



**SCHEME INFORMATION DOCUMENT**  
(Continuous Offer for units at Applicable NAV)

<b>Name of the Scheme</b>	<b>Parag Parikh Liquid Fund</b>
<b>Type of the Scheme</b>	<b>An open-ended Liquid Scheme. A Relatively Low Interest Rate Risk and Relatively low Credit Risk</b>

<b>Name of the Mutual Fund</b>	PPFAS Mutual Fund
<b>Name of the Sponsor</b>	Parag Parikh Financial Advisory Services Limited CIN: U67190MH1992PLC068970
<b>Name of the Asset Management Company</b>	PPFAS Asset Management Private Limited CIN: U65100MH2011PTC220623
<b>Name of the Trustee Company</b>	PPFAS Trustee Company Private Limited CIN: U65100MH2011PTC221203
<b>Registered Address, Website of the Entities</b>	81/82, 8 <sup>th</sup> Floor, Sakhar Bhavan, Ramnath Goenka Marg, 230, Nariman Point, Mumbai- 400021, Maharashtra, India. Website: <a href="https://amc.ppfas.com">https://amc.ppfas.com</a>

<b>This product is suitable for investors who are seeking*</b>	<b>Risk-o-meters as on September 30, 2023</b>			
	<b>Scheme's Risk-o-meter</b>	<b>Tier I Benchmark's Risk-o-meter (CRISIL Liquid Debt A-I Index)</b>		
<ul style="list-style-type: none"> <li>Income over the short term</li> <li>Investments in debt / money market instruments.</li> </ul>	<p>Investors understand that their principal will be at low to moderate risk.</p>			
	<b>Potential Risk Class</b>			
	Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	Interest Rate Risk ↓	Relatively Low (Class I)	Moderate (Class II)	Relatively High (Class III)
		A-I		

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

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<b>Registered Address, Website of the Entities</b>	81/82, 8 <sup>th</sup> Floor, Sakhar Bhavan, Ramnath Goenka Marg, 230, Nariman Point, Mumbai-400021, Maharashtra, India Website: <a href="https://amc.ppfas.com">https://amc.ppfas.com</a>

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, (herein after referred to as SEBI (MF) Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the Asset Management Company (AMC). The units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the Scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund/Investor Service Centres (ISCs)/Website/Distributors or Brokers. This SID can be modified from time to time through an Addendum whenever a material change occurs. Such material change will also be filed with SEBI and circulated to all Unit holders or may be publicly notified by advertisements in newspapers subject to Regulations. Investors can obtain such Addenda from the Mutual Fund/ its Investor Service Centres or distributors / AMC Website.

The investors/unitholders are advised to refer to the Statement of Additional Information (SAI) for details of PPFAS Mutual Fund, Tax and Legal issues and general information on <http://amc.ppfas.com>.

**SAI is incorporated by reference is legally a part of the Scheme Information Document. For a free copy of the current SAI, please contact your nearest Investor Service Centre or log on to our website, <http://amc.ppfas.com>. The Scheme Information Document should be read in conjunction with the SAI and not in isolation.**

*The Mutual Fund has not authorized any person to provide any information or representation not confirmed in the SAI and SID. Investors are advised, while taking investment decision, not to rely on any such information or representation that is not contained in the SAI / SID.*

This Scheme Information Document (SID) is dated **October 31, 2023**.

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## HIGHLIGHTS/SUMMARY OF THE SCHEME

<b>Scheme Name</b>	Parag Parikh Liquid Fund																										
<b>Type of Scheme</b>	An Open-ended Liquid Scheme. A Relatively Low Interest Rate Risk and Relatively Low Credit Risk																										
<b>Category of Scheme</b>	Liquid Fund																										
<b>Scheme Code</b>	PPFA/O/D/LIF/18/04/0002																										
<b>Investment objective</b>	The primary investment objective of the Scheme is to deliver reasonable market related returns with lower risk and high liquidity through judicious investments in money market and debt instruments. However, there is no assurance that the investment objective of the scheme will be realized and the scheme does not assure or guarantee any returns.																										
<b>Potential Risk Class</b>	<table border="1"> <thead> <tr> <th colspan="4">Potential Risk Class</th> </tr> <tr> <th>Credit Risk →</th> <th>Relatively Low (Class A)</th> <th>Moderate (Class B)</th> <th>Relatively High (Class C)</th> </tr> </thead> <tbody> <tr> <th>Interest Rate Risk ↓</th> <td></td> <td></td> <td></td> </tr> <tr> <th>Relatively Low (Class I)</th> <td style="background-color: #cccccc;">A-I</td> <td></td> <td></td> </tr> <tr> <th>Moderate (Class II)</th> <td></td> <td></td> <td></td> </tr> <tr> <th>Relatively High (Class III)</th> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p>Investors are requested to note that PRC reflects the maximum risks (i.e., interest rate risk and credit risk) that the scheme can take. Unitholders are requested to note that any permanent change in the positioning of the scheme into a cell resulting in a risk (in terms of credit risk or duration risk) which is higher than the maximum risk specified for the chosen PRC cell, shall be considered as a fundamental attribute change of schemes. Further, in case of any permanent changes in the positioning of the scheme into a cell resulting in a risk (in terms of credit risk or duration risk) which is lower than the maximum risk specified for the chosen PRC cell, the AMC shall inform the unitholders.</p> <p>However, the PRC value of a scheme could change temporarily due to price movements, rating changes, investment actions, etc. Any such temporary change in the PRC cell of a scheme to a higher risk scale for either credit risk or duration risk beyond the maximum risk specified for the chosen PRC cell shall be subject to rebalancing in terms of provisions specified in the SID of the scheme.</p>			Potential Risk Class				Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)	Interest Rate Risk ↓				Relatively Low (Class I)	A-I			Moderate (Class II)				Relatively High (Class III)			
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<b>Liquidity</b>	The Scheme being offered is open-ended scheme and will offer Units for Sale, Switch-in and Redemption /Switch out, on every Business Day at NAV based prices. As per SEBI (MF) Regulations, the Mutual Fund shall release redemption proceeds within 3 Business Days of receiving the Redemption request in case of normal situation and in case of exceptional situation it shall be 5 working days as per SEBI and /or AMFI Guidelines as amended from time to time. A penal interest of 15% p.a. or such other rate as may be prescribed by SEBI from time to time, will be paid by the AMC for the period of delay in case the redemption proceeds are not transferred within the prescribed time. .																										
<b>Tier I Benchmark Index</b>	CRISIL Liquid Debt A-I Index																										
<b>Transparency/ NAV Disclosure</b>	The AMC will calculate and disclose the first NAV of the Scheme within 5 business days from the date of allotment. Subsequently, the AMC will disclose the NAV of the Scheme at the close of every Business Day. The AMC shall update the NAVs on the website of the Mutual Fund ( <a href="http://amc.ppfas.com">http://amc.ppfas.com</a> ) and on the website of Association of Mutual Funds in																										

	<p>India - AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) by 11.00 p.m. on every Business Day. In addition, the ISCs would also display the NAV. In case of any delay, the reasons for such delay would be explained to AMFI in writing. If the NAVs are not available before commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAVs. The NAV of 'Unclaimed Redemption/IDCW beyond 3 years' option shall be at face value i.e. Rs. 1000/-</p> <p>'In case NAV of Corporate Debt Market Development Fund ('CDMDF') units is not available by 9:30 p.m. of same Business Day, NAV declaration timing for Mutual Fund Schemes holding units of CDMDF shall be 10 a.m. on next business day instead of 11 p.m. on same Business Day.'</p> <p>The AMC will disclose the NAV of the Scheme at the close of every Business day and release to the Press, News Agencies and the Association of Mutual Funds of India (AMFI) except in special circumstances described in '<b>Suspension of Sale / Redemption / Switching of the Units</b>' under section '<b>Restrictions</b>, if any, on the right to freely retain or dispose of units being offered'. NAV will also be displayed on the website of the Mutual Fund. In addition, the ISCs would also display the NAV.</p>
<p><b>Portfolio Disclosure</b></p>	<p>The AMC will disclose portfolio of the Scheme (along with ISIN) as on the last day of the each month/ half year on its website i.e <a href="http://www.amc.ppfas.com">www.amc.ppfas.com</a> and on the website of AMFI viz. <a href="http://www.amfiindia.com">www.amfiindia.com</a> on or before 10th day of the succeeding month/ half year respectively in a user friendly and downloadable format.</p> <p>In addition to monthly and Half yearly Portfolio disclosure, the AMC will disclose portfolio of the Scheme (along with ISIN) on its website i.e. <a href="http://www.amc.ppfas.com">www.amc.ppfas.com</a> and on the website of AMFI viz. <a href="http://www.amfiindia.com">www.amfiindia.com</a> on fortnightly basis along with sending the email to the unitholders whose email addresses are registered with AMC within 5 days of every fortnight.</p> <p>In case of Unitholders whose e-mail addresses are registered, the AMC shall send via e-mail both the monthly and half-yearly statement of the Scheme portfolio within 10 days from the close of each month/ half-year respectively. Further, the AMC shall publish an advertisement in all India edition of at least two daily newspapers, one each in English and Hindi every half year disclosing the hosting of the half-yearly statement of the schemes' portfolio(s) on the AMC's website and on the website of AMFI. The AMC shall provide a physical copy of the statement of the Scheme portfolio, without charging any cost, on specific request received from a Unitholder.</p> <p>The scheme wise annual report shall be hosted on the website of the AMC / Mutual Fund (<a href="http://www.amc.ppfas.com">www.amc.ppfas.com</a>) and AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year). Further, the physical copy of the scheme wise annual report shall be made available to the Unitholders at the registered / corporate office of the AMC at all times.</p> <p>In case of Unitholders whose e-mail addresses are registered with the Fund, the AMC shall e-mail the annual report or an abridged summary thereof to such Unitholders. The Unitholders whose e-mail addresses are not registered with the Fund may submit a request to the AMC / Registrar &amp; Transfer Agent to update their email ids or communicate their preference to continue receiving a physical copy of the scheme wise annual report or an abridged summary thereof. Unitholders may also request for a physical or electronic copy of the annual report / abridged summary, by writing to the AMC at <a href="mailto:mf@ppfas.com">mf@ppfas.com</a> from their registered email ids or calling the AMC on the toll free number 1800 266 7790 or by submitting a written request at any of the nearest investor service centers of the Fund.</p> <p>Further, the AMC shall publish an advertisement in all India edition of at least two daily newspapers, one each in English and Hindi, every year disclosing the hosting of the scheme wise annual report on its website and on the website of AMFI. The AMC shall provide a physical copy of the abridged summary of the annual report, without charging any cost, on specific request received from a Unitholder.</p>

<b>Half Yearly Financial Results</b>	The Fund shall provide half yearly disclosures of the Scheme's unaudited financial results in the prescribed format on its website <a href="http://amc.ppfas.com">http://amc.ppfas.com</a> within one month from the close of each half year i.e. on 31st March and on 30th September and shall publish an advertisement in this regard in at least one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the Fund is situated.																
<b>Dematerialisation of Units</b>	<p>The Unit holders would have an option to hold the Units in electronic (dematerialized) form or account statement/ physical (non-demat) form. Units held in Demat Form are freely transferable. The Applicant intending to hold Units in dematerialized form will be required to have a beneficiary account with a Depository Participant (DP) of the NSDL/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.</p> <p>Unit-holders are requested to note that request for conversion of units held in Account Statement (non-demat) form into Demat (electronic) form should be submitted to their Depository Participants.</p>																
<b>Transfer of Units</b>	<p>Units held by way of an Account Statement can be transferred. Units held in non demat form / by way of an Account Statement can be transferred.</p> <p>For units held in non - demat form, unit holders intending to transfer units will have to get the units Certified by submitting designated form. On receipt of the said request, RTA will mark the underlying units as Certified Units and will issue a Certified SOA for those units. The AMC / RTA, on production of Designated Transfer Form together with relevant Certified SOA and requisite documents, register the transfer and provide the Certified SOA to the transferee within 10 business days from the date of such production. Investors may note that stamp duty and other statutory levies, if any, as applicable from time to time shall be borne by the transferee.</p> <p>If a person becomes a holder of the Units consequent to operation of law, or upon enforcement of a pledge, the Fund will, subject to production of satisfactory evidence, effect the transfer, if the transferee is otherwise eligible to hold the Units. Similarly, in cases of transfers taking place consequent to death, insolvency etc., the transferee's name will be recorded by the Fund subject to production of satisfactory evidence.</p> <p>Units held in Demat form are transferable in accordance with the provisions of SEBI (Depositories and Participants) Regulations, as may be amended from time to time. Transfer can be made only in favor of transferees who are eligible of holding units and having a Demat Account. The delivery instructions for transfer of units will have to be lodged with the DP in requisite form as may be required from time to time and transfer will be effected in accordance with such rules / regulations as may be in force governing transfer of securities in dematerialized mode.</p>																
<b>Load Structure (for Lumpsum purchases and investments through SIP)</b>	<p><b>Entry Load: Not Applicable.</b></p> <p><b>Exit Load:</b></p> <table border="1" data-bbox="558 1346 1417 1803"> <thead> <tr> <th data-bbox="558 1346 987 1423">Investor Exit upon subscription</th> <th data-bbox="987 1346 1417 1423">Exit load as % of redemption Proceeds</th> </tr> </thead> <tbody> <tr> <td data-bbox="558 1423 987 1482">Day 1</td> <td data-bbox="987 1423 1417 1482">0.0070%</td> </tr> <tr> <td data-bbox="558 1482 987 1541">Day 2</td> <td data-bbox="987 1482 1417 1541">0.0065%</td> </tr> <tr> <td data-bbox="558 1541 987 1600">Day 3</td> <td data-bbox="987 1541 1417 1600">0.0060%</td> </tr> <tr> <td data-bbox="558 1600 987 1659">Day 4</td> <td data-bbox="987 1600 1417 1659">0.0055%</td> </tr> <tr> <td data-bbox="558 1659 987 1717">Day 5</td> <td data-bbox="987 1659 1417 1717">0.0050%</td> </tr> <tr> <td data-bbox="558 1717 987 1776">Day 6</td> <td data-bbox="987 1717 1417 1776">0.0045%</td> </tr> <tr> <td data-bbox="558 1776 987 1803">Day 7 onwards</td> <td data-bbox="987 1776 1417 1803">0.0000%</td> </tr> </tbody> </table> <p>Any exit load charged (net off Service Tax, if any) shall be credited back to the Scheme.</p> <p>No exit load will be charged, in case of switch transactions between Plans. i.e Regular Plan</p>	Investor Exit upon subscription	Exit load as % of redemption Proceeds	Day 1	0.0070%	Day 2	0.0065%	Day 3	0.0060%	Day 4	0.0055%	Day 5	0.0050%	Day 6	0.0045%	Day 7 onwards	0.0000%
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	<p>and Direct Plan</p> <p>The Trustees shall have a right to prescribe or modify the exit load structure with prospective effect subject to a maximum prescribed under the Regulations.</p> <p>For further details on load structure refer to the section '<b>Load Structure</b>'.</p>
<p><b>Minimum Application/Additional Purchase Amount</b></p>	<p>New Purchase: Rs. 5,000/- and in multiple of Re. 1 thereafter.</p> <p>Additional Purchase: Rs. 1,000/- and in multiple of Re. 1 thereafter.</p> <p>In case of monthly SIP, Rs. 1,000/- and in multiple of Re. 1 thereafter.</p> <p>Note: Allotment of units will be done after deduction of applicable stamp duty and transaction charges, if any.</p> <p><b>Non-applicability of Minimum Application Amount (Lump-sum) and Minimum Redemption amount to Alignment of interest of Designated Employees of AMC:</b></p> <p>SEBI vide its Master circular dated May 19, 2023 (Alignment of interest of Designated Employees of Asset Management Companies (AMCs) with the Unitholders of the Mutual Fund Schemes) has, inter alia mandated that a minimum of 20% of gross annual CTC net of income tax and any statutory contributions of the Designated Employees of the AMCs shall be invested in units of the scheme(s) of the Fund in which they have a role/oversight. In accordance with the regulatory requirement, the minimum application amount and minimum redemption amount wherever specified in the concerned SID / KIM will not be applicable for investment made in schemes of the Fund in compliance with the aforesaid circular(s).</p>
<p><b>Transaction Charges</b></p>	<p>In accordance with SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 , PPFAS Asset Management Private Limited ("the AMC")/Mutual Fund shall deduct the Transaction Charges on purchase / subscription received from the investors investing through a valid ARN Holder i.e. AMFI registered Distributor (provided the distributor has opted to receive the Transaction Charges) as under (distributors' decision to opt in or opt out of levying transaction charges is applicable at plan/option/product level):</p> <p><b>(i) First Time Mutual Fund Investor (across Mutual Funds):</b> Transaction Charge of Rs. 150/- per purchase / subscription of Rs. 10,000/- and above will be deducted from the purchase / subscription amount for payment to the distributor of such investor and the balance shall be invested.</p> <p><b>(ii) Investor other than First Time Mutual Fund Investor:</b> Transaction Charge of Rs. 100/- per purchase / subscription of Rs. 10,000/- and above will be deducted from the purchase/ subscription amount for payment to the distributor of such investor and the balance shall be invested.</p> <p><b>Transaction Charges in Case of Investments Through SIP:</b> Transaction Charges in case of investments through SIP are deductible only if the total commitment of investment (i.e. amount per SIP installment x No. of installments) amounts to Rs. 10,000 or more. In such cases, Transaction Charges shall be deducted in 3-4 installments. Identification of investors as "first time" or "existing" will be based on Permanent Account Number (PAN)/ PAN Exempt KYC Reference Number (PEKRN) at the First/ Sole Applicant/ Guardian level. Hence, Unit holders are urged to ensure that their PAN/ PEKRN/ KYC is updated with the Fund. Unit holders may approach any of the Official Points of Acceptances of the Fund i.e. Investor Service Centers (ISCs) of the Fund/ offices of our Registrar and Transfer Agent, M/s. Computer Age Management Services Ltd in this regard.</p> <p><b>It may be noted that Transaction Charges shall not be deducted:</b></p> <p>(a) where the distributor of the investor has not opted to receive any Transaction Charges;</p>

(b) for purchases / subscriptions / total commitment amount in case of SIP of an amount less than Rs. 10,000/-;

(c) for transactions other than purchases / subscriptions relating to new inflows; i.e. through Switches/ Systematic Transfers/ Transfers of Income Distribution cum Capital withdrawal option / Re-investment of Income Distribution cum Capital withdrawal option (IDCW) (as and when offered);

(d) for purchases / subscriptions made directly with the Fund (i.e. not through any distributor);

(e) for purchases / subscriptions routed through Stock Exchange(s) , through Stock brokers as applicable.

For further details on Transaction Charges, refer to the section '**Transaction Charges**'.

**Cash Investments**

In order to help enhance the reach of mutual fund products amongst small investors, who may not be tax payers and may not have PAN/bank accounts, such as farmers, small traders/businessmen/workers, SEBI has permitted receipt of cash transactions for fresh purchases/ additional purchases to the extent of Rs.50,000/- per investor, per financial year shall be allowed subject to:

i. compliance with Prevention of Money Laundering Act, 2002 and Rules framed there under; the SEBI Circular(s) on Anti Money Laundering (AML) and other applicable Anti Money Laundering Rules, Regulations and Guidelines; and

ii. sufficient systems and procedures in place.

However, payment towards redemptions, IDCW, etc. with respect to aforementioned investments shall be paid only through banking channel.

At present, applications for investing in schemes through cash are not accepted by PPFAS Mutual Fund. Appropriate notice shall be displayed on its website viz. as well as at the Investor Service Centres, once the facility is made available to the investors.

**Option / Plan**

The Scheme offers two Plans:

1. Direct Plan
2. Regular Plan

Both Regular and Direct Plan(s) offers two Options, viz.,

1. Growth Option
2. Income Distribution cum capital withdrawal Option (IDCW)

IDCW Option have the following sub-options/facilities:

Sub-Option/ Facilities	Frequency of IDCW	Record Date
Daily Re-investment of Income Distribution cum capital withdrawal option	Daily	All days for which NAV is published on <a href="http://www.amfiindia.com">www.amfiindia.com</a> / <a href="https://amc.ppfas.com">https://amc.ppfas.com</a>
Weekly Re-investment of Income Distribution cum capital withdrawal option	Weekly	Every Monday
Monthly Reinvestment /Payout of Income	Monthly	Last Monday of the Month



	<table border="1" data-bbox="558 184 1421 296"> <tr> <td data-bbox="558 184 776 296">Distribution cum capital withdrawal option</td> <td data-bbox="776 184 951 296"></td> <td data-bbox="951 184 1421 296"></td> </tr> </table> <p>The Trustee / AMC reserves the right to change the record date from time to time.</p> <p>The NAVs of the above Options will be different and separately declared; the portfolio of investments remaining the same.</p> <p>Investors are requested to note that, where the actual amount of payout of IDCW option is less than Rs. 500/-, then such IDCW will be compulsorily reinvested.</p> <p>The Investors should indicate the plan / option / sub-option / facility for which Subscription is made by indicating the choice in the appropriate box provided for this purpose in the application form. In case of valid application received without any choice of option/facility, the following default plan / option / sub-option / facility will be considered:</p> <p>As per AMFI Best Practice Guideline No : 135/BP/ 107 /2023-24 dated May 04, 2023, AMC can accept business only from an empaneled distributor. Transactions received, if any, from / under the ARN of a non-empaneled MFD may be processed under Direct Plan, with prompt intimation to the non-empaneled MFD, and the investor.</p> <p><b>Default Plan</b> Investors subscribing under Direct Plan of the Scheme will have to indicate “Direct Plan” against the Scheme name in the application form. However, if distributor code is mentioned in application form, but “Direct Plan” is mentioned against the Scheme name, the distributor code will be ignored and the application will be processed under “Direct Plan”. Further, where application is received for regular Plan without Distributor code or “Direct” mentioned in the ARN Column, the application will be processed under Direct Plan. For further details, please refer ‘Section III. Units and Offer’.</p> <p><b>Default Option – Growth</b></p> <p><b>Default IDCW Frequency – Daily Re-Investment of Income Distribution cum capital withdrawal Option</b></p>	Distribution cum capital withdrawal option		
Distribution cum capital withdrawal option				
<p><b>Minimum Redemption Amount (For All Option/plan)</b></p>	<p>Rs. 1,000/- or 1 unit or account balance, whichever is lower in respect of each Option. In case the Investor specifies both the number of units and amount, the number of Units shall be considered for Redemption. In case the unitholder does not specify the number or amount, the request will not be processed.</p> <p>Where Units under a Scheme are held under both Direct and Regular Plans and the redemption / Switch request pertains to the Direct Plan, the same must clearly be mentioned on the request (along with the folio number), failing which the request would be processed from the Regular Plan. However, where Units under the requested Options are held only under one plan, the request would be processed under such plan.</p>			

## I. INTRODUCTION

### A. RISK FACTORS

#### Standard Risk Factors:

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down depending on the various factors and forces affecting the capital markets and money markets as with any investment in stocks, shares and securities.
- Past performance of the Sponsor and their associates/ AMC / Mutual Fund does not guarantee future performance of the Scheme of the Mutual Fund.
- Parag Parikh Liquid Fund is only the name of the Scheme and the name of the Scheme does not in any manner indicate either the quality of the Scheme or its future prospects and returns.
- The Sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1 lakh made by them towards setting up the Fund.
- The present scheme is not a guaranteed or assured return scheme.

#### Scheme Specific Risk Factors:

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

The performance of the Scheme may be affected by changes in Government policies, general levels of interest rates and risks associated with trading volumes, liquidity and settlement systems. As the Scheme will be investing in debt and money market instruments it may have the following risks:

#### Backstop facility in form of investment in Corporate Debt Market Development Fund (CDMDF):

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

In accordance with the requirement of regulation 43A of SEBI (Mutual Funds) Regulations, 1996 read with SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/129 dated July 27, 2023 on Investment by Mutual Fund Schemes in units of Corporate Debt Market Development Fund, the aforementioned schemes shall invest 25 bps of its AUM as on December 31, 2022 in the units of the Corporate Debt Market Development Fund ('CDMDF'). An incremental contribution to CDMDF shall be made every six months to ensure 25 bps of scheme AUM is invested in units of CDMDF. However, if AUM decreases there shall be no return or redemption from CDMDF. Contribution made to CDMDF, including the appreciations on the same, if any, shall be locked-in till winding up of the CDMDF.

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

Investors are requested to read detailed disclosure on investment of the schemes in the CDMDF as listed in sub-section "C. How will the Scheme allocate its assets? And sub-section D. Where will the Scheme Invest" in Section "Section II- Information about the scheme".

## 1. Risk Factors Associated with Fixed Income Securities and Money Market Instruments:

**Instruments Price-Risk or Interest-Rate Risk:** The Net Asset Value (NAV) of the Scheme, to the extent invested in Debt and Money Market securities, will be affected by changes in the general level of interest rates. The NAV of the Scheme is expected to increase from a fall in interest rates while it would be adversely affected by an increase in the level of interest rates. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates. It also depends upon the yield level at which the security is being traded.

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

Investments in fixed income securities carry re-investment risk as interest rates prevailing on the coupon payment or maturity dates may differ from the original interest rates. A borrower may prepay a receivable prior to its due date. This may result in a change in the yield and tenor for the Scheme.

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

**Credit Risk:** Investments in money market instruments involve credit risk commensurate with short term rating of the issuers.

Investment in Debt instruments are subject to varying degree of credit risk or default risk (i.e. the risk of an issuer's inability to meet interest and principal payments on its obligations) or any other issues, which may have their credit ratings downgraded. Investment is also subject to the risk of market perception of the creditworthiness of the issuer. i.e. even where no default occurs, the price of a security may go down because the credit rating of an issuer goes down. Changes in financial conditions of an issuer, changes in economic and political conditions in general, or changes in economic and/ or political conditions specific to an issuer, all of which are factors that may have an adverse impact on an issuer's credit quality and security values. This may increase the risk of the portfolio.

Government securities where a fixed return is offered run price-risk like any other fixed income security. It is to be noted here that a government Security is a sovereign security and is the safest. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates. The price-risk is not unique to Government Securities. It exists for all fixed income securities. However, Government Securities are unique in the sense that their credit risk generally remains zero. Therefore, their prices are influenced only by movement in interest rates in the financial system.

Different types of fixed income securities in which the Scheme would invest as given in the SID carry different levels and types of risk. Accordingly, the Scheme risks may increase or decrease depending upon its investment pattern. e.g. Corporate Bonds carry a higher level of risk than Government securities. Within Corporate Bonds also there are different level of safety and bonds rated higher by particular rating agency is safer than a bond rated lower by the same rating agency.

**Prepayment Risks:** In the event of prepayments, investors may be exposed to changes in tenor and yield.

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

**Spread Risk:** In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. However, depending upon the market conditions, the spreads may move adversely or favorably leading to fluctuation in NAV. In the life of the security this spread may move adversely leading to loss in value of the portfolio. The yield of the underlying benchmark might not change, but the spread of the security over the underlying benchmark might increase leading to loss in value of the security.

**Liquidity Risk:** The liquidity of a bond may change, depending on market conditions leading to changes in the liquidity premium attached to the price of the bond. At the time of selling the security, the security can become illiquid, leading to loss in value of the portfolio.

**Liquidity Risk on account of unlisted securities:** The AMC may choose to invest in unlisted securities within the regulatory limit. This may increase the risk of the portfolio. The liquidity and valuation of the Scheme investments due to their holdings of unlisted securities may be affected if they have to be sold prior to their target date of divestment. The unlisted security can go down in value before the divestment date and selling of these securities before the divestment date can lead to losses in the portfolio.

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

**Settlement Risk:** Fixed income securities run the risk of settlement which can adversely affect the ability of the fund house to swiftly execute trading strategies which can lead to adverse movements in NAV.

**Risks associated with unrated instruments:** - Investments in unrated instruments are considered to be subject to greater risk of loss of principal and interest than rated instruments. The AMC may, considering the overall level of risk of the portfolio, invest in lower rated / unrated securities offering higher yields as well as zero coupon securities that offer attractive yields. This may increase the absolute level of risk of the portfolio.

**Duration Risk:** Duration risk refers to the movement in price of the underlying invested money market / debt instruments due to movement/change in interest rates over different durations of maturity of instruments. In a portfolio of debt assets, the duration risk is measured by the average duration of the portfolio. Duration, expressed in years, is used as a measure of the sensitivity of the fixed income instrument to a change in interest rates. Usually Individual duration of the fixed income instruments in the portfolio is calculated and the portfolio duration is the weighted average of such individual instrument duration. A longer portfolio duration is associated with greater price fluctuations. A rise in interest rates could normally lead to decrease in prices and generally negatively affects portfolios having longer duration vis-a-vis portfolios having shorter duration. A fall in interest rate generally benefits portfolio having longer duration. A longer duration portfolio is also generally associated with greater volatility vis-a-vis a shorter duration portfolio.

**Performance Risk:** Performance risk refers to the risk of a scheme being unable to generate returns matching /above the returns of the scheme's benchmark. It would also mean the scheme underperforming against its peer set of other mutual fund schemes having similar portfolios, scheme classification, objective, benchmark and asset allocation. The performance risk is a function of various variables which include interest rate movement and the associated price movement of the invested debt/money market instruments, the duration risk, the credit quality movement and the liquidity of the invested instruments. These risks could arise due to a variety of market and economic activities, government policies, global economic changes, currency fluctuations, tax policies, political changes, corporate actions and investors' behavior.

**Redemption risk:** The Scheme at times may receive large number of redemption requests, leading to an asset-liability mismatch and therefore, requiring the investment manager to make a distress sale of the securities leading to realignment of the portfolio and consequently resulting in investment in lower yield instruments.

To the extent the underlying Mutual Fund Scheme invest in Debt / Money Market Instruments, the Scheme shall be affected by the aforementioned risk factors. The Net Asset Value (NAV) of the units of the Scheme is likely to get effected on accounts of such risk factors. Any change in the investment policies or fundamental attributes of any underlying scheme is likely to affect the performance of the Scheme. Further, the liquidity of the Scheme's investments may be inherently restricted by the liquidity of the underlying schemes in which it has invested.

## **2. Risk factors associated with investing in Derivatives:**

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

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

Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counterparty") to comply with the terms of the derivatives contract. The Scheme bears a risk that it may not be able to correctly forecast future market trends or the value of assets, indices or other financial or economic factors in establishing derivative positions for the Scheme.

Besides the price of the underlying asset, the volatility, tenor and interest rates affect the pricing of derivatives, trading in derivatives carry a high degree of risk although they are traded at a relatively small amount of margin which provides the possibility of great profit or loss in comparison with the principal investment amount.

Other risks in using derivatives include but are not limited to:

**a. Credit Risk** – This occurs when a counterparty defaults on a transaction before settlement and therefore, the Scheme are compelled to negotiate with another counter party, at the then prevailing (possibly unfavorable) market price, in order to maintain

the validity of the hedge. For exchange traded derivatives, the risk is mitigated as the exchange provides a guaranteed settlement but one takes the performance risk on the exchange.

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

**c. Model Risk** – This is the risk of mis–pricing or improper valuation of derivatives.

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

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

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

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

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

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

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

### **3. Risk factors Associated with Securitised Debt:**

The Scheme may invest in domestic securitized debt such as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are securitized debts where the underlying assets are receivables arising from various loans including automobile loans, personal loans, loans against consumer durables, etc. MBS are securitized debts where the underlying assets are receivables arising from loans backed by mortgage of residential / commercial properties.

At present in Indian market, following types of loans are securitized:

1. Auto Loans (cars / commercial vehicles /two wheelers)
2. Residential Mortgages or Housing Loans
3. Consumer Durable Loans
4. Personal Loans
5. Corporate Loans

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

The Risks involved in Securitised Papers described below are the principal ones and does not represent that the risks set out hereunder is exhaustive.

### **Limited Liquidity & 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.

### **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 or any affiliate of the Seller, Issuer and Originator. 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.

### **Risks due to possible prepayments and Charge Offs**

In the event of prepayments, investors may be exposed to changes in tenor and yield. Also, any Charge Offs would result in the reduction in the tenor of the Pass-Through Certificates (PTCs).

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

### **Bankruptcy of the Swap Bank**

If the Swap Bank, becomes subject to bankruptcy proceedings then an Investor could experience losses or delays in the payments due under the Interest Rate Swap Agreement.

### **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 the originator in its capacity as Servicer fails to remit such funds due to Investors, the Investors may be exposed to a potential loss.

### **4. General Risk factors:**

Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Scheme. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances leading to delays in receipt of proceeds from sale of securities. The NAV of the Units of the Scheme can go up or down because of various factors that affect the capital markets in general.

As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for redemption of Units may be significant in the event of an inordinately large number of redemption requests or restructuring of the Scheme. In view of the above, the Trustee has the right, in its sole discretion, to limit redemptions (including suspending redemptions) under certain circumstances, as described under "**Right to Limit Redemptions**" in Section 'Restrictions, if any, on the right to freely retain or dispose of units being offered'. The Scheme may retain certain investments in cash or cash equivalents for its day-to-day liquidity requirements.

Investment strategy to be adopted by the Scheme may carry the risk of significant variance between the portfolio allocation of the Scheme and the Benchmark particularly over a short to medium term period.

Performance of the Scheme may be affected by political, social, and economic developments, which may include changes in government policies, diplomatic conditions, and taxation policies.

### **5. Risk factors associated with processing of transaction through Stock Exchange Mechanism:**

The trading mechanism introduced by the stock exchange(s) is configured to accept and process transactions for mutual fund units in both Physical and Demat Form. The allotment and/or redemption of Units through NSE and/or BSE or any other recognised stock exchange(s), on any Business Day will depend upon the modalities of processing viz. collection of application form, order

processing/settlement, etc. upon which the Fund has no control. Moreover, transactions conducted through the stock exchange mechanism shall be governed by the operating guidelines and directives issued by respective recognized stock exchange(s).

## **6. Risk factors associated with Segregated Portfolio**

Different types of securities in which the scheme would invest carry different levels and types of risk as given in the Scheme Information Document of the scheme. In addition to the same, unitholders are requested to also note the following risks with respect to Segregated Portfolio:

**Liquidity Risk:** A lower level of liquidity affecting an individual security (ies) or an entire market may have an adverse bearing on the value of the Segregated Scheme's assets. This may more importantly affect the ability to sell particular securities with minimal impact cost as and when necessary to meet requirements of liquidity or to sell securities in response to triggers such as a specific economic/corporate event. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of a few of the investments. This may impact the NAV of the segregated portfolio and could result into potential loss to the Unit holders.

**Credit risk:** The scheme's risk may increase or decrease depending upon its investment pattern. E.g. corporate bonds carry a higher amount of risk than Government securities. Further, even among corporate bonds, bonds, which are AA rated, are comparatively more risky than bonds, which are AAA rated. Investment in unrated securities may be riskier compared to investment in rated instruments due to non-availability of third party assessment on the repayment capability of the issuer. As the securities are unrated, an independent opinion of the rating agency on the repayment capability of the issuer will not be available. 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. Even where no default occurs, the price of a security may go down because the credit rating of an issuer goes down. This may impact the NAV of the segregated portfolio and resultant loss to the Unit holders.

**Listing of units:** Listing of units of segregated portfolio in recognized 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.

## **7. Risks associated with investments in Repo transactions in Corporate Bonds**

In repo transactions, also known as a repo or sale repurchase agreement, securities are sold with the seller agreeing to buy them back at later date. The repurchase price should be greater than the original sale price, the difference effectively representing interest. A repo is economically similar to a secured loan, with the buyer receiving corporate debt securities as collateral to protect against default. The Scheme may invest in repo of corporate debt securities which are subject to the following risks:

**Counterparty Risk:** This refers to the inability of the seller to meet the obligation to buy back securities at the contracted price on the contracted date. The Investment Manager will endeavour to manage counterparty risk by dealing only with counterparties, having strong credit profiles. Also, the counterparty risk is to an extent mitigated by taking collateral equivalent in value to the transaction after knocking off a minimum haircut on the intrinsic value of the collateral. In the event of default by the repo counterparty, the scheme shall have recourse to corporate debt securities.

**Collateral Risk:** Collateral risk arises when the market value of the securities is inadequate to meet the repo obligations. This risk is mitigated by restricting participation in repo transactions with collateral bearing a minimum rating as prescribed by the regulators (currently AA or equivalent and above rated money market and corporate debt securities). Any rating downgrade will tantamount to either an early termination of the repo agreement or a call for fresh margin to meet the minimum haircut requirement. In addition, the Investment manager may apply a higher haircut on the underlying security than mentioned above to adjust for the illiquidity and interest rate risk on the underlying instrument. The adequacy of the collateral will be monitored on a daily basis by considering the daily market value & applying the prescribed haircut. In the event of shortfall in the collateral, the counterparty shall be asked to replenish the same. If the counterparty is not able to top-up either in form of cash / collateral, it shall tantamount to early termination of the repo agreement.

**Settlement Risk:** Corporate Bond Repo shall be settled between two counterparties in the OTC segment unlike in the case of Government securities repo transactions where CCIL stands as central counterparty on all transactions which neutralizes the settlement risk. However, the settlement risk pertaining to CDRs shall be mitigated through Delivery versus Payment (DvP) mechanism which is followed by all clearing members.

## **B. 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 Regulation 39(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 compiled 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.

#### **REQUIREMENT OF MINIMUM AVERAGE ASSETS UNDER MANAGEMENT (AUM)**

The Scheme shall maintain an average AUM of Rs. 20 crores on half yearly rolling basis. In case, the average AUM falls below Rs. 20 crores, the AMC shall scale up the AUM of such Scheme within a period of six months so as to maintain the average AUM of Rs. 20 crores on half yearly rolling basis, failing which the Scheme shall be wound up in accordance with the provisions of Regulation 39 (2) (c) of SEBI (Mutual Funds) Regulations, 1996 as amended from time to time.

#### **C. SPECIAL CONSIDERATIONS, IF ANY**

- The Sponsor is not responsible for any loss resulting from the operation of the Scheme beyond the initial contribution of an amount of Rs.1,00,000/- (Rupees One Lakh) collectively made by them towards setting up the Mutual Fund or such other accretions and additions to the initial corpus set up by the Sponsor.
- The Trustee, AMC, Mutual Fund, their directors and their employees shall not be liable for any of the tax consequences that may arise, in the event that the Scheme is wound up for the reasons and in the manner provided in 'Statement of Additional Information ('SAI')'. Redemption by the Unit holder due to change in the fundamental attributes of the Scheme or due to any other reasons may involve tax consequences. The Trustee, AMC, Mutual Fund, their directors and their employees shall not be liable for any such tax consequences that may arise.
- The tax benefits described in this Scheme Information Document and Statement of Additional Information are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advise received by the AMC regarding the law and practice currently in force in India and the Unit holders should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Unit holder is advised to consult his / her own professional tax advisor.
- Prospective Investors should study this Scheme Information Document and the Statement of Additional Information carefully in its entirety and should not construe the contents as advise relating to legal, taxation, investment or any other matters. Investors are advised to consult their legal, tax, investment and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming units, before making a decision to invest / redeem /hold Units.
- Neither this Scheme Information Document nor the Units have been registered in any jurisdiction outside India. The Investors may take note that the Scheme may in future be registered/ recognized in any other applicable jurisdiction, by the AMC as and when it desires. The distribution of this Scheme Information Document in certain jurisdictions may be restricted or totally prohibited due to registration requirements and accordingly, persons who come into possession of this Scheme Information Document are required to inform themselves about and to observe any such restrictions and or legal compliance requirements with respect to their eligibility for investment in the Units of the Scheme. Any person receiving a copy of this SID, SAI or any accompanying application form in such jurisdiction should not treat this SID, SAI or such application form as constituting an invitation to them to subscribe for Units. Such persons should in no event use any such application form unless in the relevant jurisdiction such an invitation to subscribe could lawfully be made to them and such application form could lawfully be used without complying with any registration or other legal requirements by the AMC/Mutual Fund/Trustee.
- Any dispute arising out of the Scheme shall be subject to the non-exclusive jurisdiction of the Courts in India. Statements in this Scheme Information Document are, except where otherwise stated, based on the law, practice currently in force in India, and are subject to changes therein.
- No person has been authorised to issue any advertisement or to give any information or to make any representations other than that contained in this Scheme Information Document and Statement of Additional Information. Circulars in connection with this offering not authorised by the Mutual Fund and any information or representations not contained herein must not be relied upon as having been authorized by the Mutual Fund.



- The Mutual Fund / Trustees / AMC has not authorized any person to give any information or make any representations, either oral or written, not stated in this SID or the SAI in connection with issue or sale of Units under the Scheme. Prospective Investors are advised not to rely upon any information or representations not incorporated in the SAI and SID as the same have not been authorized by the Mutual Fund or the Trustees or the AMC. Any Purchase or Redemption or Switch made by any person on the basis of statements or representations which are not contained in this SID or SAI or which are not consistent with the information contained in the Offer Documents shall be solely at the risk of the Investor / Unit holder(s). Investors are requested to check the credentials of the individual, firm or other entity they are entrusting their Application Form and payment to, for any transaction with the Mutual Fund. The Mutual Fund shall not be responsible for any acts done by the intermediaries representing or purportedly representing such Investor.
- The Mutual Fund may disclose details of the investor's account and transactions there under to those intermediaries whose stamp appears on the application form. In addition, the Mutual Fund may disclose such details to the bankers / its agents, payment aggregators as may be necessary for the purpose of effecting payments to the investor. Further, the Mutual Fund may disclose details of the investor's account and transactions thereunder to any Regulatory / Statutory entities as per the provisions of law.
- The AMC and/ or its Registrars & Transfer Agent (RTA) reserve the right to disclose/share Unit holder's details of folio(s) and transaction details thereunder with the following third parties of fulfilling its obligations under PMLA and rules/guidelines issued thereunder without obtaining prior approval of the Unitholder/any other person:
  - a) RTA, Banks and/or authorised external third parties who are involved in transaction processing, dispatching etc., of the Unitholder's investment in the Scheme;
  - b) Distributors or sub-brokers through whom the applications are received for the Scheme;
  - c) Any other organizations for compliance with any legal or regulatory requirements or to verify the identity of the Unitholders for complying with anti-money laundering requirements.
 In this connection the Trustee / AMC reserves the right to reject any such application at its discretion.
- Mutual Funds and securities investments are subject to market risks and there can be no assurance or guarantee that the Scheme objectives will be achieved and the investment decisions made by the AMC may not always be profitable. Investors should study this Scheme Information Document and the Statement of Additional Information carefully in its entirety before investing.
- 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 re-verify identity and obtain any missing or additional information for this purpose. The Trustee / AMC may 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 Know Your Customer (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/RBI, 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.
- As per SEBI circular No MRD/DoP/Cir- 05/2007 dated April 27, 2007, in order to strengthen the Know Your Client (KYC) norms and identify every participant in the securities market with their respective Permanent Account Number (PAN) thereby ensuring sound audit trail of all the transactions, PAN shall be the sole identification number for all participants transacting in the securities market, irrespective of the amount of transactions (except for specifically exempted cases). Exempted investors are required to provide alternate proof of identity in lieu of PAN for KYC purposes and are allotted PAN-exempt KYC Reference Number (PEKRN).  
Valid PAN/PEKRN and KYC is mandatory for all financial transactions including non-investor initiated. If not furnished, then from April 1, 2023, the impact on non investor initiated transactions shall include:
  1. IDCW reinvestment option/facility being automatically changed to IDCW payout option/facility. Registrations under Transfer of IDCW Plan facility, being cancelled and IDCW declared, if any, being treated as "Payout".
  2. All IDCW pay-out (including point 1 and 2 above) shall also be paid only after unit holders furnish their PAN/PEKRN.
 Further, such investors will also be able to lodge grievance or make service requests only after furnishing the above details.  
Currently, as per Section 139AA of the Income Tax Act, 1961, every person who has been allotted a PAN as on July 1, 2017, and who is eligible to obtain an Aadhaar number, shall have to mandatorily link their Aadhaar and PAN latest by

June 30, 2023 or such other timeline as may be notified by SEBI from time to time, failing which such PAN shall become inoperative immediately thereafter and attract higher TDS and transaction restrictions.

Note: Presently, Aadhaar-PAN linking does not apply to any individual who is (a) residing in the States of Assam, Jammu and Kashmir, and Meghalaya; (b) a non-resident as per the Income Tax Act, 1961 (NRI as per Income Tax records); or (c) of the age of eighty years or more at any time during the previous year; or (d) not a citizen of India.

However, these exemptions may change or be revoked later.

- SEBI vide Master circular on Mutual Funds dated May 19, 2023, as amended from time to time, has made it mandatory for investors subscribing to mutual fund units on or after October 1, 2022, to either provide nomination details or opt out of nomination in prescribed format. Further, all existing individual unit holder(s) (either sole or joint) are required to provide nomination / opt out of nomination by January 1, 2024 or such other timeline as may be notified by SEBI from time to time, failing which their folios shall be frozen for debits.
- Subject to the approval of Board of Directors of the AMC and Trustee Company and immediate intimation to SEBI, a restriction on redemptions may be imposed by the Scheme under certain exceptional circumstances, which the AMC / Trustee believe that may lead to a systemic crisis or event that constrict liquidity of most securities or the efficient functioning of markets. Please refer to the paragraph “Right to Limit Redemptions” for further details.
- From time to time and subject to the Regulations, the Sponsor, the mutual funds and investment companies managed by them, their, their associate companies, subsidiaries of the Sponsor and the AMC may invest either directly or indirectly in the Scheme. The funds managed by these associates, the sponsor, subsidiaries of the Sponsor and/or the AMC may acquire a substantial portion of the Scheme’s Units and collectively constitute a major Investor in the Scheme. Accordingly, Repurchase/Redemption of Units held by such funds, associates and Sponsor may have an adverse impact on the Units of the Scheme because the timing of such Repurchase/Redemption may impact the ability of the other Unitholders to redeem their Units.
- **Levy of Stamp Duty on applicable mutual fund transactions**

Investors/ Unit holders of all Schemes of PPFAS Mutual Fund are requested to note that, pursuant to Part I of Chapter IV of the Notification dated February 21, 2019, issued by the Legislative Department, Ministry of Law and Justice, Government of India, on the Finance Act, 2019, read with subsequent notifications including Notification dated March 30, 2020 issued by Department of Revenue, Ministry of Finance, Government of India, a stamp duty at the rate of 0.005% of the transaction value would be levied on applicable mutual fund investment transactions such as purchases (including switch-in, Reinvestment of Income Distribution cum capital withdrawal option) with effect from July 1, 2020. Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchases, switch-ins, Systematic Investment Plan (SIP) installments, Systematic Transfer Plan (STP) installments, Reinvestment of Income Distribution cum capital withdrawal option etc. to the unit holders would be reduced to that extent. The stamp duty will be deducted from the net investment amount i.e. gross investment amount less any other deduction like transaction charge. Units will be created only for the balance amount i.e. Net Investment Amount as reduced by stamp duty. Stamp duty will be computed at the rate of 0.005% on an inclusive method basis.

For instance: If the transaction amount is Rs. 100100 /- and the transaction charge is Rs. 100, the stamp duty will be calculated as follows:  $((\text{Transaction Amount} - \text{Transaction Charge})/100.005*0.005) = \text{Rs. } 5$ . If the applicable Net Asset Value (NAV) is Rs. 10 per unit, then units allotted will be calculated as follows:  $(\text{Transaction Amount} - \text{Transaction Charge} - \text{Stamp Duty})/ \text{Applicable NAV} = 9,999.50$  units.

Transfer of Mutual Fund units (such as transfers between demat accounts) are subject to payment of stamp duty @ 0.015%. The rate and levy of stamp duty may vary as amended from time to time.

- **Foreign Account Tax Compliance Act (FATCA):**

The Foreign Account Tax Compliance Act (FATCA) is a United States Federal Law, aimed at prevention of tax evasion by US taxpayers through use of offshore accounts. The Government of India and the United States of America (US) have reached an agreement in substance on the terms of an Inter-Governmental Agreement (IGA) to implement FATCA. FATCA is designed to increase compliance by US taxpayers and is intended to bolster efforts to prevent tax evasion by the US taxpayers with offshore investments. PPFAS Mutual Fund is classified as a “Foreign Financial Institution” (FFI) under the FATCA provisions. FATCA requires enhancement of due diligence processes by the FFI so as to enable the FFI to identify US reportable accounts.

In accordance with the FATCA provisions, the Fund /the AMC would be required, from time to time, to undertake necessary due diligence process by collecting information/documentary evidence of the US/non-US status of its investors/ unit holders and identify US reportable accounts, and to disclose/report information (through itself or through its service providers), as far as may be legally permitted, about the holdings/investment returns pertaining to US reportable accounts to the US Internal Revenue Service (IRS) and/or such Indian authorities as may be specified under

FATCA or other applicable laws or guidelines; and to carry out such other activities, as prescribed under FATCA or other applicable laws or guidelines, as amended from time to time.

The AMC / Trustee reserves the right to modify the provisions of the SID / KIM / SAI from time to time as permissible under SEBI (MF) Regulations and circulars and guidelines issued thereunder from time to time.

#### D. DEFINITIONS:

In this Scheme Information Document, the following words and expressions shall have the meaning specified herein, unless the context otherwise requires:

<b>"AMC" or "Asset Management Company" or "Investment Manager"</b>	PPFAS Asset Management Private Limited, incorporated under the provisions of the Companies Act, 1956 and approved by Securities and Exchange Board of India to act as the Asset Management Company for the scheme (s) of PPFAS Mutual Fund.
<b>"Applicable NAV"</b>	The Net Asset Value applicable for Purchase/ Redemptions / Repurchase / Switches etc., based on the Business Day and relevant cut-off times on which the application is accepted at the official point of acceptance.
<b>"AMFI Certified Stock Exchange Brokers"</b>	A person who is registered with AMFI as Mutual Fund Advisor and who has signed up with PPFAS Asset Management Private Limited and also registered with BSE & NSE as Participant.
<b>"ARN Holder" / "AMFI registered Distributors"</b>	Intermediary registered with Association of Mutual Funds in India (AMFI) to carry out the business of selling and distribution of mutual fund units and having AMFI Registration Number (ARN) allotted by AMFI.
<b>"Business Day"</b>	A day other than: i. Saturday and Sunday; ii. A day on which the banks in Mumbai and / RBI are closed for business / clearing; iii. A day on which the National Stock Exchange of India Limited is closed; iv. A day which is a public and /or bank holiday at a Investor Service Centre/ Official Point of Acceptance where the application is received; v. A day on which Sale / Redemption / Switching of Units is suspended by the AMC; vi. A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time. vii. The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres.
<b>"Business Hours"</b>	Presently 9.30 a.m. to 5.30 p.m. on any Business Day or such other time as may be applicable from time to time.
<b>"Beneficial Owner"</b>	Beneficial owner as defined in the Depositories Act 1996 (22 of 1996) means a person whose name is recorded as such with a depository.
<b>"Book Closure"</b>	The time during which the Asset Management Company would temporarily suspend sale, redemption and switching of Units.
<b>"Clearing Member" or "CM"</b>	Clearing Members are members of the Clearing Houses/Clearing Corporations who facilitate settlement of trades done on stock exchanges.

<b>"Consolidated Account Statement"</b>	Consolidated Account Statement is a statement containing details relating to all the transactions across all schemes of mutual funds viz. purchase, redemption, switch, Payout / Reinvestment of Income Distribution cum capital withdrawal option (IDCW), systematic investment plan, systematic withdrawal plan, systematic transfer plan and bonus transactions, etc. (including transaction charges paid to the distributor) and holding at the end of the month.
<b>"Custodian"</b>	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian) Regulations 1996, which for the time being is Deutsche Bank AG.
<b>"Call money/Money at Call"</b>	Refers to the money invested by the Funds in the overnight Money Market, subject to necessary regulatory approvals.
<b>"Depository"</b>	Depository as defined in the Depositories Act, 1996 (22 of 1996) and in this SID, refers to National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL).
<b>"Depository Participant"</b>	'Depository Participant' means a person registered as such under Sub-section (1A) of section 12 of the Securities and Exchange Board of India Act, 1992.
<b>"Derivative"</b>	Derivative includes (i) a security derived from a debt instrument, share, loan whether secured or unsecured, risk instrument or contract for differences or any other form of security; (ii) a contract which derives its value from the prices, or index of prices, or underlying securities.
<b>"Direct Plan"</b>	A Plan for investors who wish to invest directly without routing the investment through any distributor. This Plan shall have a lower expense ratio and no commission for distribution of Units will be paid/ charged under the Direct Plan.
<b>"IDCW" (Income Distribution cum Capital Withdrawal)</b>	Income distributed on Mutual Fund Units from the distributable surplus, which may include a portion of the investor's capital {i.e. part of Sale Price (viz. price paid by the investor for purchase of Units) representing retained realized gains (equalisation reserve) in the Scheme books}.
<b>"Entry Load" or "Sales Load"</b>	Load on Sale / Switch in of Units. However, SEBI vide its Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 has decided that there shall be no entry Load for all Mutual Fund Schemes.
<b>"Exit Load" or "Redemption Load"</b>	Load on Redemption of Units / Switch out of Units.
<b>"FATCA"</b>	Foreign Account Tax Compliance Act (FATCA) is a legislation to help counter tax evasion in the United States. FATCA has been introduced by the United States Department of Treasury and the U.S. Internal Revenue Service to encourage better tax compliance by preventing U.S. Persons from using banks and financial institutions to avoid U.S. taxation on their global income and assets. FATCA legislation will affect both individual and non-individual investors who are treated as 'U.S. Person' for US tax purposes.

<b>“Fund Manager”</b>	Person/s managing the scheme.
<b>"Foreign Institutional Investor" or “FII”</b>	Foreign Institutional Investor, registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
<b>"Foreign Portfolio Investor" or "FPI"</b>	FPI means a person who satisfies the eligibility criteria prescribed under Regulation 4 and has been registered under Chapter II of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
<b>“Floating rate debt Instruments”</b>	Floating rate debt instruments are debt instruments issued by Central and / or State Government, corporates or PSUs with interest rates that are reset periodically. The periodicity of the interest reset could be daily, monthly, quarterly, half-yearly, annually or any other periodicity that may be mutually agreed with the issuer and the Fund. The interest on the instruments could also be in the nature of fixed basis points over the benchmark gilt yields.
<b>"Gilts" or "Government Securities"</b>	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.
<b>"Holiday"</b>	Holiday means the day(s) on which the banks (including the Reserve Bank of India) are closed for business or clearing in Mumbai or their functioning is affected due to a strike / bandh call made at any part of the country or due to any other reason.
<b>Income Distribution cum capital withdrawal (IDCW) Option</b>	Income distributed on Mutual Fund Units from the distributable surplus, which Capital Withdrawal may include a portion of the investor’s capital {i.e. part of Sale Price (viz. Price paid by the investor for purchase of Units) representing retained realized gains (equalisation reserve) in the Scheme books }
<b>"Investment Management Agreement"</b>	The agreement dated May 22, 2012 entered into between PPFAS Trustee Company Private Limited and PPFAS Asset Management Private Limited, as amended from time to time.
<b>"Investor Service Centres" or "ISCs"</b>	Designated Offices of PPFAS Asset Management Private Limited or such other centres / offices as may be designated by the AMC from time to time.
<b>"Load"</b>	In the case of Redemption/Switch out of a Unit, the sum of money deducted from the Applicable NAV on the Redemption/ Switch out and in the case of Sale/switch in of a Unit, a sum of money to be paid by the prospective investor on the Sale/Switch in of a Unit in addition to the Applicable NAV.
<b>“Main Portfolio”</b>	Main Portfolio shall mean the Scheme portfolio excluding the Segregated Portfolio.
<b>"Money Market Instruments"</b>	Includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills, corporate bonds, Tri Party Repo(TREPs) and any other like instruments as specified by the Reserve Bank of India from time to time.
<b>“Mutual Fund” or “the Fund”</b>	PPFAS Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882.

<b>“Net Asset Value” or “NAV”</b>	Net Asset Value per Unit of the Scheme(s), calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
<b>“Non-Resident Indian” or “NRI”</b>	A person resident outside India who is either a citizen of India or a person of Indian origin
<b>“NRE Account”</b>	Non-Resident External Account.
<b>“NRO Account”</b>	Non-Resident Ordinary Rupee
<b>“NRSR Account”</b>	Non-Resident Special Rupee Account.
<b>“Overseas Citizen of India” or “OCI”</b>	A person registered as an overseas citizen of India by the Central Government under section 7A of ‘The Citizenship Act, 1955’. The Central Government may register as an OCI a foreign national (except a person who is or had been a citizen of Pakistan or Bangladesh or such other person as may be specified by Central Government by notification in the Official Gazette), who was eligible to become a citizen of India on 26.01.1950 or was a citizen of India on or at any time after 26.01.1950 or belonged to a territory that became part of India after 15.08.1947 and his/her children and grandchildren (including Minor children), provided his/her country of citizenship allows dual citizenship in some form or other under the local laws.
<b>“Open Ended Scheme”</b>	Scheme of a mutual fund, which offers Units for sale without specifying any duration for, Redemption / Repurchase.
<b>“Official Points of Acceptance”</b>	Places, as specified by AMC from time to time where application for subscription/ redemption / switch will be accepted on ongoing basis.
<b>“Options”</b>	The scheme offers two options: 1. Growth Option; 2. IDCW Option.
<b>“Person of Indian Origin”</b>	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in sub-clause (a) or (b).
<b>“Plans”</b>	Shall include and mean any prospective Plan issued by the Scheme in accordance with SEBI (MF) Regulations and other Plan issued under the Schemes of PPFAS Mutual Fund.
<b>“QFI”</b>	QFI means Qualified Foreign Investor. “QFI shall mean a person who fulfills the following criteria:  (i) Resident in a country that is a member of Financial Action Task Force (FATF) or a member of a group which is a member of FATF; and (ii) Resident in a country that is a signatory to IOSCO’s MMOU (Appendix A Signatories) or a signatory of a bilateral MOU with SEBI:  Provided that the person is not resident in a country listed in the public statements issued by FATF from time to time on- (i) jurisdictions having a strategic Anti-Money Laundering/

	<p>Combating the Financing of Terrorism (AML/CFT) deficiencies to which counter measures apply, (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the FATF to address the deficiencies:</p> <p>Provided further such person is not resident in India:</p> <p>Provided further that such person is not registered with SEBI as Foreign Institutional Investor or Sub-account or Foreign Venture Capital Investor.</p>
<b>"Rating"</b>	Rating means an opinion regarding securities, expressed in the form of standard symbols or in any other standardised manner, assigned by a credit rating agency and used by the issuer of such securities, to comply with any requirement of the SEBI (Credit Rating Agencies) Regulations, 1999.
<b>"RBI"</b>	Reserve Bank of India, established under the Reserve Bank of India Act, 1934, (2 of 1934)
<b>"Registrar and Transfer Agent" or "RTA"</b>	Computer Age Management Services Limited (CAMS) Chennai, currently acting as registrar to the Scheme, or any other registrar appointed by the AMC from time to time.
<b>"Regular Plan"</b>	A plan for investors who wish to invest in units of the Scheme through Distributors and not directly with the Fund.
<b>"Redemption / Repurchase"</b>	Redemption/ Repurchase of Units of the Scheme as permitted.
<b>"Regulatory Agency"</b>	Government of India, SEBI, RBI or any other authority or agency entitled to issue or give any directions, instructions or guidelines to the Mutual Fund
<b>"Repo"</b>	Sale/Repurchase of Government Securities with simultaneous agreement to repurchase/ resell them at a later date.
<b>"Reverse Repo"</b>	Purchase of Government Securities with a simultaneous agreement to sell them at a later date.
<b>"Sale/Subscription"</b>	Sale or allotment of Units to the Unit holder upon subscription by the investor/ applicant under the Scheme.
<b>"Scheme"</b>	Parag Parikh Liquid Fund
<b>"Scheme Information Document" or "SID"</b>	This document issued by PPFAS Mutual Fund, offering for subscription of Units of the Parag Parikh Liquid Fund (including options thereunder).
<b>"SEBI"</b>	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992 as amended from time to time.
<b>"SEBI (MF) Regulations" or "Regulations"</b>	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
<b>"Segregated Portfolio"</b>	Segregated Portfolio shall mean a portfolio, comprising of debt or money market instrument affected by a credit event, that has been segregated in a Mutual Fund Scheme
<b>"Sponsor" or "Settlers"</b>	Parag Parikh Financial Advisory Services Limited.

<b>"Statement of Additional Information" or "SAI"</b>	The document issued by PPFAS Mutual Fund containing details of PPFAS Mutual Fund, its constitution, and certain tax, legal and general information. SAI is legally a part of the Scheme Information Document.
<b>"Switch"</b>	Redemption of a unit in any scheme (including the options therein) of the Mutual Fund against purchase of a unit in another scheme (including the options therein) of the Mutual Fund, subject to completion of Lock-in Period, if any.
<b>"Systematic Transfer Plan" or "STP"</b>	A plan enabling investor to transfer a fixed amount at daily/ weekly/ monthly intervals into other schemes of PPFAS MUTUAL FUND.
<b>"Securities Consolidated Account Statement ('SCAS')"</b>	Securities Consolidated Account Statement ('SCAS') is a statement sent by the Depository that shall contain details relating to all the transaction(s) viz. purchase, redemption, switch, IDCW payout, IDCW re-investment, systematic investment plan, systematic withdrawal advantage plan, systematic transfer plan, bonus transactions, etc. carried out by the Beneficial Owner(s) (including transaction charges paid to the distributor) across all schemes of all mutual funds and transactions in securities held in dematerialized form across demat accounts, during the month and holdings at the end of the month.
<b>"Trustee"</b>	PPFAS Trustee Company Private Limited incorporated under the provisions of the Companies Act, 1956 and approved by SEBI to act as Trustee to the Scheme(s) of PPFAS Mutual Fund.
<b>"Trust Deed"</b>	The Trust Deed dated April 13, 2012 made by and between Sponsor and PPFAS Trustee Company Private Limited ("Trustee"), thereby establishing an irrevocable trust, called PPFAS Mutual Fund.
<b>"Trust Fund"</b>	Amounts settled/contributed by the Sponsor towards the corpus of the PPFAS Mutual Fund and additions/ accretions thereto.
<b>"Unit"</b>	The interest of the Unit holder which consists of each Unit representing one undivided share in the assets of the Scheme.
<b>"Unit holder" or "Investor"</b>	A person holding Unit in the Scheme of PPFAS Mutual Fund offered under this Scheme Information Document.

## INTERPRETATION

For all purposes of this Scheme Information Document, except as otherwise expressly provided or unless the context otherwise requires:

- all references to the masculine shall include the feminine and all references, to the singular shall include the plural and vice-versa.
- all references to "dollars" or "\$" refer to United States Dollars and "Rs." refer to Indian Rupees. A "crore" means "ten million" and a "lakh" means a "hundred thousand".
- all references to timings relate to Indian Standard Time (IST)
- References to a day are to a calendar day including a non-business day.

## E. ABBREVIATIONS

In this Scheme Information Document, the following abbreviations have been used	
AMC	Asset Management Company



AMFI	Association of Mutual Funds in India
BSE	Bombay Stock Exchange of India
CAGR	Compound Annual Growth Rate
TREPs	Tri Party Repo
CDSL	Central Depository Services Limited
CKYC	Central Know Your Client.
DP	Depository Participant
ECS	Electronic Clearing System
EFT	Electronic Funds Transfer
FCNR A/c	Foreign Currency (Non-Resident) Account
FPI	Foreign Portfolio Investor
FII	Foreign Institutional Investor
ISC	Investor Service Centre
KRA	KYC Registration Agency
KYC	Know Your Customer
MIBOR	Mumbai Interbank Offer Rate
NAV	Net Asset Value
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing Service
NFO	New Fund Offer
NRE A/c	Non-Resident (External) Rupee Account
NRI	Non-Resident Indian
NRO A/c	Non-Resident Ordinary Rupee Account
NSDL	National Depositories Services Limited
NSE Limited	National Stock Exchange of India
OCI	Overseas Citizen of India
PPLF	Parag Parikh Liquid Fund
PEKRN	PAN Exempt KYC Reference Number
PAN	Permanent Account Number
PIO	Person of Indian Origin

QFI	Qualified Foreign Investor
RBI	Reserve Bank of India
RIA	SEBI Registered Investment Advisors
RTA	Registrar and Transfer Agent
RTGS	Real Time Gross Settlement
SEBI	Securities and Exchange Board of India
SIP	Systematic Investment Plan
SAI	Statement of Additional Information
SID	Scheme Information Document
STP	Systematic Transfer Plan
SWP	Systematic Withdrawal Plan
IDCW	Income Distribution cum Capital Withdrawal Option (erstwhile known as Dividend Option)

#### **F. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**

It is confirmed that:

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

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

(iii) There are no deviations from the regulations or no subjective interpretations have been applied to the provisions of the regulations.

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

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

(vi) The contents of Scheme Information Document including figures, data, yields, etc. have been checked and are factually correct. AMC has complied with the set of checklist applicable for Scheme Information Documents

Place: Mumbai.  
Date: October 31, 2023

Signed : Sd/-  
Name: **Priya Hariani**  
Designation: Chief Compliance Officer & Company Secretary

## II. Information about the Scheme:

### A. TYPE OF THE SCHEME:

**Parag Parikh Liquid Fund is an Open-ended Liquid Scheme, A Relatively Low Interest Rate Risk and Relatively low Credit Risk**

### B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

The primary investment objective of the Scheme is to provide optimal returns with lower risk and higher liquidity through judicious investments in money market and debt instruments.

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

### C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

#### Asset allocation:

The AMC retains the flexibility to invest across all the securities/ instruments in debt and money market. The flexibility is being retained to adjust the portfolio in response to a change in the risk - return equation for asset classes under investment, with view to maintain risks within manageable limits. Under normal circumstances, the asset allocation of the Scheme's portfolio will be as follows:

Sr. No.	Type of Instruments	Normal Allocation (% of Net Assets)	Risk Profile
1.	Money Market instruments* (including cash, repo, CPs, CDs, Treasury Bills, TREPs/CBLO and Government Securities with maturity/residual maturity up to 91 days)	80- 100	Low
2.	Debt instruments (including Floating rate debt instruments and securitised debt with maturity/residual maturity up to 91 days)	0 - 20	Low to Medium

The scheme may invest in maximum of 20% in securitised debt. The scheme may also invest up to 50% of the portfolio (i.e net asset including cash) in such derivative instruments as may be introduced from time to time subject to framework specified by SEBI, for the purpose of hedging, portfolio balancing and such other purposes as may be permitted under SEBI Regulation.

\*At least 20% of the net assets of the scheme shall be invested in liquid assets. 'Liquid assets' shall include Cash, Government Securities, T-bills and Repo on Government Securities.

In accordance with SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023. Parag Parikh Liquid Fund shall have the following additional characteristics with regard to its portfolio:

- (i) The Scheme shall make investment in/ purchase debt and money market securities with maturity of up to 91 days only.
- (ii) In case of securities with put and call options (daily or otherwise) the residual maturity shall not be greater than 91 days.
- (iii) Inter-scheme transfers of Debt and Money Market Instruments in the Scheme shall be carried out in respect of securities with the maturity of up to 91 days.
- (iv) In case the maturity of the security falls on a Non-Business Day, then settlement of securities will take place on the next Business Day.

'In accordance with the requirement of regulation 43A of SEBI (Mutual Funds) Regulations, 1996 read with SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/129 dated July 27, 2023 on Investment by Mutual Fund Schemes and AMCs in units of Corporate Debt Market Development Fund, scheme shall invest 25 bps of its AUM as on December 31, 2022 in the units of the Corporate Debt Market Development Fund ('CDMDF') within 10 working days from the request of CDMDF. Further, an incremental contribution to CDMDF shall be made every six months within 10 working days from the end of half year starting from December 2023 to ensure 25 bps of scheme AUM is invested in units of CDMDF. However, if AUM decreases there shall be no return or redemption from CDMDF. Contribution made to CDMDF, including the appreciations on the same, if any, shall be locked-in till winding up of the CDMDF.

However, in case of winding up of contributing Scheme, inter-scheme transfers within the same Mutual Fund or across Mutual Funds may be undertaken.

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

The Scheme will not invest in the ADRs/GDRs and Foreign Securities. The Scheme shall not engage into securities lending and borrowing.

In case of securities where the principal is to be repaid in a single payout, the maturity of the securities shall mean residual maturity. In case the principal is to be repaid in more than one payout then the maturity of the securities shall be calculated on the basis of weighted average maturity of the security.

The Scheme retains the flexibility to invest across all the securities in the debt and Money Market Instruments.

The Scheme shall not park its funds which are pending for deployment in short term deposits of scheduled commercial banks.

The Scheme shall not invest in debt securities having structured obligations (SO rating) and/ or credit enhancements (CE rating). However, debt securities with government guarantee shall be excluded from such restriction.

All the investments by the Mutual Fund under the Scheme shall be guided by investment restrictions as specified in SEBI (Mutual Funds) Regulations, 1996 from time to time.

The Scheme may review the above pattern of investments based on views on interest rates and asset liability management needs. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.

The Investment Committee shall then decide on the course of action.

#### **Review by Board of AMC and Trustees**

A detailed review of the schemes of the Fund including its performance vis-à-vis benchmark index, assets size, rankings/ratings received, if any is placed before the Board of Directors of AMC and to the Trustee on a quarterly basis.

#### **Change in Asset Allocation / Investment Pattern**

Subject to SEBI (MF) Regulations the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially depending upon the perception of the Investment Manager, the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the investment pattern will be for short term and for defensive consideration only. In the event of change in the asset allocation, the fund manager will carry out portfolio rebalancing within 30 calendar days or such other timeline as may be prescribed by SEBI from time to time.

It may be noted that no prior intimation/indication would be given to investors when the fund manager deviates from the asset allocation mentioned above for short term or for defensive considerations, including factors such as market conditions, market opportunities, applicable regulations and political and economic factors. In case such deviations are carried, the fund manager shall endeavor to rebalance the asset allocation within 30 calendar days of the deviation. The investors/unit holders can ascertain details of asset allocation of the scheme as on the last date of each month on AMC's website at [www.amc.ppfas.com](http://www.amc.ppfas.com) that will display the asset allocation of the scheme as on the given day.

#### **Portfolio Rebalancing due to passive breaches**

SEBI vide its Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 on Timelines for Rebalancing of Portfolios of Mutual Fund Schemes, the following have been mandated for the applicable schemes of Mutual Funds:

In the event that the asset allocation of the scheme should deviate from the ranges as stated in asset allocation table above, then the portfolio of the scheme will be rebalanced by the fund manager for the position indicated in the asset allocation table above within a maximum period of 30 business days from the date of said deviation.

In case the portfolio of schemes mentioned are not rebalanced within the above mandated timelines (i.e. 30 Business Days), justification in writing, including details of efforts taken to rebalance the portfolio shall be placed before Investment Committee.

The Investment Committee, if so desires, can extend the timelines up to sixty (60) business days from the date of completion of the mandated rebalancing period.

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

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

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

### **Debt Market in India**

The instruments available in Indian Debt Market are classified into two categories, Government and Non – Government debt securities. The following instruments are available in these categories:

#### **A) Government Debt Securities**

- ★ Central Government Debt
- ★ Treasury Bills
- ★ Dated Government Securities
  - Coupon Bearing Bonds
  - Floating Rate Bonds
  - Zero Coupon Bonds
- ★ State Government Debt
  - State Government Loans
  - Coupon Bearing Bonds

#### **B) Non-Government Debt**

- ★ Instruments issued by Government Agencies and other Statutory Bodies
  - Government Guaranteed Bonds
  - PSU Bonds

#### **C) Instruments issued by Public Sector Undertakings**

- ★ Commercial Paper
- ★ PSU Bonds
- ★ Fixed Coupon Bonds
- ★ Floating Rate Bonds
- ★ Zero Coupon Bonds

#### **Instruments issued by Banks and Development Financial Institutions**

- ★ Certificates of Deposit
- ★ Promissory Notes
- ★ Bonds
- ★ Fixed Coupon Bonds
- ★ Floating Rate Bonds
- ★ Zero Coupon Bonds

#### **Instruments issued by Corporate Bodies**

- ★ Commercial Paper
- ★ Non-Convertible Debentures
- ★ Fixed Coupon Debentures
- ★ Floating Rate Debentures
- ★ Zero Coupon Debentures
- ★ Pass Through certificates

#### **Instruments that comprise a major portion of money market activity include,**

- ★ Overnight Call
- ★ Repo/Reverse Repo Agreements
- ★ Tri Party Repo/Reverse Repo
- ★ Treasury Bills

- ★ Government Securities with a residual maturity of < 1 year
- ★ Commercial Paper and Certificates of Deposit

Apart from these, there are some other options available for short tenure investments that include MIBOR linked debentures with periodic exit options and other such instruments.

Though not strictly classified as Money Market Instruments, PSU/ DFI / Corporate paper with a residual maturity of < 1 year, are actively traded and offer a viable investment option. The following table gives approximate yields prevailing during the year ended **September 30, 2023** on some of the instruments. These yields are indicative and do not indicate yields that may be obtained in future as interest rates keep changing consequent to changes in macro - economic conditions and RBI policy.

<b>Instrument</b>	<b>Yield Range (% per annum)</b>
Interbank Call Money	6.75 – 7.03
91 Day Treasury Bill	6.71 - 6.95
364 Day Treasury Bill	6.85 – 7.22
A1+ Commercial Paper 90 Days (Approx)	7.15 – 7.01
5 Year Government of India Security	6.87 - 7.25
10 Year Government of India Security	6.96 - 7.31
15 Year Government of India Security (Approx)	7.08 - 7.41
1 Year Corporate Bond - AAA Rated	7.40 – 7.80
3 Year Corporate Bond - AAA Rated	7.46 – 7.79
5 Year Corporate Bond - AAA Rated	7.43 - 7.78

(Source: Bloomberg)

The price and yield on various debt instruments fluctuate from time to time depending upon the macro - economic situation, inflation rate, overall liquidity position, foreign exchange scenario etc. Also, the price and yield vary according to maturity profile, credit risk etc.

Generally, for instruments issued by a non-Government entity (corporate / PSU bonds), the yield is higher than the yield on a Government Security with corresponding maturity. The difference, known as credit spread, depends on the credit rating of the entity.

Apart from these, there are some other options available for short tenure investments that include MIBOR linked debentures with periodic exit options and other such instruments.

#### **D. WHERE WILL THE SCHEME INVEST?**

The corpus of the Scheme shall be invested in any (but not exclusively) of the following securities as permitted by SEBI/ RBI from time to time:

##### **Debt Securities & Money Market Instruments:**

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

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

3. Bills Re-discounting (BRD) – BRD is the rediscounting of trade bills which have already been purchased by / discounted with the bank by the customers. These trade bills arise out of supply of goods / services.

4. Securities issued by the Central and State Governments as may be permitted by RBI, securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills). Central Government securities are sovereign debt obligations of the Government of India with zero-risk of default and issued on its behalf by RBI. They form part of Government's annual borrowing programme and are used to fund the fiscal deficit along with other short term and long-term requirements. Such securities could be fixed rate, fixed interest rate with put/call option, zero coupon bond, floating rate bonds, capital indexed bonds, fixed interest security with staggered maturity payment etc. State Government securities are issued by the respective State Government in co-ordination with the RBI.

5. Treasury Bills (T-Bills) are issued by the Government of India to meet their short term borrowing requirements. T-Bills are issued for maturities of 91 days, 182 days and 364 days. T-bills are issued at a discount to their face value and redeemed at par.

6. Repos/reverse repos in Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills). Repo (Repurchase Agreement) or Reverse Repo is a transaction in which two parties agree to sell and purchase the same security with an agreement to purchase or sell the same security at a mutually decided future date and price.

7. Debt obligations of domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee – These are instruments which are issued by various government agencies and bodies. They can be issued at discount, par or premium.

8. Corporate debt and securities (of both public and private sector undertakings) including Bonds, Debentures, Notes, Strips etc. These are instruments issued by corporate entities for their business requirements. They are generally rated by credit rating agencies, higher the rating lower the risk of default.

9. Money market instruments permitted by SEBI/RBI, having maturities upto 91 days, in Collateralized Borrowing and Lending Obligations (CBLO/TREPs) market or in alternative money market instruments.

10. The non-convertible part of convertible securities – Convertible securities are securities which can be converted from Debt to Equity shares. The non-convertible part cannot be converted into Equity shares and work like a normal debt instrument.

The Scheme may invest in Non-Convertible Preference Shares (NCPs) be treated as debt instruments and hence investment restrictions as applicable on debt instruments shall be applicable to NCPs.

11. Investments in units of liquid mutual fund schemes – The Scheme may invest in units of liquid mutual fund schemes in conformity with the investment objective of the Scheme and in terms of the prevailing SEBI (MF) Regulations and in line with the disclosure made in this Scheme Information Document.

12. Securitised Debt Obligations - Securitization is a structured finance process which involves pooling and repackaging of cash-flow producing financial assets into securities that are then sold to investors. They are termed as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are backed by other assets such as credit card, automobile or consumer loan receivables, retail installment loans or participations in pools of leases. MBS is an asset backed security whose cash flows are backed by the principal and interest payments of a set of mortgage loans. Such Mortgage could be either residential or commercial properties.

13. Pass through, Pay through or other Participation Certificates, representing interest in a pool assets including receivables. It represents beneficial interest in an underlying pool of cash flows. These cash flows represent dues against single or multiple loans originated by the sellers of these loans.

#### Investment in CDMDF-

In accordance with the requirement of regulation 43A of SEBI (Mutual Funds) Regulations, 1996 read with SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/129 dated July 27, 2023 on Investment by Mutual Fund Schemes and AMCs in units of Corporate Debt Market Development Fund, scheme shall invest 25 bps of its AUM.

#### CDMDF Framework-

CDMDF shall comply with the Guarantee Scheme for Corporate Debt (GSCD) as notified by Ministry of Finance vide notification no. G.S.R. 559(E) dated July 26, 2023 and SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/128 dated July 27, 2023 and circulars / guidelines/ Letters issued by SEBI and AMFI from time to time, which includes the framework for corporate debt market development fund. The framework will be inclusive of following points-

- a) The CDMDF shall deal only in following securities during normal times:

- Low duration Government Securities
  - Treasury bills
  - Tri-party Repo on G-sec
  - Guaranteed corporate bond repo with maturity not exceeding 7 days
- b) The fees and expenses of CDMDF shall be as follows:
- During Normal times: (0.15% + tax) of the Portfolio Value charged on daily pro-rata basis.
  - During Market stress: (0.20% + tax) of the Portfolio Value charged on daily pro-rata basis.
  - “Portfolio Value” means the aggregate amount of portfolio of investments including cash balance without netting off of leverage undertaken by the CDMDF.
- c) Corporate debt securities to be bought by CDMDF during market dislocation include listed money market instruments. The long term rating of issuers shall be considered for the money market instruments. However, if there is no long term rating available for the same issuer, then based on credit rating mapping of CRAs between short term and long term ratings, the most conservative long term rating shall be taken for a given short term rating.
- d) CDMDF shall follow the Fair Pricing document, while purchase of corporate debt securities during market dislocation as specified in SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/128 dated July 27, 2023 and circulars / guidelines/ Letters issued by SEBI and AMFI from time to time
- e) CDMDF shall follow the loss waterfall accounting and guidelines w.r.t. purchase allocation and trade settlement of corporate debt securities bought by CDMDF, specified in SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/128 dated July 27, 2023 and circulars / guidelines/ Letters issued by SEBI and AMFI from time to time.

## **Investment / Risk Mitigation Strategy**

### **i) Risk profile of securitised debt vis-à-vis risk appetite of the Scheme**

Securitized debt is a form of conversion of normally non-tradable loans to transferable securities. This is done by assigning the loans to a special purpose vehicle (a trust), which in turn issues Pass Through Certificates (PTCs). These PTCs are transferable securities with fixed income characteristics. The risk of investing in securitized debt is similar to investing in debt securities. However, it differs in two respects.

- a. Typically, the liquidity of securitized debt is less than similar debt securities.
- b. For certain types of securitized debt (backed by mortgages, personal loans, credit card debt, etc.), there is an additional pre-payment risk. Pre-payment risk refers to the possibility that loans are repaid before they are due, which may reduce returns if the re-investment rates are lower than initially envisaged.

Because of these additional risks, securitized debt typically offers higher yields than debt securities of similar credit rating and maturity. If the fund manager judges that the additional risks are suitably compensated by the higher returns, he may invest in securitized debt up to the limits specified in the asset allocation.

### **ii) Policy relating to originators based on nature of originator, track record, NPAs, losses in earlier securitised debt, etc.**

The originator is an entity (like banks, non-banking finance companies, corporates etc), which has initially provided the loan & is also generally responsible for servicing the loans. The schemes will invest in securitised debt of originators with at least investment grade credit rating and established track record. A detailed evaluation of originator is done before the investment is made in securitised debt of any originator on various parameters given below:

#### **Track record**

The investment in securitised debt is done based on origination and underwriting process and capabilities of the originator, overview of corporate structure, group to which they belong, experience of the company in the business, how long they have been in the business, financial condition of the company, credit rating, past performance of similar pools by the originator, etc.

#### **Willingness to pay through credit enhancement facilities etc.**

Credit enhancement is provided by the originator, as indicated by rating agencies, so as to adequately cover the defaults and acts as a risk mitigation measure. The size of the credit enhancement as indicated by rating agency depends on the originator's track record, past delinquencies, pattern of the portfolio & characteristics of the pool vis-a-vis of the portfolio, nature of the asset class.



## **Business Risk Assessment**

The business risk assessment of originator / underlying borrower also includes detailed credit assessment wherein following factors are also considered:

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

Additionally, a detailed review of rating rationale is done along with interactions with the originator as well as the credit rating agency. All investment in securitised debt is done after taking into account points (with regard to originator) stated below:

- ★ Default track record/ frequent alteration of redemption conditions
- ★ High leverage ratios of the ultimate borrower 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.

### **iii) Risk mitigation strategies for investments with each kind of originator**

**Investments are based on assessment of following parameters, to mitigate risk associated with such investment:**

- a. Credit quality, size and reach of the originator
- b. Nature of receivables/asset category i.e. cars, commercial vehicles, personal loans etc.
- c. Collection process, infrastructure and follow-up mechanism
- d. Credit cum liquidity enhancement
- e. Asset Quality - portfolio delinquency levels
- f. Past performance of rated pools
- g. Pool Characteristics - seasoning, Loan-to-value ratios, geographic diversity etc.

### **iv) Minimum retention percentage by originator of debts to be securitised**

While minimum retention percentage by originator is not prescribed, any amount retained by the originator through subordination is viewed positively at the time of making investment & generally varies from 5% to 10%.

### **v) The mechanism to tackle conflict of interest when the mutual fund invests in securitised debt of an originator and the originator in turn makes investments in that particular scheme of the fund.**

All proposals for investment in securitised debt are evaluated by the analyst based on several parameters such as nature of underlying asset category, pool characteristics, asset quality, credit rating of the securitisation transaction, and credit cum liquidity enhancement available. Investment in securitised debt by the scheme is made by the fund manager in line with the investment objective of the scheme.

### **vi) Minimum retention period of the debt by originator prior to securitization**

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements. In addition, RBI has proposed minimum holding period before they can be securitized. The minimum holding period depends on the tenor of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

**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.

Investment in debt instruments shall generally have a low risk profile and those in money market instruments shall have an even lower risk profile. The maturity profile of debt instruments will be selected in accordance with the AMC's view regarding current market conditions, interest rate outlook and the stability of ratings.

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

Diversification of underlying assets is achieved through a) prudent mix of asset categories - i.e. cars (new, used), commercial vehicles, construction equipment, unsecured loans to individuals or small & medium enterprises b) total number of contracts in a pool c) average ticket size of loans and d) geographical distribution.

Risk mitigation measures for less diversified investments in pools is accomplished through the size of credit enhancement, seasoning or loan to value ratios.

Illustrative framework, which will be applied while evaluating investment decision relating to a pool securitisation transaction:

Characteristics/ Type of Pool	Mortgage Loan	Commercial Vehicle and Construction Equipment	Car	Two Wheelers	Micro Finance Pools	Personal Loans	Single Sell Downs	Others
Approximate Average Maturity (In Months)	Up to 10 years	Upto 5 years	Upto 5 years	Upto 3 years	Upto 80 weeks	Upto 3 years	Refer Note A	Refer Note B
Collateral margin (Including cash, guarantees, excess interest spread, Subordinate tranche)	>5%	>5%	>4%	>4%	>4%	>4%		
Average Loan to Value Ratio	<90%	<90%	<90%	<90%	Unsecured	Unsecured		
Average seasoning of the pool	>3 months	>3 months	>3 months	>3 months	>3 months	>3 months		
Maximum single exposure range	<5%	<7%	Retail	Retail	Retail	Retail		
Average single exposure range %	<5%	<5%	Retail	Retail	Retail	Retail		

Information in the table above is based on current scenario and is subject to change depending upon the change in related factors.

**Notes:**

A. In case of securitised debt with underlying being single loan, the investment limit applicable to the underlying borrower is considered.

B. Other investment will be decided on a case to case basis. In case of asset backed pools (ABS), evaluation of the pool assets is done considering the following factors: (Refer the table above which illustrates the averages of parameters considered while selecting the pool)

- Size of the loan
- Average original maturity of the pool
- Loan to Value Ratio
- Average seasoning of the pool
- Default rate distribution
- Geographical Distribution
- Credit enhancement facility
- Liquid facility
- Structure of the pool

15. Trading in Derivatives- Debt Derivative instruments like Interest Rate Swaps, Forward Rate Agreements and such other derivative instruments permitted by SEBI/RBI.

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

**Forward Rate Agreement** - A Forward Rate Agreement (“FRA”) is a financial contract between two parties to exchange interest payments for a notional principal amount on settlement date, for a specified period from start date to maturity date. Accordingly, on the settlement date, cash payments based on contract (fixed) and the settlement rate, are made by the parties to one another. The settlement rate is the agreed benchmark/ reference rate prevailing on the settlement date.

#### **Interest Rate Futures:**

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

#### Characteristics of Interest Rate Futures

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

The Scheme(s) may take derivatives position based on the opportunities available subject to the guidelines provided by SEBI from time to time and in line with the overall investment objective of the Scheme(s). The Fund has to comply with the prescribed disclosure requirements. These may be taken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. Hedging does not mean maximisation of returns but only reduction of systematic or market risk inherent in the investment. The Scheme(s) intends to take position in derivative instruments like Futures, Options, Interest Rate Swaps, Forward Rate Agreements and such other derivative instruments as may be permitted by SEBI from timetotime.

Mutual Funds may enter into plain vanilla Interest Rate Swaps (IRS) for hedging purposes. The value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme.

In case of participation in IRS is through over the counter transactions, the counter party has to be an entity recognized as a market maker by RBI and exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme. However, if mutual funds are transacting in IRS through an electronic trading platform offered by the Clearing Corporation of India Ltd. (CCIL) and CCIL is the central counterparty for such transactions guaranteeing settlement, the single counterparty limit of 10% shall not be applicable .

Any other like instruments as may be permitted by RBI/SEBI/ such other Regulatory Authority from time to time subject to the approvals required, if any.

Investments in Debt and Money Market Instruments will be as per the limits specified in the asset allocation table of the Scheme, subject to permissible limits laid under SEBI (MF) Regulations.

The securities / instruments mentioned above and such other securities the Scheme is permitted to invest, it could be listed, unlisted, privately placed, secured, unsecured, rated or unrated.

The securities may be acquired through initial public offering (IPOs), secondary market, private placement, rights offer, negotiated

deals. Further investments in debentures, bonds and other fixed income securities will be in instruments which have been assigned investment grade rating by the Credit Rating Agency.

Investment in unrated debt instruments shall be subject to complying with the provisions of the Regulations and within the limit as specified in Schedule VII to the Regulations. Pursuant to SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023, the AMC may constitute committee(s) to approve proposals for investments in unrated debt instruments. The AMC Board and the Trustee shall approve the detailed parameters for such investments. However, in case any unrated debt security does not fall under the parameters, the prior approval of Board of AMC and Trustee shall be sought.

The Scheme may invest in other schemes managed by the AMC or in the schemes of any other mutual funds, provided it is in the conformity with the investment objectives of the Scheme and in terms of the prevailing SEBI (MF) Regulations. As per the SEBI (MF) Regulations, no investment management fees will be charged for such investments and the aggregate inter scheme investment made by all the schemes of PPFAS Mutual Fund or in the schemes of other mutual funds shall not exceed 5% of the net asset value of the PPFAS Mutual Fund.

For applicable regulatory investment limits please refer paragraph "Investment Restrictions". Details of various derivative strategies/examples of use of derivatives have been provided under the section "Strategies for Investment in Derivatives".

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

## **E. WHAT ARE THE INVESTMENT STRATEGIES?**

### **INVESTMENT STRATEGIES AND RISK CONTROL**

Investment in Debt securities and Money Market Instruments will be as per the limits in the asset allocation table of the Scheme, subject to permissible limits laid under SEBI (MF) Regulations.

To achieve the investment objective of the Scheme, the Fund shall be managed to generate reasonable returns commensurate with low risk. The Scheme is positioned at the lowest level of risk-return matrix, which will be the guiding line to make suitable investments with low risk.

The Scheme will invest predominantly in money market securities with some allocation towards other debt securities to enhance the portfolio return. The portfolio, for managing the liquidity will be structured using the matrix of asset liability management whereby maturity of the assets will seek to align with historical observed trends of liabilities. The Scheme will seek to generate reasonable return along with maintaining liquidity with the help of cash and cash equivalent instruments.

The fund manager will seek to play out the yield curve and exploit anomalies if any in portfolio construction after analysing the macro-economic environment including future course of system liquidity, interest rates and inflation along with other considerations in the economy and markets.

The investment team of the AMC will, as a mitigation and risk control procedure, carry out rigorous credit evaluation of the issuer company proposed to be invested in. The credit evaluation will analyse the operating environment of the issuer, business model, management, governance practices, quality of the financials, the past track record as well as the future prospects of the issuer and the financial health of the issuer.

**Though every endeavour will be made to achieve the objectives of the Scheme, the AMC/Sponsor/Trustees do not guarantee that the investment objectives of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.**  
**Risk Control**

Risk is an inherent part of the investment function. Effective risk management is critical to fund management for achieving financial soundness. Since investing requires disciplined risk management, the AMC would incorporate adequate safeguards for controlling risks in the portfolio construction process. The risk control process involves reducing risks through portfolio diversification; The AMC believes that this diversification would help achieve the desired level of consistency in returns. The AMC aims to identify securities, which offer superior levels of yield at lower levels of risks. With the aim of controlling risks, rigorous in-depth credit evaluation of the securities proposed to be invested in will be carried out by the investment team of the AMC. Risk control would involve managing risk in order to keep it in line with the investment objective of the Scheme. AMC has implemented the MFUND Plus Software as Front Office System (FOS) for this purpose. The system has incorporated all the investment restrictions as per SEBI guidelines and "soft" warning alerts at appropriate levels for preemptive monitoring.

## **Credit Evaluation Policy**

The AMC utilises ratings of recognised rating agencies as an input in the credit evaluation process. Investments in bonds and debenture are usually in instruments that have been assigned high investment grade ratings by a recognised rating agency.

## **Strategies for Investment in Derivatives**

The Scheme may use Derivative instruments like interest rate swaps, Overnight Indexed Swaps (“OIS”), forward rate agreements, interest rate futures (as and when permitted) or such other Derivative instruments as may be permitted under the applicable regulations. Derivatives will be used for the purpose of hedging, and portfolio balancing or such other purpose as may be permitted under the regulations and Guidelines from time to time.

The Fund will be allowed to take exposure in interest rate swaps only on a non-leveraged basis. A swap will be undertaken only if there is an underlying asset in the portfolio. In terms of Circular No. MFD.BC.191/07.01.279/1999-2000 and MPD.BC.187/07.01.279/1999-2000 dated November 1, 1999 and July 7, 1999 respectively issued by RBI permitting participation by Mutual Funds in interest rate swaps and forward rate agreements, the Fund will use Derivative instruments for the purpose of hedging and portfolio balancing. The Fund may also use derivatives for such purposes as maybe permitted from time to time. Further, the guidelines issued by RBI from time to time for forward rate agreements and interest rate swaps and other derivative products would be adhered to by the Mutual Fund.

IRS and FRA do also have inherent credit and settlement risks. However, these risks are substantially reduced as they are limited to the interest streams and not the notional principal amounts.

Investments in Derivatives will be in accordance with the extant Regulations / guidelines. Presently Derivatives shall be used for hedging and / or portfolio balancing purposes, as permitted under the Regulations. The circumstances under which such transactions would be entered into would be when, for example using the IRS route it is possible to generate better returns / meet the objective of the Scheme at a lower cost. e.g. if buying a 2 Yr FBIL Mibor based instrument and receiving the 2 Yr swap rate yields better return than the 2 Yr AAA corporate, the Scheme would endeavour to do that. Alternatively, the Scheme would also look to hedge existing fixed rate positions if the view on interest rates is that it would likely rise in the future.

The following information provides a basic idea as to the nature of the Derivative instruments proposed to be used by the Fund and the benefits and risks attached therewith. Please note that the examples have been given for illustration purposes only.

### **Interest Rate Swaps (IRS)**

The Indian markets have faced high volatility in debt markets. An interest rate swap is a contractual agreement between two counter-parties to exchange streams of interest amount on a notional principal basis. In this, one party agrees to pay a fixed stream of interest amount against receiving a variable or floating stream of interest amount. The variable or floating part is determined on a periodical basis.

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.

#### **Example**

Entity A has a Rs.50 crores, 3-month asset which is being funded through call. Entity B, on the other hand, has deployed in overnight call money market Rs.50 crores, 3-month liability. Both the entities are taking on an interest rate risk.

To hedge against the interest rate risk, both the entities can enter into a 3-month swap agreement based on say FBIL MIBOR (Financial Benchmarks India Private Limited , Mumbai Inter Bank Offered Rate). Through this swap, entity B will receive a fixed pre-agreed rate (say 7%) and pay FBIL MIBOR (“the benchmark rate”) which will neutralize the interest rate risk of lending in call. Similarly, entity A will neutralize its interest rate risk from call borrowing as it will pay 8% and receive interest at the benchmark rate.

Assuming the swap is for Rs.50 crores 1 January to 1 April, Entity A is a floating rate receiver at the overnight compounded rate and Entity B is a fixed rate receiver. On a daily basis, the benchmark rate fixed by NSE will be tracked by them.

On April 1, they will calculate as explained below:

Entity A is entitled to receive daily compounded call rate for 91 days and pay 7% fixed.

Entity B is entitled to receive interest on Rs.50 crores @ 7% i.e. Rs. 87.26 lakhs, and pay the compounded benchmark rate.

Thus on December 1, if the total interest on the daily overnight compounded benchmark rate is higher than Rs. 87.26 lakhs, entity B will pay entity A the difference and vice versa.

The above example illustrates the use of Derivatives for hedging and optimizing the investment portfolio. Swaps have their own drawbacks like credit risk, settlement risk. However, these risks are substantially reduced as the amount involved is interest streams and not principal.

### **Forward Rate Agreements (FRA)**

A FRA is referred to by the beginning and end dates of the period covered in the transaction. A 2x5 FRA means the 3 month rate starting 2 months from now.

For example, a corporate has a three month fixed liability three months from now. To meet this liability the company enters into a 3x6 FRA where it receives 7.25% for 100 crore and fixes the interest cost for the 3-6 months period. If the actual three month rate three months from now is 7% the corporate has gained 25 bps through interest cost. As the settlement is done at the beginning of the period, the net present value of the savings needs to be calculated using the 3 month rate as the discount rate.

Interest savings = INR 100 crores \* 25 bps \* 92/365 (assuming 92 days in the 3 month period and 365 days for the year) = INR 6,30,137/-

Settlement Amount = INR 6,30,137 / (1 + 7% \* 92/365) = INR 6,19,212/-

### **Interest Rate Futures:**

Assume that ABC hold GOI securities, hence is exposed to the risk of rising interest rates, which in turn results in the reduction in the value of their portfolio. So in order to protect against a fall in the value of their portfolio due to falling bond prices, they can take short position in IRF contracts.

#### **Example:**

Date: 01-April-2023

Spot price of GOI Security: Rs 100.05

Futures price of IRF Contract: Rs 100.12

On 01-April-2023 ABC bought 2000 GOI securities from spot market at Rs 100.05. He anticipates that the interest rate will rise in near future. Therefore, to hedge the exposure in underlying market he may sell May 2023 Interest Rate Futures contracts at Rs. 100.12.

On 16-May-2023 due to increase in interest rate:

Spot price of GOI Security: Rs 99.24

Futures Price of IRF Contract: Rs 99.28

Loss in underlying market will be (99.24 - 100.05) \* 2000 = Rs. 1620/-

Profit in the Futures market will be (99.28 - 100.12) \* 2000 = Rs. 1680/-

Certain risks are inherent to Derivative strategies viz. lack of opportunities, inability of Derivatives to correlate perfectly with the underlying and execution risks, whereby the rate seen on the screen may not be the rate at which the transaction is executed. For details of risk factors relating to use of Derivatives, the investors are advised to refer to Scheme Specific Risk Factors.

### **Risk Factors of SWAP/ Forward Rate Agreement/ Interest Rate Futures**

- **Credit Risk:** This is the risk of defaults by the counterparty. This is usually negligible, as there is no exchange of principal amounts in a derivative transaction.
- **Market Risk:** Market movements may adversely affect the pricing and settlement derivatives.
- **Liquidity Risk:** The risk that a derivative cannot be sold or purchased quickly enough at a fair price, due to lack of liquidity in the market.

### **PORTFOLIO TURNOVER**

The Scheme being an open-ended Scheme A Relatively Low Interest Rate Risk and Relatively low Credit Risk, it is expected that there would be a number of Subscriptions and Redemptions on a daily basis. Further, in the debt market, trading opportunities may arise due to changes in system liquidity, interest rate policy announced by RBI, shifts in the yield curve, credit rating changes or any other factors. In the opinion of the fund manager these opportunities can be played out to enhance the total return of the portfolio, which will result in increase in portfolio turnover. There may be an increase in transaction cost such as brokerage paid, if trading is done frequently. However, the cost would be negligible as compared to the total expenses of the Scheme. Frequent trading may increase the profits which will offset the increase in costs. The fund manager will endeavour to optimize portfolio

turnover to maximize gains and minimize risks keeping in mind the cost associated with it. However, it is difficult to estimate with reasonable accuracy, the likely turnover in the portfolio of the Scheme. The Scheme has no specific target relating to portfolio turnover.

## **INVESTMENT DECISIONS**

The Fund Manager of the Scheme is responsible for making buy / sell decisions for the Scheme's portfolio and will seek to develop a reasonably diversified portfolio that minimizes liquidity and credit risk. The investment decisions will be taken by the Scheme keeping in view the investment objective of the Scheme, market conditions and all the relevant aspects.

The AMC will formulate broad investment strategies for the Scheme including investments in unrated debt instruments, reviewing performance of the Scheme and general market outlook. The approval of unrated debt instruments will be based on detailed parameters laid down by the Board of the AMC and the Trustees. The details of such investments will be communicated by the AMC to the Trustees in their periodical reports along with a disclosure regarding how the parameters have been complied with. Such reporting shall be in the manner prescribed by SEBI from time to time. The AMC will review all the investments made by the Scheme.

It is the responsibility of the AMC to seek to ensure that the investments are made as per the Regulatory guidelines, the investment objectives of the Scheme and in the interest of the Unit holders of the Scheme.

The AMC will keep a record of all investment decisions in accordance with the guidelines issued by SEBI. The Fund Manager shall seek to ensure that the funds of the Scheme are invested in line with the Regulatory guidelines, the investment objective of the Scheme and in the interest of the Unit holders of the Scheme.

Investment decisions are taken by the fund manager of the Scheme(s) and the CEO does not play any role in the day-to-day investment decisions. The CEO of the AMC shall ensure that the investments made by the fund managers are in the interest of the Unit holders.

Periodic presentations will be made to the Board of Directors of the AMC and Trustee Company to review the performance of the Scheme.

## **INVESTMENT BY THE AMC/ SPONSOR IN THE SCHEME**

The AMC may invest in the Scheme anytime during the continuous offer period subject to the SEBI (MF) Regulations. As per the existing SEBI (MF) Regulations, the AMC will not charge Investment Management and Advisory fee on the investment made by it in the Scheme or other existing schemes of the Mutual Fund.

The Scheme may invest in other schemes (as and when PPFAS Mutual Fund introduces new scheme/s) managed by the AMC or in the schemes of any other mutual funds, provided it is in conformity with the investment objectives of the Scheme and in terms of the prevailing SEBI (MF) Regulations.

‘Pursuant to regulation 43A of SEBI (Mutual Funds) Regulations, 1996 and SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/129 dated July 27, 2023 on Investment by Mutual Fund Schemes and AMCs in units of Corporate Debt Market Development Fund, AMC shall make a one-time contribution equivalent to 2 bps of the AUM of the specified debt oriented schemes as on December 31, 2022 in the units of the Corporate Debt Market Development Fund (‘CDMDF’) within 10 working days of request from CDMDF. Contribution made to CDMDF, including the appreciations on the same, if any, shall be locked-in till winding up of the CDMDF.

In case of delay in contribution by the Scheme and AMC, the AMC shall be liable to pay interest at fifteen percent (15%) per annum for the period of delay.’

The above mentioned change shall override the conflicting provisions, if any, and shall form an integral part of the SIDs & KIMs of specified open ended debt-oriented schemes as mentioned above of the Fund, as amended from time to time. All the other provisions of the SIDs & KIMs of specified open-ended debt-oriented schemes as mentioned above of the Fund, except as specifically modified herein above, remain unchanged.

## **INVESTMENT IN SCHEME BY DIRECTORS OF AMC AND TRUSTEE COMPANY.**

Directors of Asset Management Company and Trustee Company may invest in the scheme(s) of PPFAS Mutual Fund. AMC will charge normal investment management and advisory fees as per existing SEBI (MF) Regulations.

Compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI Circulars as amended from time to time will be ensured.

## INVESTMENT IN SCHEME BY EMPLOYEES OF ASSET MANAGEMENT COMPANY AND TRUSTEE COMPANY

Fund Manager/s of the scheme will invest in the scheme managed by him/ her. Further employees of Asset Management Company may invest in the scheme(s) floated by the PPFAS Mutual Fund. AMC will charge normal investment management and advisory fees as per existing SEBI (MF) Regulations.

### Aggregate value of investment held in the scheme by the following categories of persons:

Sr. no.	Category of Persons	Net Asset Value of Units held as on September 30, 2023 (in Rs.)
1.	AMC's Board of Directors	6,663,023.40
2.	Concerned scheme's Fund Manager(s)	138,198.44
3.	Key Personnel	1,400,875.78

### Note:

1. Mr. Raj Mehta is the Fund Manager as well as Key Employee, his investments in the Scheme is covered only under the head investments by "**Concerned scheme's Fund Manager(s)**".
2. Mr. Neil Parag Parikh, Mr. Rajeev Thakkar and Mr. Shashi Kataria are Directors as well as Key Employees, their investment in the Scheme is covered only under the head investments by "**AMC's Board of Directors**".
3. Investments by Fund Manager(s) and Key Personnel includes mandatory investments made in accordance with SEBI circular on "Alignment of Interest of Designated Employees of AMCs with Unit holders of the Mutual Fund Scheme(s)" as amended from time to time.

### Voluntary Disclosure of Investment in the Scheme:

PPFAS Mutual Fund will disclose on its website <http://amc.ppfas.com> the details of investment in the units of the scheme by Directors of AMC and Trustee Company. These details shall also be provided for any investment by Fund Manager/s and key employees of AMC.

## F. FUNDAMENTAL ATTRIBUTES

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

### (i) Type of a scheme

Please refer to Section '**Type of the Scheme**':

### (ii) Investment Objective

**Main Objective – Please refer to Section: What is the Investment Objective of the Scheme?'**

Investment pattern - Please refer to section '**How will the Scheme Allocate its Assets?**'.

### (iii) Terms of Issue

- a) Liquidity provisions such as listing, repurchase, redemption..
- b) Aggregate Fees and Expenses charged to the Scheme Please refer to section '**Fees and Expenses**' for details.
- c) Any safety net or guarantee provided: The Scheme does not provide any guaranteed or assured return.

### Changes in Fundamental Attributes

In accordance with Regulation 18 (15A) of the SEBI (Mutual Funds) Regulations, the Trustee shall ensure that no change in the fundamental attributes of the Scheme and the Option thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme and the Option thereunder and affect the interest of Unit holders is carried out unless: -

- A prior approval is taken from Securities and Exchange Board of India before bringing such change(s)

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



-The consent or approval of unitholders can also be done through Postal Ballot mechanism i.e. voting by post or through any electronic mode.

- The Unit holders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any Exit Load.

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

CRISIL Liquid Debt A-I Index.

**Justification:** A benchmark of a fund reflects the funds risk/return profile and is a measure for performance evaluation. The Scheme intends to invest in a portfolio of securities and the risk/return profile which is best captured by the following selected benchmark.

CRISIL Liquid Debt A-I Index developed by the CRISIL, fulfills the above criteria and hence is considered best suited as a benchmark for the Scheme for performance evaluation. The performance will be benchmarked to the Total Returns Variant of the Index.

As required under SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023, the benchmark has been selected from amongst those notified by AMFI as the first tier benchmark to be adopted by mutual funds and which are reflective of the category of the scheme.

The constituents and weights of CRISIL Liquid Debt A-I Index as on September 30,2023 are as under:

Constituents	Sub-indices Weights July-2023
CRISIL upto 91 Day CP Index-A	35.75%
CRISIL Overnight Fund AI Index	15%
CRISIL 91 day T-Bill Index	20%
CRISIL upto 91 Day CD Index-A	29.25%

The Trustees reserves the right to change the benchmark for evaluation of performance of the Scheme from time to time in conformity with the investment objectives and appropriateness of the benchmark subject to SEBI (Mutual Funds) Regulations, and other prevailing guidelines, if any.

#### H.WHO MANAGES THE SCHEME?

Name and Age	Educational Qualifications	Experience (last 10 years)	Other Fund Managed
<b>Raj Mehta</b> (Debt Fund Manager) 33 years	B.Com (Mumbai University), M.Com(Mumbai University), Chartered Accountant, CFA Charter Holder.	He is currently acting as Debt Fund Manager for Parag Parikh Flexi Cap Fund and Parag Parikh Tax Saver Fund. He has collectively over 8 years of experience in investment research.  He started his career with PPFAS Asset Management Pvt. Ltd as an intern in 2012.  Following which, he joined the company as a Research Analyst in 2013.	-Debt Component of Parag Parikh Flexi Cap Fund(PPFCF) since January 27, 2016  -Parag Parikh Tax Saver Fund and Parag Parikh Conservative Hybrid Fund since inception.

## I. WHAT ARE THE INVESTMENT RESTRICTIONS?

**Pursuant to SEBI (Mutual Funds) Regulations, the following investment restrictions are applicable to the Scheme:**

1.The Scheme shall not invest more than 10% of its NAV in debt instruments, issued by a single issuer, comprising money market securities and non-money market securities rated investment grade or above by a credit rating agency authorised to carry out such activity under the Act. This overall investment limit may be extended to 12% of the NAV of the scheme with the prior approval of the Board of Trustees and the Board of AMC.

Such limit shall not be applicable for investment in Government Securities, Treasury bills and Tri Party Repo (TREPS). Investments within such limit can be made in the mortgaged backed securitised debt, which are rated not below investment grade by a credit rating agency, registered with SEBI.

Provided further that single issuer investment in debt and money market instruments shall be made based on credit risk of the issuer within the limits specified in the clause 1 of Seventh Schedule of the MF Regulation, following prudential limits shall be followed, for schemes other than Credit risk funds:

- i. 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.

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

2.The Scheme shall not invest in unlisted debt instruments including commercial papers, except Government Securities and other money market instruments.

Provided that the Scheme may invest in unlisted non-convertible debentures up to a maximum of 10% of the debt portfolio of the scheme subject to such conditions as may be specified by the Board from time to time and 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.

Provided further that the scheme shall comply with the norms under this clause within the time and in the manner as may be specified by SEBI.

Provided further that the norms for investments by the scheme in unrated debt instruments shall be as per the norms specified by SEBI from time to time.

Further, Scheme shall comply with provisions of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 regarding investment in Debt and Money Market Instruments, as amended from time to time, to the extent applicable to the Scheme.

3.The Scheme may invest in other schemes of the Mutual Fund or any other mutual fund without charging any fees, provided the aggregate inter-scheme investment made by all the 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.

4.The Scheme shall not make any investment in,—

- Any unlisted security of an associate or group company of the Sponsor; or
- Any security issued by way of private placement by an associate or group company of the Sponsor; or
- The listed securities of group companies of the Sponsor which is in excess of 25 percent of the net assets of the Scheme.

5.Transfer of investments from one scheme to another scheme in the Mutual Fund is permitted provided:

- Such transfers are done at the prevailing market price for quoted instruments on Spot Basis (Spot Basis shall have the same meaning as specified by a stock exchange for spot transactions) and in line with the process laid down under the Valuation Policy of the Mutual Fund; and
- The Securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfer has been made.

Inter Scheme Transfers are to be effected in accordance with the guidelines specified by SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 as amended from time to time.

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

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

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

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

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

9.The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of repurchase/redemption of Units or payment of interest and/or IDCW to the Unit holders.

Provided that the Fund shall not borrow more than 20% of the net assets of the individual Scheme and the duration of the borrowing shall not exceed a period of 6 months.

Save as otherwise expressly provided under SEBI (Mutual Funds) Regulations, 1996, the Scheme shall not advance any loans.

10.SEBI vide its Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 has prescribed the following investment restrictions with respect to investment in derivatives:

a. As per SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023, the cumulative gross exposure through equity, debt, derivative positions (including commodity and fixed income derivatives), repo transactions and credit default swap in corporate debt securities, Real Estate Investment Trusts (REITs), Infrastructure Investment Trusts (InvITs), other permitted securities/assets and such other securities/ assets as may be permitted by SEBI from time to time shall not exceed 100% of the net assets of the Scheme.

b. Mutual Fund 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.

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

- Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains;
- 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) above.
- Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.
- 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.

e. Mutual Fund may enter into plain vanilla interest rate swaps for hedging purposes. The counterparty 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.

f. 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) above.

11. The total exposure of the Scheme in a particular sector (excluding investments in Bank CDs, TREPS, 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.

Further an additional exposure to financial services sector (over and above the limit of 20%) not exceeding 10% of the net assets of the Scheme will be allowed by way of increase in exposure to AA and above rated securities issued by Housing Finance Companies (HFCs) registered with National Housing Bank. The total investment/exposure in HFCs will not exceed 20% of the net assets of the Scheme

Further, an additional exposure of 5% of the net assets of the scheme will be allowed for investments in securitized debt instruments based on retail housing loan portfolio and/or affordable housing loan portfolio.

12. The Scheme's total exposure 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 Trustee.

Further, limit for investment in debt and money market instruments of group companies of both the sponsor and AMC shall not exceed 10% of the net assets of the Scheme. Such investment limit can be extended to 15% with the prior approval of the Board of Trustees.

For this purpose, a group means a group as defined under the regulation 2 (mm) of the Regulations and shall include an entity, its subsidiaries, fellow subsidiaries, its holding company and its associates.

13. The Scheme shall not park its funds which are pending for deployment in short term deposits of scheduled commercial banks.

14. The Scheme shall not invest in debt securities having structured obligations (SO rating) and/ or credit enhancements (CE rating). However, debt securities with government guarantee shall be excluded from the restriction as follows:

The investment by the Scheme 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 enhancement) is above investment grade.

For this purpose, a group means a group as defined under regulation 2 (mm) of the Regulations and shall include an entity, its subsidiaries, fellow subsidiaries, its holding company and its associates.

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

Further, in line of SEBI Master circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 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 Fund) Regulations, 1996 and various circulars issued thereunder.

b. Exposure of mutual fund schemes in such instruments, shall not exceed 5% of the net assets of the schemes.

c. All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees.

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.

15. The Scheme shall hold at least 20% of its net assets in liquid assets. For this purpose, 'liquid assets' shall include Cash, Government Securities, T-bills and Repo on Government Securities.

In case, the exposure in such liquid assets falls below 20% of net assets of the Scheme, the AMC shall ensure compliance with the above requirement before making any further investments.

16. Mutual Fund Schemes may invest in the units of REITs and InvITs subject to the following prudential investment norms as mentioned below:

- i. No Mutual Fund under all its schemes shall own more than 10% of units issued by a single issuer of REITs and InvITs.
- ii. A Mutual Fund scheme shall not invest –
  - a. more than 10% of its NAV in the units of REITs and InvITs; and
  - b. more than 5% of its NAV in the units of REITs and InvITs issued by a single issuer.

The above investment limit for a mutual fund scheme shall be within the overall limit for debt instruments issued by a single issuer, as specified at clause 1 of the Seventh Schedule of SEBI (Mutual Fund) Regulations, 1996, and other prudential limits with respect to the debt instruments.

All the investment restrictions will be applicable at the time of making investments.

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

#### J. HOW HAS THE SCHEME PERFORMED?

Performance	Direct Plan	Regular Plan	Benchmark (CRISIL Liquid Debt A-I Index)	Additional Benchmark (CRISIL 1 Year T-bill Index)
Since Inception* (CAGR Returns) as on September 30, 2023 (Inception Date: 11 <sup>th</sup> May, 2018)	4.94%	4.83%	5.40%	5.69 %
September 22, 2023 to September 30, 2023 (Last 7 Days)	6.92%	6.82 %	6.98%	8.48%
September 14, 2023 to September 30, 2023 (Last 15 days)	6.79%	6.69%	6.96%	7.11%
August 31, 2023 to September 30, 2023 (Last 1 Month)	6.61%	6.51%	6.86%	6.37%
September 30, 2022 to September 30, 2023 (Last 1 year)	6.53%	6.43%	6.92%	6.74%
September 30, 2020 to September 30, 2023 (Last 3 years)	4.52%	4.42%	4.85 %	4.59%
September 30, 2018 to September 30, 2023 (Last 5 years)	4.82%	4.72%	5.27%	5.75%

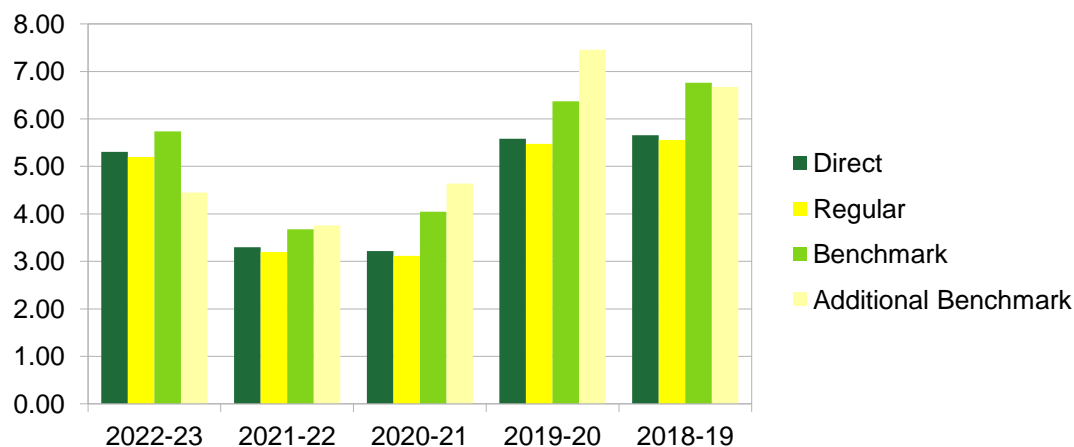
\*Since inception returns are calculated on Rs. 1000 (allotment price)

#### Notes:

- Different plans shall have different expense structures
- Past performance may or may not be sustained in the future

- Greater than 1-year returns are CAGR returns
- Data presented here is upto the last calendar month
- Less than 1-year returns are simple annualised returns

#### Absolute returns for the last 5 Financial years (%)



#### Additional Scheme related disclosures

#### PORTFOLIO HOLDINGS

Scheme's portfolio holdings (top 10 holdings by issuer and fund allocation towards various sectors) as on September 30, 2023

#### a. Top 10 Issuer wise holdings

Name of the Instrument	% of Net Assets
Government of India (GoI)#	<b>86.18%</b>
Clearing Corporation of India Ltd (CCIL)	<b>5.57%</b>
Certificate of Deposit	<b>4.97%</b>
Bank of Baroda (20/10/2023)	1.25%
Kotak Mahindra Bank Limited (30/11/2023)	1.24%
Axis Bank Limited (01/12/2023)	1.24%
ICICI Bank Limited (12/12/2023)	1.24%
Commercial Paper	<b>2.49%</b>
HDFC Bank Limited (18/10/2023)	1.25%
National Bank For Agriculture and Rural Development (08/12/2023)	1.24%

#GoI includes Treasury Bills only

#### b. Sector wise holdings

Sector	% to Net Assets
Government of India	86.18%
Financial Services	8.04%
Others^	5.57%
Cash & Cash Receivables	0.21%
<b>Total</b>	<b>100.00%</b>

^Others includes TREPS

**Monthly Scheme portfolio can be checked here:**

<https://amc.ppfas.com/downloads/portfolio-disclosure/>

**PORTFOLIO TURNOVER**

The Scheme's portfolio turnover as on September 30, 2023: **Not Applicable**

**K. HOW THIS SCHEME IS DIFFERENT?**

Nil

PPFAS Mutual Fund does not have any other open-ended liquid scheme other than 'Parag Parikh Liquid Fund'.

**Undertaking by The Trustee**

The Board of Trustees have ensured that Parag Parikh Liquid Fund as approved by them on December 21, 2017 is a new product offered by PPFAS Mutual Fund and is not a minor modification of any existing scheme/fund/product.

**III. UNITS AND OFFER**

This section provides details you need to know for investing in the scheme.

**A. NEW FUND OFFER (NFO)**

**The Scheme forming part of this SID has already been launched. ,  
The date of allotment is mentioned hereunder.**

Name of the Scheme	Date of Allotment								
Parag Parikh Liquid Fund	May 11, 2018								
Therefore, the section New Fund Offer (NFO) is not relevant, except for the details as under:									
<b>Plans / Options offered</b>	<p>SEBI vide Master circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 directed the following: Mutual Fund/AMC shall provide a separate plan for direct investments, i.e. investments not routed through a distributor, in existing as well as new schemes.</p> <p>Accordingly, PPFAS Mutual fund is offering two plans to its investors.</p> <p>Plans offered by the Scheme: 1. Direct Plan (i.e., investments not routed through distributor.) 2. Regular Plan</p> <p>Both Regular and Direct Plan, offer the below options / sub-options / facilities:</p> <table border="1" data-bbox="704 1549 1419 1690"><thead><tr><th data-bbox="704 1549 846 1633">Options</th><th data-bbox="846 1549 1065 1633">Sub-Options/ Facilities</th><th data-bbox="1065 1549 1252 1633">Frequency of IDCW</th><th data-bbox="1252 1549 1419 1633">Record Date</th></tr></thead><tbody><tr><td data-bbox="704 1633 846 1690">Growth</td><td data-bbox="846 1633 1065 1690">NA</td><td data-bbox="1065 1633 1252 1690">NA</td><td data-bbox="1252 1633 1419 1690">NA</td></tr></tbody></table>	Options	Sub-Options/ Facilities	Frequency of IDCW	Record Date	Growth	NA	NA	NA
Options	Sub-Options/ Facilities	Frequency of IDCW	Record Date						
Growth	NA	NA	NA						

Income Distribution cum capital withdrawal option (IDCW)	Daily Re-investment of IDCW	Daily	All days for which NAV is published on <a href="http://www.amfiindia.com">www.amfiindia.com</a> and <a href="http://amc.ppfas.com">http://amc.ppfas.com</a> websites
	Weekly Re-investment of IDCW	Weekly	Every Monday
	Monthly Re-investment and Payout of IDCW	Monthly	Last Monday of the Month.

The Trustee/AMC reserves the right to change the record date from time to time.

**Default Plan**

Investors subscribing under Direct Plan of the Scheme will have to indicate “Direct Plan” against the Scheme name in the application form. However, if distributor code is mentioned in application form, but “Direct Plan” is mentioned against the Scheme name, the distributor code will be ignored and the application will be processed under “Direct Plan”. Further, where application is received for Regular Plan without Distributor code or “Direct” mentioned in the ARN Column, the application will be processed under Direct Plan.

The below table summarizes the procedures which would be adopted by the AMC for applicability of Direct Plan / Regular Plan, while processing application form/transaction request under different scenarios:

Sr. No.	AMFI Registration Number (ARN) code mentioned/ not mentioned in the application form / transaction request	Plan as selected in the application form/ transaction request	Transaction shall be processed and Units shall be allotted under
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

In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC/RTA shall endeavour to contact the investor/distributor and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received



within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of application without any exit load.

The financial transactions# of an investor where his distributor's AMFI Registration Number (ARN) has been suspended temporarily or terminated permanently received during the suspension period shall be processed under "Direct Plan" and continue to be processed under "Direct Plan" perpetually unless after suspension of ARN is revoked, unitholder makes a written request to process the future installments/investments under "Regular Plan". Any financial transactions requests received through the stock exchange platform, from any distributor whose ARN has been suspended, shall be rejected.

#Financial Transactions shall include all Purchase / Switch requests (including under fresh registrations of Systematic Investment Plan ("SIP") / Systematic Transfer Plan ("STP") or under SIPs/ STPs registered prior to the suspension period).

Default Option: Growth

Default IDCW Frequency- Daily Re-Investment of IDCW Option

**I) Growth Option:** The Mutual Fund will not declare any IDCW under this option. The income earned under this Option will remain invested in the option and will be reflected in the NAV. This option is suitable for investors who are not looking for current income but who have invested with the intention of capital appreciation.

**II) Income Distribution cum capital withdrawal Option (IDCW):** Under this option, IDCW will be declared at periodic intervals at the discretion of the Trustees, subject to availability of distributable surplus calculated in accordance with SEBI (MF) Regulations. On payment of IDCW, the NAV of the Units under IDCW option will fall to the extent of the IDCW payout and applicable statutory levies, if any.

**IDCW Option offers Daily, Weekly and Monthly Re-investment and Monthly Payout facility**

It must be distinctly understood that the actual declaration of IDCW and frequency thereof is at the sole discretion of Board of Trustee. There is no assurance or guarantee to the Unit holders as to the rate of IDCW distribution nor that the IDCW will be paid regularly. The Trustee reserves the right to declare IDCW at any other frequency in addition to the frequencies mentioned above.

**IDCW Re-investment Facility:**

Under this facility, IDCW due and payable to the Unit holders will be compulsorily and without any further act by the Unit holder, reinvested in IDCW option at a price based on the prevailing ex-dividend Net Asset Value per Unit on the record date. The amount of IDCW re-invested will be net of tax deducted at source, wherever applicable. IDCW so reinvested shall constitute an actual payment of IDCW to the Unit holders and an actual receipt of the same amount from each Unit holder for re-investment in Units.

On re-investment of IDCW, the number of Units to the credit of Unit holder will increase to the extent of IDCW reinvested divided by the Applicable NAV.

As and when the payable IDCW amount is less than or equal to Rs. 500/-, the same will be compulsorily reinvested in the respective Plan(s)/Option(s) of the Scheme irrespective of IDCW facility selected by investor. If the IDCW amount payable is greater than Rs. 500/- then it will be either reinvested or paid as per the mandate selected by the investor.

	<p><b>IDCW Payout:</b> IDCW, if declared, will be paid (subject to deduction of tax at source, if any) to those Unitholders / Beneficial Owners whose names appear in the Register of Unit holders maintained by the Mutual Fund/ statement of beneficial ownership maintained by the Depositories, as applicable, on the notified record date.</p> <p><b>There shall, however, be no Load(s) (if any) on the IDCW so reinvested.</b></p> <p>For details on taxation of dividend, please refer the SAI.</p> <p><b>Notes:</b> a. An investor on record for the purpose of IDCW distributions is an investor who is a Unit Holder as of the Record Date. In order to be a Unit Holder, an investor has to be allocated Units representing receipt of clear funds by the Scheme. b. Investors should indicate the name of the Plan and/or Option, clearly in the application form. In case of valid applications received, without indicating the Plan and/or Option etc. or where the details regarding Option are not clear or ambiguous, the default options as mentioned above, will be applied.</p> <p><b>Investors shall note that once Units are allotted, AMC shall not entertain requests regarding change of Option, with a retrospective effect.</b></p> <p><b>The Trustees reserve the right to offer IDCW to the investors under this option which in the opinion of the Trustees is in the best interest of the unit-holder.</b></p> <p><b>The AMC, in consultation with the Trustee reserves the right to discontinue/ add more options/facilities at a later date subject to complying with the prevailing SEBI guidelines and Regulations.</b></p>
<p><b>Income Distribution cum capital withdrawal Policy</b></p>	<p>Under the IDCW option, the Trustee will have discretion to declare the IDCW, subject to availability of distributable surplus calculated in accordance with the Regulations. The actual declaration of IDCW and frequency will inter-alia, depend on availability of distributable rplus calculated in accordance with SEBI (MF) Regulations and the decisions of the Trustee shall be final in this regard. There is no assurance or guarantee to the Unitholder as to the rate of IDCW nor that will the IDCW be paid regularly.</p> <p>The AMC/Trustee reserves the right to change the frequency of declaration of IDCW or may provide additional frequency for Declaration of IDCW.</p> <p><b>IDCW Distribution Procedure:</b> In accordance with SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023, the procedure for IDCW distribution would be as under:</p> <ol style="list-style-type: none"> <li>1. Quantum of IDCW and the record date will be fixed by the Trustee. IDCW so decided shall be paid, subject to availability of distributable surplus.</li> <li>2. Within one calendar day of decision by the Trustees, the AMC shall issue notice to the public communicating the decision including the record date. The record date shall be 2 working days from the date of publication in atleast one English newspaper or in a newspaper published in the language of the region where the head office of the Mutual Fund is situated, whichever is issued earlier.</li> <li>3. Record date shall be the date, which will be considered for the purpose of determining the eligibility of Unitholders whose names appear on the register</li> </ol>

	<p>of Unitholder for receiving IDCW. The Record Date will be 2 working days from the date of issue of public notice.</p> <p>4.The notice will, in font size 10, bold, categorically state that pursuant to payment of IDCW, the NAV of the Scheme would fall to the extent of payout and statutory levy (if applicable).</p> <p>5.The NAV will be adjusted to the extent of IDCW distribution and statutory levy, if any, at the close of Business Hours on record date.</p> <p>6.Before the issue of such notice, no communication indicating the probable date of IDCW declaration in any manner whatsoever will be issued by Mutual Fund.</p> <p><b>The requirement of giving public notice shall not be applicable for IDCW options having frequency ranging from daily up to monthly distribution.</b></p>
<p><b>Allotment</b></p>	<p>Investors may apply for Units by filling up an Application Form. All valid and complete applications will be allotted Units at the Applicable NAV for the application amount. Allotment of units shall be made within 5 business days from the closure of the NFO and the Scheme shall be available for ongoing repurchase/sale/trading within 5 business days of the allotment.</p> <p>Allotment of Units shall be subject to:</p> <p>(i) the achievement of the minimum target amount; (ii) receipt of complete Application Forms that are in order; (iii) realisation of the specified minimum Subscription amount from the Investor, and (iv) provisions set out in the section on 'Refund/Rejection of the application' given below.</p> <p><b>Account Statements</b> An account statement will be sent by ordinary post/courier/electronic mail to each Unit Holder within 5 business days from the closure of the NFO, stating the number of Units purchased.</p> <p>In case, the investor provides the e-mail address, the Fund will provide the Account Statement only through e-mail message. Should the unit holder experience any difficulty in accessing the electronically delivered documents, the unit holders shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. It is deemed that the unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties.</p> <p>Normally, no unit certificates will be issued. However, if an applicant so desires, the AMC shall issue the unit certificates to the applicant within 5 business days of the receipt of request for the certificate.</p> <p><b>Consolidated Account Statements</b> In accordance with SEBI Master circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 a consolidated account statement for each calendar month is issued to the investors in whose folios transactions has taken place during that month.</p>
<p><b>Who can invest</b> This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.</p>	<p>The following persons are eligible to apply for subscription to the units of the Scheme (subject to, wherever relevant, subscription to units of the Scheme being permitted under the respective constitutions and relevant statutory regulations):</p> <ol style="list-style-type: none"> <li>1. Indian resident adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis;</li> <li>2. Hindu Undivided Family (HUF) through Karta of the HUF;</li> </ol>

3. Minor (as the first and the sole holder only) through a natural guardian (i.e. father or mother, as the case may be) or a court appointed legal guardian. There shall not be any joint holding with minor investments. 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.
4. Partnership Firms and Limited Liability Partnerships (LLPs);
5. Proprietorship in the name of the sole proprietor;
6. Companies, Bodies Corporate, Public Sector Undertakings (PSUs), Association of Persons (AOP) or Bodies of Individuals (BOI) and societies registered under the Societies Registration Act, 1860;
7. Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions;
8. Mutual Funds/ Alternative Investments Fund registered with SEBI;
9. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and private trusts authorised to invest in mutual fund schemes under their trust deeds;
10. Non-Resident Indians (NRIs) / Persons of Indian Origin (PIOs) residing abroad on repatriation basis or on non-repatriation basis;
11. Foreign Institutional Investors (FIIs) and their sub-accounts registered with SEBI on repatriation basis;
12. Army, Air Force, Navy and other para-military units and bodies created by such institutions;
13. Council of Scientific and Industrial Research, India ;
14. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / RBI;
15. Provident Funds, Pension Funds, Gratuity Funds and Superannuation Funds to the extent they are permitted;
16. Other schemes of PPFAS Mutual Fund subject to the conditions and limits prescribed by SEBI (Mutual Funds) Regulations;
17. Trustee, AMC or Sponsor or their associates may subscribe to units under the Scheme;
18. Qualified Foreign Investor (QFI)
19. Foreign Portfolio Investors (FPI) registered with SEBI on repatriation basis;
20. Such other individuals /institutions/ body corporates etc., as may be decided by the AMC from time to time, so long as, wherever applicable, subject to their respective constitutions and relevant statutory regulations.

The list given above is indicative and the applicable laws, if any, as amended from time to time shall supersede the list.

**Note:**

1. Non-Resident Indians (NRIs) and Persons of Indian Origin (PIOs) residing abroad / Foreign Institutional Investors (FIIs) have been granted a general permission by Reserve Bank of India under Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 for investing in / redeeming units of the mutual funds subject to conditions set out in the aforesaid regulations.
2. It is expressly understood that at the time of investment, the investor/ unitholder has the express authority to invest in units of the Scheme and the AMC / Trustee / Mutual Fund will not be responsible if such investment is ultravires the relevant constitution. Subject to the Regulations, the Trustee may reject any application received in case the application is found invalid/ incomplete or for any other reason in the Trustee's sole discretion.
3. For subscription in the Scheme, it is mandatory for investors to make certain disclosures like bank details etc. and provide certain documents like PAN copy etc. (for details please refer SAI) without which the application is liable to be rejected.
4. Subject to the SEBI (MF) Regulations, any application for units of this Scheme may be accepted or rejected in the sole and absolute discretion of the Trustee/AMC. The Trustee/AMC may inter-alia reject any application for the purchase of units if the application is invalid or incomplete or if the Trustee

<p><b>Who cannot invest</b></p>	<p>for any other reason does not believe that it would be in the best interest of the Scheme or its unitholders to accept such an application.</p> <p>5. The AMC / Trustees may request Investors / Unit holders to provide other further details as may be required in the opinion of the AMC / Trustees under applicable Laws. This may result in a delay in dealing with the applicants, Unit holders, benefits distribution, etc.</p> <p>6. In case of application(s) made by individual investors under a Power of Attorney, the original Power of Attorney or a duly notarized copy should be submitted along with the subscription application form. In case of applications made by non-individual investors, the authorized signatories of such non-individual investors should sign the application form in terms of the authority granted to them under the Constitutional Documents/ Board resolutions/Power of Attorneys, etc. A list of specimen signatures of the authorized signatories, duly certified / attested should also be attached to the Application Form. The Mutual Fund/AMC/Trustee shall deem that the investments made by such non-individual investors are not prohibited by any law/Constitutional documents governing them and they possess the necessary authority to invest.</p> <p>7. Investors desiring to invest / transact in mutual fund schemes are required to 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 such as 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.</p> <p>8. Further, all other requirement for investments by minor and process of transmission shall be followed in line with SEBI Master Circular dated May 19, 2023 read with SEBI Circular dated May 12, 2023 as amended from time to time.</p> <p>The Mutual Fund/ AMC/ Trustee/ 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. 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 Investor. The Mutual 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 investors.</p> <p>8. Returned cheques are not liable to be presented again for collection and the accompanying application forms are liable to be rejected by the AMC. In case the returned cheques are presented again, the necessary charges are liable to be debited to the investor.</p> <p>9. The Trustee reserves the right to recover from an investor any loss caused to the Scheme on account of dishonour of cheques issued by the investor for purchase of Units of the Scheme.</p> <p>10. AMC shall register the details of a client, in case of client being a non-profit organisation, on the DARPAN Portal of NITI Aayog, if not already registered, and maintain such registration records for a period of five years after the business relationship between a client and a reporting entity has ended or the account has been closed, whichever is later.</p> <p>The following persons are not eligible to invest in the Scheme: Pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) cannot invest in Mutual Funds. Any prospective investor/s residing in Non-Compliant Countries and Territories (NCCTs) as determined by the Financial Action Task Force (FATF), from time to time. Such other persons as may be specified by AMC from time to time or as may be required by the applicable rules and regulations.</p>
<p><b>Where can you submit the filled-up</b></p>	<p>Duly completed application forms can be submitted at the registered office,</p>

<p><b>applications.</b></p>	<p>corporate office and branch offices of the AMC and investor service centers of CAMS.</p> <p>For further details of <b>CAMS Investors Centers</b> refer to Section List of Investor Service Centres and Official Points of Acceptance of Transactions on this link <a href="https://amc.ppfas.com/investor-desk/investor-service-centres/index.php">https://amc.ppfas.com/investor-desk/investor-service-centres/index.php</a>.</p> <p>The Investors who are registered with the AMC to invest online through the website of the AMC <a href="http://amc.ppfas.com">http://amc.ppfas.com</a> can apply online for purchase / redemption / switches.</p> <p>Investors can also purchase/redeem units of the Scheme by placing an order for purchase/redemption with the members (Stock Broker) / clearing members of stock exchanges or Mutual Fund Distributors registered with AMFI as per SEBI Circular No. CIR/MRD/DSA/32/2013 dated October 4, 2013. These members (Stock Brokers) / clearing members/ Mutual Fund Distributors would be availing the platform / mechanism provided by the stock exchanges for placing an order for purchase / redemption of units of the Scheme. Investors may purchase / redeem units of the Scheme through the Stock Exchange Infrastructure. In order to facilitate transactions in mutual fund units BSE has introduced BSE STAR MF Platform and NSE has introduced Mutual Fund Service System (MFSS) and NMF II and any other platform which will provide subscription and redemption of units through its platform.</p> <p>Investors should note that Brokers, Clearing members and Depository Participants will be considered as Official Points of Acceptance (OPA) of PPFAS Mutual Fund in line with SEBI Master circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 for stock brokers viz. AMFI /NISM certification and the provisions of SEBI Circular No. CIR/MRD/DSA/32/2013 dated October 4, 2013 for Mutual Fund Distributors, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund, shall be applicable for such Clearing members, Mutual Fund Distributors and Depository participants as well.</p> <p>Please refer addresses at the end of SID for the Registrar and Transfer Agent, Official Points of Acceptance, etc.</p> <p>AMC reserves the right to appoint collecting bankers during the New Fund Offer Period and change the bankers and/or appoint any other bankers subsequently.</p>
<p><b>How to Apply</b></p>	<p>Investors may obtain Key Information Memorandum (KIM) along with the application forms from the AMC offices or Point of Acceptance of the Registrar or may be downloaded from <a href="http://amc.ppfas.com">http://amc.ppfas.com</a> (AMC's website). Please refer to the SAI and Application Form for the instructions. An Application Form accompanied by a payment instrument issued from a bank account other than that of the Applicant / Investor will not be accepted except in certain circumstances. For further details, please refer paragraph - Non-acceptance of Third Party Payment Instruments for subscriptions / investments under the section - How to Apply in SAI.</p> <p><b>Bank Details:</b></p> <p>In order to protect the interest of Unit holders from fraudulent encashment of redemption / IDCW cheques, SEBI has made it mandatory for investors to provide their bank details viz. name of bank, branch, address, account type and number, etc. to the Mutual Fund. Applications without complete bank details shall be rejected. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques / warrants and / or any delay / loss in transit. Also, please refer to point on <b>Registration of Multiple Bank</b></p>

	<b>Accounts</b> in respect of an Investor Folio.
<b>Listing</b>	Since units of the Scheme will be offered for subscription and redemption at NAV based prices on all Business Days on an ongoing basis providing the required liquidity to investors, units of the Scheme are not proposed to be listed on any stock exchange. However, the Trustee reserves the right to list the units of the Scheme on any stock exchange(s) at its sole discretion at a later date.
<b>Option to hold units in Demat Form</b>	In terms of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023, investors have the option to receive allotment of Mutual Fund units in their demat account while subscribing to this scheme. Such units held in demat form shall be fully transferable.  <b>Demat Facility for SIP Transactions:</b> Demat option shall be available for SIP transactions. However, the units will be allotted on the applicable NAV as per SID and will be credited to investors demat account on weekly basis on realisation of funds.
<b>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.</b>	Units once redeemed will be extinguished and will not be reissued.
<b>Restrictions, if any, on the right to freely retain or dispose of units being offered.</b>	Units of the Scheme which are issued in demat (electronic) form will be transferred and transmitted in accordance with the provisions of SEBI (Depositories and Participants) Regulations, as may be amended from time to time.  <b>Right to Limit Fresh Subscription</b> The Trustees reserves the right at its sole discretion to withdraw / suspend the allotment / Subscription of Units in the Scheme temporarily or indefinitely, at the time of NFO or otherwise, if it is viewed that increasing the size of such Scheme may prove detrimental to the Unit holders of such Scheme. An order to Purchase the Units is not binding on and may be rejected by the Trustees or the AMC unless it has been confirmed in writing by the AMC and/or payment has been received.  Please refer to paragraphs on Transfer and Transmission of units, Right to limit Redemption, Suspension of Purchase and / or Redemption of Units and Pledge of Units' in the SAI for further details.  <b>Pledge of Units</b> The Units under the Scheme may be offered as security by way of a pledge / charge in favour of scheduled banks, financial institutions, non-banking finance companies (NBFCs), or any other body. The AMC/RTA will note and record such Pledged Units. The AMC/RTA shall mark a lien on the specified units only upon receiving the duly completed form and documents as it may require. Disbursement of such loans will be at the entire discretion of the bank / financial institution / NBFC or any other body concerned and the Mutual Fund assumes no responsibility thereof. The Pledgor will not be able to redeem/switch Units that are pledged until the entity to which the Units are pledged provides a written authorisation to the Mutual Fund that the pledge / lien/ charge may be removed. As long as Units are pledged, the Pledgee will have complete authority to redeem such Units. IDCW declared on Units under lien will be paid / re-invested to the credit of the Unit Holder and not the lien holder unless specified otherwise in the lien letter. For units of the Scheme held in electronic (Demat) form, the rules of Depository applicable for pledge will be applicable for Pledge/Assignment

of units of the Scheme. Pledgor and Pledgee must have a beneficial account with the Depository. These accounts can be with the same DP or with different DPs.

#### **Lien on Units**

On an ongoing basis, when existing and new investors make Subscriptions, pending clearance of the payment instrument, a temporary hold (lien) will be created on the Units allotted and such Units shall not be available for redemption/switch out until the payment proceeds are realised by the Fund. In case the cheque/draft is dishonoured during clearing process by the bank, the transaction will be reversed and the Units allotted there against shall be cancelled under intimation to the applicant. In respect of NRIs, the AMC/ RTA shall mark a temporary hold (lien) on the Units, in case the requisite documents (such as FIRC/Account debit letter) have not been submitted along with the application form and before the submission of the redemption request. The AMC reserves the right to change the operational guidelines for temporary lien on Units from time to time.

#### **Right to Limit Redemption**

Subject to the approval of Board of Director of the AMC and Trustee Company and immediate intimation to SEBI, a restriction on redemptions may be imposed by the Scheme when there are circumstances, which the AMC / Trustee believe that may lead to a systemic crisis or event that constrict liquidity of most securities or the efficient functioning of markets such as:

1. Liquidity issues - when market at large becomes illiquid affecting almost all securities rather than any issuer specific security.

2. Market failures, exchange closures - when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies.

3. Operational issues – when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out). Such cases can only be considered if they are reasonably unpredictable and occur in spite of appropriate diligence of third parties, adequate and effective disaster recovery procedures and systems.

Such restriction on redemption may be imposed for a specified period of time not exceeding 10 working days in any 90 days period. However, if exceptional circumstances / systemic crisis referred above continues beyond the expected timelines, the restriction may be extended further subject to the prior approval of Board of Directors of the AMC and Trustee Company giving details of circumstances and justification for seeking such extension shall also be informed to SEBI in advance.

#### **Procedure to be followed while imposing restriction on redemptions**

- a. No redemption requests upto INR 2 lacs per request shall be subject to such restriction;
- b. Where redemption requests are above INR 2 lacs:
  - . The AMC shall redeem the first INR 2 lacs of each redemption request, without such restriction;
  - . Remaining part over and above INR 2 lacs shall be subject to such restriction and be dealt as under:
  - . Any Units which are not redeemed on a particular Business Day will be carried forward for Redemption to the next Business Day, in order of receipt. Redemptions so carried forward will be priced on the basis of applicable



	NAV (subject to the prevailing Load, if any) of the subsequent Business Day(s) on which redemptions are being processed. Under such circumstances, to the extent multiple redemption requests are received at the same time on a single Business Day, redemptions will be made on a pro rata basis based on the size of each redemption request, the balance amount being carried forward for redemption to the next Business Day.
<b>Transaction Charges</b> (applicable for both existing and new investors)	<p>In accordance with SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 the following are the terms and conditions relating to Transaction Charges:</p> <ol style="list-style-type: none"> <li>1. The Distributor would be allowed to charge the Mutual Fund Investor a Transaction Charge where the amount of investment is Rs. 10,000/- and above per subscription.</li> <li>2. For existing investors in a Mutual Fund, the Transaction Charge allowed will be Rs. 100/- per subscription of Rs. 10,000/- and above. For a first-time investor in a Mutual Fund, the Transaction Charge allowed will be Rs. 150/- per subscription of Rs. 10,000/- and above.</li> <li>3. The Transaction Charge, where applicable based on the above criteria, will be deducted by the AMC from the subscription amount remitted by the Investor and paid to the distributor; and the balance (net) amount will be invested in the Scheme. Thus, units will be allotted against the net investment.</li> <li>4. In case of SIPs, the transaction charge shall be applicable only if the total commitment through SIPs amounts to Rs 10,000/- and above. In such cases the transaction charge shall be recovered in 3-4 installments.</li> <li>5. No Transaction charges shall be levied: <ol style="list-style-type: none"> <li>a) where the distributor of the investor has not opted to receive any transaction charges (distributors' decision to opt in or opt out of levying transaction charges is applicable at plan/option/product level);</li> <li>b) Where the investor purchases the Units directly from the Mutual Fund.</li> <li>c) Where the amount of investment is below Rs. 10,000/- per subscription.</li> <li>d) On transactions other than purchases/ subscriptions relating to new inflows. Switch-in / Transfer / Transmission of units/ Allotment of Bonus Units /Reinvestment of Income Distribution Cum Capital Withdrawal Option Units will not be considered as subscription for the purpose of levying the transaction charge.</li> </ol> </li> <li>6. The terms and conditions relating to transaction charges shall be part of the application form.</li> <li>7. The statement of account shall clearly state that the net investment as gross subscription less transaction charge and give the number of units allotted against the net investment.</li> </ol> <p>The transaction charges are in addition to the existing system of commission permissible to the Distributors. The transaction charges are in compliance with SEBI Circular, dated May 19, 2023.</p> <p>No transaction charges will be levied for an investor who is investing directly with the Mutual Fund.</p>
<b>B. Ongoing Offer Period:</b>	
This is the date from which the Scheme will reopen for subscriptions / redemptions after the closure of the NFO period.	The scheme will reopen for subscriptions/ redemptions within 5 business days from the date of allotment.

<p><b>Ongoing price for subscription (purchase)/ switch-in (between plans of the scheme) by Investors.</b></p> <p>This is the price you need to pay for purchase/ switch-in</p> <p>Example: If the applicable NAV is Rs. 1000/-, and since there will be no entry load, then the purchase price will be: Rs. 1000/-</p>	<p>Units of the Scheme shall be available for subscription (purchase)/ switch-in at the applicable NAV, subject to applicable load.</p> <p>Note: Purchase/Switch-in is not allowed under Segregated Portfolio. However, the unit of Segregated Portfolio will be listed on the recognized Stock Exchange</p>
<p><b>Ongoing price for redemption (sale) and switch-in and switch out between the plans of the Scheme by Investors.</b></p> <p>This is the price you will receive for redemptions/ Switch outs.</p> <p>Example: If the applicable NAV is Rs. 1000/-, exit load is 1% then redemption price will be: Rs. <math>1000 * (1 - 0.01) = \text{Rs. } 990/-</math></p>	<p>Units of the Scheme can be redeemed at the applicable NAV subject to prevailing exit load.</p> <p>Investors/Unit holders should note that the AMC/Trustee has right to modify existing Load structure and to introduce Loads subject to a maximum limit prescribed under the Regulations.</p> <p>Any change in Load structure will be effective on prospective basis and will not affect the existing Unit holder in any manner.</p> <p>Note: Repurchase / Redemptions including Switch-outs for Segregated Portfolio is not allowed. However, the unit of Segregated Portfolio will be listed on the recognized Stock Exchange.</p>
<p><b>Cut off timing for subscriptions/redemptions</b></p> <p>This is the time before which your application (complete in all respects) should reach the Official points of Acceptance</p>	<p><b>Subscriptions / Purchases including switch-in:</b></p> <p>The following cut-off timings shall be observed by the Mutual Fund in respect of purchase of Units of the Scheme, and the following NAVs shall be applied for such purchase:</p> <ol style="list-style-type: none"> <li>1. In respect of valid applications received upto 1.30 p.m. on a Business Day at the Official Point(s) of Acceptance and where the funds for the entire amount of subscription / purchase as per the application / switch-in request, are credited to the bank account of the Scheme before the cut-off time i.e. available for utilization before the cut-off time – the closing NAV of the day immediately preceding the day of receipt of application shall be applicable;</li> <li>2. In respect of valid applications received after 1.30 p.m. on a Business Day at the Official Point(s) of Acceptance and where the funds for the entire amount of subscription / purchase as per the application / switch-in request, are credited to the bank account of the Scheme on the same day i.e. available for utilization on the same day – the closing NAV of the day immediately preceding the next Business Day shall be applicable.</li> <li>3. Irrespective of the time of receipt of valid applications at the Official Point(s) of Acceptance, where the funds for the entire amount of subscription / purchase as per the application / switch-in request, are not credited to the bank account of the Scheme before the cut-off time i.e. not available for utilization before the cut-off time – the closing NAV of the day immediately preceding the day on which the funds are available for utilization, shall be applicable.</li> </ol> <p><b>For Switch-ins of any amount:</b></p> <p>For determining the applicable NAV, the following shall be ensured:</p> <ul style="list-style-type: none"> <li>• Application for switch-in is received before the applicable cut-off time.</li> <li>• Funds for the entire amount of subscription/purchase as per the switch in request are credited to the bank account of the Scheme before the cut-off time.</li> </ul>

- The funds are available for utilization before the cut-off time.
- In case of 'switch' transactions from one scheme to another, the allocation shall be in line with redemption payouts.

In case of switches, the request should be received on a day which is a Business Day for the Switch-out scheme. Redemption for switch-out shall be processed at the applicable NAV as per cut-off timing. Switch in will be processed at the Applicable NAV (on a Business Day) based on realization of funds as per the redemption pay-out cycle for the switch-out scheme.

For investments through systematic investment routes such as Systematic Investment Plans (SIP), Systematic Transfer Plans (STP), etc. the units will be allotted as per the closing NAV of the day on which the funds are available for utilization within applicable cut-off time by the Target Scheme irrespective of the installment date of the SIP, STP or record date of IDCW etc.

While the AMC will endeavour to deposit the payment instruments accompanying investment application submitted to it with its bank expeditiously, it shall not be liable for delay in realization of funds on account of factors beyond its control such as clearing / settlement cycles of the banks.

Since different payment modes have different settlement cycles including electronic transactions (as per arrangements with Payment Aggregators / Banks / Exchanges etc), it may happen that the investor's account is debited, but the money is not credited within cut-off time on the same date to the Scheme's bank account, leading to a gap / delay in Unit allotment. Investors are therefore urged to use the most efficient electronic payment modes to avoid delays in realization of funds and consequently in Unit allotment.

**Redemptions including switch-out:**

The following cut-off timings shall be observed by the Mutual Fund in respect of Repurchase of Units:

1. Where the valid application is received up to 3.00 p.m., the closing NAV of the day on which application is received shall be applicable and
2. Where the valid application is received after 3.00 p.m., the closing NAV of the next business day shall be applicable.

Investors shall make sure that after deducting bank charges for outstation cheque amount available for investment shall not be less than amount specified for minimum investment.

**MF Central as Official Point of Acceptance:**

Pursuant to SEBI Master circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 , to comply with the requirements of RTA inter-operable Platform for enhancing investors' experience in Mutual Fund transactions / service requests, the Qualified RTAs, at present, Kfin Technologies Private 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

	<p>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 <a href="https://mfcentral.com/">https://mfcentral.com/</a> and a Mobile App in future.</p> <p>With a view to comply with all provisions of the aforesaid circular and to increase digital penetration of Mutual Funds, PPFAS Mutual Fund designates MFCentral as its Official Point of Acceptance (DISC - Designated Investor Service Centre) w.e.f. September 23, 2021.</p> <p>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.</p>
<p><b>Where can the applications for purchase/ redemption be submitted?</b></p>	<p>Investors can submit the application forms for purchase or redemption at any of the Official Points of Acceptance, details of which are mentioned at the end of the document and on the website <a href="http://amc.ppfas.com">http://amc.ppfas.com</a></p> <p>Investors can submit their application for purchase or redemption at the office of the AMC or at Official Point of Acceptance of Registrar and Transfer Agent.</p> <p>Investors can also purchase/redeem units of the Scheme by placing an order for purchase/redemption with the members (Stock Broker) / clearing members of stock exchanges/ Mutual Fund Distributors registered with AMFI. These members (Stock Brokers) / clearing members / Mutual Fund Distributors registered with AMFI would be availing the platform / mechanism provided by the stock exchanges for placing an order for purchase / redemption of units of the Scheme.</p> <p>Investors may purchase / redeem units of the Direct and Regular Plans in the Growth or Income Distribution cum capital withdrawal Option of the Scheme through the Stock Exchange Infrastructure. In order to facilitate transactions in mutual fund units BSE has introduced BSE STAR MF Platform and NSE has introduced Mutual Fund Service System (MFSS) and NMF-II and any other platform which will provide subscription and redemption of units through its platform.</p>
<p><b>Minimum amount for purchase/ redemption switches:</b></p>	<p>Minimum amount for new purchase is Rs. 5,000 and in multiples of Re. 1 thereafter. Minimum additional amount for purchase is Rs. 1,000 and in multiples of Re. 1 thereafter.</p> <p>Minimum Redemption: Rs. 1,000/- or 1 unit or account balance, whichever is lower in respect of each Option. In case the investor specifies the number of units and amount to be redeemed, the number of units shall be considered for redemption. In case the unit-holder does not specify the number of units or amount to be redeemed, the redemption request will not be processed.</p> <p>The AMC reserves the right to change the minimum amounts for various purchase/ redemption/ switches. Such changes shall only be applicable to transactions on a prospective basis.</p> <p><b><u>Non-applicability of Minimum Application Amount (Lump-sum) and Minimum Redemption amount to Alignment of interest of Designated Employees of AMC:</u></b></p> <p>SEBI vide its Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 on Alignment of interest of Designated Employees of Asset Management Companies (AMCs) with the Unitholders of the Mutual Fund Schemes has, inter alia mandated that a minimum of 20% of gross annual CTC net of income tax and any statutory contributions of the Designated Employees of the AMCs shall be invested</p>

	<p>in units of the scheme(s) of the Fund in which they have a role/oversight The said guidelines came into effect from the October 1, 2021.</p> <p>In accordance with the regulatory requirement, the minimum application amount and minimum redemption amount wherever specified in the concerned SID / KIM will not be applicable for investment made in schemes of the Fund in compliance with the aforesaid circular(s).</p>
<b>Option to hold units in Demat Form</b>	<p>In terms of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023, investors have the option to receive allotment of Mutual Fund units in their demat account while subscribing to this scheme. Such units held in demat form shall be fully transferable.</p> <p><b>Demat Facility for SIP Transactions:</b> Demat option shall be available for SIP transactions. However, the units will be allotted on the applicable NAV as per SID and will be credited to investors demat account on weekly basis on realisation of funds.</p>
<b>Minimum balance to be maintained and consequences of non-maintenance.</b>	<p>The scheme does not require maintenance of minimum balance in the units of the scheme.</p> <p>In case the balance in the account of the unitholder does not cover the amount of redemption request, then the Mutual Fund is authorized to redeem all the units in the folio and send the redemption proceeds to the unitholder.</p>
<b>Special Products/Facilities available</b>	<p>The Special Products / Facilities available under the Scheme, are:</p> <ol style="list-style-type: none"> <li>i. Systematic Investment Plan (SIP)</li> <li>ii. SIP Top up Facility</li> <li>iii. SIP Pause Facility</li> <li>iv. Systematic Transfer Plan (STP)</li> <li>v. Systematic Withdrawal Plan (SWP)</li> <li>vi. Investment through “PPFAS SELFINVEST”</li> <li>vii. Transactions through Electronic Mode</li> <li>viii. Registration of Multiple Bank Accounts in respect of an Investor Folio</li> <li>ix. Facilitating transactions through Stock Exchange Mechanism.</li> <li>x. Transaction through “Channel Distributors”</li> </ol> <p><b>i)Systematic Investment Plan (SIP):</b></p> <p>The conditions for investing in SIP will be as follows:</p> <p>SIP Frequency: Monthly and Quarterly</p> <p>Minimum SIP installment amount: Monthly: Rs. 1,000/- and in multiples of Re.1/- thereafter. Quarterly : Rs. 3,000/- &amp; in multiples of Re. 1 thereafter</p> <p>Minimum No. of SIP installments: Monthly - 6 installments (including the first SIP cheque); Quarterly : 4 installments (including the first SIP cheque)</p> <p>SIP Dates: Any date within Month/Quarter (up to a maximum of 6 dates per application)</p> <p>Default Date: Monthly- 10th of the month, Quarterly-10th of First month of Quarter</p> <p>Registration period: AMC will endeavour to register SIP within a period of 30 days from the date of receipt of first SIP cheque and subsequent due date of ECS/OTM (debit clearing) In case of the auto debit facility, the default options (where auto debit period, frequency and SIP date are not indicated) will be as follows:</p> <ul style="list-style-type: none"> <li>• SIP auto debit period: The SIP auto debit will continue till 5 years.</li> </ul>

- SIP date: 10th of the month (commencing 30 days after the first SIP installment date); and
- SIP frequency: Monthly and Quarterly

The load structure prevailing at the time of submission of the SIP application (whether fresh or extension) will apply for all the installments indicated in such application.

All the cheques/ payment instructions [including the first cheque/ payment instruction] shall be of equal amounts in case of SIP applications.

Investors will have the right to discontinue the SIP facility at any time by sending a written request to any of the Official Point of Acceptance. Notice of such discontinuance should be received at least 30 days prior to the due date of the next debit. On receipt of such request, the SIP facility will be terminated. It is clarified that if the Fund fails to get the proceeds for three consecutive Installments (due to non-availability of funds) out of a continuous series of Installments submitted at the time of initiating a SIP), the AMC reserves the right to discontinue the SIP.

An investor can also invest in the Scheme through SIP Facility through the Stock Exchange mechanism as such SIP frequency available under the Stock Exchange mechanism from time to time.

**ii) Systematic Investment Plan (SIP) Top-UP Facility:**

It is a facility wherein an investor who is enrolling for SIP has an option to increase the amount of the SIP installment by a fixed amount at pre-defined intervals. Thus, an investor can progressively start increasing the amount invested, allowing them to gradually increase the investment corpus in a systematic manner. The salient features of this facility are as follows:

1. New investors can opt for it at the time of initiating the SIP. Existing unitholders can opt for it at the time of SIP renewal.
2. Investor can opt for an amount-based Cap whereby they can choose the amount from which the top-ups will cease (even though the SIP will continue at this final amount till the expiry date). In case the top-up amount-based cap is not chosen, the top-up will occur at the chosen frequency (half-yearly /yearly) until the SIP expiry date (Please refer to illustrations 1 - A and 2 - A below)
3. The amount of each such SIP installment cannot exceed the Daily One Time Mandate (OTM) limit for purchases in scheme(s) of PPFAS Mutual Fund from all modes (lump sum as well as SIP). In case of any conflict, such SIP installment will have precedence over any lump sum purchases undertaken on that day. Any lumpsum purchase exceeding the OTM limit will be reversed within three working days of the relevant intimation received from the unitholder's bank.
4. Minimum Top-up Amount for the said facility will be Rs. 500/- & in multiple of Re. 1/- thereafter. Forms where a specific amount is not clearly mentioned are liable to be rejected.
5. Frequency for the Top up facility: Investors can choose either 'Half-Yearly' or 'Yearly' Top-Up increments under Monthly SIP options. In case SIP Top-Up frequency is not mentioned, the default frequency will be considered as 'Yearly' for monthly SIP.
6. The facility is available only for the investors who submit "NACH / One Time Mandate (OTM) Form" mentioning the 'Maximum Amount'. This will limit the total investment to the pre-determined 'maximum amount'.

7. Once the SIP Top-Up upper limit is reached, the Top-Up will be discontinued. However, the SIP will continue at this upper limit for the remaining SIP enrollment period (subject to it not exceeding the daily OTM limit). For further clarification, please refer the illustrations as mentioned below.

8. The initial investment under the SIP Top-Up will be subject to minimum SIP investment requirement applicable from time to time (As on January 1, 2017, this figure is Rs. 1000/-).

9. Once enrolled, the Top-up details cannot be modified. However, investors can choose to cancel the Top-Up, by filling in the relevant Form and continue with the same SIP.

10. For further details and Forms, investors are requested to refer the website (<http://amc.ppfas.com>) or contact the Corporate Office of PPFAS Mutual Fund.

11. The above terms apply for both, offline and online modes of application, as and when initiated by the Fund.

12. All the other provisions of the SID/KIM except as specifically modified herein above remain unchanged.

**Illustration no. 1 (Monthly SIP ; Top-Up Frequency : Half-Yearly; Amount-based cap opted for)**

SIP enrollment period: 5th Jan 2017 to 5th Dec 2022;				
Starting <b>Monthly</b> SIP amount : Rs. 1000/-				
Top Up Amount: Rs. 555/-				
<b>Top Up frequency: Half - Yearly</b> <b>Top-Up Amount cap : Rs. 3220/-</b> <b>Daily OTM Limit : Rs. 4000/-</b>				
From	To	Monthly SIP Installment (Rs.)	SIP Top Up Amount (Rs.)	Total Amount of SIP (Rs.)
5-Jan-17	5-Jun-17	1000	NA	1000
5-Jul-17	5-Dec-17	1000	555	1555
5-Jan-18	5-Jun-18	1555	555	2110
5-Jul-18	5-Dec-18	2110	555	2665
5-Jan-19	5-Dec-22	2665	555	3220

Here the monthly SIP installment will be frozen at Rs. 3220/- even though the OTM limit of Rs. 4000, is higher.

**Illustration no. 1-A (Monthly SIP ; Top-Up Frequency : Half-Yearly ; Amount-based cap not opted for)**

**In this case the top-up will keep occurring at the chosen frequency (half-**

yearly in this case) until the SIP expiry date (December 5, 2022). The amount cannot cross the OTM limit, though.

SIP enrollment period: 5th Jan 2017 to 5th Dec 2022;

Starting **Monthly** SIP amount : Rs. 1000/-

Top Up Amount: Rs. 555/-

**Top Up frequency: Half - Yearly**  
**Top-Up Amount cap : Not chosen**  
**Daily OTM Limit : Rs. 6000/-**

From	To	Monthly SIP Installment (Rs.)	SIP Top Up Amount (Rs.)	Total Amount of SIP (Rs.)
5-Jan-17	5-Jun-17	1000	NA	1000
5-Jul-17	5-Dec-17	1000	555	1555
5-Jan-18	5-Jun-18	1555	555	2110
5-Jul-18	5-Dec-18	2110	555	2665
5-Jan-19	5-Jun-19	2665	555	3220
5-Jul-19	5-Dec-19	3220	555	3775
5-Jan-20	5-Jun-20	3775	555	4330
5-Jul-20	5-Dec-20	4330	555	4885
5-Jan-21	5-Jun-21	4885	555	5440
5-Jul-21	5-Dec-21	5440	555	5995
5-Jan-22	5-Dec-22	5995	NIL	5995

Here the monthly SIP installment of Rs. 5995/- will be frozen at a level which is closest to the daily OTM limit of Rs. 6000/-, as it is not permitted to cross it.

**Illustration no. 2 : (Monthly SIP ; Top-Up Frequency : Yearly ; Amount-based cap opted for)**

SIP enrollment period: 10th Jan 2017 to 10th Dec 2022;

Starting **Monthly** SIP amount : Rs. 1000/-

Top Up Amount: Rs. 777/-

**Top Up frequency: Yearly**  
**Top-Up Amount cap : Rs. 4108/-**  
**Daily OTM Limit : Rs. 5000/-**



From	To	Monthly SIP Installment (Rs.)	SIP Top Up Amount (Rs.)	Total Amount of SIP (Rs.)
10-Jan-17	10-Dec-17	1000	NA	1000
10-Jan-18	10-Dec-18	1000	777	1777
10-Jan-19	10-Dec-19	1777	777	2554
10-Jan-20	10-Dec-20	2554	777	3331
10-Jan-21	10-Dec-21	3331	777	4108
10-Jan-22	10-Dec-22	4108	NIL	4108

Here the monthly SIP installment will be frozen at Rs. 4108/- even though the OTM limit of Rs. 5000/- is higher.

**Illustration no. 2-A : (Monthly SIP ; Top-Up Frequency : Yearly ; Amount-based Cap not opted for)**

In this case the top-up will keep occurring at the chosen frequency (yearly, in this case) until the SIP expiry date (December 10, 2022), provided the OTM limit is not crossed.

SIP enrollment period: 10th Jan 2017 to 10th Dec 2022;

Starting **Monthly** SIP amount : Rs. 1000/-

Top Up Amount: Rs. 777/-

**Top Up frequency: Yearly**  
**Top-Up Amount cap : Not chosen**  
**Daily OTM Limit : Rs. 4500/-**

From	To	Monthly SIP Installment (Rs.)	SIP Top Up Amount (Rs.)	Total Amount of SIP (Rs.)
10-Jan-17	10-Dec-17	1000	NA	1000
10-Jan-18	10-Dec-18	1000	777	1777
10-Jan-19	10-Dec-19	1777	777	2554
10-Jan-20	10-Dec-20	2554	777	3331
10-Jan-21	10-Dec-21	3331	777	4108
10-Jan-22	10-Dec-22	4108	NIL	4108

Here the monthly SIP installment will be frozen at Rs. 4108/- as it is closest to the daily OTM limit of Rs. 4500/- and is not permitted to cross it.

**iii) SIP Pause Facility**

SIP Pause facility allows investors to pause their SIP for a temporary period, without discontinuing the existing SIP.

The features, terms and conditions for availing SIP Pause facility are as follows:

1. SIP Pause request should be received at least 30 calendar days prior to the instalment date for the concerned SIP, which is required to be paused.
2. The Facility is applicable only for AMC initiated debit feeds i.e. ECS/NACH/Direct Debit, etc.
3. This Facility is available only for SIPs with Monthly and Quarterly frequencies except for SIPs registered through Mutual Fund Utility (MFU), MFSS system of NSE or any other platforms of the said stock exchange and Channel Partners or those who have standing instructions with Banks as the SIP are registered directly with them and not with the fund house.
4. The maximum number of instalments that can be paused using this facility are 3 (three) consecutive instalments for SIPs registered with Monthly frequency and 1 (one) for SIPs registered with Quarterly frequency. Thereafter, the balance SIP instalments (as originally registered) will automatically resume.
5. If SIP Pause period coincides with SIP Top Up period, SIP instalment amount post completion of SIP Pause period would be inclusive of SIP Top Up amount. For eg: SIP Instalment amount prior to Pause period is ₹ 2,000/- and the Top-Up amount is ₹ 1,000/-. If the Pause period is completed after date of Top-Up, then the SIP instalment amount post-completion of Pause period shall be ₹ 3,000/-
6. SIP Pause once registered cannot be cancelled.
7. Investors can opt for the Facility only once during the tenure of the SIP.

**iv) Systematic Transfer Plan (STP):**

This facility enables the Unit holder to transfer fixed amount periodically from one scheme of the Mutual Fund (“Transferor Scheme”) to another (“Transferee Scheme”) by redeeming units of the Transferor Scheme at the Applicable NAV, subject to Exit Load, if any and investing the same amount in Transferee Scheme at the Applicable NAV, on a recurrent basis for a specified period at specified frequency as per the investor’s STP mandate. Investors may register for STP using a prescribed enrollment form. STP facility is offered by the Scheme subject to following terms and conditions:

Particular	Frequency available	
	Type of STP	Default Day/ Date
Default Day/Date	Daily	Daily
	Weekly	Every Monday of the week
	Fortnightly	Every Monday of the alternate week
	Monthly	10th of the Month

	Quarterly	10 <sup>th</sup> of First month of the quarter.
STP transaction frequency date	<b>Daily</b> - On all days between Monday to Friday <b>Weekly</b> - Any day of the week <b>Fortnightly</b> - Any date within 15 days <b>Monthly</b> - Any date within Month (up to a maximum of 6 dates per application) <b>Quarterly</b> - Any date within Quarter (up to a maximum of 6 dates per application)	
Minimum no. of installments	<b>Daily, Weekly and Monthly:</b> 6 Installments  <b>Fortnightly and Quarterly:</b> 4 Installments	
Minimum amount per installment	<b>Daily, Weekly and Monthly:</b> Rs. 1,000/- & in multiples of Re. 1 thereafter  <b>Fortnightly:</b> Rs. 1,500/- & in multiples of Re. 1 thereafter  <b>Quarterly</b> - Rs. 3,000/- & in multiples of Re. 1 thereafter.	
Minimum unit holder's account balance or minimum amount of application at the time of STP enrolment in the Transferor Scheme	For Daily, Weekly, Fortnightly and Monthly Rs.6,000/- and Quarterly Rs. 12,000/-	
<p>If any STP transaction due date falls on a non-Business Day, then the respective transactions will be processed on the immediately succeeding Business Day.</p> <p>If the STP period or no. of installments is not specified in the transaction Form, the STP transactions will be processed until the balance of units in the unit holder's folio in the Transferor/Source Scheme becomes zero.</p> <p>STP registered for more than one date or all dates of the month will be considered as separate STP instruction for the purpose of fulfilling the criteria under "Minimum no. of installments" section above.</p> <p>The AMC reserves the right to introduce STP facility at any other frequencies or on any other dates as the AMC may feel appropriate from time to time.</p> <p>The load structure in the Transferee/Target Scheme prevailing at time of submission of STP application (whether for fresh enrollment or extension) will be applicable for all the investment through STP specified in such application.</p> <p>The STP mandate may be discontinued by a Unit holder by giving a written notice of 7 working days to any of the Official Point(s) of Acceptance prior to the due date of the next transfer date. On receipt of such request, the STP facility will be terminated. STP will be terminated automatically if all the</p>		

Units are liquidated or withdrawn from the Transferor/Source Scheme or pledged or upon the Fund's receipt of notification of death or incapacity of the Unit holder.

Units marked under lien or pledge in the Transferor/Source Scheme will not be eligible for STP.

In case the unit balance in the Transferor/Source Scheme is lesser than amount specified by the unit holders for STP, the AMC will transfer remaining unit balance to the Transferee/Target Scheme.

STP in a folio of minor will be registered only upto the date of minor attaining majority even though the instruction may be for the period beyond that date.

The AMC / Trustee reserves the right to change / modify the terms and conditions under the STP prospectively at a future date.

**v) Systematic Withdrawal Plan (SWP):**

This facility enables unit-holders to withdraw a fixed sum (subject to tax deduction at source, if applicable) by redemption of units in the unitholder's account at the regular intervals through a one-time request.

The unit-holder can choose 1st, 5th, 10th, 15th, 20th and 25th of the month as the SWP date (in case the date selected falls on a non-business day, the transaction will be effected on the next business day of the scheme.) the default SWP date will be 10th of every month. The SWP frequency will be monthly.

The minimum SWP installment size is Rs. 1,000/- and in multiple of Re. 1 thereafter and SWP request should be for a minimum period of 12 months.

Minimum unit holder's account balance or minimum amount of application at the time of SWP enrolment in the Transferor Scheme should be Rs. 12000/-

A minimum period of 15 calendar days shall be required for registration of SWP. Unit-holder may change the amount (but not below the minimum specified amount)/ frequency by giving a written notice at any Investor Service Center at least 15 calendar days prior to next SWP execution date.

The SWP may be terminated by a written notice of 15 calendar days by a unit-holder. This SWP termination request may be sent to the office of AMC or at any Investor Service Center

SWP will be automatically terminated if all units are liquidated or withdrawn from the scheme or pledged or upon receipt of intimation of death of unit-holder.

Load structure prevailing at the time of submission of the SWP application will apply for all installments indicated in such application.

**vi) Investment through "PPFAS SelfInvest" (Mobile & Web App)**

PPFAS Mutual Fund has launched 'PPFAS Self Invest' a mobile application available on Android (Google Play) and iOS (App store). Existing investors can register for PPFAS Self Invest after completing a simple One-Time-Password (OTP) based registration process and choosing their Mobile Personal Identification Number (M-PIN) for each Folio.

**Key Features:**

Create a new Folio (Currently, it is available only for investors who are KRA/KYC compliant before February 1, 2017)

- Aadhaar-Based eKYC - A fresh investor can do his/her KYC using our eKYC platform and simultaneously start investing w.e.f. June 2020
- View your investments
- Add other schemes of PPFAS to the existing folio
- Register for OTM online
- Make additional purchases in the existing schemes, redeem, switch, and register for SIP, STP, and SWP
- Cancel & Pause SIPs and Cancel STPs & SWPs
- Update contact details (Email and Mobile)
- Register or Modify Nominee Details
- Fetch your Account Statement for the specific date ranges
- View Transaction status and history
- Pay using a UPI method
- Any Day SIP and STP
- View exit load amount while redemption

**vii)Transactions through Electronic Mode:**

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

In case of transactions through online facilities / electronic modes, the movement of funds from the investors' bank account to the Scheme's bank account may happen via the Intermediary / Aggregator service provider through a Nodal bank account and post reconciliation of fund. The process of movement of funds from the investors' bank account into the Scheme's Bank account in case of online transaction is governed by Reserve Bank of India(RBI)vide their circular Ref. RBI/2009-10/231 DPSS.CO.PD.No.1102/02.14.08/2009-10 dated 24<sup>th</sup> November, 2009. The process followed by the aggregator and the time lines within which the Funds are credited into the Scheme's bank account is within the time lines provided by RBI which is T+3 settlement cycle /business days, where T is the date of Transaction / day of intimation regarding completion of transaction. The nodal bank account as stated above is an internal account of the bank and such accounts are not maintained or operated by the intermediary / aggregator or by the Mutual Fund.

While the movement of Funds out of the investors' Bank account may have happened on T day, however post reconciliation and as per statutory norms, the allotment can happen only on availability of Funds for utilization by the AMC/MF and accordingly the transaction will processed as per the applicable NAV based on availability of funds for utilization. This lag may impact the applicability of NAV for transactions where NAV is to be applied, based on actual realization of funds by the Scheme. Under no circumstances will PPFAS Asset Management Private Limited or its bankers or its service providers be liable for any lag / delay in realization of funds.

**viii)Registration of Multiple Bank Accounts in respect of an Investor Folio:**

An Investor can register with the Fund upto 5 bank accounts in case of individuals and HUFs and upto 10 in other cases.

Registering Multiple Bank Accounts will enable the Fund to systematically validate the pay-in of funds and avoid acceptance of third party payments. For the purpose of registration of bank account(s), Investor should submit Bank Mandate Registration Form (available at the AMC Website, office of AMC and Official point of Acceptance) together with any of the following documents:

Cancelled original cheque leaf in respect of bank account to be registered where the account number and names of the account holders are printed on the face of the cheque; or Bank statement or copy of Bank Pass Book page with the Investor's Bank Account number, name and address.

The above documents will also be required for change in bank account mandate submitted by the Investor.

The AMC will register the Bank Account only after verifying that the sole/ first joint holder is the holder / one of the joint holders of the bank account. In case, if a copy of the above documents is submitted, Investor shall submit the original to the AMC/ Investor Service Centre for verification and the same shall be returned.

In case of Multiple Registered Bank Account, Investor may choose one of the registered bank accounts for the credit of redemption/IDCW proceeds (being - Pay-out bank account). Investor may however, specify any other registered bank accounts for credit of redemption proceeds at the time of requesting for the redemption.

Investor may change such Payout Bank account, as necessary, through written instructions.

However, if request for redemption is received together with a change of bank account (unregistered new bank account) or before verification and validation of new bank account, the redemption request would be processed to the currently registered default old bank account.

Bank account which is stated first shall be treated as default bank account.

For further details please refer to paragraph on Registration of Multiple Bank Accounts in respect of an Investor Folio in the SAI.

The AMC reserves the right to alter/ discontinue all / any of the above mentioned special product(s)/ facility(ies) at any point of time. Further, the AMC reserves the right to introduce more special product(s) / facility(ties) at a later date subject to prevailing SEBI Guidelines and Regulations.

**Email ID for communication**

First / Sole Holders should register their own email address and mobile number in their folio for speed and ease of communication in a convenient and cost-effective manner, and to help prevent fraudulent transactions.

**ix) FACILITY TO PURCHASE / REDEEM UNITS OF THE SCHEME(S) THROUGH STOCK EXCHANGE(S).**

PPFAS Mutual Fund is introducing the facility to purchase and redeem units of PPFAS Mutual Fund scheme/s through Stock Exchange Platform, in accordance with SEBI Circulars No. CIR/MRD/DSA/32/2013 dated October 4, 2013, read with SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023.

**The following are the salient features of the facility introduced for the benefit to investors:**

1. This facility i.e. purchase/redemption of units will be available to both existing and new investors.
2. The investors will be eligible to purchase /redeem units of the aforesaid scheme.
3. All trading members of BSE & NSE who are registered with AMFI as Mutual Fund Advisors, mutual fund distributors registered with the AMFI and who are permitted by the respective recognised stock exchange and who have signed up with PPFAS Asset Management Private Limited and also registered with BSE & NSE as Participants ("AMFI certified stock exchange brokers") will be eligible to offer this facility to investors. In order to facilitate transactions in mutual fund units through the stock exchange infrastructure, BSE has introduced BSE STAR MF Platform and NSE has introduced Mutual Fund Service System (MFSS) and any other platform which will provide subscription and redemption of units through its platform. Further, the units of PPFAS Mutual Fund scheme/(s) are permitted to be transacted through clearing members of the registered Stock Exchanges and Depository Participants of Registered Depositories are permitted to process only redemption request of units held in demat form as per SEBI Master Circular dated May 19, 2023.
4. BSE StAR MF and MFSS are electronic platforms introduced by BSE & NSE respectively for transacting in units of mutual funds. The units of eligible Scheme are not listed on BSE & NSE and the same cannot be traded on the Stock Exchange. The window for purchase/redemption of units on BSE & NSE will be available between 9 a.m. and 3 p.m. or such other timings as may be decided.
5. PPFAS Mutual Fund has entered into an arrangement with BSE & NSE for facilitating transactions in select PPFAS Mutual Fund scheme/s through the AMFI certified stock exchange brokers. Investors who are interested in transacting in eligible schemes of PPFAS Mutual Fund should register themselves with AMFI certified stock exchange brokers.
6. The eligible AMFI certified stock exchange brokers, Clearing members of recognised stock exchanges and Depository Participants will be considered as Official Points of Acceptance (OPA) of PPFAS Mutual Fund as per applicable guidelines.
7. Investors have an option to hold the units in physical or dematerialized form.
8. Investors will be able to purchase/redeem units in eligible scheme/s in the following manner:

**i. Purchase of Units:**

**a. Physical Form** - The investor who chooses the physical mode is required to submit all requisite documents along with the purchase application (subject to applicable limits prescribed by BSE/NSE) to the AMFI certified stock exchange brokers.

The AMFI certified stock exchange broker shall verify the application for mandatory details and KYC compliance.

After completion of the verification, the purchase order will be entered in the Stock Exchange system and an order confirmation slip will be issued to investor.

Allotment details will be provided by the AMFI certified stock exchange brokers to the investor.

**b. Dematerialized Form-**

- The investors who intend to deal in depository mode are required to have a demat account with CDSL/NSDL.
- The investor who chooses the depository mode is required to place an order for purchase of units (subject to applicable limits prescribed by BSE/NSE) with the AMFI certified stock exchange brokers.
- The investor should provide their depository account details to the AMFI certified stock exchange brokers.
- The purchase order will be entered in the Stock Exchange system and an order confirmation slip will be issued to investor.
- The investor will transfer the funds to the AMFI certified stock exchange brokers.
- Allotment details will be provided by the AMFI certified stock exchange brokers to the investor.

**ii. Redemption of Units:**

**a. Physical Form-**

- The investor who chooses the physical mode is required to submit all requisite documents along with the redemption application (subject to applicable limits prescribed by BSE/NSE) to the AMFI certified stock exchange brokers.
- The redemption order will be entered in the Stock Exchange system and an order confirmation slip will be issued to investor.
- The redemption proceeds will be credited to the bank account of the investor, as per the bank account details recorded with PPFAS Mutual Fund.

**b. Dematerialized Form-**

- The investors who intend to deal in depository mode are required to have a demat account with CDSL/NSDL and units converted from physical mode to demat mode prior to placing of redemption order.
- The investor who chooses the depository mode is required to place an order for redemption (subject to applicable limits prescribed by BSE/NSE) with the AMFI certified stock exchange brokers. The investors should provide their Depository Participant with Depository Instruction Slip with relevant units to be credited to Clearing Corporation pool account.
- The redemption order will be entered in the system and an order confirmation slip will be issued to investor.

Provisions of Point 9 and 10 shall be applicable with respect to investors having demat account and purchasing or redeeming mutual fund units through stock exchange brokers and clearing members:

9. Investors shall receive redemption amount (if units are redeemed) and units (if units are purchased) through broker/ clearing member pool account. PPFAS Asset Management Private Limited (the "AMC") /PPFAS Mutual Fund (the "Mutual Fund") shall pay proceeds to the broker/ clearing member (in case of redemption) and broker/clearing member in turn to the respective investor and similarly units shall be credited by the AMC/ Mutual Fund into broker/ clearing member pool account (in case of purchase) and broker/clearing member in turn shall credit the units to the respective investor's demat account.

10. Payment of redemption proceeds to the clearing members by AMC/Mutual Fund shall discharge AMC/ Mutual Fund of its obligation of payment to individual investor. Similarly, in case of purchase of units, crediting units into broker/clearing member pool account shall discharge AMC/Mutual Fund of its obligation to allot units to individual investor.



11. Applications for purchase/redemption of units which are incomplete /invalid are liable to be rejected.

12. Separate folios will be allotted for units held in physical and demat mode. In case of non-financial requests/applications such as change of address, change of bank details, etc. investors should approach Investor Service Centres (ISCs) of PPFAS Mutual Fund if units are held in physical mode and the respective Depository Participant(s) if units are held in demat mode.

13. An account statement will be issued by PPFAS Mutual Fund to investors who purchase/ redeem their units under this facility in physical mode. In case of investors who intend to deal in units in depository mode, a demat statement will be sent by Depository Participant showing the credit/debit of units to their account.

14. The applicability of NAV will be subject to guidelines issued by SEBI on Uniform cut-off timings for applicability of NAV of Mutual Fund Scheme(s)/Plan(s) from time to time.

15. Investors will have to comply with Know Your Customer (KYC) norms as prescribed by BSE/NSE/CDSL/ NSDL and PPFAS Mutual Fund to participate in this facility.

16. Investors should get in touch with Investor Service Centres (ISCs) of PPFAS Mutual Fund for further details.

17. The Mutual Fund distributors (registered) shall not handle payout and pay in of funds as well as units on behalf of investor. In the same manner, units shall be credited and debited directly from the demat account of investors, in accordance with applicable SEBI guidelines.

#### **TRANSACTIONS THROUGH "CHANNEL DISTRIBUTORS"**

Investors may enter into an agreement with certain distributors/ Registered Investment Advisers (RIAs) / Portfolio Managers (with whom AMC also has a tie up) referred to as "Channel Distributors" who provide the facility to investors to transact in units of mutual funds through various modes such as their website/other electronic means or through Power of Attorney/agreement/ any such arrangement in favour of the Channel Distributor, as the case may be. Under such arrangement, the Channel Distributors will forward the details of transactions (viz. subscriptions/redemptions/switches) of investors electronically to the AMC / RTA for processing on daily basis as per the cut-off timings applicable to the relevant schemes and in accordance with applicable SEBI /AMFI circulars issued from time to time. The Channel Distributor is required to upload the scan copy of investor documents like Account opening forms(AOF) to the RTA (one time for central record keeping)

as also the transaction documents / proof of transaction authorization as the case may be, to the AMC / RTA as per agreed timelines. In case necessary documents are not furnished within the stipulated timeline, the transaction request, shall be liable to be rejected. Subscription proceeds, when invested through this mode, shall be by way of direct credits to the specified bank account of the Fund. The Redemption proceeds (subject to deduction of tax at source, if any) and IDCW payouts, if any, are paid by the AMC to the investor directly through direct credit in the specified bank account of the investor or through issuance of payment instrument, as applicable. It may be noted that investors investing through this mode may also approach the AMC / Official Points of Acceptance directly with their transaction requests (financial / non-financial) or avail of the online transaction facilities offered by the AMC.

The Mutual Fund, the AMC, the Trustee, along with their directors, employees and representatives shall not be liable for any errors, damages or

	<p>losses arising out of or in connection with the transactions undertaken by investors / Channel Distributors through above mode.</p>
<p><b>Switching Options</b></p>	<p>This is the second scheme of PPFAS Mutual Fund offered to investors for investment. Accordingly, options like switch-in and switch-out are applicable for options/Plans provided by the schemes of PPFAS Mutual fund.</p> <p>e.g. Switch-ins and Switch-outs from Direct to Regular Plan and Vice-versa.</p> <p>Unit-holders may opt to switch units between Direct and Regular Plan of the scheme at applicable NAV</p> <p>Unit holders under the Scheme holding units in non-demat form have the option to Switch part or all of their Unit holdings in the Scheme to another scheme established by the Mutual Fund, or within the Scheme from one Plan / Option to another Plan / Option (subject to applicable exit load) which is available for investment at that time. This Option will be useful to Unit holders who wish to alter the allocation of their investment among the Scheme(s)/ Plan(s) / Option(s) of the Mutual Fund in order to meet their changed investment needs.</p> <p>The Switch will be affected by way of a Redemption of Units [On a First In First Out (FIFO) basis] from the Scheme / Plan and a re-investment of the Redemption proceeds in the other Scheme / Plan and accordingly, to be effective, the Switch must comply with the Redemption rules of the Scheme and the issue rules of the other scheme (e.g. as to the minimum number of Units that may be redeemed or issued, Exit / Entry Load etc). The price at which the Units will be Switched out of the Scheme(s) will be based on the Redemption Price, and the proceeds will be invested in the other Scheme/ Plan at the prevailing sale price for units in that Scheme / Plan. Exit Load for switches within the Scheme:</p> <p>(i) No exit load shall be levied for switching between Options under the same Plan within the Scheme.</p> <p>(ii) No exit load shall be levied for switching from Direct Plan to Regular Plan and vice versa.</p> <p>(iii) No exit load will be levied on Bonus Units and Units allotted on IDCW Re-investment.</p> <p>(iv) No exit load will be levied on Units allotted in the Target Scheme under the IDCW Transfer Plan.</p> <p>The Switch request can be made on a pre-printed form or by Transaction Slip which should be submitted any of the Official Point(s) of Acceptance.</p> <p>The AMC reserves the right to modify the load structure for Switching between Plans within the Scheme or Options within the respective Plans at a future date.</p>
<p><b>Account Statements:</b></p>	<p>Under Regulation 36(4) of SEBI (Mutual Funds) Regulations, 1996, the AMC/ RTA is required to send consolidated account statement for each calendar month to all the investors in whose folio, transaction has taken place during the month. Further, SEBI vide its circular having ref. no. CIR/MRD/DP/31/2014 dated November 12, 2014, in order to enable a single consolidated view of all the investments of an investor in Mutual Fund and securities held in demat form with Depositories, has required Depositories to generate and dispatch a single consolidated account statement for investors having mutual fund investments and holding demat accounts.</p> <p>In view of the said requirements the account statements for transactions in</p>

units of the Fund by investors will be dispatched to the investors in following manner:

**I. Investors who do not hold Demat Account**

Further, on acceptance of application for subscription, an allotment confirmation specifying the number of Units allotted will be sent by way of e-mail and/or SMS to the applicant's registered e-mail address and/or mobile number within five Business Days from the date of receipt of transaction request from the unit holder(s).

The AMC shall send first account statement for a new folio separately with all details registered in the folio by way of a physical account statement and/or an email to the investor's registered address / e-mail address not later than five business days from the date of receipt of subscription request from the unit holder.

Consolidated Account Statement (CAS), based on PAN of the holders, shall be sent by AMC/ RTA to investors not holding demat account, for each calendar month within 15th day of the succeeding month to the investors in whose folios, transactions have taken place during that month.

CAS shall be sent by AMC/RTA every half yearly (September/ March), on or before 21<sup>st</sup> day of succeeding month, detailing holding at the end of the six month, to all such investors in whose folios there have been no transactions during that period.

CAS sent by AMC/RTA is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, IDCW payout, IDCW reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan, bonus etc. (including transaction charges paid to the distributor) and holding at the end of the month.

**II. Investors who hold Demat Account**

On acceptance of application for subscription, an allotment confirmation Specifying the number of Units allotted will be sent by way of e-mail and/or SMS to the applicant's registered e-mail address and/or mobile number within five Business Days from the date of receipt of transaction request from the unit holder(s).

CAS, based on PAN of the holders, shall be sent by Depositories to investors holding demat account, for each calendar month within 15th day of the succeeding month to the investors in whose folios, transactions have taken place during that month.

CAS shall be sent by Depositories every half yearly (September/March), on or before 21<sup>st</sup> day of succeeding month, detailing holding at the end of the six month, to all such investors in whose folios and demat accounts there have been no transactions during that period.

In case of demat accounts with nil balance and no transactions in securities and in mutual fund folios, the depository shall send account statement in terms of regulations applicable to the depositories.

CAS sent by Depositories is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, IDCW payout, IDCW reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan, bonus etc. (including transaction charges paid to the distributor) and transaction in dematerialised securities across demat accounts of the

investors and holding at the end of the month.

Following provisions shall be applicable to CAS sent through AMC/ RTA and CAS sent through depositories:

i. Investors are requested to note that for folios which are not included in the CAS, AMC shall henceforth issue monthly account statement to the unit holders, pursuant to any financial transaction done in such folios; the monthly statement will be sent on or before 15th day of succeeding month. Such statements shall be sent in physical form if no email id is provided in the folio.

ii. The statement sent within the time frame mentioned above is provisional and is subject to realisation of payment instrument and/or verification of documents, including the application form, by the RTA/AMC

iii. In the event the folio/demat account has more than one registered holder, the first named Unit holder/Account holder shall receive the CAS (AMC/RTA or Depository). For the purpose of CAS (AMC/RTA or Depository), common investors across mutual funds/depositories shall be identified on the basis of PAN. Consolidation shall be based on the common sequence/order of investors in various folios/demat accounts across mutual funds / demat accounts across depository participants.

iv. Investors whose folio(s)/demat account(s) are not updated with PAN shall not receive CAS. Investors are therefore requested to ensure that their folio(s)/demat account(s) are updated with PAN.

v. For Unit Holders who have provided an e-mail address in KYC records, the CAS will be sent by e-mail.

vi. The Unit Holder may request for a physical account statement by writing to/calling the AMC/RTA. In case of a specific request received from the unit holders, the AMC/RTA shall provide the account statement to the unit holders within 5 business days from the receipt of such request.

vii. In case an investor has multiple accounts across two Depositories, the depository with whom the account has been opened earlier will be the default Depository.

viii. The periodical CAS will be sent by the Depositories to investors holding demat accounts (whether or not units are held in demat form) referred to as "SCAS" and by Mutual Fund Industry to other investors referred to as "MF-CAS"

Pursuant to SEBI Circular No. SEBI/HO/IMD/DF2/CIR/P/2016/89 dated September 20, 2016, read with SEBI Circular No. SEBI/HO/IMD/DF3/CIR/P/ 2020/194 dated October 05, 2020, following additional disclosures will be provided in the CAS issued to the investors: Each CAS/SCAS shall also provide the total purchase value / cost of investment in each scheme. Further, whenever distributable surplus is distributed, a clear segregation between income distribution (appreciation on NAV) and capital distribution (Equalization Reserve) shall be suitably disclosed. CAS/SCAS issued for the half-year (ended September / March) shall also provide

(i) the amount of actual commission paid by the AMC/ Fund to distributors (in absolute terms) during the half-year period, and

(ii) the scheme's average Total Expense Ratio (in percentage terms) along with the break up between Investment and Advisory fees, Commission paid to the distributor and Other expenses for the half-year period for the scheme's applicable Option (regular or direct or both) where the concerned investor has actually invested in.

The term 'commission' refers to all direct monetary payments and other payments made in the form of gifts / rewards, trips, event sponsorships etc. by the AMC/Fund to distributors. The commission disclosed is gross commission and does not exclude costs incurred by distributors such as Goods & Service Tax (wherever applicable, as per existing rates), operating expenses, etc.

**COMMUNICATION BY ELECTRONIC MODES:**

Those unit holders whose email addresses/ Mobile number(s) have been validated by the AMC, shall receive communication through electronic mode.

Should the Unit holder experience any difficulty in accessing the electronically delivered documents/communication, the Unit holder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties. The AMC has the right to verify the authenticity of the email address and mobile number provided by the investor, in the manner prescribed by SEBI/AMFI from time to time, before registering these details in the folio. AMC reserves the right to communicate on the email/ mobile numbers registered with KRA in the investors KYC records. For certain communication, AMC may send the intimation only vide email and/or sms and not through physical mode, at its discretion.

**For SIP/STP/SWP transactions:**

Account Statement for SIP/STP/SWP will be despatched once every quarter ending March, June, September and December within 10 working days of the end of the respective quarter.

A soft copy of the Account Statement shall be mailed to the investors under SIP/STP/SWP to their e-mail address on a monthly basis, if so mandated.

However, the first Account Statement under SIP/STP/SWP shall be issued within 10 working days of the initial investment/transfer.

In case of specific request received from investors, Mutual Funds shall provide the account statement to the investors within 5 working days from the receipt of such request without any charges.

**Annual Account Statement:**

The Mutual Fund shall provide the Account Statement to the Unitholders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement. The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme. Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.

Note: If the investor(s) has/have provided his/their email address in the application form or any subsequent communication in any of the folio belonging to the investor(s), Mutual Fund / Asset Management Company reserves the right to use Electronic Mail (email) as a default mode to send various communication which include account statements for transactions done by the investor(s). The investor shall from time to time intimate the Mutual Fund / its Registrar and Transfer Agents about any changes in the email address.

### Creation of Segregated Portfolio

Segregated portfolio may be created, in case of a credit event at issuer level i.e. downgrade in credit rating by a SEBI registered Credit Rating Agency (CRA), as under:

- Downgrade of a debt or money market instrument to 'below investment grade', or
- Subsequent downgrades of the said instruments from 'below investment grade', or
- Similar such downgrades of a loan rating.

The most conservative rating shall be considered, if there is difference in rating by multiple CRAs, Creation of segregated portfolio shall be based on issuer level credit events as detailed at "Credit Events" and implemented at the ISIN level.

#### **Actual default** (for unrated debt or money market instruments)

In case of unrated debt or money market instruments, the actual default of either the interest or principal amount by the issuer.

On occurrence of any default, the AMC shall inform AMFI immediately about the actual default by the issuer. Subsequent to dissemination of information by AMFI about actual default by the issuer, the AMC might segregate the portfolio of debt or money market instruments of the said issuer.

#### **Process of creation of segregated portfolio:**

PPFAS AMC will decide on creation of a segregated portfolio on the day of credit event/actual default and will seek approval of PPFAS Trustee. Post that PPFAS AMC will immediately issue a press release disclosing its intention to segregate such debt and money market instruments and its impact on the investors. PPFAS AMC will also disclose that the segregation shall be subject to trustee approval. Additionally, the said press release will be prominently disclosed on the website of the AMC. PPFAS AMC will ensure that till the time the trustee approval is received, which in no case shall exceed 1(one) business day from the day of credit event/actual default, the subscription and redemption in the scheme shall be suspended for processing with respect to creation of units and payment on redemptions.

The segregated portfolio shall be effective from the day of credit event/actual default, post approval of Trustee.

PPFAS AMC will issue a press release immediately post approval of PPFAS Trustee with all relevant information pertaining to the segregated portfolio. The said information shall also be submitted to SEBI.

An e-mail or SMS will be sent to all unit holders of the concerned Scheme. The NAV of both the segregated and main portfolio will be disclosed from the day of the credit event. All existing unit holders in the Scheme as on the day of the credit event shall be allotted an equal number of units in the segregated portfolio as held in the main portfolio.

No redemption and subscription shall be allowed in the segregated portfolio. However, in order to facilitate exit to unit holders in segregated portfolios, PPFAS AMC will enable listing of units of segregated portfolio on recognized stock exchange within 10 working days of creation of segregated portfolio and also enable transfer of such units on receipt of transfer request.

If the trustees do not approve the proposal to segregate the portfolio, AMC shall issue a press release immediately informing investors of the same.

**Valuation and processing of subscription and redemptions:**

The valuation will take into account the credit event and the portfolio will be valued based on the principles of fair valuation (i.e. realizable value of the assets) in terms of the relevant provisions of SEBI (Mutual Funds) Regulations, 1996 and Circular(s) issued thereunder.

All subscription and redemption requests for which NAV of the day of credit event/actual default or subsequent day is applicable will be processed as per the existing circular on applicability of NAV. However, in case of segregated portfolio, applicability of NAV will be as under:

-Investors redeeming their units will get redemption proceeds based on the NAV of the main portfolio and will continue to hold the units of the segregated portfolio.

-Investors subscribing to the Scheme will be allotted units only in the main portfolio based on its NAV.

In case, PPFAS Trustee does not approve the above valuation process, all subscription and redemption applications will be processed based on the NAV of the total portfolio.

**Disclosure Requirements:**

A statement of holding indicating the units held by the investors in the segregated portfolio along with the NAV of both segregated portfolio and main portfolio as on the day of the credit event will be communicated to the investors within 5 working days of creation of the segregated portfolio. Further, adequate disclosure of the segregated portfolio will also appear in all scheme related documents, in monthly and half-yearly portfolio disclosures and in the annual report of the mutual fund and the Scheme. Further, the NAV of the segregated portfolio will be declared on a daily basis.

The information regarding the number of segregated portfolios created in a scheme shall appear prominently under the name of the scheme at all relevant places such as SID, KIM-cum-Application Form, advertisements, AMC and AMFI websites, etc. The scheme performance required to be disclosed at various places will include the impact of creation of a segregated portfolio. The scheme performance will clearly reflect the fall in NAV to the extent of the portfolio segregated due to the credit event and the said fall in NAV along with recovery(ies), if any, will be disclosed as a footnote to the scheme performance. These disclosures regarding the segregated portfolio will be carried out for a period of at least 3 years after the investments in the segregated portfolio are fully recovered/ written-off.

The investors of the segregated portfolio will be duly informed of the recovery proceedings of the investments of the segregated portfolio and status update will be provided to the investors at the time of recovery and also at the time of writing-off of the segregated securities. Upon recovery of money, whether partial or full, it will be immediately distributed to the investors in proportion to their holding in the segregated portfolio.

**Total Expense Ratio (TER) for segregated portfolio:**

AMC shall not charge investment and advisory fees on the segregated portfolio. TER (including legal charges and excluding the investment and advisory fees) shall be charged pro- rata basis only on upon recovery of investment in the segregated portfolio. The legal charges related to recovery of the investments of the segregated portfolio may be charged to the segregated portfolio in proportion to the amount of recovery. The maximum TER limit shall be same as applicable to the main portfolio. TER in excess of limit shall be borne by AMC. However, the costs related to segregated

portfolio shall in no case be charged to the main portfolio. The TER so levied shall not exceed the simple average of such expenses (excluding the investment and advisory fees) charged on daily basis on the main portfolio (in % terms) during the period for which the segregated portfolio was in existence.

**Monitoring by Trustees:**

In order to ensure timely recovery of investments of the segregated portfolio, Trustees will ensure that, PPFAS AMC puts in sincere efforts to recover the investments of the segregated portfolio. Upon recovery of money, whether partial or full, it will be immediately distributed to the investors in proportion to their holding in the segregated portfolio. Any recovery of amount of the security in the segregated portfolio even after the write off shall be distributed to the investors of the segregated portfolio. Further, an Action Taken Report (ATR) on the efforts made by PPFAS AMC to recover the investments of the segregated portfolio will be placed in every Trustee meeting till the investments are fully recovered/ written-off.

The Trustees will monitor the compliance of this circular and disclose in the half-yearly trustee reports filed with SEBI, the compliance in respect of every segregated portfolio created.

In order to avoid mis-use of segregated portfolio, trustees will ensure that there is a mechanism in place to negatively impact the performance incentives of Fund Managers, Chief Investment Officers (CIOs), etc. involved in the investment process of securities under the segregated portfolio, mirroring the existing mechanism for performance incentives of the AMC, including claw back of such amount to the segregated portfolio of the scheme.

Creation of a segregated portfolio will be optional and at the discretion of PPFAS AMC.

**Illustration of portfolio segregation:**

The below table shows how a security affected by a credit event will be segregated and its impact on investors.

<b>Total Portfolio</b>	<b>Regular Plan</b>	<b>Direct Plan</b>
Net Assets (A)	200.00	110.00
Units (B)	20.000	10.000
NAV per unit (A)/(B)	10.0000	11.0000

Assuming, the above portfolio has a security with market value of Rs. 20 which has got impacted by a credit event. Based on Trustees approval for segregation of portfolio, total portfolio would be split into main portfolio and segregated portfolio as given below:

<b>Main Portfolio</b>	<b>Regular Plan</b>	<b>Direct Plan</b>
Net Assets before Segregation (A)	200.00	110.00
Value of impacted security (B)	12.9040	7.0970
Net Assets after segregation (C) = (A) –	187.0960	102.903



	(B)		
	Units (D)	20.000	10.000
	NAV per unit (C)/(D)	9.3548	10.2903
	<b>Segregated Portfolio</b>	<b>Regular Plan</b>	<b>Direct Plan</b>
	Value of impacted security segregated from Total Portfolio	12.9040	7.0970
	Haircut @ 25%	3.226	1.774
	Net Assets after Haircut (A)	9.678	5.323
	Units (B)	20.000	10.000
	NAV per unit (A)/(B)	0.4839	0.5323
	<b>Investor Holding</b>	<b>Regular Plan</b>	<b>Direct Plan</b>
	Net Assets in Total Portfolio	200.00	110.00
	Net Assets in Main Portfolio	187.0960	102.903
	Net Assets in Segregated Portfolio after Haircut*	9.678	5.323
	* Market value of investor holding will come down to the extent of a haircut on the impacted security.		
	<b>Impact on investors:</b>		
	<b>Existing Investors:</b> All existing investors in the scheme as on the day of the credit event will be allotted equal number of units in the segregated portfolio as held in the main portfolio.		
	<b>New Investors:</b> Investors subscribing to the scheme will be allotted units only in the main portfolio based on its NAV.		
	<b>Exiting Investors:</b> Investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated portfolio.		
<b>IDCW</b>	<p>1. The IDCW proceeds will mandatorily be paid directly into the Unitholder's bank account through various electronic payout modes such as Direct credit/ NEFT/RTGS/IMPS/ECS/NECS etc, as directed by SEBI. Please note that physical despatch of IDCW payment instruments shall be made by the AMC only in exceptional circumstances.</p> <p>2. The IDCW proceeds will be paid in favour of the Unit holder (registered holder of the Units or, if there is more than one registered holder, only to the first registered holder) with bank account number furnished to the Mutual Fund (please note that it is mandatory for the Unit holders to provide/update the Bank account details IFSC code etc. as per the directives of SEBI.</p>		

	<p>3. The IDCW payment shall be transferred to the Unitholders within 7 working days of the record date of such declaration of IDCW or such other timeline as may be specified by SEBI from time to time. In the event of failure to transfer IDCW within the stipulated period, the AMC shall be liable to pay interest @ 15% per annum to the Unitholders for the delay in payment as computed from the Record Date or from such other date or for such period as may be advised by SEBI from time to time.</p> <p>4. For units held in demat form: The IDCW proceeds will be credited to the bank account of the Unitholder, as per the bank account details recorded with the Depository Participant based on the list provided by the Depositories (NSDL/CDSL) giving the details of the demat account holders and the number of Units held by them in demat form on the Record date.</p>
<p><b>Redemption:</b></p>	<p>The redemption or repurchase proceeds shall be released to the unitholders within 3 working days from the date of redemption or repurchase in case of normal situation and in case of exceptional situation it shall be within 5 working days as per SEBI and/ or AMFI guidelines.</p> <p>For redeeming units of the Scheme, an investor would need to submit a duly filled-in redemption application at any of ISC/Official point of Acceptance. The redemption/ switch would be permitted to the extent of credit balance in the unit-holder's account.</p> <p>The redemption/ switch request can be made by specifying either the number of units or the amount (in rupees) to be redeemed. In case the investor specifies the number of units and amount to be redeemed, the number of units shall be considered for redemption. In case the unit-holder does not specify the number of units or amount to be redeemed, the redemption request will not be processed.</p> <p>For details regarding the minimum amount for redemption please see the point on Minimum amount for purchase/redemption switches in this document.</p> <p>In the larger interest of the unitholders of the Scheme, the AMC may, in consultation with the Trustee, keeping in view unforeseen circumstances / unusual market conditions, limit the total number of units which may be redeemed on any business day to such a percentage of the total number of units issued and outstanding under Scheme/plan as the AMC may determine. For details, please refer to paragraph on Right to limit Redemption in the SAI. The AMC reserves the right to, in consultation with the Trustee, suspend the purchase and/ or redemption of units temporarily or indefinitely, in case of unforeseen extraordinary circumstances. For details, please refer to paragraph on 'Suspension of Purchase and / or Redemption of Units and IDCW Distribution' in the SAI.</p> <p>Redemption proceeds will be paid to the investor through Real Time Gross Settlement (RTGS), NEFT, IMPS, Direct Credit, a/c payee cheque or demand draft or any other mode allowed by Reserve Bank of India.</p> <p><b>Redemption by investors transacting through the Stock Exchange mechanism</b></p> <p>Investors who wish to transact through the stock exchange shall place orders for redemptions as currently practiced for secondary market activities. Investors must submit the Delivery Instruction Slip to their Depository Participant on the same day of submission of redemption request, within such stipulated time as may be specified by NSE/BSE, failing which the transaction will be rejected. Investors shall seek redemption requests in terms of number of Units only and not in Rupee amounts. Redemption amounts shall be paid by the AMC to the bank mandate registered with the Depository Participant.</p>

**Redemption under dematerialized mode:**

As an alternative, redemption request can be placed through Depository Participants & Exchanges specified intermediaries where NSE MFSS/ BSE STAR platform is available for trading of Mutual Fund Units. The redemption requests submitted to the AMC / Registrar directly are liable to be rejected.

If the investor wishes to redeem the units hold in demat mode with the AMC in such case the investor is required to convert such units in the physical mode by submitting request for Rematerialisation to the Depository Participants and after conversion of such units into the physical mode to the AMC for redemption of such units.

The Trustee may mandatory redeem units of any unitholders in the event that it is found that the unitholders has submitted information either in the application or otherwise that is false, misleading or incomplete or units are held by a unitholder in breach of the regulation.

Units can be redeemed (sold back to the Mutual Fund) at the Redemption Price during the Ongoing Offer Period

**Payment of redemption proceeds- Resident Investors:**

In case of Unit holders having a bank account with certain banks with which the Mutual Fund would have an arrangement from time to time, the redemption proceeds shall be electronically credited to their account. In case of specific requests, redemption proceeds will be paid by way of payment channels like RTGS, NEFT, IMPS, Direct Credit, etc. or any other mode allowed by Reserve Bank of India in addition to cheques/demand drafts in favour of the unitholder (registered holder of the Unit or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Fund.

**Redemption by NRIs:** For NRIs, redemption proceeds will be remitted depending upon the source of investment as follows:

Where the payment for the purchase of the units redeemed was made out of funds held in NRO account, the redemption proceeds will be credited to the NRI investor's NRO account

Where the units were purchased on repatriation basis and the payment for the purchase of the units redeemed was made by inward remittance through normal banking channels or out of funds held in NRE / FCNR account, the redemption proceeds will be credited to his NRE / FCNR account

Note: i. The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations, while converting the rupee amount in foreign exchange in the case of transactions with NRIs / FIIs.

ii. Payment to NRI / FII Unit holders will be subject to the relevant laws / guidelines of the RBI as are applicable from time to time (also subject to deduction of tax at source as applicable).

iii. The Fund may make other arrangements for effecting payment of redemption proceeds in future.

iv. The cost related to repatriation, if any will be borne by the Investor.

**Effect of Redemptions** The balances in the unit-holder's account will stand reduced by the number of units redeemed. Units once redeemed will be extinguished and will not be reissued.

As per the SEBI Master Circular dated May 19, 2023, the unclaimed

redemption and IDCW amounts shall be allowed to be deployed by the Fund in call money market or money market instruments and the same shall also be allowed to be invested in a separate plan of only Liquid scheme / Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts..

The investment management fee charged by the AMC for managing such unclaimed amounts shall not exceed 50 basis points. Investors claiming these amounts during a period of three years from the due date shall be paid at the prevailing NAV. After a period of three years, this amount shall be transferred to a pool account and the investors can claim the said amounts at the NAV prevailing at the end of the third year. Income earned on such funds shall be used for the purpose of investor education. The AMC shall make a continuous effort to remind investors through letters to take their unclaimed amounts.

The AMC reserves the right to provide the facility of redeeming Units of the Scheme through an alternative mechanism including but not limited to online transactions on the Internet through the AMC website or any other website, etc., as may be decided by the AMC from time to time. The alternative mechanisms would be applicable to only those investors who opt for the same in writing and/or subject to investor fulfilling such conditions as the AMC may specify from time to time.

On the receipt of transmission request form the claimant, AMC/RTA shall ascertain any unclaimed IDCW/redemption and refund amount payable to the deceased unit holder and pay to the claimant's registered bank account via RTGS/NEFT/Direct Fund transfer. Unit-holders should note that while remitting your redemption proceeds, tax will be deducted at source in accordance with applicable tax laws.

**Unclaimed Redemptions and IDCW:**

As per the SEBI Master Circular dated May 19, 2023 , The unclaimed redemption and IDCW amounts, that are currently allowed to be deployed only in call money market or money market instruments, shall also be allowed to be invested in a separate plan of only Overnight scheme / Liquid scheme / Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts. Provided that such schemes where the unclaimed redemption and IDCW amounts are deployed shall be only those Overnight scheme/ Liquid scheme / Money Market Mutual Fund schemes which are placed in A-1 cell (Relatively Low Interest Rate Risk and Relatively Low Credit Risk) of Potential Risk Class matrix as per SEBI Master Circular dated May 19, 2023. .

b) AMCs shall not be permitted to charge any exit load in this plan and TER (Total Expense Ratio)of such plan shall be capped as per the TER of direct plan of such scheme or at 50bps whichever is lower.

The investment management fee charged by the AMC for managing such unclaimed amounts shall not exceed 50 basis points. Investors claiming these amounts during a period of three years from the due date shall be paid at the prevailing NAV. After a period of three years, this amount shall be transferred to a pool account and the investors can claim the said amounts at the NAV prevailing at the end of the third year. Income earned on such funds shall be used for the purpose of investor education. The AMC shall make a continuous effort to remind investors through letters to take their unclaimed amounts. The details of such unclaimed amounts shall be disclosed in the annual report sent to the Unit Holders.

The AMC reserves the right to provide the facility of redeeming Units of the Scheme through an alternative mechanism including but not limited to online transactions on the Internet through the AMC website or any other website,

	<p>etc., as may be decided by the AMC from time to time. The alternative mechanisms would be applicable to only those investors who opt for the same in writing and/or subject to investor fulfilling such conditions as the AMC may specify from time to time.</p> <p>Unit-holders should note that while remitting your redemption proceeds, tax will be deducted at source in accordance with applicable tax laws.</p> <p><b>Bank Details:</b> In order to protect the interest of Unit holders from fraudulent encashment of redemption / IDCW cheques, SEBI has made it mandatory for investors to provide their bank details viz. name of bank, branch, address, account type and number, etc. to the Mutual Fund. Applications without complete bank details shall be rejected. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques / warrants and / or any delay / loss in transit. Also, please refer to point on Registration of Multiple Bank Accounts in respect of an Investor Folio given in this document. The interest for the delayed payment of IDCW shall be calculated from the record date.</p>
<p><b>Tax Status of the investor</b></p>	<p>For all new purchases, the AMC reserves the right to update the tax status of investors on a best effort basis by referring to the information furnished on the application form by the applicant(s) and as per the documents provided for Permanent Account Number/ Bank Account details or such other documents submitted along with the application form. The AMC will rely on the information provided in feed files by entities like Channel Partners / MFU / Stock exchange platforms. The AMC shall not be responsible for any claims made by the investor/ third party on account of updation of tax status basis the stated process.</p>
<p><b>Delay in payment of redemption / repurchase proceeds/ IDCW</b></p>	<p>Under normal circumstances, the redemption or repurchase proceeds shall be released to the unitholders within 3 working days from the date of redemption or repurchase and in case of exceptional situation it shall be 5 working days For IDCW, Under normal circumstances, IDCW proceeds shall be released to unitholders within 7 working days from the record date and in case of exceptional circumstances it shall be within 9 working days from the record date as per SEBI and/or AMFI Guidelines. The AMC shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum). However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC / Trustee is required to obtain from the investor / unitholders, verification of identity or such other details relating to subscription for units under any applicable law or as may be requested by a regulatory body or any government authority, which may result in delay in processing the application.</p>
<p><b>Mandatory Swing Pricing Framework during market dislocation for Eligible Debt Schemes of PPFAS Mutual Fund :</b></p>	<p>Pursuant to SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 (“the Circular”), following provisions pertaining to Mandatory Swing Pricing Framework (‘the Swing Framework’) shall stand inserted in all open ended debt scheme of PPFAS Mutual Fund with effect from December 28, 2021. However, these provisions shall become applicable with effect from <b>March 1, 2022</b>.</p> <p><b>Mandatory Swing Pricing Framework for market dislocation</b> Swing pricing refers to a process for adjusting a fund’s Net Asset Value (NAV) to effectively pass on transaction costs stemming from net capital activity (i.e. flows into or out of a scheme) to the investors associated with that activity. This would help to ensure fairness of treatment to all the investors i.e. whether entering, exiting or remaining invested in mutual fund schemes, particularly during market dislocation.</p> <p>Accordingly, mandatory full swing during market dislocation times shall</p>

apply as under:

1. The Swing Framework shall apply in case of scenarios related to net outflows from the schemes.
2. SEBI will determine 'market dislocation' either based on AMFI's recommendation or suo moto.
3. Once market dislocation is declared, SEBI will notify that swing pricing will be applicable for a specified period.
4. Thereafter, mandatory swing pricing will apply to Eligible Scheme(s) which:
  - a. have 'High' or 'Very High' risk on the risk-o-meter (as of the most recent period at the time of declaration of market dislocation);  
**AND**
  - b. classify themselves in the cells A-III, B-II, B-III, C-I, C-II and C-III of Potential Risk Class (PRC) Matrix
5. **Swing factor** as per below matrix shall be made applicable to the eligible schemes and the NAV will be adjusted for the swing factor.

<b>Swing factor</b>			
<b>Max Credit Risk of scheme →</b>	<b>Class A (CRV* &gt;=12)</b>	<b>Class B (CRV* &gt;=10)</b>	<b>Class C (CRV* &lt;10)</b>
<b>Max Interest Rate Risk (CRV* &lt;10) of the scheme ↓</b>			
Class I: (Macaulay duration <=1 year)	-	-	C-I : 1.5%
Class II: (Macaulay duration <=3 years)	-	B-II : 1.25%	C-II : 1.75%
Class III: Any Macaulay duration	A-III : 1%	B-III : 1.5%	C-III : 2%
* CRV - Credit Risk Value			

7. **Impact on investors:** When the Swing Framework is triggered and swing factor is made applicable, both the incoming (unit holders who submit purchase / switch-in requests) and outgoing investors (unit holders who submit redemption / switch out requests) shall get NAV adjusted downwards for swing factor.

Swing pricing shall be made applicable to all unitholders at PAN level with an exemption for redemptions upto Rs. 2 lacs for each scheme.

If there is any exit load applicable as per scheme provisions, the same will be applied on swung NAV.

The swing pricing framework is subject to the operational guidelines issued by SEBI / AMFI from time to time.

8. **Illustration:**

For e.g. When swing pricing is triggered, the NAV will be adjusted downwards as follows:

<b>Risk-o-meter</b>	<b>PRC</b>	<b>Computed NAV (Rs.)</b>	<b>Swing Factor Applied</b>	<b>Swing NAV (Rs.)</b>
	<b>A-III</b>	15.0000	1.00%	14.8500
	<b>B-II</b>	15.0000	1.25%	14.8125

<b>High / Very High</b>	<b>B-III</b>	15.0000	1.50%	14.7750
	<b>C-I</b>	15.0000	1.50%	14.7750
	<b>C-II</b>	15.0000	1.75%	14.7375
	<b>C-III</b>	15.0000	2.00%	14.7000

9. **Periodic Disclosures:** Disclosures pertaining to NAV adjusted for swing factor shall be made by the AMC in the prescribed format in the Scheme Information Document and in scheme wise Annual Reports and Abridged summary thereof and on the website in case swing pricing framework has been made applicable for a mutual fund scheme.

### C. PERIODIC DISCLOSURES

<p><b>Net Asset Value</b> This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p>	<p>The first NAV of the Scheme will be calculated and disclosed within a period of 5 business days from the date of allotment.</p> <p>Subsequently, the AMC will calculate and disclose the NAVs on all the Business Days. The AMC shall update the NAVs on its website (<a href="http://www.amc.ppfas.com">www.amc.ppfas.com</a>) and of the Association of Mutual Funds in India - AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) before 11.00 p.m. on every Business Day.</p> <p>Due to any reason, if the NAVs of the Scheme are not available before the commencement of Business Hours on the following day, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.</p> <p>SEBI Master circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 states that Mutual Fund shall declare separate NAV for Direct and Regular Plan.</p> <p>Accordingly, Direct and Regular Plan shall have different NAV. The difference in NAV will be the commission paid to distributor/s. NAV will be declared with 4 decimal points.</p> <p>Information regarding NAV can be obtained by the unitholders' or investors by calling or visiting the nearest ISC or visiting the website of the Mutual Fund.</p>
<p><b>Daily Performance Disclosure</b></p>	<p>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.</p>
<p><b>Half yearly Disclosures: Portfolio / Financial Results</b> This is a list of securities where the corpus of the Scheme is currently invested. The market value of these investments is also stated in portfolio disclosures advertisement.</p>	<p>The AMC will disclose portfolio of the Scheme (along with ISIN) as on the last day of the each month/ half year on its website i.e <a href="http://www.amc.ppfas.com">www.amc.ppfas.com</a> and on the website of AMFI viz. <a href="http://www.amfiindia.com">www.amfiindia.com</a> on or before 10th day of the succeeding month/ half year respectively in a user friendly and downloadable format.</p> <p>In addition to monthly and Half yearly Portfolio disclosure, the AMC will disclose portfolio of the Scheme (along with ISIN) on its website i.e. <a href="http://www.amc.ppfas.com">www.amc.ppfas.com</a> and on the website of AMFI viz. <a href="http://www.amfiindia.com">www.amfiindia.com</a> on fortnightly basis along with sending the email to the unitholders whose email addresses are registered with AMC within 5 days of every fortnight.</p> <p>In case of Unitholders whose e-mail addresses are registered, the AMC shall send via e-mail both the monthly and half-yearly statement of the Scheme portfolio within 10 days from the close of each month/ half-year respectively. Further, the AMC shall publish an advertisement in all India edition of at least two daily newspapers, one each in English and Hindi, every half year disclosing the hosting of the half-yearly statement of the schemes' portfolio(s) on the AMC's website and on the website of AMFI. The AMC shall provide a physical copy of the statement of the Scheme portfolio, without charging any cost, on specific request received from a Unitholder.</p>

<p>Portfolio Rebalancing-Disclosure requirements to Unitholders</p>	<p>As per SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023, as may be amended from time to time, on Portfolio rebalancing due to passive breaches, the following disclosures will be made:</p> <p>i. In case the AUM of deviated portfolio is more than 10% of the AUM of main portfolio of the scheme the AMC will immediately after the expiry of the mandated rebalancing period (i.e. 30 business days):</p> <ol style="list-style-type: none"> <li>1. disclose the same to investors through SMS and email / letter including details of portfolio not rebalanced.</li> <li>2. communicate to investors through SMS and email / letter when the portfolio is rebalanced.</li> </ol> <p>Further, scheme wise deviation of the portfolio (beyond the above limit) from the mandated asset allocation beyond 30 days shall also be disclosed on the website.</p> <p>ii Any deviation from the mandated asset allocation shall also be disclosed along with periodic portfolio disclosures as specified by SEBI from the date of lapse of mandated plus extended rebalancing timelines.</p>
<p>Monthly Average Asset under Management (Monthly AAUM) Disclosure</p>	<p>The Mutual Fund shall disclose the Monthly AAUM under different categories of Schemes as specified by SEBI in the prescribed format on a monthly basis on its website viz. <a href="http://www.amc.ppfas.com">www.amc.ppfas.com</a> and forward to AMFI within 7 working days from the end of the month.</p>
<p>Product Labelling / Risk-o-meter</p>	<p>The Product labeling mandated by SEBI is to provide investors an easy understanding of the risk involved in the kind of product / scheme they are investing to meet their financial goals. The Risk-o-meter categorizes various schemes under different levels of risk based on the investment objective, asset allocation pattern, investment strategy and typical investment time horizon of investors. Therefore, the schemes falling under the same level of risk in the Risk-o-meter may not be similar in nature. Investors are advised before investing to evaluate a Scheme not only on the basis of the Product labeling (including the Risk-o-meter) but also on other quantitative and qualitative factors such as performance, portfolio, fund managers, asset manager, etc. and shall seek appropriate advise, if they are unsure about the suitability of the Scheme before investing.</p> <p>As per SEBI Guidelines, Risk-o-meter of the Scheme shall be reviewed on a monthly basis based on evaluation of risk level of Scheme's month end portfolios. Notice about changes in Scheme's Risk-o-meters, if any, shall be issued. The product labeling 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. For latest risk-o-meters of the Scheme and the Benchmark, investors may refer to the monthly portfolios disclosed on the website of the Fund viz. <a href="http://www.amc.ppfas.com">www.amc.ppfas.com</a> as well as AMFI website within 10 days from the close of each month.</p>
<p><b>Half Yearly Results</b></p>	<p>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 its website <a href="http://www.amc.ppfas.com">www.amc.ppfas.com</a>. The Mutual Fund shall also publish an advertisement disclosing the hosting of such financial results on its website, in at least one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the Mutual Fund is situated. The unaudited financial results shall also be displayed on the website of AMFI.</p>
<p><b>Annual Report</b></p>	<p>The scheme wise annual report shall be hosted on the website of the AMC / Mutual Fund (<a href="http://www.amc.ppfas.com">www.amc.ppfas.com</a>) and AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year). Further, the physical copy of the scheme wise annual report shall be made available to the Unitholders at the registered / corporate office of the AMC at all times.</p> <p>In case of Unitholders whose e-mail addresses are registered with the Fund, the AMC shall e-mail the annual report or an abridged summary thereof to such Unitholders. The Unitholders whose e-mail addresses are not registered with the Fund may submit a request to the AMC / Registrar &amp; Transfer Agent to update their email ids or communicate their preference to continue receiving a physical copy of the scheme wise annual report or an abridged summary thereof. Unitholders may also request for a physical or electronic copy of the annual report / abridged summary, by writing to the AMC at <a href="mailto:mf@ppfas.com">mf@ppfas.com</a> from their registered email ids or calling the AMC on the toll free number 1800 266 7790 or by submitting a written request at any of the nearest investor service centers of the Fund.</p> <p>Further, the AMC shall publish an advertisement in all India edition of at least two daily newspapers,</p>



	one each in English and Hindi, every year disclosing the hosting of the scheme wise annual report on its website and on the website of AMFI. The AMC shall provide a physical copy of the abridged summary of the annual report, without charging any cost, on specific request received from a Unitholder.																								
<b>Associate Transactions</b>	Please refer to Statement of Additional Information (SAI).																								
<b>Other disclosures/ Scheme Summary Document</b>	To enhance investor awareness and information dissemination to investors, SEBI prescribes various additional disclosures to be made by Mutual Funds from time to time on its website / on the website of AMFI, stock exchanges, etc. These disclosures include Scheme Summary Documents, Investor charter (which details the services provided to Investors, Rights of Investors, various activities of Mutual Funds with timelines, DOs and DON'Ts for Investors, Grievance Redressal Mechanism, etc.) Investors may refer to the same.																								
<b>Repurchase and Sale Price- Limits</b>	The repurchase price shall not be lower than 95% of the NAV and the sale price shall not be higher than 105% of the NAV and the difference between the repurchase price and sale price shall not exceed 5% on the sale price.																								
<b>Taxation</b> The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.	<p>PPFAS Mutual Fund is a Mutual Fund registered with the Securities &amp; Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from the Income tax in accordance with the provisions of section 10(23D) of the Income Tax Act, 1961 (the Act). The applicability of tax laws, if any, on PPFAS Mutual Fund/ Scheme(s)/ investments made by the Scheme(s)/ investors/ income attributable to or distributions or other payments made to Unitholders are based on the understanding of the current tax legislations.</p> <p><b>Debt Oriented Funds:</b> Tax implications on distributed income (hereinafter referred to as either 'dividend' or 'capital gains') by Mutual Funds:</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Resident Investors''''</th> <th>Non-Resident Investors''''</th> <th>Mutual Fund''''</th> </tr> </thead> <tbody> <tr> <td colspan="4"><b>Dividend:</b></td> </tr> <tr> <td>TDS*</td> <td>10% (if dividend income exceeds INR 5,000 in a financial year)</td> <td>20%<sup>1</sup>+ applicable Surcharge + 4% Cess<sup>2</sup></td> <td>Nil (Refer Note A below)</td> </tr> <tr> <td>Tax rates</td> <td> <p><b>Individual/HUF:</b> Income tax rate applicable to the Unitholders as per their income slabs</p> <p><b>Domestic Company:</b> 30% + Surcharge as applicable + 4% Cess<sup>2</sup> 25%<sup>3</sup> + Surcharge as applicable + 4% Cess<sup>2</sup> 22%<sup>4</sup> + 10% Surcharge<sup>4</sup> + 4% Cess<sup>2</sup> 15%<sup>4</sup> + 10% Surcharge<sup>4</sup> + 4% Cess<sup>2</sup></p> </td> <td>20%+ applicable Surcharge + 4% Cess<sup>2</sup></td> <td>Nil (Refer Note A below)</td> </tr> <tr> <td colspan="4"><b>Capital Gains 5, 6</b></td> </tr> <tr> <td>Long Term (Period of holding more than 36 months)<sup>6</sup></td> <td>20% with indexation + applicable Surcharge + 4% Cess<sup>2</sup></td> <td>20% with indexation + applicable Surcharge + 4% Cess<sup>2</sup></td> <td>Nil</td> </tr> </tbody> </table>	Particulars	Resident Investors''''	Non-Resident Investors''''	Mutual Fund''''	<b>Dividend:</b>				TDS*	10% (if dividend income exceeds INR 5,000 in a financial year)	20% <sup>1</sup> + applicable Surcharge + 4% Cess <sup>2</sup>	Nil (Refer Note A below)	Tax rates	<p><b>Individual/HUF:</b> Income tax rate applicable to the Unitholders as per their income slabs</p> <p><b>Domestic Company:</b> 30% + Surcharge as applicable + 4% Cess<sup>2</sup> 25%<sup>3</sup> + Surcharge as applicable + 4% Cess<sup>2</sup> 22%<sup>4</sup> + 10% Surcharge<sup>4</sup> + 4% Cess<sup>2</sup> 15%<sup>4</sup> + 10% Surcharge<sup>4</sup> + 4% Cess<sup>2</sup></p>	20%+ applicable Surcharge + 4% Cess <sup>2</sup>	Nil (Refer Note A below)	<b>Capital Gains 5, 6</b>				Long Term (Period of holding more than 36 months) <sup>6</sup>	20% with indexation + applicable Surcharge + 4% Cess <sup>2</sup>	20% with indexation + applicable Surcharge + 4% Cess <sup>2</sup>	Nil
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Short Term (Period of holding less than or equal to 36 months)	<b>Individual/HUF:</b> Income tax rate applicable to the Unitholders as per their income slabs  <b>Domestic Company:</b> 30% + Surcharge as applicable + 4% Cess <sup>2</sup> 25% <sup>3</sup> + Surcharge as applicable + 4% Cess <sup>2</sup> 22% <sup>4</sup> + 10% Surcharge <sup>4</sup> + 4% Cess <sup>2</sup> 15% <sup>4</sup> + 10% Surcharge <sup>4</sup> + 4% Cess <sup>2</sup>	<b>Non-resident (other than Foreign Company)</b> Income tax rate applicable to the Unitholders as per their income slabs  <b>Foreign Company:</b> 40% + Surcharge as applicable + 4% Cess <sup>2</sup>	Nil
<p><b>Notes:</b></p> <p>A. The levy of tax on distributed income payable by mutual funds has been abolished w.e.f. April 1, 2020 and instead tax on income from mutual fund units in the hands of the unit holders at their applicable rates has been adopted.</p> <p>1 As per amendment made vide Finance Act, 2023, withholding tax would be lower of 20% (plus applicable surcharge and cess) or the rate provided under the relevant tax treaty, whichever is lower, subject to eligibility and compliance with applicable conditions.</p> <p>As per the provisions of section 196D of the Act which is specifically applicable in case of FPI/FII, the withholding tax rate of 20% (plus applicable surcharge and cess) on any income in respect of securities referred to in section 115AD(1)(a) credited/paid to FII shall apply. The proviso to section 196D(1) of the Act provides for claiming the tax treaty benefits at the time of withholding tax on income with respect to securities of FPIs, subject to furnishing of tax residency certificate and such other documents as may be required. As per section 196D(2) of the Act, no TDS shall be made in respect of income by way of capital gain arising from the transfer of securities referred to in section 115AD of the Act.</p> <p>2 Health and Education Cess shall be applicable at 4% on aggregate of base tax and surcharge.</p> <p>3 The Finance Act, 2023 provides that in case of domestic company, the rate of income-tax shall be 25% if its total turnover or gross receipts in the financial year 2021-22 does not exceed Rs. 400 crores.</p> <p>4 The corporate tax rates for domestic companies (not claiming specified incentives and deductions) at the rate of 22% under section 115BAA and domestic manufacturing companies (not claiming specified incentives and deductions) set-up and registered on or after 1 October 2019 at the rate of 15% under section 115BAB. The tax computed in case of domestic companies whose income is chargeable to tax under section 115BAA or section 115BAB shall be increased by a surcharge at the rate of 10%.</p> <p>5 Short term/long term capital gain tax will be deducted at the time of redemption of units in case of non-resident investors only. However, the Finance Act, 2023 now provides withholding tax would be lower of the rate of 20% (plus applicable surcharge and cess) or rates provided in the tax treaty of 20% (plus applicable surcharge and cess) on any income in respect of units of mutual fund in case of non-residents as per section 196A of the Act. The non-resident unitholders have to provide the required documents for claiming the benefit of tax treaty.</p> <p>6 In case of Non-Resident, on unlisted schemes, long term capital gain will be taxed at 10% without indexation and foreign currency fluctuation benefits (plus applicable surcharge and cess\$).</p> <p>Further, the Finance Act, 2022 provides to levy surcharge maximum up to 15% on all other long-term capital gains (including debt-oriented funds) earned by the individual assessee.</p> <p>7 As per Finance Act, 2023, new Section 50AA of the Act is introduced which states that the gains from transfer or redemption or maturity of unit of a Specified Mutual Fund acquired on or after 1 April 2023, will be taxed as deemed short-term capital gains at appropriate applicable rates.</p> <p>Specified Mutual Fund means a Mutual Fund, where not more than thirty five percent of its total proceeds is invested in the equity shares of domestic companies. Provided that the percentage of equity shareholding</p>			

	<p>held in respect of the Specified Mutual Fund shall be computed with reference to the annual average of the daily closing figures.</p> <p>* Section 206AB would apply on any sum or income or amount paid, or payable or credited, by a person (herein referred to as deductee) to a specified person, as defined. This section shall not apply where the tax is required to be deducted under sections 192, 192A, 194B, 194BA, 194BB, 194-IA, 194-IB, 194LBC, 194M or 194N of the Act. The TDS rate in this section is higher of the followings rates:</p> <ul style="list-style-type: none"> <li>● twice the rate specified in the relevant provision of the Act; or</li> <li>● twice the rate or rates in force; or</li> <li>● the rate of five per cent.</li> </ul> <p>It is also provided that if the provision of section 206AA of the Act is applicable to a specified person, in addition to the provision of this section, the tax shall be deducted at higher of the two rates provided in this section and in section 206AA of the Act. Specified person' means a person (excluding non-residents who do not have a permanent establishment in India or person not required to file income-tax return and notified by Central Government) who has not filed income-tax return under section 139(1) for the preceding year and aggregate of TDS and TCS in his case is INR 50,000 or more in the said year.</p> <p>^^ <b>The information given herein is as per the prevailing tax laws.</b></p> <p><b>For Further details on taxation, please refer to the Section on 'Taxation on investing in Mutual Funds' in 'Statement of Additional Information ('SAI')'. Investors should be aware that the fiscal rules/ tax laws may change and there can be no guarantee that the current tax position may continue indefinitely. In view of the individual nature of tax implications, investors are advised to consult their professional tax advisor.</b></p>
<p><b>Investor services</b></p>	<p>Investors can enquire about NAVs, Unit Holdings, Valuation, IDCW, etc. or lodge any service request at toll-free number 18002667790. Alternately, the investors can call the AMC head office as well for any information. In order to protect confidentiality of information, the service representatives at the AMC's head office/ AMC ISCs may require personal information of the investor for verification of his identity. The AMC will at all times endeavour to handle transactions efficiently and to resolve any investor grievances promptly.</p> <p>Investor grievances should be addressed to the ISC of the AMC, or at CAMS ISC directly. All grievances received at the ISC of the AMC will then be forwarded to CAMS, if required, for necessary action. The complaints will closely be followed up with CAMS by the AMC to ensure timely redressal and prompt investor service.</p> <p>CAMS call Centre will be handling the investor's query/complaint/grievances along with AMC staff who will also be available at your service.(Contact details are available on the website)</p> <p>Investors can also address their queries to the Chief Sales Officer – Direct Channel and Head - Investor Relations Officer, Mr. Aalok Mehta, 81/82,8th Floor, Sakhar Bhavan, Ramnath Goenka Marg, 230-Nariman Point, Mumbai- 400 021. Maharashtra, India Investors may also send their complaints by email to <a href="mailto:mf@ppfas.com">mf@ppfas.com</a>.</p> <p>Investors can also address their queries to <b>CAMS Call Centre</b> Address at Computer Age Management Services Ltd., C 101 TO 106, ITC Park 1st Floor, Tower No.8, Belapur Railway Station Complex, CBD Belapur, Navi Mumbai -400614. Phone no. Board Line: 022-61406537, Working Days- Monday to Friday (9.00 am to 6.00 pm) Saturday – 9.00 am to 1.15 pm (1st and 3rd Saturday would be working)</p>

#### D. COMPUTATION OF NAV

The Net Asset Value (NAV) per Unit of the Scheme(s) will be computed by dividing the net assets of the Scheme(s) by the number of Units outstanding under the Scheme on the valuation date. The Mutual Fund will value its investments according to the valuation norms, as specified in Schedule VIII of the SEBI (MF) Regulations, or such norms as may be specified by SEBI from time to time. NAV of Units under each Scheme / Plan shall be calculated as shown below:

Market or Fair Value of the Scheme's Investments  
+ Current Assets including Accrued income  
- Current Liabilities and Provisions

$$\text{NAV (Rs) per unit} = \frac{\text{Market or Fair Value of the Scheme's Investments} + \text{Current Assets including Accrued income} - \text{Current Liabilities and Provisions}}{\text{No. of Units outstanding under the Scheme / Plan/ Option on the Valuation day}}$$

The AMC will calculate and disclose the NAV of the Scheme(s) at the close of every Business Day.

Separate NAV will be calculated and disclosed for each Plan/Option. The NAVs of the Growth Option and the IDCW Option will be different after the declaration of the first IDCW. (Please refer to SEBI Master circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023).

The NAV of the Scheme(s) will be calculated up-to 4 decimals. Units will be allotted up-to 3 decimals.

NAV will also be displayed on the website of the Mutual Fund. In addition, the ISCs would also display the NAV.

#### IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the schemes and also about the transaction charges, if any, to be borne by the investors.

##### A. NEW FUND OFFER (NFO) EXPENSES

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

The entire amount subscribed by the investor subject to deduction of transaction charges, if any, in the scheme during the New Fund Offer (NFO) will be available to the scheme for investment.

In accordance with the provisions of SEBI Master circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023, the NFO expenses shall be borne by the AMC/ Trustee/Sponsor and not by the scheme of mutual fund.

##### B. ANNUAL SCHEME RECURRING EXPENSES

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

The AMC has estimated that following % of the daily net assets of the Scheme will be charged to the Scheme as expenses. Please refer to the table below for details. For the actual current expenses being charged, the investor should refer to the website of the Mutual Fund viz. <https://amc.ppfas.com/statutory-disclosures/total-expense-ratio-TER/>

##### C. SCHEME EXPENSE STRUCTURE:

Expense Head	% of daily Net Assets
Investment Management and Advisory Fees	
Trustee fee	
Audit fees	
Custodian fees	
RTA Fees	
Marketing & Selling expense incl. agent commission	
Cost related to investor communications	

Cost of fund transfer from location to location	Upto 2.00%
Cost of providing account statements and IDCW redemption cheques and warrants	
Costs of statutory Advertisements	
Cost towards investor education & awareness (at least 2 bps)	
Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.	
GST on expenses other than investment and advisory fees	
GST on brokerage and transaction cost	
Other Expenses	
Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i)	Upto 2.00%
Additional expenses under regulation 52 (6A) (c)^	Upto 0.05%
Additional expenses for gross new inflows from specified cities	Upto 0.30%

^ In terms of SEBI Master circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023, in case exit load is not levied / not applicable, the AMC shall not charge the said additional expenses.

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

**Notes: Expense structure for Direct Plan will be lower than the regular plan to the extend of Commission**

Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under Direct Plan.

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

In accordance with the Trust Deed constituting the Mutual Fund, the Trustee is entitled to receive Trustee fees, in addition to the reimbursement of all costs, charges and expenses. Such fee shall be accrued and paid on a monthly basis and paid to the Trustee Company. The Trustee Company may charge further expenses as permitted from time to time under the Trust Deed and SEBI (MF) Regulations.

As per 10.3 of the SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023, GST shall be charged as follows:

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

The AMC shall charge the Mutual Fund with investment and advisory fee as prescribed in the SEBI (MF) Regulations from time to time. Presently, the SEBI (MF) Regulations permit fees as follows:

**The recurring expenses of the Scheme shall be as per the limits prescribed under the SEBI (MF) Regulations. These are as follows:**

**Maximum Total Expense Ratio under Regulation 52 (6) when the Scheme follows asset allocation pattern under normal circumstances \*\***

- on the first Rs.500 crores of the daily net assets 2.00% p.a.;
- on the next Rs.250 crores of the daily net assets 1.75% p.a.;
- on the next Rs.1,250 crores of the daily net assets 1.50% p.a.;
- on the next Rs.3,000 crores of the daily net assets 1.35% p.a.
- on the next Rs.5,000 crores of the daily net assets 1.25% p.a.
- on the next Rs.40,000 crores of the daily net assets - Total expense ratio reduction of 0.05% for every increase of Rs.5,000 crores of daily net assets or part thereof
- On the balance of the assets 0.80% p.a.:

\*\* Minimum of 0.02% shall be allocated annually to investor education and awareness initiatives

It is possible that the AMC may charge the maximum recurring expenses provided above as investment management and advisory fees. In such case the other recurring expenses will not be charged to the Scheme.

In terms of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023, the AMC shall annually set apart at least 0.02% on daily net assets within the maximum limit of recurring expenses as per Regulation 52 for investor education and awareness initiatives.

**In addition to the limits specified above as permitted under Regulation 52 (6A) of the SEBI Regulations, the following costs or expenses may be charged to the Scheme:**

1. brokerage and transaction costs which are incurred for the purpose of execution of trade and included in the cost of investment, not exceeding 0.12% in case of cash market transactions and 0.05% in case of derivatives transactions;

In accordance with SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023, any payment towards brokerage and transaction cost, over and above the said 0.12% and 0.05% for cash market transactions and derivatives transactions respectively, may be charged to the Scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under Regulation 52 (6) of the SEBI (MF) Regulations, 1996.

2. expenses not exceeding of 0.30% of daily net assets, if the new inflows from beyond the top 30 cities are at least:

- (i) 30 % of gross new inflows in the Scheme or;
  - (ii) 15 % of the average assets under management (year to date) of the Scheme,
- whichever is higher:

As per SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023, additional expenses of 30 basis points, shall be charged based on inflows only from retail investors from beyond top 30 cities.

As per SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023, inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investor".

In case inflows from such cities are less than the higher of (a) or (b) above, such expenses on daily net assets of the Scheme shall be charged on proportionate basis in accordance with SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023. .

Note: SEBI vide its letter no. SEBI/HO/IMD-SEC-3/P/OW/2023/5823/1 dated February 24, 2023 and AMFI letter dated No.35P/MEM-COR/85-a/2022-23 dated March 02, 2023 has directed AMCs to keep B-30 incentive structure in abeyance with effect from March 01, 2023 till further notice.

The amount so charged shall be utilised for distribution expenses incurred for bringing inflows from such cities. However, the amount incurred as expense on account of inflows from such cities shall be credited back to the Scheme in case the said inflows are redeemed within a period of one year from the date of investment.

Currently, SEBI has specified that the above additional expense may be charged for inflows from beyond 'Top 30 cities'. Top 30 cities shall mean top 30 cities based on Association of Mutual Funds in India (AMFI) data on 'AUM by Geography - Consolidated Data for Mutual Fund Industry' as at the end of the previous financial year.

3. Expenses not exceeding 0.05% p.a. of daily net assets towards Investment Management and Advisory Fees and the various sub-heads of recurring expenses mentioned under Regulation 52 (2) and (4) respectively of SEBI (MF) Regulations. However, in terms of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023, in case exit load is not levied / not applicable, the AMC shall not charge the said additional expenses.

The total expenses of the Scheme including the Investment Management and Advisory Fee shall not exceed the limits stated in Regulation 52 of the SEBI (MF) Regulations.

The total expense ratios of the schemes of the Fund are available in downloadable spreadsheet format on the AMC website and AMFI website. Any change in the current expense ratios will be updated at least three working days prior to the effective date of the change. For the current total expense ratio details of the Scheme, investors may visit <https://amc.ppfas.com/statutory-disclosures/total-expense-ratio-TER/> available on the website of the AMC viz., [www.amc.ppfas.com](http://www.amc.ppfas.com) and AMFI's website viz., [www.amfiindia.com](http://www.amfiindia.com).

**Illustration: Impact of Expense Ratio on Scheme's return:**

Expense ratio, normally expressed as a percentage of Average Assets under Management, is calculated by dividing the permissible expenses under the Regulations by the average net assets.

To further illustrate the above, for the Scheme under reference, suppose an Investor invested ₹ 10,000/- under the Growth Option, the impact of expenses charged will be as under:

	Regular Plan			Direct Plan		
	Amount (₹)	Units	NAV (₹)	Amount (₹)	Units	NAV (₹)
Invested on March 31, 2022 (A)	10,000.00	9.5030	1052.3004	10,000.00	9.3162	1073.4002
Value of above investment as on March 31, 2023 (post all applicable expenses) (B)	10,502.89	9.5030	1105.2195	10,512.89	9.3162	1128.4538
Expenses charged during the year (other than Distribution Expenses/Commission) (C)	15			15		
Distribution Expenses/Commission charged during the year (D)	10			0		
Value of above investment as on March 31, 2023 (after adding back all expenses charged) (E)	10,527.89	9.5030	1107.8503	10,527.89	9.3162	1130.0639
[E= B+C+D]						
Returns (%) (post all applicable expenses) (F) [F= (B-A)/A]		5.03%			5.13%	
Returns (%) (without considering any expenses) (G) [G= (E-A)/A]		5.28%			5.28%	

Note(s):

- The purpose of the above illustration is purely to explain the impact of expense ratio charged to the Plan(s) under the Scheme and should not be construed as providing any kind of investment advice or guarantee of returns on investments.
- It is assumed that the expenses charged are evenly distributed throughout the year.
- The expenses of the Direct Plan of the Scheme will be lower to the extent of the distribution expenses/commission
- Any tax impact has not been considered in the above example, in view of the individual nature of the tax implications. Each investor is advised to seek appropriate advice.

## D. TRANSACTION CHARGES

For Details - Refer “**Highlights/Summary of the Scheme**”.

## E. LOAD STRUCTURE

Load is an amount, which is paid by the investor to subscribe to the units or 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. For the current applicable structure, please refer to the website of the AMC (<http://amc.ppfas.com>) or call at Toll Free No. 1800 266 7790 or your distributor.

### Details of Load Structure (On Ongoing basis)

<b>Particulars (as a % of Applicable NAV) #</b>	Parag Parikh Liquid Fund
<b>Entry Load</b>	<b>Not Applicable</b>

#Applicable for normal subscriptions / redemptions including transactions under special products such as SIP, STP, SWP, switches, etc. offered by the AMC

<b>Exit Load</b>	
<b>Investor Exit upon subscription</b>	<b>Exit load as % of redemption proceeds</b>
Day 1	0.0070%
Day 2	0.0065%
Day 3	0.0060%
Day 4	0.0055%
Day 5	0.0050%
Day 6	0.0045%
Day 7 onwards	0.0000%

(i) No exit load shall be levied for switching between Options under the same Plan within the Scheme.

(ii) No exit load shall be levied for switching from Direct Plan to Regular Plan and vice versa.

(iii) No exit load will be levied on Bonus Units and Units allotted on IDCW Re-investment.

(iv) No exit load will be levied on Units allotted in the Target Scheme under the IDCW Transfer Plan.

Under the Scheme, the Trustee / AMC reserves the right to modify / change the Load structure if it so deems fit in the interest of smooth and efficient functioning of the Mutual Fund. The AMC reserves the right to introduce / modify the Load Structure depending upon the circumstances prevailing at that time subject to maximum limits as prescribed under the SEBI (Mutual Funds) 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 Redemption Price however, will not be lower than 93% of the NAV, and the Sale Price will not be higher than 107% of the NAV, provided that the difference between the Redemption price and Sale price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time which is presently 7% calculated on the Sale Price.

Any imposition or enhancement of Exit Load in the load shall be applicable on prospective investments only.

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



However, AMC shall not charge any load on issue of bonus units and units allotted on re-investment of IDCW for existing as well as prospective investors. At the time of changing the load structure the AMC / Mutual Fund may adopt the following procedure:

1. The addendum detailing the changes will be attached to Scheme Information Document and Key Information Memorandum and displayed on our website <http://amc.ppfas.com> The addendum will 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.
2. Arrangements will be made to display the changes / modifications in the Scheme Information Document in the form of a notice in all the Investor Service Centers and distributors / brokers office.
3. The introduction of the Load along with the details will be stamped in the acknowledgment slip issued to the investors on submission of the application form and will also be disclosed in the Account Statement or in the covering letter issued to the Unit holders after the introduction of such Load.
4. A public notice shall be given in respect of such changes in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated.
5. There shall be no load on issue of units allotted on re-investment of IDCW for existing as well as prospective investors.
6. GST on exit load, if any, shall be paid out of the exit load proceeds. The entire exit load (net of GST), charged, if any, shall be credited to the Scheme.
7. Any other majors which the mutual fund may feel necessary.

#### **F. WAIVER OF LOAD FOR DIRECT APPLICATIONS**

##### **Not Applicable**

Pursuant to SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023, no entry load shall be charged for all mutual fund schemes. Therefore, the procedure for waiver of load for direct applications is no longer applicable.

#### **V. RIGHTS OF UNITHOLDERS**

Please refer to SAI for details.

#### **VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY**

This section shall contain the details of penalties, pending litigation, and action taken by SEBI, other regulatory and Govt. Agencies.

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed.

##### **Not Applicable.**

2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to shareholders or debenture holders and depositors, or for economic offenses, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.

**Nil.**

3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.

**Nil.**

4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.

**Nil.**

5. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the Scheme Information Document, or which has been notified by any other regulatory Agency, shall be disclosed.

Nil.

**Note:**

**(a)Further, any amendments / replacement / re-enactment of SEBI (MF) Regulations subsequent to the date of the Scheme Information Document shall prevail over those specified in this Scheme Information Document.**

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

For and on behalf of  
**PPFAS Asset Management Private Limited.**

Sd/-

Neil Parag Parikh  
Chief Executive Officer & Director

Date: October 31, 2023

## LIST OF INVESTOR SERVICE CENTRES AND OFFICIAL POINTS OF ACCEPTANCE OF TRANSACTIONS

### OFFICES OF PPFAS ASSET MANAGEMENT PRIVATE LIMITED IDENTIFIED AS:

#### 1. OFFICIAL POINTS OF ACCEPTANCE

**Mumbai-** 81/82, 8th Floor, Sakhar Bhavan, Ramnath Goenka Marg, 230, Nariman Point, Mumbai- 400021,  
**Andheri-** 305, 3rd Floor, 349 Business Point Commercial Premises Co-Op. Society Ltd., Western Express Highway, Andheri (East), Mumbai - 400069,  
**Delhi-** 903, 9th Floor, Mercantile House, Kasturba Gandhi Marg, New Delhi, 110001.  
**Bengaluru-** Unit No. 508, 4th Floor (Level 5), Prestige Meridian-II, No. 30/39, M.G. Road, Bengaluru – 560001.  
**Pune-** Office no. 3, B wing, Third Floor, Aditya Centeegra, Opposite Hotel Niranjana DP Chowk, FC Road, Pune – 411004.  
**Kolkata-** Suite No A-10, 5th Floor, Chatterjee International Centre, 33- A Jawaharlal Nehru Rd, Park Street Area, Kolkata, West Bengal - 700071

#### 2. INVESTOR SERVICE CENTRES

**Mumbai-** 81/82, 8th Floor, Sakhar Bhavan, Ramnath Goenka Marg, 230, Nariman Point, Mumbai- 400021,  
**Andheri-** 305, 3rd Floor, 349 Business Point Commercial Premises Co-Op. Society Ltd., Western Express Highway, Andheri (East), Mumbai - 400069,  
**Delhi-** 903, 9th Floor, Mercantile House, Kasturba Gandhi Marg, New Delhi, 110001,  
**Bengaluru-** Unit No. 508, 4th Floor (Level 5), Prestige Meridian-II, No. 30/39, M.G. Road, Bengaluru – 560001.  
**Pune-** Office no. 3, B wing, Third Floor, Aditya Centeegra, Opposite Hotel Niranjana DP Chowk, FC Road, Pune – 411004.  
**Chennai-** Raheja Tower, Unit No:0002A (B Block),177, Mount Road, Annasalai, Chennai – 600002,  
**Hyderabad-** Plot No. 4, H. No. 1-11-254/11/A, 1st Floor, Rama Mansion, Motilal Nagar, Begumpet, Hyderabad - 500016.  
**Kolkata-** Suite No A-10, 5th Floor, Chatterjee International Centre, 33- A Jawaharlal Nehru Road, Park Street Area, Kolkata, West Bengal - 700071  
**Ahmedabad-** Office No. 607, D & C Dynasty Plaza, CG Road, Near Stadium Circle, Navrangpura, Ahmedabad – 380009  
**Vadodara-** Pavanveer Square, Unit No. 303, 3rd Floor, Behind Jagdish Farsan, Near Malhar Point, Old Padra Road, Vadodara – 390007  
**Gurugram** – Office No. 109, First Floor, “Vipul Agora” situated at Sector – 28, Mehrauli Gurgaon Road, Near M.G. Road Metro Station, Gurugram- 122001.

For updated list of CAMS ISCs - <https://amc.ppfas.com/investor-desk/investor-service-centres/index.php>

### OFFICES OF COMPUTER AGE MANAGEMENT SERVICES LIMITED IDENTIFIED AS OFFICIAL POINTS OF ACCEPTANCE

**Andhra Pradesh:** 40-1-68, Rao & Ratnam Complex, Near Chennupati Petrol Pump, M.G Road, Labbipet, Vijayawada - 520010. Door No 48-3-2, Flat No 2, 1st Floor, Sidhi Plaza, Near Visakha Library, Srinagar, Visakhapatnam - 530016. Door No 31-13-1158, 1<sup>st</sup> Floor, 13/1 Arundelpet, Ward No 6, Guntur - 522002. 97/56, I Floor, Immadisetty Towers, Ranganayakulapet Road, Santhapet, Nellore - 524001. Door No: 6-2-12, 1st Floor, Rajeswari Nilayam, Near Vamsikrishna Hospital, Nyapathi Vari Street, T Nagar, Rajahmundry - 533101. Shop No : 6, Door No: 19-10-8, (Opp to Passport Office), AIR Bypass Road, Tirupati - 517501. Bandi Subbaramaiah Complex, D.No:3/1718, Shop No: 8, Raja Reddy Street, Kadapa - 516001. 15-570-33, I Floor Pallavi Towers, Subash Road, Opp Canara Bank, Anantapur - 515001. Shop Nos. 26 and 27, Door No. 39/265A and 39/265B, Second Floor, Skanda Shopping Mall, Old Chad Talkies, Vaddageri, 39th Ward, Kurnool - 518001. D No-25-4-29, 11st floor, Kommireddy vari Street, Beside Warf Road, Opp Swathi Madicals, Kakinada-533001. Door No 4—4-96, 1st Floor, Vijaya Ganapathi Temple Back Side, Nanubala Street , Srikakulam - 532001. **Assam:** Piyali Phukan Road, K. C. Path, House No 1, Rehabari, Guwahati -781008. Bhowal Complex Ground Floor, Near Dena Bank, Rongagora Road, Tinsukia - 786125. **Bihar:** G-3, Ground Floor, OM Complex Near Saket Tower, SP Verma Road, Patna - 800001. Brahman Toli, DurgasthanGola Road, Muzaffarpur - 842001. Ground Floor, Gurudwara Road, Near Old Vijaya Bank, Bhagalpur - 812001. Ground Floor, Belbhadrapur, Near Sahara Office, Laheriasarai Tower Chowk, Laheriasarai, Darbhanga - 846001. **Chattisgarh:** First Floor, Plot No. 3, Block No. 1, Priyadarshini Parisar West, Behind IDBI Bank, Nehru Nagar, Bilai - 490020. HIG, C-23 Sector - 1, Devendra Nagar, Raipur - 492004. Shop No. B - 104, First Floor, Narayan Plaza, Link Road Bilaspur 495001 **Goa:** No.103, 1st Floor, UNITECH City Centre, M G Road, Panaji - 403001. F4- Classic Heritage Near Axis Bank, opp. BPS Club Pajifond Margao, Goa 403 601 Office No 503, Buildmore Business Park, New Canca By Pass Road, Ximer, Mapusa, Goa - 403 507 No DU 8, Upper Ground Floor, Behind Techoclean Clinic, Suvidha Complex Near ICICI Bank, Vasco - 403802. **Gujarat:** 111-113, 1 st Floor - Devpath Building, Off C G Road, Behind Lal Bungalow, Ellis Bridge, Ahmedabad - 380006. G-5 Internation Commercial Center, Nr. Kadiwala School, Majuragate Ring Road, Surat-395002 103 Aries Complex, BPC Road, Off R.C.Dutt Road, Alkapuri, Vadodara - 390007. 101, A.P. Tower, B/H, Sardhar Gunj, Next to Nathwani Chambers, Anand - 388001. 305-306, Sterling Point, Waghawadi Road, Opp HDFC BANK, Bhavnagar - 364002. 207, Manek Centre, P N Marg, Jamnagar - 361001. Office 207 - 210, Everest Building, Harihar Chowk, Opp Shastri Maidan, Limda Chowk, Rajkot - 360001. 3rd floor,

Gita Nivas, Opp Head Post Office, Halar Cross Lane, Valsad - 396001. 214-215 2nd Floor Shivani Park, Opp. Shankheswar Complex, Kaliawadi, Navsari-396445. Office No. 4-5 First Floor, RTO Relocation Commercial Complex-B, Opp. Fire Station, Near RTO Circle, Bhuj-Kutch Pin -370001. "Aastha Plus", 202-A, 2nd Floor, Sardarbag Road, Near. Alkapuri, Opp. Zansi Rani Statue, Junagadh - 362001. Shop No - F -56, First Floor, Omkar Complex, Opp Old Colony, Near Valia Char Rasta, GIDC, Ankleshwar -393002. 1st Floor, Subhadra Complex, Urban Bank Road, Mehsana - 384002. 208, 2nd Floor, HEENA ARCADE, Opp. Tirupati Tower, Near G.I.D.C. Char Rasta, Vapi - 396195. A-111 First Floor, R K Casta, Behind Patel Super Market, Station Road, Bharuch -392001. F-134, First Floor, Ghantakarna Complex, Gunj Bazar, Nadiad - 387001. A/177, Kailash Complex, Opp. Khedut Decor Gondal - 360311. Shyam Sadan, First Floor, Plot No 120, Sector 1/A, Gandhidham - 370201. D-78, First Floor, New Durga Bazar, Near Railway Crossing, Himmatnagar - 383001. Gopal Trade Center, Shop No. 13-14 3rd Floor, Nr. BK Mercantile Bank, Opp. Old Gunj, Palanpur - 385001. "Shop No. 12, M.D. Residency, Swastik Cross Road, Surendranagar - 363001". **Harvana:** B-49, 1st Floor, Nehru Ground, Behind Anupam Sweet House NIT, Faridabad - 121001. SCO - 16, Sector - 14, First floor, Gurgaon - 122001. SCO 83-84, First Floor, Devi Lal Shopping Complex, Opp RBL Bank, G.T.Road, Panipat - 132103. 205, 2nd floor, Building No 2 Munjal Complex, Delhi Road, Rohtak - 124001. 124-B/R, Model Town, Yamuna Nagar - 135001. 12, Opp. Bank of Baroda, Red Square Market, Hisar - 125001. Shop no 48-49, Ground Floor, Opp Peer, Bal Bhawan Road, Ambala City - 134003. M G Complex, Bhawna Marg, Beside Over Bridge, Sirsa - 125055. Cams Collection Centre, 29 Avtar Colony Behind Vishal Mega Mart Karnal - 132001. **Himachal Pradesh:** I Floor, Opp. Panchayat Bhawan Main gate, Bus stand, Shimla - 171001. 1st Floor, Above Sharma General Store, Near Sanki Rest house, The Mall, Solan - 173212. **Jammu & Kashmir:** JRDS Heights, Lane Opp. S&S Computers, Near RBI Building, Sector 14, Nanak Nagar Jammu - 180004. **Jharkhand:** Mazzanine Floor, F-4, City Centre, Sector 4, Bokaro Steel City, Bokaro - 827004. Urmila Towers, Room No: 111(1st Floor) Bank More, Dhanbad - 826001. Millennium Tower, "R" Road Room No:15 First Floor, Bistupur, Jamshedpur - 831001. 4, HB Road No: 206, 2nd Floor Shri Lok Complex, H B Road, Near Firayalal, Ranchi - 834001. S S M Jalan Road, Ground floor, Opp. Hotel Ashoke, Caster Town, Deoghar - 814112. Municipal Market, Annanda Chowk, Hazaribag - 825301. **Karnataka:** Trade Centre, 1st Floor 45, Dikensen Road ( Next to Manipal Centre ), Bengaluru - 560042. No. G 4 & G 5, Inland Monarch, Opp. Karnataka Bank, Kadri Main Road, Kadri, Mangalore - 575003. Classic Complex, Block no 104, 1st Floor, Saraf Colony, Khanapur Road, Tilakwadi, Belgaum - 590006. 13, 1st Floor, Akkamahadevi Samaj Complex, Church Road, P.J.Extension, Davangere - 577002. No.204 - 205, 1st Floor' B ' Block, Kundagol Complex, Opp. Court, Club Road, Hubli - 580029. No.1, 1st Floor, CH.26 7th Main, 5th Cross (Above Trishakthi Medicals), Saraswati Puram, Mysore - 570009. 18/47/A Govind Nilaya, Ward No 20, Sangankal Moka Road, Gandhinagar, BALLARI-583102. KARNATAKA. No.65, 1st Floor, Kishnappa Compound, 1st Cross, Hosmane Extn, Shimoga - 577201. Pal Complex, 1st Floor, Opp. City Bus Stop, SuperMarket, Gulbarga - 585101. Shop no A2 Basement floor, Academy Tower, Opposite Corporation Bank, Manipal - 576104. **Kerala:** Building Name Modayil, Door No. 39/2638 DJ, 2nd Floor 2A M.G. Road, Cochin - 682 016. 29/97G 2nd Floor, Gulf Air Building, Mavoor Road, Arayidathupalam, Calicut - 673016. 1307 B Puthenparambil Building, KSACS Road, Opp. ESIC office, Behind Malayala Manorama, Muttambalam P.O., Kottayam 686501. Room No. 26 & 27, Dee Pee Plaza, Kokkalai, Trichur - 680001. R S Complex, Opp of LIC Building, Pattom PO, Trivandrum - 695004. Uthram Chambers (Ground Floor), Thamarakulam, Kollam, Kerala - 691 006. Room No. PP.14/435, Casa Marina Shopping Centre, Talap, Kannur - 670004. 10/688, Sreedevi Residency, Mettupalayam Street, Palakkad - 678001. 1st Floor Room No - 61(63), International Shopping Mall, Opp. St. Thomas Evangelical Church, Above Thomson Bakery, Manjady, Thiruvalla, Kerala - 689105. Doctor's Tower Building, Door No. 14/2562, 1st floor, North of Iorn Bridge, Near Hotel Arcadia Regency, Alleppey - 688001. **Madhya Pradesh:** 101, Shalimar Corporate Centre 8-B, South Tukogunj, Opp. Greenpark, Indore - 452001. Plot no 10, 2nd Floor, Alankar Complex, Near ICICI Bank, MP Nagar, Zone II, Bhopal - 462011. G-6 Global Apartment, Kailash Vihar Colony, Opp. Income Tax Office, City Centre, Gwalior - 474002. 8, Ground Floor, Datt Towers, Behind Commercial Automobiles, Napier Town, Jabalpur - 482001. Cams Service Centre, 2nd Floor Parasia Road, Near Surya Lodge Sood Complex, Above Nagpur CT Scan, Chhindwara- 480 001. 1st Floor, Gurunanak Dharmakanta, Jabalpur Road, Bargawan, Katni - 483501. Dafia & Co, No.18, Ram Bagh, Near Scholar's School, Ratlam - 457001. Opp. Somani Automobile, S Bhagwanganj Sagar - 470002. 123, 1st Floor, Siddhi Vinayaka Trade Centre, Saheed Park, Ujjain - 456010. **Maharashtra:** Rajabhadur Compound, Ground Floor, Opp Allahabad Bank, Behind ICICI Bank, 30, Mumbai Samachar Marg, Fort, Mumbai - 400023. 145, Lendra, New Ramdaspath, Nagpur - 440010. Vartak Pride 1st floor Survey No 46, City Survey No 1477 Hingne Budruk, D. P Road, Behind Dinanath Mangeshkar Hospital, Karvenagar, Pune - 411 052. 81, Gulsham Tower, 2nd Floor, Near Panchsheel Talkies, Amaravati - 444601. 2nd Floor, Block No. D-21-D22 Motiwala Trade Center, Niral Bazar New Samartha Nagar, Opp. HDFC Bank, Aurangabad - 431001. Rustomji Infotech Services, 70, Navipeth, Opp. Old Bus Stand, Jalgaon - 425001. 2 B, 3rd Floor, Ayodhya Towers, Station Road, Kolhapur - 416001. 1st Floor, "Sharada Niketan" Tilak Wadi, Opp. Hotel City Pride, Sharanpur Road, Nasik - 422002. Flat No 109, 1st Floor A Wing, Kalyani Tower, 126 Siddheshwar Peth, Near Pangal High School, Solapur - 413001. 117 / A / 3 / 22, Shukrawar Peth, Sargam Apartment, Satara - 415002. Opp. RLT Science College, Civil Lines, Akola - 444001. Dev Corpora, 1st floor, Office no. 102, Cadbury Junction, Eastern Express way, Thane (West) - 400 601. 351, Icon, 501, 5th floor, Western Express Highway, Andheri East, Mumbai - 400069. Jiveshwar Krupa Bldg, Shop. NO.2, Ground Floor, Tilak Chowk, Harbhat Road, Sangli - 416416. Shop No 6, Ground Floor, Anand Plaza Complex, Bharat Nagar, Shivaji Putla Road, Jalna - 431203. 3, Adelade Apartment, Christian Mohala, Behind Gulshan-E-Iran Hotel, Amardeep Talkies Road, Bhusawal - 425201. Office No 3, 1st Floor, Shree Parvati, Plot no 1/175, Opp. Mauli Sabhagruh, Zopadi Canteen, Savedi, Ahmednagar - 414 003. House No 3140, Opp Liberty Furniture, Jammalal Bajaj Road, Near Tower Garden, Dhule - 424001. Orchid Tower Ground Floor Gala No 06, S.V.No.301/Paiki 1/2 Nachane Munciple Aat, Arogya Mandir, Nachane Link Road, At Post Tal. Ratnagiri, Dist. Ratnagiri - 415612. Pushpam, Tilakwadi, Opp. Dr. Shrotri Hospital, Yavatmal - 445001. **New Delhi:** 7-E, 4th Floor, Deen Dayaal Research Institute Building, Swami Ram Tirath Nagar, Near Videocon Tower, Jhandewalan Extension, New Delhi - 110055. Flat no.512, Narian Manzil, 23 Barakhamba Road, Connaught Place, New Delhi

- 110001. **Orissa:** Plot No -111, Varaha Complex Building, 3rd Floor, Station Square, Kharvel Nagar, Unit 3, Bhubaneswar - 751001. Kalika Temple Street., Ground Floor, Beside SBI BAZAR Branch. Berhampur- 760 002, Ganjanm (ODISHA). Near Indian Overseas Bank, Cantonment Road, Mata Math, Cuttack - 753001. 2nd Floor, J B S Market Complex, Udit Nagar, Rourkela - 769012. C/o Raj Tibrewal & Associates, Opp. Town High School, Sansarak Sambalpur - 768001. B C Sen Road, Balasore - 756001. **Pondicherry:** S-8, 100, Jawaharlal Nehru Street (New Complex, Opp. Indian Coffee House), Pondicherry - 605001. **Punjab:** Deepak Tower, SCO 154-155, 1st Floor-Sector 17, Chandigarh - 160017. U/GF, Prince Market, Green Field, Near Traffic Lights, Sarabha Nagar Pulli, Pakhowal Road, Ludhiana - 141002. 3rd Floor Bearing Unit no- 313, Mukut House, Amritsar - 143001. 144, Vijay Nagar, Near Capital Small Finance Bank, Football Chowk, Jalandhar City - 144001. 35, New Lal Bagh Colony, Patiala - 147001. 2907 GH, GT Road, Near Zila Parishad, Bhatinda - 151001. Near Archies Gallery, Shimla Pahari Chowk, Hoshiarpur - 146001. 9 NO. New Town, Opp. Jaiswal Hotel, Daman Building, Moga - 142001. **Rajasthan:** R-7, Yudhisthir Marg, C-Scheme, Behind Ashok Nagar Police Station, Jaipur - 302001. AMC No. 423/30 Near Church, Opp T B Hospital, Jaipur Road, Ajmer - 305001. 256A, Scheme No:1, Arya Nagar, Alwar - 301001. C/o Kodwani Associates, Shop No 211-213, 2nd floor, Indra Prasth Tower, Syam Ki Sabji Mandi, Near Mukerjee Garden Bhilwara - 311001. 1/5, Nirmal Tower, 1st Chopasani Road, Jodhpur - 342003. B-33 'Kalyan Bhawan, Triangle Part, Vallabh Nagar, Kota - 324007. 32 Ahinsapuri, Fatehpura Circle, Udaipur - 313004. 18 L Block, Sri Ganganagar - 335001. Behind Rajasthan patrika In front of Vijaya bank 1404, amar singh pura Bikaner-334001. 3, Ashok Nagar, Near Heera Vatika, Chittorgarh - 312001. **Tamilnadu:** Ground Floor No.178/10, Kodambakkam High Road, Opp. Hotel Palmgrove, Nungambakkam-Chennai - 600034. No 1334 Thadagam Road, Thirumoorthy Layout, R S Puram, (Behind Venakteshwara Bakery), Coimbatore - 641002. Shop No 3, 2<sup>nd</sup> Floor, Suriya Towers, 272/273-Goodshed Street, Madurai - 625001. 197, Seshaiyer Complex, Agraharam Street, Erode - 638001. No.2, I Floor Vivekananda Street, New Fairlands, Salem - 636016. 1(1), Binny Compound, II Street, Kumaran Road, Tirupur, - 641601. No. F4 Magnem Suraksaa Apartments, Tiruvananthapuram Road, Tirunelveli 627 002. No 8, 1st Floor, 8th Cross West Extn, Thillainagar, Trichy - 620018. AKT Complex 2nd floor, No 1 and 3 New Sankaranpalayam Road Tolgate, Vellore - 632001. Jailani Complex 47, Mutt Street, Kumbakonam - 612001. 126 G, V.P.Towers, Kovai Road, Basement of Axis Bank, Karur - 639002. 16A/63A, Pidamaneri Road, Near Indoor Stadium, Dharmapuri - 636701. Survey No.25/204, Attibele Road HCF Post, Mathigiri Above Time Kids School, Opposite to Kuttys Frozen Foods, Hosur - 635 110. 156A / 1, First Floor, Lakshmi Vilas Building, Opp. District Registrar Office, Trichy Road, Namakkal - 637001. No 59 A/1, Railway Feeder Road (Near Railway Station) Rajapalayam - 626117. 4B/A16, Mangal Mall Complex, Ground Floor, Mani Nagar, Tuticorin - 628003. No.158, Rayala Tower-1, Anna salai, Chennai - 600002. **Telangana:** HNo.7-1-257, Upstairs S B H Mangammathota, Karimnagar - 505001. Shop No: 11 - 2 - 31/3, 1st floor, Philips Complex, Balajinagar, Wyrva Road, Near Baburao Petrol Bunk, Khammam - 507001. No. 15-31-2M-1/4 1st Floor, 14-A, MIG, KPHB Colony, Kukatpally Hyderabad - 500072. Hno. 2-4-641, F-7, 1st Floor, A.B.K Mall, Old Bus Depot Road, Ramnagar, Hanamkonda, Warangal - 506001. **Tripura:** Advisor Chowmuhani (Ground Floor), Krishnanagar, Agartala - 799001. **Uttarakhand:** 204/121 Nari Shilp Mandir Marg, Old Connaught Place, Dehradun - 248001. 22, Civil Lines, Ground Floor, Hotel Krish Residency, Roorkee - 247667. **Uttar Pradesh:** 1st Floor 106 to 108, City Centre Phase II, 63/ 2, The Mall, Kanpur - 208001. First Floor C-10 RDC RAJNAGAR, Opp Kacheri Gate No.2, Ghaziabad-201002. Office No, 107, 1st Floor, Vaishali Arcade Building, Plot No 11, 6 Park Road, Lucknow - 226001. No. 8, 2nd Floor, Maruti Tower Sanjay Place, Agra - 282002. 30/2, A&B, Civil Lines Station, Besides Vishal Mega Mart, Strachey Road, Allahabad - 211001. Shop No. 5 & 6 3rd Floor, Cross Road The Mall, A D Tiraha, Bank Road, Gorakhpur - 273001. 108 1st Floor, Shivam Plaza, Opp Eves Cinema, Hapur Road, Meerut - 250002. H 21-22, 1st Floor, Ram Ganga Vihar Shopping Complex, Opposite Sale Tax Office, Moradabad - 244001. Office no 1, Second floor, Bhawani Market, Building No. D-58/2-A1, Rathyatra Beside Kuber Complex, Varanasi - 221010. 372/18 D, 1st Floor above IDBI Bank, Beside V-Mart, Near "RASKHAN" Gwalior Road, Jhansi - 284001. City Enclave, Opp. Kumar Nursing Home, Ramghat Road, Aligarh - 202001. F-62-63, Butler Plaza Commercial Complex, Civil Lines, Bareilly - 243001. 1st Floor, Krishna Complex, Opp. Hathi Gate, Court Road, Saharanpur - 247001. E-3 Ground Floor, sector 3, Near Fresh Food Factory, Noida - 201301. CAMS C/O RAJESH MAHADEV & CO, SHOP NO 3, JAMIA COMPLEX STATION ROAD, BASTI - 272002. 1/13/196, A, Civil Lines, Behind Triupati Hotel, Faizabad - 224001. Durga City Centre, Nainital Road, Haldwani - 263139. 248, Fort Road, Near Amber Hotel, Jaunpur - 222001. 159/160 Vikas Bazar Mathura - 281001. 17, Anand Nagar Complex, Opposite Moti Lal Nehru Stadium, SAI Hostel, Jail Road, Rae Bareilly - 229001. Bijlipura, Near Old Distt Hospital, Jail Road, Shahjahanpur - 242001. Arya Nagar, Near Arya Kanya School, Sitapur - 261001. 967, Civil Lines, Near Pant Stadium, Sultanpur - 228001. **West Bengal:** Plot No 3601 Nazrul Sarani City Centre, Durgapur - 713216. Kankaria Centre, 2nd Floor, 2/1, Russell Street, Kolkata - 700071. Block - G 1st Floor, P C Chatterjee Market Complex, Rambandhu Talab PO, Ushagram, Asansol - 713303. 399, G T Road, Basement of Talk of the Town, Burdwan - 713101. 78, Haren Mukherjee Road, 1st floor, Beside SBI Hakimpara, Siliguri - 734001. A - 1/50, Block A, Kalyani - 741235. Silver Palace" OT Road, Inda Kharagpur G.P Barakola P.S Kharagpur Local - 721305. 2A, Ganesh Chandra Avenue, Room No.3A, Commerce House 4th Floor, Kolkata - 700013. MOUZA-BASUDEVPUR, J.L.NO.126, Haldia Municipality, Ward No 10, Durgachak, Haldia - 721602. Daxhinapan Abasan, Opp Lane of Hotel, Kalinga, SM Pally, Malda - 732101