribution cum capital withdrawal plan, etc., shall be suspended when the minor attains majority, till the status is changed to major. c. an association of persons or body of individuals whether incorporated or not; d. a Hindu Undivided Family - both resident and non-resident; e. a body corporate including a company formed under the Companies Act, 1956 [replaced by The Companies Act, 2013 (No.18 of 2013)] or established under State or Central Law for the time being in force; f. a bank including a scheduled bank, a regional rural bank, a co-operative bank etc.; g. an eligible trust including Private Trust being irrevocable trust and created by an instrument in writing; h. a society as defined under the scheme; i. a Financial Institution; j. an Army/Navy/ Air Force/Paramilitary Fund; k. a partnership Firm; (An application by a partnership firm shall be made by not more than two partners of the firm and the first named person shall be recognized by UTI AMC for all practical purposes as the unitholder. The first named person in the application form should either be authorized by all remaining partners to sign on behalf of them or the partnership deed submitted by the partnership firm should so provide.) l. Foreign Portfolio Investor (FPI) as defined under Regulation 2(1)(j) of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019; m. Mutual Funds registered with SEBI; n. Scientific and Industrial Research Organisations; o. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India/Reserve Bank of India;

	p. EPFO's/Provident Funds, Group Insurance Funds, Pension Funds, Superannuation Funds and Gratuity Funds; q. Other schemes of UTI Mutual Fund subject to the conditions and limits prescribed by SEBI Regulations; r. Such other individuals / institutions / body corporate etc., as may be decided by the AMC from time to time, so long as wherever applicable they are in conformity with SEBI Regulations; s. Any other category of investors. Subject to the Regulations, the Sponsors, the Mutual Funds managed by them, their associates and the AMC may acquire units of the scheme. The AMC shall not be entitled to charge any fees on its investments in the scheme. The fund reserves the right to include/exclude, new/existing categories of investors to invest in the scheme from time to time, subject to SEBI Regulations, if any. **Note:** (a) In terms of the notification No. FERA/195/99-RB dated March 30, 1999 and FERA/212/99-RB dated October 18, 1999, the RBI has granted a general permission to mutual funds, as referred to in Clause 23(D) of Section 10 of the Income Tax Act, 1961 to issue and repurchase Units of their schemes which are approved by SEBI to NRIs/PIOs and FPIs respectively, subject to conditions set out in the aforesaid notifications. Further, general permission is also granted to send such Units to NRIs/PIOs and FPIs to their place of residence or location as the case may be. (b) Returned cheques are liable not to be presented again for collection, and the accompanying Application Forms are liable to be rejected. In case the returned cheques are presented again, the necessary charges are liable to be debited to the investor. **Investment by Individuals – Foreign Nationals** For the purposes of carrying out the transactions by Foreign Nationals in the units of the Schemes of UTI Mutual Fund. (a) Foreign Nationals shall be resident in India as per the provisions of the Foreign Exchange Management Act, 1999. (b) Foreign Nationals are required to comply (including taking necessary approvals) with all the laws, rules, regulations, guidelines and circulars, as may be issued/applicable from time to time, including but not limited to and pertaining to anti money laundering, Know Your Customer (KYC), income tax, foreign exchange management (the Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder) including in all the applicable jurisdictions. UTI AMC reserves the right to amend/terminate this facility at any time, keeping in view business/operational exigencies. **Note:** "Neither this Scheme Information Document nor the units have been registered in any jurisdiction including the United States of America. The distribution of this Scheme Information Document in certain jurisdictions may be restricted or subject to registration requirements and, accordingly, persons who come into possession of this Scheme Information Document are required to inform themselves about, and to observe any such restrictions. No persons receiving a copy of this Scheme Information Document or any accompanying application form in such jurisdiction may treat this Scheme Information Document or such application form as constituting an invitation to them to

		subscribe for units, nor should they in any event use any such application form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such application form could lawfully be used without compliance with any registration or other legal requirements. Accordingly, this Scheme Information Document does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this Scheme Information Document and any persons wishing to apply for units pursuant to this Scheme Information Document to inform themselves of and to oBSErve, all applicable laws and Regulations of such relevant jurisdiction". **Holding Basis**: In the event an account has more than one registered holder the first-named Unit holder shall receive the account statements, all notices and correspondence with respect to the account, as well as the proceeds of any Redemption requests or other distributions. In addition, such holder shall have the voting rights, as permitted, associated with such Units as per the applicable guidelines. Applicants can specify the 'mode of holding' in the prescribed application form as 'Jointly' or 'Anyone or Survivor'. In the case of holding specified as 'Jointly', Redemption requests would have to be signed by all joint holders. However, in cases of holding specified as 'Anyone or Survivor', any one of the Unit holders will have the power / authority to make Redemption requests, without it being necessary for all the Unit holders to sign. However, in all cases, the proceeds of the Redemption will be paid to the first-named Unit holder. In case of death / insolvency of any one or more of the persons named in the Register of Unit holders as the joint holders of any Units, the AMC shall not be bound to recognize any person(s) other than the remaining holders. In all such cases, the proceeds of the Redemption will be paid to the first-named of such remaining Unit holders.
	Who cannot invest	**Non-acceptance of subscriptions from Overseas Corporate Bodies (OCBs) in the Schemes of UTI MF** **Investments by Overseas Corporate Bodies (OCBs)** Pursuant to the Foreign Exchange Management [Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)] Regulations, 2003, and the consequential amendments made in the Foreign Exchange Management (Transfer or issue of Security by a Person Resident outside India) Regulations, 2000, OCBs, cannot invest, inter alia, in Mutual Fund Schemes. **'Overseas Corporate Body' (OCB)** As per Regulation 2(xi) of the Foreign Exchange Management (Deposit) Regulations, 2000, 'Overseas Corporate Body' means a company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least sixty per cent by Non-Resident Indians (hereinafter referred to as 'NRIs') and includes overseas trust in which not less than sixty percent beneficial interest is held by Non-resident Indians (hereinafter referred to as 'Overseas Trust') directly or indirectly but irrevocably.
S.O.35	**How to Apply and other details**	**Details regarding-** 1. availability of application form from either the Investor Service Centers (ISCs)/Official Points of Acceptance (OPAs) of AMC or may be downloaded from the website of UTI Mutual Fund from https://www.utimf.com/forms/kims-application-form-and-addenda **Please refer to the SAI and Application form for the instructions.** 2. link for the list of official points of acceptance, collecting banker details etc.

	3. name, address and contact no. of Registrar and Transfer Agent (R&T), email id of R&T, website address of R&T, offi cial points of acceptance, collecting banker details etc. on back cover page. It is mandatory for investors to mention their Core banking Solutions (CBS) bank account particulars in their applications/requests for redemption S.O.61
The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.	Units once redeemed will be extinguished will not be reissued
Restrictions, if any, on the right to freely retain or dispose	In the event of the death of the unitholder, the joint holder(s)/nominee/legal representative of the unitholder may, if he is otherwise eligible for joining the scheme as unitholder, be permitted to hold the units and become a unitholder. In that event a fresh SoA will be issued in his name in respect of units so desired to be held by him subject to his complying with the condition of minimum holding and the required procedure as may be prescribed by UTI AMC from time to time. **Refer to Statement of Additional Information (SAI) on Settlement of claims.**
Cut off timing for subscriptions / redemptions / switches This is the time before which your application (complete in all respects) should reach the official points of acceptance.	**Cut off time for Purchase (including switch-in) of any amount across all UTI Mutual Fund schemes (except UTI Liquid Fund and UTI Overnight Fund):**

Scenario	Applicable NAV
Application is received **before** the cut-off time of 3.00 P.M. and funds are available for utilization before the cut-off time.	Closing NAV of the day on which the funds are available for utilization before cut-off time.
Application is received after the cut-off time of 3.00 P.M. and funds are available for utilization on the same day or before the cut-off the next business day.	Closing NAV of the next Business Day
Irrespective of the time of receipt of application, where the funds are not available for utilization before the cut-off time.	Closing NAV of the day on which the funds are available for utilization before cut-off time.

For investments through systematic investment routes such as Systematic Investment Plans (SIP), Systematic Transfer Plan s (STP), Transfer of IDCW Plan etc. the units will be allotted as per the closing NAV of the day on which the funds are available for utilization by the Target Scheme irrespective of the instalment date of the SIP, STP etc.

Redemption :

Operation	Cut-off Timing	Applicable NAV
Valid applications received	Upto 3 p.m.	Closing NAV of the day of receipt of the application
Valid applications received	After 3 p.m.	Closing NAV of the next business day.

Redemption requests: Where, under the scheme, units are held under both the Regular Plan and Direct Plan, the redemption/switch request shall clearly mention the plan. If no Plan is mentioned, it would be processed on a first in first out (FIFO) basis considering both the Plans.

Tax consequences: Switch / redemption may entail tax consequences. Investors should consult their professional tax advisor before initiating such requests and take an independent decision accordingly.

	NOTE:- The Cut off timing for subscriptions / redemptions / switches governed by SEBI Circulars / notifications and AMFI Guidelines issued from time to time.
Minimum amount for purchase/redemption/ switches	**Minimum amount for purchase**: Minimum initial investment amount is Rs. 1,000/- and in multiples of Re. 1/- thereafter. Subsequent minimum investment under a folio is Rs. 1,000/- and in multiples of Re. 1/- thereafter with no upper limit. **Minimum amount of redemption:** The minimum Redemption amount is Re.1/- and in multiples of Re.1/- thereafter. In case of partial redemption, if the balance amount held in the Unit holder's folio / account under the Plan / Option of the Scheme is less than the minimum investment amount, then the transaction shall be treated as an all units redemption and the entire balance of available Units in the folio / account of the Unit holder shall be redeemed. **Minimum SIP Amount:** The minimum SIP amount for Daily, Weekly and Monthly SIP is Rs.500/- and in multiples of Re.1/- thereafter. The minimum SIP amount for Quarterly SIP is Rs. 1,500/- and in multiples of Re.1/- thereafter. **Minimum amount of Switchover** (i) Unitholders of the scheme may be permitted to switchover their investment partially or fully, to specified scheme/s of UTI MF or vice versa and on such terms as may be announced by UTI AMC from time to time. (ii) In case of partial switchover from one scheme to the other scheme/s, the condition of minimum investment holding prescribed from time to time under both the schemes has to be satisfied. **Non applicability Minimum Application Amount (Lump-sum) and Minimum Redemption Amount** As per the provisions of para 7.14 under Chapter 7 of SEBI Master Circular for Mutual Funds (Alignment of interest of Designated Employees of Asset Management Companies (AMCs) with the Unitholders of the Mutual Fund Schemes) has, inter alia specified compulsory contribution by certain employees of the AMCs in the scheme(s) of the Fund in which they have a role/oversight. The minimum application amount and minimum redemption amount, wherever specified in the SID / KIM, will not be applicable for investment made in schemes of UTI Mutual Fund in compliance with the regulatory requirements, including as above.
Statement of Account (SoA)/ Accounts Statements	(a) SoA will be a valid evidence of admission of the applicant into the scheme. However, where the units are issued subject to realisation of cheque/ draft any issue of units to such unitholders will be cancelled and treated having not been issued if the cheque/draft is returned unpaid. (b) Every unitholder will be given a folio number which will be appearing in SoA for his initial investment. Further investments in the same name(s) would come under the same folio, if the folio number is indicated by the applicant at the time of subsequent investment. The folio number is provided for better record keeping by the unitholder as well as by UTI AMC. (c) An applicant in a scheme whose application has been accepted shall have the option either to receive the statement of accounts or to hold the units in dematerialised form and the asset management company shall issue to such applicant, a statement of accounts specifying the number of units allotted to the applicant or issue units in the dematerialized form as soon as possible but

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	not later than five working days from the date of closure of the initial subscription list or from the date of receipt of the application. (d) The Asset Management Company shall issue units in dematerialized form to a unit holder in a scheme within two working days of the receipt of request from the unit holder. (e) The AMC will issue a Consolidated Account Statement (CAS) for each calendar month or as per the timeline specified by the SEBI from time to time to the investor in whose folios transactions has taken place during that month and such statement will be issued on or before the 15th day of the succeeding month detailing all the transactions and holding at the end of month including transaction charges paid to the distributor, if any, across all schemes of all mutual funds. Further, CAS as above, will also be issued to investors (where PAN details of 1st holder are available) every half yearly (September/March), on or before the 21st day of succeeding month or as per the timeline specified by the SEBI from time to time, detailing holding at the end of the sixth month, across all schemes of all mutual funds, to all such investors in whose folios no transactions has taken place during that period. The word "transaction" for the purposes of CAS would include purchase, redemption, switch, Payout of Income Distribution cum capital withdrawal option, Systematic Investment Plan (SIP), Systematic Withdrawal Plan (SWP), Systematic Transfer Plan (STP), and merger, if any. **CAS for Demat accounts** (f) Pursuant to the provisions 15.7.4 under Chapter 15 of SEBI Master Circular for Mutual Funds requiring Depositories to generate and despatch a single consolidated account statement for investors having mutual fund investments and holding demat accounts, the following modifications are made to the existing guidelines on issuance of CAS – (i) Such Investors shall receive a single Consolidated Account Statement (CAS) from the Depository. (ii) Consolidation shall be done on the basis of Permanent Account Number (PAN). In case of multiple holding, it shall be PAN of the first holder and pattern of holding. (iii) In case an investor has multiple accounts across two depositories, the depository with whom the Demat account has been opened earlier will be the default depository which will consolidate the details across depositories and MF investments and despatch the CAS to the investor. (iv) The CAS will be generated on monthly basis. (v) If there is any transaction in any of the demat accounts of the investor or in any of his mutual fund folios, then CAS shall be sent to that investor through email on monthly basis on or before 15th day of the succeeding month detailing all the transactions and holding at the end of month including transaction charges paid to the distributor, if any, across all schemes of all mutual funds or as per the timeline specified by SEBI from time to time. In case there is no transaction in any of the mutual fund and demat accounts then CAS with holding details shall be sent to the investors by email on half yearly basis on or before the 21st day of succeeding month or as per the time line specified by SEBI from time to time.

	The CAS shall be dispatched by email to all the investors whose email addresses are registered with the Depositories and AMCs/MF-RTAs. However, where an investor does not wish to receive CAS through email, option shall be given to the investor to receive the CAS in physical form at the address registered with the the AMCs/MF-RTAs. (vi) The despatch of CAS by the depositories where ever prescribed by the regulator shall constitute compliance by UTI AMC/ UTI Mutual Fund with the requirements under Regulation 34 of SEBI (Mutual Funds) Regulations, 2026. For further details on issuance of CAS, PAN related matters of CAS etc, please refer to SAI. (g) For those unit holders who have provided an e-mail address/mobile number:- The AMC shall continue to allot the units to the unit holders whose application has been accepted and also send confirmation specifying the number of units allotted to the unit holders by way of e-mail and/or SMS to the unit holder's registered e-mail address and/or mobile number as soon as possible but not later than five business days from the date of the request from the unit holders. The unit holder will be required to download and print the SoA/other correspondences after receiving e-mail from the Mutual Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered SoA/other correspondences, the Unit holder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. Failure to advise UTI Mutual Fund of such difficulty within 24 hours after receiving the e-mail, will serve as an affirmation regarding the acceptance by the Unit holder of the SoA/other correspondences. It is deemed that the Unit holder is aware of all securities risks including possible third party interception of the SoA/other correspondences and the content therein becoming known to third parties. Under no circumstances, including negligence of the Unit Holder, shall the Mutual Fund or anyone involved in creating, producing, delivering or managing the SoA of the Unit Holder, be liable for any direct, indirect, incidental, special or consequential damages that may result from the use of or inability to use the service or out of the breach of any warranty. The use and storage of any information including, without limitation, the password, account information, transaction activity, account balances and any other information available on the Unit holder's personal computer is at risk and sole responsibility of the Unit holder. The unitholder may request for a physical account statement by writing/calling the AMC/R&T. (h) "Pursuant to the provisions 15.7.4 of para 15.7 under Chapter 15 of SEBI Master Circular for Mutual Funds" a. Each CAS issued to the investors shall also provide the total purchase value / cost of investment in each scheme. b. Further, CAS issued for the half-year (ended September/March) shall also provide: (i) The amount of actual commission paid by AMCs/Mutual Funds (MFs) to the distributor in absolute terms during the half-year period against the concerned investor's total investments in each MF scheme. The commission paid to Distributors is the gross commission and does not exclude costs incurred by distributors such as GST (wherever applicable, as per existing rates), operating expenses, etc. The term 'commission' refers to all direct monetary

	payments and other payments made in the form of gifts /rewards, trips, event sponsorships etc. by AMCs/MFs to distributors. (ii) The scheme's average Total Expense Ratio (in percentage terms) along with the breakup between Investment and Advisory fees, Commission paid to the distributor and other expenses for the period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in.
Transfer of units held in Non-Demat [Statement of Account (SOA)] mode	In accordance with AMFI Best Practices Guidelines Circular No. 116/2024-25 dated August 14, 2024, titled "Standard Process for Transfer of Units held in Non-Demat (SoA) Mode" ("AMFI Guidelines"), units held by individual unitholders in mutual fund schemes (excluding Exchange Traded Funds or ETFs) in Non-Demat ("SoA") mode can now be transferred in specific cases mentioned below, as outlined in the AMFI Guidelines: (i) Surviving joint unitholder, who wants to add new joint holder(s) in the folio upon demise of one or more joint unitholder(s). (ii) A nominee of a deceased unitholder, who wants to transfer the units to the legal heirs of the deceased unitholder, post the transmission of units in the name of the nominee. (iii) 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). (iv) transfer to siblings (v) Gifting of units (vi) Transfer of units to third party (vii) addition/deletion of unit holder etc. Partial transfer of units held in a folio shall be allowed subject to specified threshold/ minimum number of units as specified in SID of the particular scheme, if any. And if the balance units in the transferor's folio falls below specified threshold / minimum number of units as specified in the SID, such residual units shall be compulsorily redeemed, and the redemption amount will be paid to the transferor. If the request for transfer of units is lodged on the record date, the IDCW payout/ reinvestment as applicable shall be made to the transferor. Redemption of transferred units will be restricted for a period of 10 days from the date of transfer. This measure will provide the investor with an opportunity to reverse the transfer in the event of fraudulent activity. **Mode of submitting / accepting the Transfer Request in SoA mode:** The facility for transfer of units held in SoA mode shall be available only through online mode via the transaction portals of the RTA and the MF Central, i.e., the transfer of units held in SoA mode shall not be allowed through physical/ paper-based mode or via the stock exchange platforms, MFU, channel partners and EOPs etc. **Pre-requisites:** The surviving unit holder /nominee/minor unitholder who has turned major, will need to first complete the required process for transmission of units or change of status from minor to major (as the case may be), after submission of required forms / documents and should be registered as the rightful unitholder of the units in the folio to be eligible to apply for transfer of units held in SoA mode. There should be no "*lien*" or *freeze* on the units being transferred for any reason whatsoever. Also, the Units should not be under any lock-in period. The transferee(s) should mandatorily – a) be an individual / individual(s). b) have a valid folio in the mutual fund in which the transferor wishes to transfer the units.

	c) be KYC compliant with "KYC validated" status. d) have valid PAN. e) have/provide a valid CBS Bank account details of the transferee/ 1st named transferee (in case of more than one transferee). f) have a valid email address and mobile number. g) have submitted duly completed Nomination form or Opt-out declaration. h) should be eligible to hold the Units as per the respective SID. i) fulfil any other regulatory requirement as may be applicable. **Payment of Stamp duty on Transfer of Units:** a. The Stamp duty for transfer of units, if/where applicable, shall be payable by the transferor. b. For calculation of the amount of stamp duty, the consideration value will be calculated as per the last available NAV (irrespective of the amount of consideration mentioned by the transferor in the transfer request). c. The stamp duty if/where applicable, shall be collected by the RTAs from the transferor through online mode by ensuring that the payment is received from the bank account registered in the folio.
Dividend/ IDCW	(a) The IDCW warrants shall be paid to the unitholders within 7 working days from the record date. (b) In the event of failure to payment of the IDCW within the period specified in sub-clauses (a) the Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by the SEBI for the period of such delay. The interest for the delayed payment of IDCW shall be calculated from the record date. (presently @ 15% per annum). (c) Notwithstanding payment of such interest to the unit-holders under subclause (b), the Asset Management Company may be liable for penalty for failure to payment of the IDCW within the stipulated time. (d) In case of funds received through Cash Payment mode, the IDCW proceeds shall be remitted only to the designated bank account. (e) **Threshold Limit for Payout of IDCW Option** a) In case the IDCW Payout under a folio is less than or equal to Rs.1,500/- and where complete bank account details are not available or facility of electronic credit is not available with Investor's Bank/Bank Branch, then such amount will be compulsorily reinvested wherever Reinvestment of IDCW Option is available under the scheme and an Account Statement (SoA) will be sent to the Investors at their Registered Address. b) For folios where IDCW warrants are returned undelivered and/or the IDCW warrant remains unencashed / unclaimed on 3 consecutive occasions, future IDCW amount will be reinvested, wherein Reinvestment of IDCW Option is available and an Account Statement (SoA) would be sent to the Investors at their Registered Address
Redemption	The redemption proceeds shall be paid to the unitholders within 3 working days from the date of redemption. In case of funds received through Cash Payment mode, the redemption proceeds shall be remitted only to the designated bank account. Physical dispatch of proceeds shall be carried out only in exceptional circumstances as specified by AMFI and UTI AMC shall maintain records along with reasons for all such physical dispatches. However, in case of exceptional circumstances prescribed by AMFI, in consultation with SEBI, redemption or repurchase proceeds shall be transferred / dispatched to Unitholders within the time frame prescribed such as: 1) Payment of redemption proceeds through physical instruments (Cheque/DD) where electronic fund transfer is not possible Additional 2 working days. Mode of Payment of above is mandatorily by Electronic transfers into bank account of the investor. Accordingly, investors are required to update their bank

	account details, IFSC code etc to receive monies in the prescribed manner and timeline. For further details in this regard, please refer to SAI. **Restriction on redemption of units** Further to the possibility of delays in redemption of units under certain circumstances as stated in the aforesaid paragraphs relating to "Risk factors", the following points relating to restrictions on redemption of units may be noted:- 1. Restrictions on redemption of units may be imposed when there are circumstances leading to a systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as: (i) Liquidity issues - when market at large becomes illiquid affecting almost all securities rather than any issuer specific security (ii) Market failures, exchange closures etc. (iii) Operational issues – when exceptional circumstances are caused by *force majeure*, unpredictable operational problems and technical failures (e.g. a black out). 2. Restriction on redemption may be imposed for a specified period of time not exceeding 10 working days in any 90 days period. 3. Restriction will be imposed after obtaining the approvals of the Boards of AMC and the Trustees 4. When restriction on redemption is imposed, the following procedure shall be applied:- (i) No redemption requests upto INR 2 lakh shall be subject to such restriction. (ii) Where redemption requests are above INR 2 lakh, AMCs shall redeem the first INR 2 lakh without such restriction and remaining part over and above INR 2 lakh shall be subject to such restriction. **Treatment of the Folios without KYC/PAN/PEKRN (PAN exempted KYC Reference Number)** Investors are requested to note that PAN/PEKRN/KYC is mandatory for all financial transactions such as purchase /redemption/switch/systematic transactions etc. and also for non-investor initiated transactions such as dividend w.e.f. April 1, 2023. Unitholders of such non KYC compliant/non PAN/PEKRN folio's shall be able to (permitted to) lodge grievance or avail service request only after furnishing the above details. The payout of dividend will be made to such investors after updation of KYC/PAN/PEKRN details. **Requirement of Permanent Account Number (PAN) in respect of Non-PAN Exempt Folios for Redemption & Mandatory updation of Know Your Customer (KYC) requirements for processing of mutual fund transactions** All Investors (including existing folios) of Non-PAN Exempt folios of UTI Mutual Fund Schemes are required to provide the PAN of the holder/s/guardian/claimant at the time of redemption, if PAN is not already registered in the folio. The requirement of PAN is applicable to all the redemptions and new Systematic Withdrawal Plan (SWP) Registrations. Investors who are submitting the PAN together with the redemption request will receive redemption payment only after the validation of PAN. Further, it is reiterated that, it is mandatory to complete the KYC requirements for all unit holders, including for all joint holders and the guardian in case of folio of a minor investor.

	Accordingly, all new or additional requests for financial transactions (including redemptions, switches, etc.) will be processed only if the unit holders are KYC complied or have submitted duly filled KYC application form along with necessary documents and PAN. **Redemption proceeds to NRI investors:** NRI investors shall submit Foreign Inward Remittance Certificate (FIRC) along with Broker contract note of the respective broker through whom the transaction was effected, for releasing redemption proceeds. Redemption proceeds shall not be remitted until the aforesaid documents are submitted and the AMC/Mutual Fund/Registrar shall not be liable for any delay in paying redemption proceeds. In case of non-submission of the aforesaid documents, the AMC reserves the right to deduct the tax at the highest applicable rate without any intimation by AMC/Mutual Fund/Registrar. **Repatriation:** Repatriation benefits would be available to NRIs/PIOs/FIIs, subject to applicable Regulations notified by Reserve Bank of India from time to time. Repatriation of these benefits will be subject to applicable deductions in respect of levies and taxes as may be applicable in present or in future. **Exit load on death of an unitholder:** In the case of the death of an unitholder, no exit load (if applicable) will be charged for redemption of units by the claimant under certain circumstances and subject to fulfilling of prescribed procedural requirements. For further details regarding settlement of death claim refer to SAI. For further details in this regard, please refer to SAI.
Bank Mandate	In order to reduce the risk of frauds and operational risks and thereby protect the interests of the Unit holders/Investors from fraudulent encashment of redemption proceeds, Investors are required to submit any of the prescribed documents (along with original document for verification) in support of the bank mandate mentioned in the application form for subscription under a **new folio**, in case these details are not the same as the bank account from which the investment is made. Any application for subscription of units may be rejected if such application does not comply with the above requirements and AMC may refund the subscription amount to the bank account from where the investment was made and shall not be liable for any such rejection/refund. For further details on documents to be submitted under the process to identify third party payments etc., please refer to SAI.
Delay in payment of redemption / repurchase proceeds / dividend (IDCW)	(a) The redemption proceeds shall be paid to the unitholders within 3 (three) working days from the date of redemption. (b) The payment of dividend/IDCW to the unitholders shall be made within 7 (seven) working days from the record date. (c) In the event of failure to dispatch the redemption or repurchase or dividend (IDCW) proceeds within the period specified in sub-clauses (a) and (b), UTI Asset Management Company Limited shall be liable to pay interest to the unitholders at such rate as may be specified by the SEBI for the period of such delay; (presently @ 15% per annum). (d) Notwithstanding payment of such interest to the unit-holders under sub-clause (c), the asset management company may be liable for penalty for failure to make payment of the redemption or repurchase or dividend proceeds within the stipulated time.
S.O.52 **Unclaimed Redemption and Income Distribution**	As per SEBI guidelines, the unclaimed redemption and IDCW amounts, that were allowed to be deployed only in call money market or money market instruments, are also allowed to be invested in a separate plan of Liquid scheme

	cum Capital Withdrawal Amount	/ Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts. As per the regulations, AMC shall not charge any exit load in this plan and TER (Total Expense Ratio) of such plan shall be capped at 50 bps. The investment management and advisory fee charged by the AMC for managing unclaimed amounts shall not exceed 50 bps. The list of names and addresses of investors in whose folios there are unclaimed amounts shall be provided on UTI MF Website. Investors who claim the unclaimed amounts during a period of three years from the due date shall be paid initial unclaimed amount along-with the income earned on its deployment. Investors, who claim these amounts after 3 years, shall be paid initial unclaimed amount along-with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education. The Fund will make continuous efforts to remind the investors through letters to take their unclaimed amounts
S.O.37	**Disclosure w.r.t investment by minors**	Process for Investments made in the name of a Minor through a Guardian shall be in line with the provision no. 15.13.1 to 15.13.4 of para 15.13 under Chapter 15 of SEBI Master Circular for Mutual Funds and SEBI Circular No. SEBI/HO/IMD/ POD-II/CIR/P/2023/0069 dated May 12, 2023. i. Payment for investment by any mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian. For existing folios, the AMCs shall insist upon a Change of Pay-out Bank mandate before redemption is processed. Irrespective of the source of payment for subscription, all redemption proceeds shall be credited only in the verified bank account of the minor, i.e. the account the minor may hold with the parent/ legal guardian after completing all KYC formalities. For existing folios, investors are requested to submit Form for change of Pay-out Bank mandate with the required documents before submission of redemption request. ii. Upon the minor attaining the status of major, the minor in whose name the investment was made, shall be required to provide all the KYC details, updated bank account details including cancelled original cheque leaf of the new account. No further transactions shall be allowed till the status of the minor is changed to major. iii. The standing instructions registered for Systematic Investment Plan (SIP), Systematic Transfer Plan (STP), Systematic Withdrawal Plan (SWP), Transfer of IDCW Plan etc., shall be suspended when the minor attains majority, till the status is changed to major.
	Plans and Options offered	**The scheme offers following plans** Regular Plan Direct Plan **Both the Plans offer following options** (i) Growth Option (ii) Payout of Income Distribution cum Capital Withdrawal Option (Payout of IDCW Option) **Direct Plan:** Direct Plan is only for investors who purchase/subscribe units directly with the Fund and is not available for investors who route their investments through a Distributor.

The Direct Plan will be a separate plan under the Scheme and shall have a lower expense ratio excluding distribution expenses, commission etc. and will have a separate NAV. No commission shall be paid / charged from Direct Plan.

Portfolio of the Scheme under the Regular Plan and Direct Plan will be common.

How to apply: Investors subscribing under Direct Plan will have to indicate "Direct Plan" against the Scheme name in the application form, for example, "UTI Balanced Hybrid Fund - Direct Plan".

Treatment of applications under "Direct"/ "Regular" Plans:

Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured
1	Not mentioned	Not mentioned	Direct Plan
2	Not mentioned	Direct	Direct Plan
3	Not mentioned	Regular	Direct Plan
4	Mentioned	Direct	Direct Plan
5	Direct	Not Mentioned	Direct Plan
6	Direct	Regular	Direct Plan
7	Mentioned	Regular	Regular Plan
8	Mentioned	Not Mentioned	Regular Plan

Guidelines for Processing of transactions received under Regular Plan with invalid ARN

Transactions received in Regular Plan with Invalid ARN to be processed in Direct Plan of the same Scheme (even if reported in Regular Plan), applying the below logic:

Transaction Type	Primary ARN			SUB distributor ARN		EUIN *	Execution Only Mentioned	Regular Plan / Direct Plan
	Valid	Invalid	Empanelled	Valid	Invalid	Valid	Yes	
Lump Sum /Registration	Y		Y					Regular
	Y		N	Not Applicable				Direct
	Y		Y	N.A.	N.A.	N.A.	N	Regular
	Y		Y	Y		Y		Regular
		Y						Direct
	Y		Y	Y			Y	Regular
	Y		Y		Y			Direct
Trigger	Y			Not Applicable				Regular
		Y		Not Applicable				Direct

Note:

1) *If the EUIN is invalid/missing, the transactions shall be processed in Regular plan, and the distributor/investor shall be given 30 day period from the date of the transaction for remediation of the EUIN. In such cases, the investor to be advised to either provide a different EUIN linked to the ARN who would be engaged in servicing the investor OR switch to Direct Plan. The commission shall not be paid to the ARN holder if the Switch transaction does not happen, or fresh EUIN is not provided within 30 days. The commission may be paid if the fresh EUIN is provided by client within 30 days.
2) For SIP & STP facilities, the ARN validity shall be verified / validated at the time of registration. For instances where the registration details not available

	in RTA records the transaction shall be treated as lumpsum purchase for validations. Distributors must reconcile the active / inactive SIPs with RTA's at regular intervals 3) SIPs registered under ARN of deceased to continue till end of SIP registration period or investor's request as per AMFI guidelines; No fresh transactions or SIPs to be booked under the ARN of deceased MFD post cancellation of ARN at AMFI. 4) Only Sub-distributor's ARN with valid "ARN" values in the transaction will be considered for validation of Sub- distributor ARN for all types of transactions (lumpsum/SIP/STP). 5) If the ARN is invalid as on date of SIP / STP registration, such registration and future transactions thereunder will be processed under DIRECT plan. 6) Transactions other than the physical mode which are found to be not in order basis above matrix, will be rejected at the time of upload / submission for following reasons: a. To give opportunity for the intermediary / platform to rectify details before submitting transactions or to report transactions as DIRECT. b. If these transactions are accepted and processed as DIRECT, the intermediary placing the transaction will not be receiving reverse feeds and hence will not be able to reconcile. Since the validation cannot be carried out at the time of acceptance or transactions received in physical form, the same will be done at the time of processing the transaction, and if found to be invalid, the transaction will be processed under DIRECT. 7) Transactions received from the stock exchange platforms in Demat mode with invalid ARN shall be rejected instead of processing in Direct Plan for following reasons a. Settlement of units will fail at clearing corporation due to mismatch of ISIN. b. If the RTA processes the transaction in DIRECT Plan, the AMC will face issues with corporate action wherein the clearing corporation will not be able to reconcile and credit the units. c. The distributor/broker will not be able to download the reverse feed/mail back report for the transactions reported by the respective distributor in case if we process under Direct Plan. 8) Dividend reinvestment transactions, being a corporate action, will be excluded from the above validation **Scheme characteristics of Direct Plan:** Scheme characteristics such as Investment Objective, Asset Allocation Pattern, Investment Strategy, risk factors, facilities offered and terms and conditions including load structure will be the same for the Regular Plan and the Direct Plan except that: (i) No exit load shall be levied in case of switches from Direct Plan to Regular Plan and Regular Plan to Direct Plan. (ii) Investments through systematic routes: In case of Systematic Investment Plan (SIP)/ Systematic Transfer Plan (STP), registered without any distributor code under the Regular Plan of all Schemes, instalments falling on or after the January 1, 2013 will automatically be processed under the Direct Plan. **(iii) Minimum Investment amount under the Direct Plan:** In case of already existing investments under the Regular Plan, if the investor wants to further invest in the Direct Plan he/she will be required to invest the minimum investment amount of the scheme, as applicable for that Scheme/Plan/Option /facility etc. However, this minimum investment amount requirement is not applicable in case of switchover from Regular Plan to Direct Plan or vice versa under the same Scheme and same Option
Risk Mitigation process against Third Party Cheques	**Restriction on Third Party Payments** Third party payments are not accepted in any of the schemes of UTI Mutual Fund subject to certain exceptions.

	"Third Party Payments" means the payment made through instruments issued from an account other than that of the beneficiary investor mentioned in the application form. However, in case of payments from a joint bank account, the first named applicant/investor has to be one of the joint holders of the bank account from which payment is made. **Bank Mandate registration as part of the new folio creation** In order to reduce the risk of frauds and operational risks and thereby protect the interests of the Unit holders/Investors from fraudulent encashment of redemption proceeds, Investors are required to submit any of the prescribed documents (along with original document for verification) in support of the bank mandate mentioned in the application form for subscription under a **new folio**, in case these details are not the same as the bank account from which the investment is made. Any application for subscription of units may be rejected if such application does not comply with the above requirements and AMC may refund the subscription amount to the bank account from where the investment was made and shall not be liable for any such rejection/refund. For further details on documents to be submitted under the process to identify third party payments etc., please refer to SAI.
Nomination	As per, sub clause 15.14 chapter 15 of SEBI Master Circular for Mutual Funds SEBI had mandated that investors subscribing to mutual fund units on or after October 1, 2022, shall have the choice of: a. Providing nomination in the format specified in fourth schedule of SEBI (Mutual Funds) Regulations, 2026 (or) b. Opting out of nomination through a signed Declaration form. AMC shall provide an option to the unit holder(s) to submit either the nomination form or the declaration form for opting out of nomination in physical or online as per the choice of the unit holder(s). In case of physical option, the forms shall carry the signature as per mode of holding in the folio(s) / demat account(s) and in case of online option, the forms shall be using e-Sign facility recognized under Information Technology Act, 2000, or through two factor authentication (2FA) in which one of the factor shall be a One-Time Password sent to the unit holder at his/her email/ phone number registered with the AMC. As per, sub clause 15.14.4 chapter 15 of SEBI Master Circular for Mutual Funds has made the nomination optional for jointly held Mutual Fund folios. Nomination form / Opting out of Nomination form may be obtained from the offices of AMC or Investor Services Centers of the RTA or distributors or downloaded from https://www.utimf.com/forms/service-request-forms;
Uniform Procedure for Updation / Change of Address & Change / Updation of Bank details	A. **Updation / Change of address** Investors are requested to update their change of address within 30 days from the date of change. In case of Know Your Client (KYC) complied folios, Investors are required to submit the documents to the intermediaries of KYC Registration Agency (KRA), as may be specified by them, from time to time. For further details on list of documents to be submitted/acceptable etc., please refer to SAI. B. **Updation/Change of Bank details** Investors are requested to update/change their bank details using the Form for registration of multiple bank accounts separately and in future, it shall not be accompanied with redemption request. Such request shall be

	submitted prior to submission of the redemption request. Investors are required to submit self-attested copy of the supporting documents, having validity at the time of submission, each towards Proof of Identity and proof of old and new bank accounts for updating /changing the bank details. For further details on documents to be submitted/acceptable in respect of old investments where bank details are not updated, procedural requirements to be completed in respect of investments made in the name of minor child on attaining majority, receiving of redemption payment in bank account etc., please refer to SAI. **Non-submission of required documents** In case of non-submission of required documents as required under A and B aforesaid, UTI Mutual Fund, at its sole and absolute discretion, may reject the transaction or may decide alternate method of processing such requests. C. **Cooling Period** In case any request of change of bank account which has been received just prior to (upto 10 days prior) OR simultaneously with redemption request. The redemption payment will be made after the cooling off period of 10 days from the date of receipt of change of bank mandate ("COBM"). However, in case of redemption requests received with a Change of Address which is not already registered with UTI MF or change of address received lesser than 10 business days prior to record date, such new/unregistered address may not be registered and may not be considered for payment of redemption proceeds. In such cases, the payment will sent to the last registered address. For further details regarding redemption requests in respect of folios not having registered bank details etc., please refer to SAI.
Ongoing price for subscription (purchase) / switch-in (from other schemes/plans of the mutual fund) by investors This is the price you need to pay for purchase/switch-in.	The face value of a unit is Rs.10/- and units will be issued in fractions up to three decimal places. Purchase on all business days at the applicable NAV. **Entry and Exit Load:** **Entry Load:** Not Applicable# #In terms of provision no 11.7.1 of para 11.7 under Chapter 11 of SEBI Master Circular for Mutual Funds, no entry load will be charged by the scheme to the investor. **Exit Load:** i. Redemption / switch-out of 10% of Units allotted on or before completion of 12 months from the date of allotment- Nil exit load ii. Redemption/ switch out in excess of the 10% of Units allotted on or before completion of 12 months from the date of allotment – 1.00% exit load iii. If redeemed / switched out after 12 months from the date of allotment – Nil exit load The bank draft charges, if any, will have to be borne by the applicant. Ongoing price for subscription (purchase)/switch-in (from other Schemes/plans of the mutual fund) by investors. Purchase Price = Applicable NAV (for respective plan and option of the scheme)

	Example: An investor invests Rs. 10,000/- and the current NAV is Rs. 10/- then the purchase price will be Rs. 10/- and the investor receives 10,000/10 = 1000 units.
Mode of Payment – Cash /Transfer of funds through NEFT/RTGS	**Cash Investment in Mutual Funds** Cash payment to the extent of Rs. 50,000/- per investor, per Mutual Fund, per financial year through designated branches of Axis Bank will be accepted (even from such small investors who may not be tax payers and may not have Permanent Account Number (PAN)/bank accounts. For further details regarding the prescribed procedure, refer to SAI. **Transfer of funds through National Electronic Funds Transfer (NEFT) / Real Time Gross Settlement (RTGS)** Investor shall ensure that the payment is made from one of his/her registered bank accounts in the folio. If the name of the remitter/account number from where the amount is remitted is not matching with the registered / to be registered bank accounts details, such remittances shall be treated as third party payments and such applications are liable to be rejected. In such cases, UTI MF will refund the amount to the remitter within 30 calendar days from the date of receipt of the funds, as per the details made available to UTI MF by the remitting Bank. **However, for transfer of funds through RTGS, the Investment amount shall be of Rs.2 lacs and above.** For further details, please refer to SAI.
Auto switch facility	**Auto switch facility for existing investors having investments in open ended schemes of UTI Mutual Fund** **<u>Terms and conditions of Auto Switch facilities:</u>** 1. Auto switch facility is a facility available to the existing investors having investments in any open ended scheme (excluding Exchange traded Funds) of UTI Mutual Fund (transferor scheme) to tender switch application on any day during the New Fund Offering (NFO) period of any new scheme (transferee scheme), to switch units from existing open ended schemes to that new scheme. However, units under transferor scheme will be switched on closing day of NFO of transferee scheme. 2. The units from the Transferor Scheme will be switched, subject to provisions mentioned in the Scheme Information Document of the Transferor Scheme. The application for Auto Switch will be processed on the closing day of the NFO. The units in the Transferee Scheme will be allotted at the NFO Price of the Scheme on the allotment date. 3. The price at which the units will be switched-out will be redemption price of transferee scheme (with applicable taxes and exit load, if any) from which switch-out is done and units under new scheme will be issued at the allotment NAV on allotment date. 4. The units/amount requested for switch, shall be available in transferor scheme at the time of submission of switch request and also at the time when switch out is effected. 5. Unit holders are required to maintain clear balance in accordance with amount specified in the Auto-switch Application Form on the execution date. In case of insufficient balance in the account/ folio, the application for Auto-switch will be rejected. 6. Unit holders should note that Unit holders' details and mode of holding (single, joint, anyone or survivor) in the Transferee Scheme will be as per

	the existing folio number of the Transferor Scheme. Units will be allotted under the same folio number. 7. This facility will not be available for the units, which are under any Lien, Pledged or any lock-in period or other encumbrance marked on any units and units held in demat mode. 8. The application is subject to detailed scrutiny and verification. Applications, which are not complete in all respect, are liable for rejection either at the collection point itself or subsequently after detailed scrutiny / verification at the back office of the Registrar. 9. Investors are requested to clearly mention the Plan and the Option in which investment is to be made. In case of any ambiguity, the application will be liable to be rejected. In the aBSEnce of clear indication as to the choice of Option (Growth or Income Distribution cum Capital Withdrawal Payout), by default, the units will be allotted under the Growth Option of the Plan. 10. Cancellation/modification of submitted Auto switch mandate shall not be allowed. Further, switchover of units will be subject to availability of clear units on the effective date of switchover. 11. This facility can be availed only if the specified Auto Switch Form is filled. If normal switchover form is filled /submitted the same would be processed as per the rules applicable for normal switch request and not as an auto switch. 12. UTI AMC reserves the right to amend or withdraw this facility or change the procedures extend or limit the said facility on such terms and conditions as may be decided from time to time.
Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors. This is the price you will receive for redemptions / switch outs.	Redemption on all business days at the applicable NAV subject to prevailing exit load. Redemption Price for each Option will be calculated on the basis of Applicable NAV and Exit load, if any. While determining the price of the units, the mutual fund shall ensure that the repurchase price of an open ended scheme is not lower than 97 per cent of the Net Asset Value. The Redemption Price per Unit will be calculated using the following formula: Redemption Price = Applicable NAV * (1 - Exit Load, if any) **Example:** If the Applicable NAV is Rs. 10 and a Nil% Exit Load is charged, the Redemption Price per Unit will be calculated as follows: = Rs. 10 * (1-0) = Rs. 10 * (1) = Rs. 10
Book Closure Period / Record Date	The purchase and redemption of units shall remain open on all business days throughout the year except during book closure period/s not exceeding 15 days in a year.
Custodian of the Scheme	The Trustees have appointed Stock Holding Corporation of India Ltd (SCHIL), Axis Bank Ltd as the Custodian of the Scheme.
Transactions through Stock Exchange/s	Pursuant to provision no. 15.7.4 of para 15.6 under chapter 15 of SEBI Master Circular for Mutual Funds; the unit holders of the scheme shall be provided an option to hold units in demat form in addition to physical form. In addition to the existing facilities, the facility to transact in units of Scheme is available for investors having a demat account through clearing members of National Stock Exchange and Bombay Stock Exchange for accepting Purchase and Redemption transactions and through NSDL and CDSL for accepting Redemption Transactions.

	For details of terms and conditions, kindly refer to the Statement of Additional Information. Further, SEBI Registered Investment Advisors (RIAs) are also allowed to use the infrastructure of the recognised stock exchanges to purchase and redeem mutual fund units directly from Mutual Fund/Assets Management Companies on behalf of their clients, including direct plans. As per provision no. 17.2.5 of para 17.2 under Chapter 17 of SEBI Master Circular for Mutual Funds, it has been decided to allow investors to directly access infrastructure of the recognised stock exchanges to purchase and redeem mutual fund units directly from Mutual Fund/ Asset Management Companies. For further details please refer to SAI
Pre Closure & Extension of the Offer	The AMC / Trustees reserve the right to extend the closing date of the New Fund Offer period, subject to the condition that the subscription to the New Fund Offer shall not be kept open for more than 15 days. Similarly, the AMC/Trustee may close the New Fund Offer earlier by giving one day's notice in at least 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. Any changes in the pre closure and extension of the offer will be displayed on the website of AMC.
Additional Mode of Payment during NFO	Investors may apply for the UTI Balanced Hybrid Fund. through Applications Supported by Blocked Amount (ASBA) process during the NFO period by filling in the ASBA form and submitting the same to their respective banks, which in turn will block the subscription amount in the said account as per the authority contained in ASBA form and undertake other tasks as per the procedure specified therein. (The details of banks' branches accepting ASBA form are available on the websites of BSE (www.bseindia.com),NSE (www.nseindia.com) and SEBI (www.sebi.gov.in) or at your nearest UTI Financial Centre.) For applicants applying through ASBA, on the date of allotment, the amount will be unblocked in their respective bank accounts and account will be debited to the extent required to pay for allotment of Units applied in the application form.
Commercial Transactions (viz. Purchase / Redemption / Switches) through Designated E-mail	The facility of carrying out commercial transactions through Designated E-mail, in units of UTI Mutual Fund Schemes, is available for the following categories of Investors, subject to certain terms and conditions. UTI AMC declares its Designated E-mail server as one of the Officials Points of Acceptance. Following investors may transact through designated email, who are KYC (Know Your Client) Compliant: (ii) a body corporate including a company formed under the Companies Act, 1956/2013 or established under State or Central Law for the time being in force; (iii) a bank including a scheduled bank, a regional rural bank, a co-operative bank; (iv) an eligible trust; (v) an eligible society; (vi) any other institution; (vii) Army/Navy/Air Force/Paramilitary Fund and (viii) Any other category of investors, as may be decided by UTI AMC from time to time. Only Commercial transactions i.e. Purchase, Redemption and Switches shall be accepted through designated email. For further details on terms and conditions and other particulars, please refer to SAI.
Acceptance of financial transactions through email in respect of non-	In accordance with AMFI Best Practice Guidelines Circular No.135/BP/118 /2024-25 dated January 31, 2025 and AMFI email dated February 27, 2025 advising all AMCs to Accept financial transactions through email in respect of

individual investors	non-individual investors with effect from May 01, 2025 subject to the following terms and conditions. The facility of carrying out financial transactions through Designated E-mail, in units of UTI Mutual Fund Schemes, is available for the non-individual Investors subject to the following terms and conditions. UTI AMC declares its Designated E-mail server as one of the Officials Points of Acceptance. The UTI AMC reserves the right to change/add the Designed email id(s) from time to time. **Modes of receipt of transactions**: **(1) Transaction request on UTI AMC's designated email from email ID of authorised official of non-individual investor** : The investor shall provide a copy of the board resolution or an authority letter on the its letter head, granting appropriate authority to the designated officials of the investor. The board resolution/ authority letter shall explicitly mention the following: i. List of approved authorized officials who are authorized to transact on behalf of non-individual investors along with their designation and email IDs. ii. An undertaking that the instructions for any financial transactions sent by email by the authorized officials shall be binding upon the entity as if it were a written agreement. **(2) Transaction request digitally signed by investor, received on UTI AMC's designated email :** In case the document is executed electronically with a valid Digital Signature Certificate (DSC) or through Aadhaar based e-signature by the authorized official/s of investor, the same shall be considered as valid and acceptable, and shall be binding on the non-individual investor even if the transaction request is not received from the registered email id. of the authorized official/s. However, in such cases, the domain name of the email ID should be from the same organization's official domain name. **(3) Scanned transaction request with wet signature of investor received on UTI AMC's designated email :** In addition to acceptance of financial transaction via email, scanned copy of duly signed transaction form/request letter bearing wet signatures of the authorized signatories of the investor, received from some other official / employee of the non individual investor will be accepted, and shall be binding on the non-individual investor provided - i. The email is also CC'd (copied) to the registered email ID of the authorized official / signatory of the non-individual unitholder; and ii. the domain name of the email ID of the sender of the email is from the same organization's official domain name. **(4) Scanned transaction request received on UTI AMC's designated email from email ID of MFD or third party :** Scanned copies of signed transaction form/request letter bearing wet signatures of the authorized signatories of the entity, received from the registered mutual fund distributor of the entity or a third party duly authorized by the non-individual investor will be accepted subject to fulfillment of the following requirements: i. Authorization letter from the non-individual unitholder authorizing the MFD/person to send the scanned copies of signed transaction form/request letter on behalf the non-individual investor. ii. In such cases, the non-individual unitholder's registered email ID shall also be copied in the email sent by the MFD/person sending the scanned copies of the duly signed transaction form/request letter.

	Following Terms and conditions are applicable for above mode of receipt of financial transactions: a) Investor agrees that based on the scanned image of application for purchase, redemption or switches, the transaction will be processed subject to receipt of the subscription amount in case of purchase and subject to signature verification in case of redemption and switches. The receipt of such scanned image by UTI AMC at designated email id shall be deemed sufficient for effecting the transaction without the receipt of original application. Investor further agrees to retain records of such transactions in line with the applicable laws / regulations b) All transaction requests will be deemed to be valid, where applications, transaction slips, forms, supporting documents are received at the designated email id. c) The timestamp will get generated and affixed on the transaction request once it is received on the server/system of the UTI AMC. d) This facility will be provided subject to provisions of cut off timing for applicability of NAV and time stamping requirements, as amended by Securities and Exchange Board of India (SEBI) from time to time and any other applicable laws, rules and regulations as may be enforced from time to time. For the purpose of determining the applicable NAV in accordance with SEBI (Mutual Funds) Regulations, 2026, the system generated date and time on the transmitted email received at server / system of the UTI AMC and availability of funds for utilization for the same shall be considered. e) Any change in the registered email id/contact details of non-individual investor shall be accepted only from the designated officials authorized to notify such changes vide board resolutions/authority letter. Further, such change request shall be submitted through physical request letter (or a scanned copy thereof with wet signature of the designated authorized officials) only. f) No change in /addition to the bank mandate shall be allowed via email. Change in bank details or addition of bank account of the investor shall be permitted only via the prescribed service request form duly signed by the entity's authorized signatories with wet signature of the designated authorized officials. g) Any change in the registered email address/ contact details of the investor shall be accepted only through a physical letter (including scan copy thereof) with wet signature of the designated authorized officials of the entity, duly supported by copy of the board resolutions/authority letter on the entity's letter head h) Further, in case the document is executed electronically with a valid DSC or through Aadhaar based e-signatures of the authorized official/s, shall be considered valid, and the same shall be binding on the non-individual investor even if the same is not received from the registered email id of authorized officials. However, the domain name of the email ID through which such email is received should be the same as the non-individual investor's official domain name. i) The UTI AMC shall act in good faith and shall take necessary steps in connection with the email requests received regardless of the value involved and the same shall be binding on the investor. The UTI Mutual Fund (UTI MF), UTI Trustee Company Pvt. Ltd. (Trustee) or UTI AMC will not be held responsible/liable for any loss, if any, suffered by the investor or any other person for processing such transactions. j) The investor acknowledges that it is in the nature of telecommunication services that transmissions/ emails may not be properly received or emails may not be received or may be inadvertently read or may be erroneous or made known to unauthorised persons. Investor agrees that all the risks, errors or breaches shall be borne by the investor and the UTI MF, Trustees, UTI AMC shall not be responsible/liable for any claims, liability, loss, damage, cost or expenses arising from such risks, errors or breach of confidentiality.

	However UTI MF will be taking necessary safeguard measures to ensure security of email communications. k) At the request of the investor, UTI AMC is hereby requested and authorised, but is not obliged, to process the transactions as per email submissions received from time to time from investors and otherwise to rely upon and act in accordance with email Submission which is signed, or is believed to have been signed by any person authorised by the documents governing the arrangement between the UTI AMC and the Investor. l) It is further mutually agreed that if any other permission is required under the provisions of law for processing such requests / instructions, the investor shall be solely liable and responsible for any failure to comply with such provisions of laws, rules and regulations. The investor will keep the UTI MF, Trustee, UTI AMC fully absolved and indemnified with respect to any violation of such laws, rules and regulations and consequences thereafter in case of such violation mentioned hereinabove. m) It is agreed by the parties that the UTI AMC need not confirm (whether orally, in writing or otherwise) any email Submission or verify the identity of the person making or giving or purporting to make or give any email Submission. **n)** Investor agrees that security procedures adopted by UTI AMC may include signature verification, telephonic call backs or a combination of the same, that may be recorded and investor consents to such recording and agrees to co-operate with the UTI AMC to enable confirmation of such electronic transactions. However, the UTI AMC shall be under no duty to prescribe or adopt any procedures for the purpose of such confirmations or verification and any such procedure prescribed or adopted by UTI AMC shall not impose upon the UTI AMC any obligation to adopt or comply with the same in any or every instance. **o)** The entity availing the facility for submitting the financial transactions via email shall retain records of such transactions in line with the applicable laws/ regulations.
Seeding of Aadhaar Number	**PAN-Aadhaar seeding mandatory for transactions in securities market** The Indian government has made it mandatory for everyone to link their PAN to their Aadhaar, with certain exceptions for NRIs, non-citizens, those over 80, and residents of the states of Assam, Jammu and Kashmir and Meghalaya. Clients in whose case, PAN Aadhaar linkage are not found to be verified, shall be allowed to transact with the existing intermediary subject to valid PAN, however the client's KYC shall not be allowed portability in securities market." **Implementation of the Prevention of Money-laundering (Maintenance of Records) Second Amendment Rules, 2017 with respect to seeding of Aadhaar number** In terms of the Prevention of Money-laundering (Maintenance of Records) Rules, 2005, read with the Prevention of Money-laundering (Maintenance of Records) Second Amendment Rules, 2017, it is mandatory for investors to submit their Aadhaar number issued by the Unique Identification Authority of India (UIDAI) to UTI Mutual Fund/its Registrar and Transfer Agent/ Asset Management Company ("the AMC") and comply with the following requirements as applicable to them:- i. Where the investor is an individual, who is eligible to be enrolled for Aadhaar number, the investor is required to submit the *Aadhaar number* issued by UIDAI. Where the Aadhaar number has not been assigned to an investor, the investor is required to submit *proof of application* of enrolment for Aadhaar. If such an individual investor is not eligible to be enrolled for Aadhaar number, and in case the Permanent Account Number (PAN) is not submitted, the investor shall submit one *certified copy of an officially valid document*

	containing details of his identity and address and one recent photograph along with such other details as may be required by the Mutual Fund. The investor is required to submit PAN as defined in the Income Tax Rules, 1962. If such an individual investor who is not eligible to be enrolled for Aadhaar number, has already submitted the PAN, no further action is required. ii. Where the investor is a non-individual, apart from the constitution documents, *Aadhaar numbers and PANs* as defined in Income-tax Rules, 1962 of managers, officers or employees or persons holding an attorney to transact on the investor's behalf is required to be submitted. Where an Aadhaar number has not been assigned, *proof of application* towards enrolment for Aadhaar is required to be submitted and in case PAN is not submitted, an *officially valid document* is required to be submitted. If a person holding an authority to transact on behalf of such an entity is not eligible to be enrolled for Aadhaar and does not submit the PAN, *certified copy of an officially valid document* containing details of identity, address, photograph and such other documents as prescribed is required to be submitted. It may be noted that the requirement of submitting Form 60 as prescribed in the aforesaid notification is not applicable for investment in mutual fund units. a) Investors are requested to note that pursuant to the direction issued by Hon'ble Supreme Court on March 13, 2018 in Writ Petition (Civil) no. 494/ 2012, the last date for mandatory submission of Aadhaar in respect of the existing mutual fund folios / accounts, including accounts / folios opened up to March 31, 2018, has been deferred till further notice. Existing unitholders are however encouraged to link their Aadhaar to their mutual fund folio(s). b) The submission of Aadhaar Number or proof of enrolment for Aadhaar for new Mutual Fund folios / accounts (i.e. an investor is investing for the first time in UTI Mutual Fund), at the time of account opening, has been deferred till further notice.
Know Your Customer (KYC) Norms	Investors desiring to invest / transact in mutual fund schemes are required to comply with the KYC norms applicable from time to time. **A. For Individual Investors** **I Central KYC Norms for Individual Investors new to KYC system with effect from 1st February 2017** Government of India, vide Gazette notification dated November 26, 2015, had authorized the Central Registry of Securitization and Asset Reconstruction and Security Interest of India (CERSAI), to act and perform the functions of Central KYC Records Registry (CKYCR) including receiving, storing, safeguarding and retrieving the Know Your Client (KYC) records of an investor in digital form. In terms of the above, the following Norms are applicable with effect from 1st February 2017 in case of an Individual investor who is new to the KYC Registration system:- a. An Individual Investor who is new to KYC Registration system and whose KYC is not registered or verified with any of the Agencies for KYC Registration (KRA), shall use the CKYC form to register their KYC. b. In case an Individual Investor uses old KRA KYC form, such investor should either fill the new CKYC form or provide additional / missing information in the Supplementary CKYC form.

c. An Individual Investor who has already completed CKYC and has a KYC Identification Number (KIN) from CKYCR, can invest in the Schemes of UTI Mutual Fund by quoting their KIN.
d. In case PAN of an investor is not updated in CKYCR system, the investor shall be required to submit a self-certified copy of PAN card at the time of investment
e. The KYC requirements shall be governed by SEBI Circulars / notifications and AMFI Guidelines issued from time to time.

For further details refer to SAI and SEBI Circulars No. CIR/MIRSD/66 /2016 dated July 21, 2016 and CIR/MIRSD/120/2016 dated November 10, 2016.

II PAN-Exemption for micro financial products

Only individual Investors (including NRIs, Minors & Sole proprietary firms) who do not have a PAN, and who wish to invest up to Rs.50000/- in a financial year under any Scheme including investments, if any, under SIPs shall be exempted from the requirement of PAN on submission of duly filled in purchase application forms with payment along with KYC application form with other prescribed documents towards proof of identity as specified by SEBI. For all other categories of investors, this exemption is not applicable.

B. **For Non-Individual Investors**

Investors have to fill up and sign the KYC application form available on the UTI Mutual Fund's website, https://www.utimf.com/ or the website of the KYC Registration Agencies (KRAs) M/s CVL,www.cvlkra.com; M/s NDML,https://www.ndml.in/M/Scamshttps://www.camsonline.com/Investors/Service-requests/KYC/KYC-Status ;M/s CAMS Investor Services Private Limited and M/s Karvy Data Management Services Ltd. Further details on filling up / submission of KYC Application form are available in SEBI Circular no. MIRSD/SE/Cir-21/2011 dated October 5, 2011.

C. For both Individual and Non-Individual Investors

For 'KYC-On-Hold' cases, investor need to submit missing information or update pending KYC related information so as to enable AMC to process purchase transaction (whether fresh or additional) and switches

In terms of the Prevention of Money Laundering Act, 2002, the Rules issued there under and the guidelines/circulars issued by SEBI regarding the Anti Money Laundering (AML Laws), all intermediaries, including Mutual Funds, have to formulate and implement a client identification i.e. Know Your Customer. programme, verify and maintain the record of identity and address(es) of investors. The need to Know Your Customer (KYC) is vital for the prevention of money laundering. The Trustee / AMC may seek information or obtain and retain documentation used to establish identity. It may reverify identity and obtain any missing or additional information for this purpose.

The Trustee / AMC shall have absolute discretion to reject any application or prevent further transactions by a Unit holder, if after due diligence, the Investor / Unit holder / a person making the payment on behalf of the Investor does not fulfill the requirements of the KYC. If after due diligence the Trustee / AMC has reason to believe that any transaction is suspicious in nature as regards money laundering, the AMC shall report such transactions to competent authorities under PMLA and rules/guidelines issued thereunder by SEBI, furnish any such information in connection therewith to such authorities and take any other actions as may be required for the purposes of fulfilling its obligations under PMLA and rules/ guidelines issued thereunder without obtaining prior approval of the Unitholder/any other person. In this

	connection the Trustee / AMC reserves the right to reject any such application at its discretion. Investors desiring to invest / transact in mutual fund schemes are required to mandatorily furnish PAN (PAN of the guardian in case minor does not have a PAN) and comply with the KYC norms applicable from time to time. Under the KYC norms, Investors are required to provide prescribed documents for establishing their identity and address including in case of non-individuals copy of the Memorandum and Articles of Association / bye-laws/trust deed/partnership deed/ Certificate of Registration along with the proof of authorization to invest, as applicable, to the KYC Registration Agency (KRA) registered with SEBI. The Fund / AMC / Trustees / other intermediaries will rely on the declarations/affirmations provided by the Investor(s) in the Application/Transaction Form(s) and the documents furnished to the KRA that the Investor(s) is permitted/ authorised by the Constitution document/ their Board of Directors etc. to make the investment / transact. Further, the Investor shall be liable to indemnify the Fund / AMC / Trustee / other intermediaries in case of any dispute regarding the eligibility, validity and authorization of the transactions and / or the applicant who has applied on behalf of the Investors. The Fund / AMC / Trustee reserves the right to call for such other information and documents as may be required by it in connection with the investments made by the investor. Where the Units are held by a Unit holder in breach of any Regulations, AMC / the Fund may effect compulsory redemption of such units. **Note:-** Investor are requested to take note that it is mandatory to complete the KYC requirements (including updation of Permanent Account Number) for all unit holders, including for all joint holders and the guardian in case of folio of a minor investor. Accordingly, financial transactions (including redemptions, switches and all types of systematic plans) and non-financial requests are liable to be rejected, if the unit holders have not completed the KYC requirements. Notwithstanding in the above cases, the AMC reserves the right to ask for any requisite documents before processing of financial and non-financial transactions or freeze the folios as appropriate. Unit holders are advised to use the applicable KYC Form for completing the KYC requirements and submit the form at the point of acceptance. Further, upon updation of PAN details with the KRA (KRA-KYC)/ CERSAI (CKYC), the unit holders are requested to intimate us/our Registrar and Transfer Agent their PAN information along with the folio details for updation in our records. **For further details on KYC requirements to be complied with by the Investors, please refer to SAI.**
Details under Foreign Account Tax Compliance provisions (commonly known as FATCA) / Foreign Tax Laws and Common Reporting Standard (CRS)	FATCA is United States (US) Federal Law, aimed at prevention of tax evasion by US citizens and residents ("US persons" as defined in the applicable extant laws of the United States of America) through use of offshore accounts. FATCA provisions are part of Hiring Incentives to Restore Employment (HIRE) Act, enacted by US Legislature. Under FATCA, withholding tax may be levied on certain US source income/receipt of the Schemes of the Mutual Fund, unless they are FATCA compliant. FATCA obligates foreign financial institutions (FFIs), including Indian financial institutions to provide the US Internal Revenue Service (IRS) with information and to report on the accounts held by specified US Persons as well as passive NFFEs in which controlling interest is held by specified US person. The term FFI is defined widely to cover a large number of non-US based financial service providers, such as mutual funds, depository participants, brokers, custodians, as

	well as banks. FATCA requires enhanced due diligence processes by the FFI so as to identify US reportable accounts. The identification of US person will be based on one or more of following "US indicia"- • Identification of the Account Holder as a US citizen or resident; • Unambiguous indication of a US place of birth; • Current US mailing or residence address (including a US post office box); • Current US telephone number; • Standing instructions to transfer funds to an account maintained in USA; • Current effective power of attorney or signing authority granted to a person with a US address; or • An "in-care of" or "hold mail" address that is the sole address that the Indian Financial Institution has on the file for the Account Holder. FATCA due diligence will be applicable to each unit holder (including joint holders) irrespective of the country of residence/citizenship, and on being identified as reportable person/specified US person, all folios/accounts will be reported. Such information may include (not limited to) their identity, direct or indirect beneficiaries, beneficial owners and controlling persons. Unit holders will therefore be required to comply with the request of the AMC / Fund to furnish such information as and when deemed necessary by the AMC / Fund in accordance with the Applicable Laws. FATCA provisions are relevant not only at on-boarding stage of unit holders but also throughout the life cycle of investment with the Mutual Fund. Unit holders therefore should immediately intimate to the Fund/the AMC, any change in their status with respect to FATCA related declaration provided by them previously. In case unit holder / investor fails to furnish the relevant information and/or documentation in accordance with the Applicable Laws, the AMC / Fund reserves the right to reject the application or redeem the units held directly or beneficially and may also require reporting of such accounts/levy of withholding tax on payments made to investors. Prospective investors / Unit holders should consult their own advisors to understand the implications of FATCA provisions/requirements. The AMC reserves the right to change/modify the provisions mentioned at a later date. **Common Reporting Standard (CRS) – The New Global Standard for Automatic Exchange of Information** On similar lines as FATCA, the Organisation of Economic Development (OECD), along with the G20 countries, of which India is a member, has released a "Standard for Automatic Exchange of Financial Account Information in Tax Matters", in order to combat the problem of offshore tax evasion and avoidance and stashing of unaccounted money abroad, requiring cooperation amongst tax authorities. The G20 and OECD countries have together developed a Common Reporting Standard (CRS) on Automatic Exchange of Information (AEOI). All Applicants whose country of tax residence is not India shall fill in the prescribed FATCA & CRS Form. **AMC reserves right to reject the application in case the applicant / investor fails to submit information /documentation for any of the above.** Please refer to Instructions given in the FATCA/CRS Form before filling in the particulars and for further details relating to FATCA/CRS, refer to SEBI Circular Nos. CIR/MIRSD/2/2015 dated 26th August 2015 & CIR/MIRSD/3 /2015 dated 10th September 2015 and guidelines /circulars issued by SEBI from time to time.

MF Utility for Investors	UTI AMC Ltd has entered into an agreement with MF Utilities India Private Ltd (MFUI) for usage of MF Utility (MFU), a shared service initiative of various Asset Management Companies, which acts as a transaction aggregation portal for transacting in multiple Schemes of various Mutual Funds with a single form and a single payment instrument through a Common Account Number (CAN). Accordingly, all financial and non-financial transactions pertaining to the Scheme is available through MFU either electronically on www.mfuonline.com as and when such a facility is made available by MFUI or physically through authorized Points Of Service ("POS") of MFUI with effect from the respective dates as published on MFUI website against the POS locations. However, all such transactions shall be subject to the eligibility of investors, any terms and conditions and compliance with the submission of documents and procedural requirements as stipulated by UTI MF/UTI AMC from time to time in addition to the conditions specified by MFU, if any. The online portal of MFUI i.e. www.mfuonline.com and the POS locations aforesaid shall act as Official Points of Acceptance (OPAs) in addition to the existing OPAs of the UTI AMC Ltd and any transaction submitted at such POS will be routed through MFUI or as may be decided by UTI AMC. Investors not registered with MFUI also can submit their transactions request by giving reference to their existing folio number. All valid applications received for any other scheme apart from eligible schemes as stated above may be accepted by UTI AMC at its own discretion. The uniform cut off time as prescribed by SEBI shall be applicable for applications received by MFUI. The units will be allotted as per the closing NAV of the day on which the funds are available for utilization. For further details regarding procedures for obtaining CAN and other particulars about MFU etc., please refer SAI. Investors may also contact the nearest POS aforesaid for procedures to be complied with in this regard.
MF Central	As per the provisions of para 17.5 under Chapter 17 of SEBI Master Circular for Mutual Funds, to comply with the requirements of RTA inter-operable Platform for enhancing investors' experience in Mutual Fund transactions / service requests, the Qualified RTAs, currently, KFin Technologies Limited ("KFintech") and Computer Age Management Services Limited ("CAMS") have jointly developed MFCentral – A digital platform for Mutual Fund investors (hereinafter referred to as "MFCentral" or "the Platform"). MFCentral is created with an intent to be a one stop portal /mobile app for all Mutual fund investments and service-related needs that significantly reduces the need for submission of physical documents by enabling various digital / physical services to Mutual fund investors across fund houses subject to applicable Terms and Conditions of the Platform. MFCentral will be enabling various features and services in a phased manner. MFCentral may be accessed using https://mfcentral.com/ and a Mobile App in future. Any registered user of MFCentral, requiring submission of physical document as per the requirements of MFCentral, may do so at any of the DISCs or collection centres of Kfintech or CAMS.
Friend in Need	"Friend in Need" facility is introduced for the Individual investors (Resident as well as Non-resident) of UTI MF under the scheme, whereby there is an option to furnish the contact details including name, address, relationship, telephone number and email ID of any person other than the applicant/s and nominee. This will facilitate obtaining the latest contact details of the investors, if UTI MF is unable to establish contact with the investors. For further details, please refer to SAI.

Requirement for admission into the scheme	**Application under Power of Attorney:** If any application form is signed by a person holding a power of attorney empowering him to do so, the original power of attorney or an attested copy of the same, should be submitted along with the application, unless the power of attorney has already been registered in the books of the Registrar. Please refer SAI for further details.
Settlement of Claims	Please refer SAI for details.
Investment by UTI AMC in the schemes	UTI AMC will invest such amount in the scheme based on the risk associated with the scheme as may be specified by the SEBI from time to time. Accordingly, in terms of the provisions no. 7.13.1 to 7.13.6 of para 7.13 under Chapter 7 of SEBI Master Circular for Mutual Funds, based on the risk value assigned to the scheme, UTI AMC shall invest minimum amount as a percentage of assets under management ('AUM') in the scheme. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

III. OTHER DETAIL

A. Periodic Disclosure **Monthly Disclosure: Portfolio / Half yearly Financial Results**	a) The Mutual Fund shall within one month from the close of each half year, (i.e. 31st March and 30th September), host a soft copy of its unaudited financial results on website of UTI Mutual Fund https://www.utimf.com/downloads/scheme-financial and the website of AMFI (https://www.amfiindia.com/) a user-friendly, downloadable and machine readable format: The mutual fund shall given a Written communication (including digital modes such as email/SMS etc.) shall be sent to unitholders by the asset management company about the availability of financial results. b) The Mutual Fund shall disclose portfolio (along with ISIN) as on the last day of the month for all the scheme on its website and on the website of AMFI (https://www.amfiindia.com/)within 10 calender days from the close of days from the close of each month in a user-friendly and downloadable spreadsheet format. For debt schemes, such disclosure, including the yield of the instrument, shall be disclosed on fortnightly basis within 5 calendar days of every fortnight. The said aforementioned portfolio can be downloaded from the website of UTI Mutual Fund on the below mentioned link: https://www.utimf.com/downloads; (After following the above link, please expand "Portfolio Disclosure-Scheme wise", "Consolidate Portfolio Disclosure (debt schemes)" and select the desired scheme to view its portfolio) c) In case of unit holders whose e-mail addresses are registered, AMCs shall send such monthly/ fortnightly statements of scheme portfolio to such unitholders via email within the timelines prescribed above in point (b) d) AMCs shall declare on their website the hosting of the monthly/fortnightly statement of its schemes portfolio and on the website of AMFI and the modes such as SMS, telephone, email or written request (letter) through which a unit holder can submit a request for a physical or electronic copy of the statement of scheme portfolio for UTI Website please refer below mentioned link:

		https://www.utimf.com/downloads/notices The mutual fund shall provide a physical copy of the statement of its scheme portfolio, without charging any cost, on specific request received from a unitholder.
	B. Periodic Disclosure Annual Report	a) The Mutual Fund / AMC will host the Annual Report of the Schemes on its website (https://www.utimf.com/downloads/scheme-financial) and on the website of AMFI (www.amfiindia.com) not later than four months from the date of closure of the relevant financial year (i.e. 31st March each year). The full annual report shall be made available for inspection at UTI Tower, Gn Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051. b) The Mutual Fund shall e-mail the scheme annual reports or abridged summary thereof to those unitholders, whose email addresses are registered with the Mutual Fund. c) The asset management company shall provide physical copy of the abridged summary of the Annual Report, prepared in the format specified by the Board from time to time without any cost, if a request is received from a unitholder
S.O.41	**C. Transparency / NAV disclosures**	The Mutual Fund shall declare the Net asset value of the scheme by 11 p.m. on every business day on website of UTI Mutual Fund, www.utimf.com and website of AMFI namely www.amfiindia.com. The latest available NAV for the fund can be viewed/ requested from website, toll free number and whatsapp. Further, the Mutual Fund will extend facility of sending latest available NAVs to unit holders through SMS, upon users registering for the said service through website in NAV Disclosure section. If the NAVs are not available before commencement of business hours on the following day due to any reason, the Fund shall issue a press release providing reasons and explaining when the Fund would be able to publish the NAVs. The NAV shall be calculated for all business days
	D. Stamp duty	It is informed to all the Investors/Unit Holders of all the Scheme(s) of the UTI Mutual Fund that, pursuant to Notification No. S.O. 4419(E) dated December 10, 2019, SO. 1226(E) and G.S.R. 226(E) dated March 30, 2020 issued by Department of Revenue, Ministry of Finance, Government of India, read with Part I of Chapter IV of Notification dated February 21, 2019 issued by Legislative Department, Ministry of Law and Justice, Government of India on the Finance Act, 2019 and the provision no. 11.1.1 of para 11.1 under Chapter 11 of SEBI Master Circular for Mutual Funds, a stamp duty at the prescribed rate (at present @ 0.005%) of transaction value (amount for which units are allotted excluding any other deduction) would be levied on Subscriptions (including lumpsum and through systematic investments such as Systematic Investment Plans, Systematic Transfer Plan), Switch-ins, Reinvestment of IDCW Option etc. for units both in demat or physical mode. Accordingly, pursuant to levy of stamp duty, the number of units allotted to all applicable mutual fund transactions would be reduced to the extent of stamp duty amount. Please refer to SAI for further details.
	E. Associate Transactions	Please refer to Statement of Additional Information (SAI).
	F. Taxation	The information is provided for general information only. The information provided herein is as per the provisions of Income Tax Act 2025 (hereinafter referred to as **"IT Act"**). It may be noted that w.e.f. 01st April 2026, Income Tax Act 1961 has been repealed and has been replaced by the Income Tax Act 2025. Accordingly, w.e.f. 01st April 2026, the position as per the Income Tax Act 2025, as amended, has come into effect.

This is not a tax advice. In view of the individual nature of the implications, each investor is strongly advised to consult his or her or their own tax advisors with respect to the specific tax and other implications arising out of his or her participation in the scheme/prior to making any investment/transaction.

For details on the taxation and other terms & conditions, please refer to Statement of Additional Information (SAI):

	Resident Investors	**Mutual Fund**
Tax on income distributed/dividend	With effect from 01st April 2020, the income distributed/dividend shall be taxed only in the hands of the unitholders. Mutual Funds shall be required to deduct tax at source ('TDS') on the income distributed/dividend income at prescribed rates for all unitholders. The income distributed/ dividend shall be taxed in the hands of the unitholders at applicable tax rates provided under the Income Tax Act 2025. **TDS for Resident Unitholders:** TDS at the rate of 10% shall be deducted on income distributed/dividend income credited / paid to resident unitholders.	UTI Mutual Fund is a Mutual Fund registered with SEBI and as such is eligible for benefits under section 11 read with Schedule VII (sr. no.20) of the Income Tax Act, 2025 to have its entire income exempt from income tax. The Mutual Fund will receive income without any deduction of tax at source under the provisions of Section Section 393(v) of the Income-tax Act, 2025.
Capital gain Long Term: Short Term:	**Long Term Capital Gains** For transfers effected for such units on or after 23rd July 2024, the period of holding of the units for being treated as long term capital gain has been reduced to (a) more than twenty four months for such schemes which are not listed on the stock exchange and (b) more than twelve months for such schemes which are listed on the stock exchange. For transfers effected on or after 23rd July 2024, LTCG tax on the units of such schemes will be 12.5% without indexation. **Short Term Capital Gains** For transfers effected on or after 23rd July 2024, the	Same as above.

		period of holding for being treated as short term capital gains is (a) less than or upto twenty four months for such schemes which are not listed on the stock exchange (b) less than or upto twelve months for such schemes which are listed on the stock exchange. Short Term Capital Gains tax on STCG shall be taxable at the applicable rates/marginal tax rate.	

(a) **Taxation on Segregated Portfolio:**
Holding Period of Segregated Units: In the case of a capital asset, being a unit or units in a segregated portfolio, there shall be included the period for which the original unit or units in the main portfolio were held by the assessee.

(b) **Cost of Acquisition:**
(i) Cost of acquisition of a unit or units in the segregated portfolio shall be the amount which bears, to the cost of acquisition of a unit or units held by the assessee in the total portfolio, in the same proportion as the net asset value of the asset transferred to the segregated portfolio bears to the net asset value of the total portfolio immediately before the segregation of portfolios.
(ii) Cost of the acquisition of the original units held by the unit holder in the main portfolio shall be reduced by the amount as so arrived for the units of segregated portfolio.
(iii) Definitions of "main portfolio", "segregated portfolio" and "total portfolio" will be as provided in the SEBI circular No. SEBI/HO/IMD/DF2/CIR/P/2018/160, dated the 28th December, 2018.

TDS for other than resident investors: TDS for other than resident investors will be required to be deducted on income distributed/dividend income/capital gains as per the applicable provisions including the IT Act and the DTAA.

Higher TDS: Higher TDS rates on income distributed/dividend and capital gains will apply as specified under the Income tax Act 2025 and the Rules made thereunder including in cases where PAN is not available or where any person has failed to intimate / link Aadhaar with PAN.

Surcharge and Health & Education Cess: The tax on income distributed/dividend/capital gains tax/deduction of tax at source is to be increased by surcharge, if applicable. Further, Health and Education Cess @ 4% is to be charged on amount of tax and surcharge.

G. Rights of Unitholders	Please refer to SAI for details
H. Risk-o-meter	In terms of the provisions 6.16.1 of para 6.16 under Chapter 6 of SEBI Master Circular for Mutual Funds, the following shall be applicable: a. Risk-o-meter shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meter along with portfolio disclosure for all their schemes on their respective website and on AMFI website within 10 days from the close of each month. b. Any change in risk-o-meter shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to unitholders of that particular scheme.

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	c. Mutual Funds shall disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on their website and AMFI website. d. Mutual Funds shall publish a table of scheme wise changes in Risk-o-meter in scheme wise Annual Reports and Abridged summary. e. Product labelling assigned during the NFO is based on internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made.
I. Daily Performance Disclosure	The AMC shall upload performance of the Scheme on a daily basis on AMFI website in the prescribed format along with other details such as Scheme AUM and previous day NAV, as prescribed by SEBI from time to time.
J. Monthly / Fortnightly Portfolio Disclosure	The Mutual Fund shall disclose portfolio (along with ISIN) as on the last day of the month for all its Schemes on its website and on the website of AMFI within 10 days from the close of each month in a user friendly and downloadable spreadsheet format. The format for monthly portfolio disclosure shall be the same as that of half yearly portfolio disclosures. As per provision no. 6.1.1 of para 6.1 under Chapter 6 will be done on fortnightly basis within 5 days of every fortnight. In addition to the current portfolio disclosure, yield of the instrument will also be disclosed. The disclosure will be made in the format mentioned in the provision no.6.1.1 of para 6.1 under Chapter 5 of SEBI Master Circular for Mutual Funds. The Mutual Fund shall also disclose additional information (such as ratios etc.) subject to compliance with the SEBI Advertisement Code. In case of unitholders whose e-mail addresses are registered, the Mutual Fund shall send via email the monthly statement of scheme portfolio within 10 days from the close of each month in user-friendly and downloadable format (preferably in a spreadsheet) in the email itself or should contain a link which when clicked should download the respective monthly portfolio disclosures without re-directing the investor to the website of the AMC, so as to ensure that the information is made available to the investors in a uniform and user friendly manner. The mutual fund shall provide a physical copy of the statement of its scheme portfolio, without charging any cost, on specific request received from a unitholder.
K. Scheme Summary Document	AMCs has prepared scheme summary document in a prescribed format and upload the same on the AMCs AMFI and Stock Exchange website in PDF, spread sheet and machine readable format. The scheme summary shall be updated by the AMC on a monthly basis or on changes, in any of the specified fields.
L. Disclosure of Assets Under Management	The Mutual Fund shall disclose the following on monthly basis, in the prescribed format, on its website and also share the same with Association of Mutual Funds in India (AMFI): a. AUM from different categories of schemes such as equity schemes, debt schemes, etc. b. Contribution to AUM from B-30 cities (i.e. other than top 30 cities as identified by AMFI) and T-30 cities (Top 30 cities). c. Contribution to AUM from sponsor and its associates. d. Contribution to AUM from entities other than sponsor and its associates. e. Contribution to AUM from investors type (retail, corporate, etc.) in different scheme type (equity, debt, ETF, etc.). In order to have a holistic picture, Mutual Fund wise and consolidated data on the above parameters shall also be disclosed on AMFI website in the prescribed format.

	M. Additional Disclosure:	The Mutual Fund shall, in addition to the total commission and expenses paid to distributors, make additional disclosures regarding distributor-wise gross inflows, net inflows, AAUM and ratio of AUM to gross inflows on its website on an yearly basis. In case, the data mentioned above suggests that a distributor has an excessive portfolio turnover ratio, i.e., more than two times the industry average, the AMC shall conduct additional due-diligence of such distributors. The Mutual Fund shall also submit the data to AMFI and the consolidated data in this regard shall be disclosed on AMFI website.
	N. Disclosures of Votes Cast by the Mutual Funds	a. The AMC shall record and disclose, in the prescribed format, specific rationale supporting its voting decision (for or against) with respect to each vote proposal on matters relating to Corporate governance, changes to capital structure, stock option plans, social & corporate responsibility issues, appointment & removal of Directors and related party transactions of the investee companies (excluding own group companies) etc. as stated in provision no. 7.26.1 to 7.26.14 of para 7.26 under Chapter 7 of SEBI Master Circular for Mutual Funds. b. The AMC shall additionally publish in the prescribed format summary of the votes cast across all its investee company and its break-up in terms of total number of votes cast in favor or against. In case of the Mutual Funds having no economic interest on the day of voting, it may be exempted from compulsorily casting of votes. The vote shall be cast at Mutual Fund Level. c. The AMC shall disclose votes cast on their website on a quarterly basis, in machine readable spreadsheet format as prescribed by SEBI, within 10 working days from the end of the quarter. A detailed report in this regard along with summary thereof shall also be disclosed on the website of the AMC. Further, AMCs shall provide the web link in their annual reports regarding the disclosure of voting details. d. Further, on an annual basis, the AMC shall obtain certification from a "scrutinizer" appointed in terms of Companies (Management and Administration) Rules, 2014 on the voting reports disclosed. The same shall be submitted to the trustees and also disclosed in the relevant portion of the Mutual Funds' annual report & website. e. The Boards of AMC and Trustees shall review and ensure that the AMC has voted on important decisions that may affect the interest of investors and the rationale recorded for vote decision is prudent and adequate. The confirmation to the same, along with any adverse comments made by the scrutinizer, shall be reported to SEBI in the half yearly trustee reports.
	O. List of official points of acceptance	Please refer to the link below for list of official point of acceptances for the schemes of UTI Mutual Fund: https://www.utimf.com/downloads/data-related-to-sid
S.O.48 & 49	**P. Penalties, Pending Litigation or proceedings, Findings of Inspection or Investigations for which action may have been taken or is in the process of being taken by any regulatory authority.**	Please refer the below mentioned link for detail information: https://www.utimf.com/downloads/data-related-to-sid

S.O.63 **Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 2026 and the guidelines there under shall be applicable.**

S.O.65 **The Trustees have ensured that the UTI Balanced Hybrid Fund approved by them is a new product offered by UTI Mutual Fund and is not a minor modification of any existing scheme/fund/product.**