



STATEMENT OF ADDITIONAL INFORMATION

This Statement of Additional Information (SAI) contains details of qsif (offered by quant Mutual Fund), its constitution, and certain tax, legal and general information. It is incorporated by reference and is legally a part of the Investment Strategy Information Document (ISID) of all the Investment Strategies of qsif (offered by quant Mutual Fund).

This SAI is dated September 12, 2025

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I. INFORMATION ABOUT SPONSOR, AMC AND TRUSTEE COMPANIES

A. Constitution of quant Mutual Fund (“Mutual Fund”/“Fund”)

quant Mutual Fund has been constituted as a trust on April 15, 1996 in accordance with the provisions of the Indian Trusts Act, 1882. (2 of 1882) with quant Capital Finance & Investments Private Limited as the Sponsor, and quant Capital Trustee Limited as the Trustee to the Fund. The Trust Deed has been registered under the Indian Registration Act, 1908. The Mutual Fund was registered with SEBI on June 11, 2018 under the Registration Code MF/028/96/4.

The Deed of Variation to the Trust Deed was executed between Escorts Finance Limited (erstwhile Sponsor), quant Capital Trustee Limited and quant Capital Finance & Investments Private Limited on June 28, 2018.

B. Constitution of the Specialized Investment Fund

qsif (‘SIF’) is offered by quant Mutual Fund in terms of Regulation 49W(1) of SEBI (Mutual Funds) Regulations, 1996 (“SEBI Regulations”) with quant Capital Trustee Limited as the Trustee and quant Money Managers Limited as the Asset Management Company (AMC). quant Mutual Fund was granted approval to establish the SIF by SEBI on May 07, 2025.

C. Sponsor

quant Mutual Fund is sponsored by **quant Capital Finance & Investments Private Limited**.

quant Capital Finance & Investments Private Limited (‘QCFIPL’) is a company incorporated on December 31, 1981 under the Companies Act, 1956 and is also a Non-Systemically Important, Non deposit taking, Non-Banking Financial Company registered with RBI w.e.f May 24, 2010 under registration number B-13.00501. The Sponsor is primarily engaged in the business, inter alia of formation and mobilization of capital, managing capital savings and investments, financing, money lending, corporate lending with or without securities.

The Sponsor is the Settlor of the Mutual Fund Trust. The Sponsor has entrusted a sum of Rs. 1 lakh to the Trustee as the initial contribution towards the corpus of the Mutual Fund.

Financial Performance of the Sponsor (quant Capital Finance & Investments Private Limited) (past three years):

(Amt. in INR crs)

Particulars	Apr 23-Mar 24	Apr 22-Mar 23	Apr 21-Mar 22
Net Worth	51.33	49.19	48.26
Total Income	0.32	0.46	2.13
Profit after tax	(0.01)	0.01	0.10
Assets Under Management (if applicable)	NA	NA	NA

D. The Trustee

quant Capital Trustee Limited (the ‘Trustee’), through its Board of Directors, shall discharge its obligations as trustee of qsif (offered by quant Mutual Fund). The Trustee ensures that the transactions entered into by quant Money Managers Limited (the ‘AMC’) are in accordance with the SEBI (Mutual Funds) Regulations, 1996 (‘Regulations’) and will also review the activities carried on by the AMC.

As regards to the SIF, the Trustee ensures that all the activities of the SIF are in accordance with the provisions of the SEBI Regulations and Circulars issued in this regard from time to time.

1. Details of Trustee Directors:

Name	Age	Educational Qualification	Brief Experience
Mr. Rajnish Kumar, Independent Director	67 years	MSc in Physics & Certified Associate of Indian Institute of Bankers	Mr. Rajnish Kumar is former Chairman of State Bank of India. He completed his 3 years term as Chairman in October 2020. He is credited with steering the Bank successfully through very challenging times. During his tenure, the Bank developed YONO, a digital platform, which has established the Bank as a global leader in adoption of technology and innovation. Mr. Kumar is a career banker with nearly 4 decades of service with State Bank of India. His expertise in corporate credit and project finance is well recognized. He served the bank in various capacities across the country including in the North East as Chief General Manager. He successfully managed UK operations of the Bank immediately after the crisis caused by the collapse of Lehman Brothers. Earlier he worked as Vice President (Credit) at Toronto. Mr. Rajnish Kumar was also the Chairman of SBI's subsidiaries, important ones being, SBI Life Insurance Company Limited, SBI Foundation, SBI Capital Markets Limited, and SBI Cards & Payments Services Limited. He also served as Director on the boards of various organisations, viz. Export - Import Bank of India, Institute of Banking Personnel Selection, National Institute of Bank Management, Pune, Indian Banks Association, Khadi & Village Industries Commission, Indian Institute of Banking & Finance, among others. Mr. Rajnish Kumar is currently serving as an Independent Director on the Boards of many prestigious companies like HSBC, Asia Pacific and Brookfield Property Management Ltd. He is also Non-Executive Chairman of Resilient Innovations Pvt Ltd. (BharatPe), one of the fastest growing Fintech in the country and Independent Director on the Board of Lighthouse Communities Foundation. Mr. Kumar is also an advisor with BPEA EQT Pte Ltd. apart from being Member, to the Board of Governors, Management Development Institute, Gurugram.

<p>Mr. Yogesh Parekh, Independent Director</p>	<p>62 years</p>	<p>Graduate in Science (B.Sc)</p>	<p>Mr. Yogesh is an eminent entrepreneur who cofounded the Adfactors Group in the 1990s. In this capacity he was one of the leading innovators in the advertising & marketing of various financial instruments and has vast experience in design and structuring of complex financial products and of marketing them successfully to a diverse group of target investors in India & overseas. He has helped numerous entrepreneurs enter the capital market through Initial Public Offerings. He subsequently founded Crossnet Ventures and is currently engaged in setting up a cargo venture in the emerging aviation transportation sector. A sport aviation enthusiast, Yogesh is also a qualified pilot and was one of the founders of the Bombay Hang-Gliders Club and is a Life Member of the Bombay Flying Club. He was the pilot member of the 3-member team that designed, built & flew the first microlight aircraft in India. Leveraging the combination of his marketing and aviation skills, Mr Parekh pioneered the concept of aerial advertising in India, including banner towing, leaflet & flower dropping and helium & hot air balloons. He has also been involved in operations of aerial crop spraying, cloud seeding & aviation transport to inaccessible places.</p>
<p>Mr. Lancelot Joseph, Independent Director</p>	<p>60 years</p>	<p>Graduate in Commerce (B.Com)</p>	<p>Mr. Lancelot Joseph is a prominent and well-respected name in the world of Journalism. He has been associated with Business India since 2004 and is now designated as an Executive Editor. His specialization and strength has been balance sheet and equity analysis, and equity and commodity markets. He has 15+ years of experience as Executive Editor with India's leading business magazine Business India.</p>
<p>Mr. Laxmikant Gupta, Independent Director</p>	<p>55 years</p>	<p>FRM, Grad CWA, B.Com (Rank holder in CA), Cleared CFA Level II)</p>	<p>Mr. Laxmikant has been part of the financial industry for over 15 years! Since 2007, he has been in leadership positions relating to Risk Management and Compliance at various AMC's namely – Franklin Templeton (2002-07), Birla Sunlife (2007-09), ICICI Venture (2010-2015). He also worked with ICICI Bank, I-Sec, A F Ferguson & Co. Between Feb 2017 and September 2018, he was appointed as the Chief Regulatory Officer at the National Commodity Derivatives Exchanges Limited (NCDEX), a role where he was closely involved with Risk Management, Surveillance and</p>

			Compliance functions. In addition, Laxmikant has worked on projects relating to review of Anti-bribery and Anti-corruption measures under the assignment and guidance from the World Bank. He has 10+ years of vast experience in the area of Risk Management, and has served as a Chief Regulatory Officer for National Commodity Derivatives Exchanges Limited (NCDEX).
Mr. Milan Ganatra, Non-executive Director	54 years	Graduate in Commerce (B.Com)	Mr. Milan has been associated with the wealth and asset management industry through his company Miles Software Solutions Pvt Ltd, a company he founded in March 1999. At Miles, Milan has been pioneering strategy, product marketing, sales, services, and support of Miles solutions under the brand MoneyWare™; He has successfully defined and implemented a strong vision for Miles to make it amongst the leading provider of wealth and portfolio management solutions. Milan has deep domain knowledge on wealth management and wide experience in leveraging technological advancement for efficient investment management. He has 20+ years of experience in Formulating strategy, product marketing, sales, services and support of Miles solutions under the brand MoneyWare™ for the wealth and asset management industry.

2. Rights, Obligations, Duties and Responsibilities of the Trustee under the Trust Deed and the SEBI Regulations:

Responsibilities and Duties of the Trustee under the Trust Deed and the Regulations including but not limited to:

- i. The Trustee and the AMC shall with the prior approval of the Board enter into an investment management agreement.
- ii. The investment management agreement shall contain such clauses as are mentioned in the Fourth Schedule of the SEBI (Mutual Funds) Regulations, 1996 and such other clauses as are necessary for the purpose of making investments.
- iii. The Trustee shall have a right to obtain from the AMC such information as is considered necessary by the Trustee.
- iv. The Trustee shall approve the policy for empanelment of brokers by the AMC and shall ensure that the AMC has been diligent in empaneling the brokers, in monitoring securities transactions with brokers and avoiding undue concentration of business with any broker.
- v. The Trustee shall ensure that the AMC has not given any undue or unfair advantage to any associates or dealt with any of the associates of the AMC in any manner detrimental to interest of the unitholders.
- vi. The trustees shall ensure that the transactions entered into by the asset management company are in accordance with these regulations and the investment strategy.

- vii. The Trustee shall ensure that the AMC has been managing the investment strategies independently of other activities and have taken adequate steps to ensure that the interest of investors of one investment strategy are not being compromised with those of any other investment strategy or of other activities of the AMC.
- viii. The Trustee shall ensure that all the activities of the AMC are in accordance with the provisions of the Regulations.
- ix. Where the Trustee have reason to believe that the conduct of business of the specialized investment fund is not in accordance with the Regulations and the investment strategy, they shall forthwith take such remedial steps as are necessary by them and shall immediately inform SEBI of the violation and the action taken by them.
- x. All directors of the Trustee shall file the details of their transactions of dealing in securities with the Specialized Investment Fund, within the time and manner as may be specified by SEBI from time to time.
- xi. The Trustee shall be accountable for, and be the custodian of, the funds and property of the respective strategies investment and shall hold the same in trust for the benefit of the unitholders in accordance with the Regulations and the provisions of the Trust Deed.
- xii. The Trustee shall take steps to ensure that the transactions of the Specialized Investment Fund are in accordance with the provisions of the Trust Deed.
- xiii. The Trustee shall ensure that the income calculated by the AMC under sub-regulation (25) of regulation 25 of the Regulations is in accordance with the Trust Deed and the Regulations.
- xiv. The Trustee shall obtain the consent of the unitholders—
 - (a) whenever required to do so by SEBI in the interest of the unitholders; or
 - (b) whenever required to do so on the requisition made by three-fourths of the unitholders of any investment strategy; or
 - (c) when the majority of the Trustee decide to wind up a investment strategy in terms of clause (a) of sub regulation (2) of regulation 39 or prematurely redeem the units of a close ended investment strategy.
- xv. The Trustee shall ensure that no change in the Fundamental Attributes of any investment strategy, the fees and expenses payable or any other change which would modify the investment strategy and affect the interest of the unit holders is carried out by the AMC unless it complies with sub-regulation (26) of regulation 25 of the SEBI (Mutual Funds) Regulations, 1996.
- xvi. The Trustee shall call for the details of transactions in securities by the key personnel of the AMC in his own name or on behalf of the AMC and shall report to SEBI, as and when required.
- xvii. The Trustee shall quarterly review all transactions carried out between the Specialized Investment Fund, AMC and its associates.
- xviii. The Trustee shall on a quarterly basis review the net worth of the AMC to ensure compliance with the threshold provided in clause (f) of sub-regulation (1) of regulation 21 of the SEBI (Mutual Funds) Regulations, 1996 on a continuous basis.
- xix. The Trustee shall periodically review the service contracts relating to custody arrangements and satisfy themselves that such contracts are executed in the interest of the unit holders.
- xx. The Trustee shall ensure that there is no conflict of interest between the manner of deployment of its net worth by the AMC and the interest of the unit- holders.
- xxi. The Trustee shall periodically review the investor complaints received and the redressal of the same by the AMC.
- xxii. The Trustee shall abide by the code of conduct specified in PART-A of the Fifth Schedule of the Regulations.
- xxiii. The Trustee shall furnish to SEBI on a half-yearly basis—

- (a) a report on the activities of the Specialized Investment Fund;
 - (b) a certificate stating that the Trustee has satisfied themselves that there have been no instances of self-dealing or front running by the Trustee, directors and key personnel of the AMC;
 - (c) a certificate to the effect that the AMC has been managing the investment strategies independently of any other activities and in case any activities of the nature referred to in clause (b) of regulation 24 have been undertaken by the AMC and has taken adequate steps to ensure that the interests of the unitholders are protected.
- xxiv. The independent trustees referred to in sub-regulation (5) of regulation 16 shall give their comments on the report received from the AMC regarding the investments by the Specialized Investment Fund in the securities of group companies of the Sponsor.
- xxv. The Trustee also shall exercise due diligence in the following manner:
- (a) General Due Diligence:**
 - o The Trustee shall be discerning in the appointment of the directors on the Board of the AMC.
 - o The Trustee shall review the desirability of continuance of the AMC if substantial irregularities are observed in any of the investment strategies and shall not allow the AMC to float new investment strategies.
 - o The Trustee shall ensure that the trust property is properly protected, held and administered by proper persons and by a proper number of such persons.
 - o The Trustee shall ensure that all service providers are holding appropriate registrations from SEBI or concerned regulatory authority.
 - o The Trustee shall arrange for test checks of service contracts.
 - o The Trustee shall immediately report to SEBI of any special developments in the Specialized Investment Fund.
 - (b) Specific Due Diligence:**
 - o Obtain internal audit reports at regular intervals from independent auditors appointed by the Trustee.
 - o Obtain compliance certificates at regular intervals from the AMC.
 - o Hold meetings of Trustee more frequently.
 - o Consider the reports of the independent auditor and compliance reports of the AMC at the meetings of trustees for appropriate action.
 - o Maintain records of the decisions of the Trustee at their meetings and of the minutes of the meetings.
 - o Prescribe and adhere to a code of ethics by the Trustee, AMC and its personnel.
 - o Communicate in writing to the AMC of the deficiencies and checking on the rectification of deficiencies.
- xxvi. The independent directors of the Trustees shall pay specific attention to the following, as may be applicable, namely: —
- o The Investment Management Agreement and the compensation paid under the agreement,
 - o Service contracts with Associate—whether the asset management company has charged higher fees than outside contractors for the same services,
 - o Selections of the asset management company's independent directors,
 - o Securities transactions involving associates to the extent such transactions are permitted,

- o Selecting and nominating individuals to fill independent directors vacancies,
- o Code of ethics must be designed to prevent fraudulent, deceptive or manipulative practices by insiders in connection with personal securities transactions,
- o The reasonableness of fees paid to sponsors, asset management company and any others for services provided,
- o Principal underwriting contracts and their renewals,
- o Any service contract with the associates of the asset management company.
- (c) The trustees shall also exercise due diligence on such matters as may be specified by SEBI from time to time.

xxvii. Core responsibilities of the Trustees:

- o The Trustee shall ensure the fairness of the fees and expenses charged by the AMC.
- o The Trustee shall review the performance of AMC in its investment strategies vis-a-vis performance of peers or the appropriate benchmarks.
- o The Trustee shall ensure that the AMC have put in place adequate systems to prevent mis-selling to increase assets under their management and valuation of the AMC.
- o The Trustee shall ensure that operations of AMC are not unduly influenced by the Sponsor, its associates and other stakeholders of the AMC.
- o The Trustee shall ensure that undue or unfair advantage is not given by AMC to any of their associates/group entities.
- o The Trustees shall be responsible to address conflicts of interest, if any, between the shareholders/stakeholders/associates of the AMCs and unitholders.
- o The Trustee shall ensure that the AMC has put in place adequate systems to prevent misconduct including market abuse/misuse of information by the employees, AMC and connected entities of the AMC.
- o The Trustee shall take steps to ensure that there are system level checks in place at AMC's end to prevent fraudulent transactions including front running by employees, form splitting/mis-selling by distributors etc. The Trustees shall review such checks periodically.
- o The Trustee and their resource persons shall independently evaluate the extent of compliance by AMC vis-à-vis the identified key areas and not merely rely on AMC's submissions /external assurances.
- o AMCs shall put in place suitable mechanisms/systems to generate system based information/data/reports for evaluation and effective due diligence by the Trustee. AMC shall provide alerts based automated reports to the Trustees as may be required by the Trustee.
- o The Trustee shall ensure that suitable mechanisms/systems are put in place by the AMC to generate system based information/data/reports for evaluation and effective due diligence by the Trustee. The Trustee shall also ensure that the AMC periodically review such systems.
- o AMC shall submit exception reports/analytical information to the Trustee that add value to the process of exercising their oversight role. The Trustee shall evaluate the nature and adequacy of the alerts and the manner of dealing with such alerts by AMC.
- o The Trustee shall require the AMC to furnish, in a true and fair manner, reports and alerts based on pre-decided parameters including but not limited to the areas specified as core responsibilities at "i, ii, iii, iv, v, vi, vii" above, for taking appropriate action.
- o The Trustee shall periodically review the steps taken by AMC for folios which do not contain all the Know Your Client (KYC) attributes / updated KYC attributes and ensure that the AMCs take remedial steps necessary for updating the KYC attributes especially pertaining to bank details, PAN, mobile phone number

In terms of the Regulation 18 (25) (C), the Trustee shall exercise independent due diligence

on certain “core responsibilities” as specified by SEBI vide circular no. SEBI/HO/IMD/IMD-POD-1/P/CIR/2023/117 dated July 07, 2023 had specified the core responsibilities of the Trustees wherein Trustees shall exercise independent due diligence on certain core responsibilities. Further, the said circular also specified the areas wherein the Trustees may rely on professional firms such as Audit Firms, Legal Firms, Merchant Bankers, etc. (collectively referred to as “third party fiduciaries”) for carrying out due diligence on behalf of the Trustees.

- xxviii. The Trustee shall ensure that the investment of the Trust Fund and unit Capital of each investment strategy is made only in the permitted securities and within limits prescribed by the Trust Deed, the Regulations, and the Investment Strategy Information Document of the investment strategy concerned.
- xxix. The Trustee shall hold in safe custody and preserve the properties of the Specialized Investment Fund and the investment strategies of the Specialized Investment Fund.
- xxx. The Trustee shall not acquire or allow the AMC to acquire any asset out of the Trust Fund, which involves assumption of unlimited liability or results in encumbrance of Trust Fund.
- xxxi. The Trustee is bound to make such disclosures to the unit holders as are essential to keep the unitholders informed about any information known to the Trustee which may have a material adverse bearing on their investments.
- xxxii. The Trustee shall provide or cause to provide such information to the unit holders and SEBI, as may be specified by SEBI from time to time.
- xxxiii. The Trustee shall act in the best interest of unit holders.
- xxxiv. The Trustee, in carrying out its responsibilities under the Trust Deed and the Regulations, shall maintain arm's length relationship with other companies, institutions or financial intermediaries or any body corporate with which it is associated.
- xxxv. A Director of the Trustee shall not participate in the meetings of the Trustee or in any decision making process in respect of any investments in which he may be interested.
- xxxvi. All directors of the Trustee shall furnish to the board of trustees or trustee company particulars of interest which they may have in any other company, or institution or financial intermediary or any corporate body by virtue of his position as director, partner or with which they may be associated in any other capacity.
- xxxvii. The Trustee may amend the Trust Deed with the prior approval of SEBI, and the unit holders where it affects the interest of unit holders.
- xxxviii. The Trustee may, subject to the Regulations, prescribe terms and make rules for the purpose of giving effect to the provisions of the investment strategies with power to the Investment Manager to add to, alter or amend all or any of the terms and rules that may be framed from time to time.
- xxxix. The Trustee shall call for a meeting of the unit holders of an investment strategy, as required by the Regulations for the time being in force, whenever it is required by SEBI to do so in the interest of the unit holders, or if the Trustee determines to prematurely redeem the units or wind up the investment strategy.
- xl. If any difficulty arises in giving effect to the provisions of the investment strategy, the Trustee may do anything not inconsistent with such provisions, subject to the Regulations, which appear to be necessary, desirable or expedient, for the purpose of removing such difficulty.

Notwithstanding the aforesaid, the Trustee shall not be held liable for acts done in good faith if they have exercised adequate due diligence honestly.

3. Supervisory Role of the Trustee

The supervisory role of the Trustee will be discharged inter alia by reviewing the information and operations of the Specialized Investment Fund based on the reports furnished by AMC, internal audit reports/compliance reports received on a periodical basis. The board meeting of the Trustee shall be held at least once in every two calendar months and at least six such meetings shall be held every year or at such frequency as may be prescribed under the SEBI (Mutual Fund) Regulations, 1996. Further, the board of directors of the Trustee has constituted an audit committee and risk committee. The audit committee shall meet periodically to discuss the internal control systems, the scope of audit of the internal auditors, as well as the observations made by them. The scope of the risk committee shall be as per the SEBI (MF) regulation and the Master Circular issued by SEBI dated June 27, 2024 which lays down broad framework for Risk Management.

II. Asset Management Company

quant Money Managers Limited (the 'AMC') is an unlisted public limited company incorporated under the Companies Act, 1956 on December 01, 1995, having its Registered Office at 6th Floor, Sea Breeze Building, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025. The quant Money Managers Limited has been appointed as the Asset Management Company of the qsif (offered by quant Mutual Fund) by the Trustee vide Investment Management Agreement (IMA) dated December 12, 2018, and executed between the Trustee and the AMC. quant Money Managers Limited is also the AMC of quant Mutual Fund.

As on March 31, 2025, Equity Shareholding pattern of quant Money Managers Limited is as follows:

Sr. No	Name of the Equity Shareholders	% of paid-up equity share capital	Type of person
1	quant Capital Finance and Investments Private Limited	90.998	Non-Banking Financial Company
2	Other Shareholders	9.002	Individuals

A. Details of AMC Directors:

Name	Age	Educational Qualification	Brief Experience
Mr. Sandeep Tandon, Executive Director	55 years	MBA in Finance	Sandeep is the Founder & Chief Investment Officer of the quant Group and has a vast experience of over 33 years in capital markets. His journey in the money management business started in FY 1992- 93 with GIC mutual fund (a JV partner with George Soros in India) where he was a trainee. He later joined IDBI Asset Management (now Principal Asset Management), where he was a founding member and was part of the core team that initialized the asset management business. He played a key role in devising, conceptualizing and marketing one of India's most successful mutual fund schemes: IDBI I-NITS 95. Furthermore, Sandeep worked in pivotal positions at several reputed financial services firms including ICICI Securities (a JVpartner with J P Morgan in India), Kotak Securities (a J V partner with Goldman Sachs in India) and REFCO (erstwhile global derivatives firm). He has also worked at the Economic Times Research Bureau (a research wing of Bennett, Coleman and Company Limited).

<p>Mr. Shashi Menghraj Kataria,</p> <p>Executive Director and Chief Financial Officer</p>	<p>47 years</p>	<p>Chartered Accountant</p>	<p>Shashi has 20 years' total experience in Accounting, Audit, Direct & Indirect Taxation, Financials & MIS, Payroll and Labour Law compliance out of which 13 years are from the Indian Mutual Fund industry. His last assignment was with PPFAS Asset Management Private Limited as CFO & Director. He was previously associated with DSP Blackrock Investment Managers Private Limited as Manager Finance. He had also worked on assignment basis in various companies like Cargotec India Private Limited, Redbull India Private Limited, UTV Software Limited, UCB Pharmaceuticals Limited, Cravatex Limited, among several others, while he was associated with Ganesh Jagadeesh & Co. Chartered Accountants. He is a Commerce graduate from Mumbai University and a fellow member of Institute of Chartered Accountants of India (ICAI)</p>
<p>Mr. Nishith Mehta</p>	<p>46 years</p>	<p>Bachelor of Commerce, Company Secretary (ICSI)</p>	<p>Nishith Mehta leads the Risk and Compliance Practice at Trilegal, with a focus on regulatory strategy, governance, and control frameworks for financial institutions. He works closely with clients in banking, NBFCs, fintech, asset management, and securities sectors, advising on complex regulatory, compliance, and operational risk matters. His practice integrates global best practices, drawing from regulatory standards in the US, UK, and Asia, tailored to the needs of Indian and regional markets.</p> <p>Prior to joining Trilegal in August 2025, Nishith spent over 15 years at Bank of America Merrill Lynch, where he was Co-Head of Asia Pacific Compliance and Operational Risk. He led the Compliance and Operational Risk function for India, Japan, and South Asia (Singapore, Indonesia, Malaysia, Thailand, and the Philippines), covering a broad spectrum of businesses, products and asset classes within Global Banking and Markets. Nishith also served as the Country Head of Compliance and Operational Risk and Chief Compliance Officer for all regulated entities in India.</p> <p>Over a career spanning 25 years, Nishith has held senior compliance roles at Lehman Brothers, HSBC, Kotak Mahindra group (a JV with Goldman Sachs), and Edelweiss group. He has served on multiple regional and global governance forums, including the APAC Executive Committee of Bank of America</p>

<p>Mr. Deep Shukla,</p> <p>Independent Director</p>	<p>52 years</p>	<p>B. Com, LL.B, FCS</p>	<p>For over a decade and half now, Mr. Deep has been engaged as consultant/retainer with significant number of Reputed Listed Companies, Foreign Companies and Private Companies. He is also associated with some of the entities in capacity of a Professional Director. Due to his various involvements as professional corporate law advisor, he has vast associations with various industry experts and professionals from wide range of disciplines like Solicitors, Advocates, Chartered Accountants and Cost Accountants. Deep is a Fellow Member of Institute of Company Secretaries of India (ICSI) and a Graduate of Bachelor of Commerce and Law (specialized as professional Corporate Law Advisor). His clientele is diverse and ranges from Agrotech to IT and BFSI to Logistics & Travel.</p>
<p>Mr. Kamal Kumar Basu,</p> <p>Independent Director</p>	<p>62 years</p>	<p>B.Com and Marketing Management, Diploma from Jamnalal Bajaj Institute of Management Studies</p>	<p>Mr. Kamal Basu has over 30 years of rich experience in Marketing and Brand Leading. His passion for brands and its consumers took him on a career journey traversing marquee advertising agency brands like Young & Rubicam, Ogilvy, and Saatchi & Saatchi. During his career, he managed brands across service categories (British Airways, American Express Cards), Pharmacy (Glaxo, Smithkline Beecham, Novartis, J&J) to Personal and Body Care (Hindustan Unilever, P&G) amongst others. He started his career with Rediffusion Y&R, after which he subsequently moved to Ogilvy & Mather. He then became the youngest CEO of Saatchi & Saatchi for 11 years and led the agency into the top 10 agencies. Later, he worked as Head of Marketing with SKODA India and then as Head of Marketing & PR with Volkswagen India. He has also worked as Advisor – ecommerce and Brand Lead with Nissan Motor, India and as Head e-commerce & CRM with Petromin Automotive.</p>
<p>Mr. Rickson Rodricks</p> <p>Independent Director</p>	<p>46 years</p>	<p>Digital Information Technology</p>	<p>Mr. Rickson is an M.B.B.S dropout turned Serial entrepreneur with over 25 years of experience in varied sectors such as Internet business, Film productions, Hospitality, Currency and Commodity trading & Portfolio management services. He has been amongst the earliest Digital marketing trainers, SEO professionals & Growth hackers in India.</p>

Duties and Responsibilities of the Asset Management Company (AMC) as specified in Regulation.

Under the Regulations and the Investment Management Agreement, the AMC has to comply with certain duties and responsibilities, including but not limited to:

- i. The AMC shall take all reasonable steps and exercise due diligence to ensure that the investment of funds pertaining to any Investment strategy is not contrary to the provisions of the Regulations and the Trust Deed.
- ii. The AMC shall exercise due diligence and care in all its investment decisions as would be exercised by other persons engaged in the same business.
- iii. The AMC shall obtain, wherever required under these regulations, prior in-principle approval from the recognized stock exchange(s) where units are proposed to be listed.
- iv. The AMC shall be responsible for the acts of commissions or omissions by its employees or the persons whose services have been procured by the AMC.
- v. The AMC shall submit quarterly reports on the functioning of the Investment strategy and the compliance with Regulations to the Trustee or at such intervals as may be required by the Trustee or SEBI.
- vi. The Trustee at the request of the AMC may terminate the assignment of the AMC at any time. Provided that such termination shall become effective only after the Trustee has accepted the termination of assignment and communicated its decision in writing to the AMC.
- vii. Notwithstanding anything contained in any contract or agreement or termination, the AMC or its directors or other officers shall not be absolved of any liability to the Specialized Investment Fund for its / their acts of commission or omissions, while holding such position or office.
- viii. The Chief Executive Officer (whatever be the designation) of the AMC shall ensure that the Specialized Investment Fund complies with all the provisions of these regulations and the guidelines or circulars issued in relation thereto from time to time and that the investments made by the fund managers are in the interest of the unit holders and shall also be responsible for the overall risk management function of the Specialized Investment Fund.
- ix. Chief Executive Officer (whatever be the designation) shall also ensure that the AMC has adequate systems in place to ensure that the Code of Conduct for Fund Managers and Dealers specified in PART - B of the Fifth Schedule of the Regulations are adhered to in letter and spirit. Any breach of the said Code of Conduct shall be brought to the attention of the Board of Directors of the AMC and Trustee.
- x. The fund managers (whatever be the designation) shall ensure that the funds of the investment strategies are invested to achieve the objectives of the investment strategy and in the interest of the unit holders.
- xi. The Fund Managers (whatever be the designation) shall abide by the Code of Conduct for Fund Managers and Dealers specified in PART - B of the Fifth Schedule of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and submit a quarterly self-certification to the Trustee that they have complied with the said code of conduct or list exceptions, if any

For the purposes of this clause, the phrase "Fund Managers" shall include Chief Investment Officer (whatever be the designation).

- xii. The Dealers (whatever be the designation) shall ensure that orders are executed on the best available terms, taking into account the relevant market at the time for transactions of the kind and size concerned to achieve the objectives of the investment strategy and in the best interest of all the unit holders.
- xiii. The Dealers (whatever be the designation) shall abide by the Code of Conduct for Fund Managers and Dealers specified in PART - B of the Fifth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and submit a quarterly self-certification to the Trustee that they have complied with the said code of conduct or list exceptions, if any.
- xiv. The board of directors of the AMC shall ensure that all the activities of the AMC are in accordance with the provisions of the Regulations.
- xv. The AMC shall not through any broker associated with the Sponsor, purchase or sell securities, which is an average of 5% or more of the aggregate purchases and sale of securities made by the Specialized Investment Fund in all its Investment strategy or as may be prescribed under SEBI (MF) Regulations.

Provided that for the purpose of this clause, aggregate purchase and sale of securities shall exclude sale and distribution of Units issued by the Specialized Investment Fund.

Provided further that the aforesaid limit of 5% shall apply for a block of any three months or as may be prescribed under Regulations.

- xvi. The AMC shall not purchase or sell securities through any broker (other than a broker referred to in clause above) which is average of 5% or more of the aggregate purchases and sale of securities made by the Specialized Investment Fund in all its Investment strategy or as may be prescribed under Regulations unless the AMC has recorded in writing the justification for exceeding the limit of 5% or as may be prescribed under Regulations and reports of all such investments are sent to the Trustee on a quarterly basis.

Provided that the aforesaid limit shall apply for a block of any three months or as may be prescribed under Regulations.

- xvii. The AMC shall not utilise the services of the Sponsor or any of its associates, employees or their relatives, for the purpose of any securities transaction and distribution and sale of securities. Provided that the AMC may utilise such services if disclosure to that effect is made to the Unit holders and the brokerage or commission paid is also disclosed in the half yearly and annual accounts of the Specialized Investment Fund.

Provided further that the Specialized Investment Fund shall disclose at the time of declaring half yearly and yearly results:

- any underwriting obligations undertaken by the Investment strategy for the Specialized Investment Fund with respect to issue of securities of associate companies;
- devolvement, if any;
- subscription by the Investment strategy in the issues lead managed by associate companies;

- subscription to any issue of equity or debt on private placement basis where the Sponsor or its associate associate companies have acted as arranger or manager.
- xviii. The asset management company shall file with the trustees the details of transactions in securities by the key personnel of the asset management company in their own name or on behalf of the asset management company and shall also report to the Board, as and when required by the Board.
- xix. In case the AMC enters into any securities transactions with any of its associates a report to that effect shall be sent to the Trustee at its next meeting.
- xx. In case any company has invested more than 5 per cent of the Net Asset Value of a Investment strategy or as may be prescribed under Regulations, the investment made by that Investment strategy or by any other Investment strategy in that company or its subsidiaries shall be brought to the notice of the Trustee by the AMC and be disclosed in the half yearly and annual accounts of the respective Investment strategy with justification for such investment. The said disclosure will be made provided the latter investment has been made within one year of the date of the former investment, calculated on either side.
- xxi. The AMC shall file with the Trustee and SEBI:-
- detailed bio-data of all its directors along with their interest in other companies within fifteen days of their appointment;
 - any change in the interest of directors every six months; and
 - a quarterly report to the Trustee giving details and adequate justification about the purchase and sale of the securities of the group companies of the Sponsor or the AMC as the case may be by the Specialized Investment Fund during the said quarter.
- xxii. Each director of the AMC shall file with the Trustee details of his transactions or dealings in securities of such value on a periodical basis as may be specified under the Regulations from time to time.
- xxiii. The AMC shall not appoint any person as key personnel who has been found guilty of any economic offence or involved in violation of securities laws.
- xxiv. The AMC shall appoint registrars and share transfer agents who are registered with SEBI.
- Provided if the work relating to the transfer of Units is processed in-house, the charge at competitive market rates may be debited to the Investment strategy and for rates higher than the competitive market rates, prior approval of the Trustee shall be obtained and reasons for charging higher rates shall be disclosed in the annual accounts.
- xxv. The AMC shall abide by the Code of Conduct as specified in PART-A of the Fifth Schedule of the Regulations.
- xxvi. The asset management company shall invest such amounts in such investment strategies of the Specialized Investment Fund, based on the risks associated with the investment strategies, as may be specified by the Board from time to time.
- xxvii. The asset management company shall invest a percentage of the remuneration of such employees as specified by the Board in units of investment strategies of Specialized Investment Fund based on the designation or roles of the designated employees in the manner as may be specified by the Board.

xxviii. The asset management company shall not invest in any of its investment strategies, unless full disclosure of its intention to invest has been made in the offer documents, in case of investment strategies launched after the notification of Securities and Exchange Board of India (Mutual Funds) (Amendment) Regulations, 2011:

Provided that an asset management company shall not be entitled to charge any fee on its investment in that investment strategies.

xxix. The AMC shall not carry out its operations including trading desk, unit holder servicing and investment operations outside the territory of India.

xxx. The asset management company shall compute and carry out valuation of investments made by its investment strategy(s) in accordance with the investment valuation norms specified in Eighth Schedule, and shall publish the same.

xxxi. The AMC and the Sponsor shall be liable to compensate the affected investors and/or the investment strategy for any unfair treatment to any investor as a result of inappropriate valuation.

xxxii. The AMC shall report and disclose all the transactions in debt and money market securities, including inter investment strategies transfers, as may be specified by SEBI from time to time.

xxxiii. The board of directors of the asset management company shall exercise due diligence as follows:

- a) The board of directors of the asset management company shall ensure before the launch of any investment strategy that the asset management company has-
 - i. systems in place for its back office, dealing room and accounting;
 - ii. appointed all key personnel including fund manager(s) for the investment strategy(s) and submitted their bio-data which shall contain the educational qualifications and past experience in the securities market with the Trustees, within fifteen days of their appointment;
 - iii. appointed auditors to audit its accounts;
 - iv. appointed a compliance officer who shall be responsible for monitoring the compliance of the Act, rules and regulations, notifications, guidelines, instructions, etc., issued by the Board or the Central Government and for redressal of investors grievances;
 - v. appointed a registrar to an issue and share transfer agent registered under the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and laid down parameters for their supervision;
 - vi. prepared a compliance manual and designed internal control mechanisms including internal audit systems;
 - vii. specified norms for empanelment of brokers and marketing agents;
 - viii. obtained, wherever required under these regulations, prior in principle approval from the recognized stock exchange(s) where units are proposed to be listed.
- b) The board of directors of the asset management company shall ensure that –
 - i. the asset management company has been diligent in empanelling the brokers, in monitoring securities transactions with brokers and avoiding undue concentration of business with specific brokers;
 - ii. the asset management company has not given any undue or unfair advantage to any associate or dealt with any of the associate of the asset management company in any manner detrimental to interest of the unit holders;
 - iii. the transactions entered into by the asset management company are in accordance with these regulations and the respective investment strategies;
 - iv. the transactions of the Specialized Investment Fund are in accordance with the provisions of the trust deed;
 - v. the networth of the asset management company are reviewed on a quarterly basis to ensure

compliance with the threshold provided in clause (f) of sub-regulation (1) of regulation 21 on a continuous basis;

- vi. all service contracts including custody arrangements of the assets and transfer agency of the securities are executed in the interest of the unit holders;
 - vii. there is no conflict of interest between the manner of deployment of the networth of the asset management company and the interest of the unit holders;
 - viii. the investor complaints received are periodically reviewed and redressed;
 - ix. all service providers are holding appropriate registrations with the Board or with the concerned regulatory authority;
 - x. any special developments in the Specialized Investment Fund are immediately reported to the trustees;
 - xi. there has been exercise of due diligence on the reports submitted by the asset management company to the trustees;
 - xii. there has been exercise of due diligence on such matters as may be specified by the Board from time to time.
- xxxiv. The compliance officer appointed shall independently and immediately report to the Board any non-compliance observed by him.
- xxxv. The asset management company shall constitute a Unit Holder Protection Committee (UHPC) in the form and manner and with a mandate as may be specified by the Board.

The UHPC shall be responsible for-

- a) protection of interest of unit holders of Specialized Investment Fund investment strategies vis-a-vis all products and services provided by the AMC.
 - b) ensuring adoption of sound and healthy market practices in terms of investments, sales, marketing, advertisement, management of conflict of interests, redressal of unit holder's grievances, investor awareness.
 - c) compliance with laws and regulations and other related processes with specific reference to operation of the Specialized Investment Fund business.
- xxxvi. The asset management company shall be responsible for calculation of any income due to be paid to the Specialized Investment Fund and also any income received in the Specialized Investment Fund, for the unit holders of any investment strategy of the Specialized Investment Fund, in accordance with these regulations and the trust deed.
- xxxvii. The asset management company shall ensure that no change in the fundamental attributes of any investment strategy or the trust, fees and expenses payable or any other change which would modify the investment strategy and affect the interest of unit holders, shall be carried out unless—
- i. a written communication about the proposed change is sent to each unit holder and an advertisement is issued 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 Specialized Investment Fund is situated; and
 - ii. the unit holders are given an option to exit at the prevailing Net Asset Value without any exit load.
- xxxviii. The asset management company shall put in place an institutional mechanism, as may be specified by the Board, for the identification and deterrence of potential market abuse including front-running and fraudulent transactions in securities.
- xxxix. The Chief Executive Officer or Managing Director or such other person of equivalent or analogous rank and Chief Compliance Officer of the asset management company shall be responsible and accountable for implementation of such an institutional mechanism for deterrence of potential market abuse, including front running and fraudulent transactions in securities.
- xl. The asset management company shall establish, implement and maintain a documented whistle blower policy that shall — (a) provide for a confidential channel for employees,

directors, trustees, and other stakeholders to raise concerns about suspected fraudulent, unfair or unethical practices, violations of regulatory or legal requirements or governance vulnerability, and (b) establish procedures to ensure adequate protection of the whistle blowers.

- xli. An asset management company shall ensure compliance with the Investor Charter specified by the Board from time to time.
- xlii. The asset management company shall conduct stress testing for such investment strategies as specified by the Board and disclose the results of the stress testing in the form and manner, as may be specified by the Board
- xliii. The board of directors of the trustee company and the board of directors of the asset management company, including any of their committees, shall meet at such frequency as may be specified by the Board from time to time
- xliv. The AMC shall -
 - not act as a Trustee of any Specialized Investment Fund;
 - not undertake any other business activities except activities in the nature of portfolio management services, investment management and advisory services to domestic and offshore funds, pension funds, provident funds, venture capital funds, management of insurance funds, financial consultancy and exchange of research on commercial basis if any of such activities are not in conflict with the activities of the Specialized Investment Fund without the prior approval of the Trustee and SEBI.

Provided that the AMC may itself or through its subsidiaries undertake such activities if it satisfies SEBI that the key personnel of the AMC, the systems, back office, bank and securities accounts are segregated activity wise and there exist systems to prohibit access to inside information of various activities.

Provided further that AMC shall meet capital adequacy requirements, if any, separately for each such activity and obtain separate approval, if necessary under the relevant regulations

- not invest in any of its Investment strategy unless full disclosure of its intention to invest has been made in the Investment strategy Information Document (SID); Provided that the AMC shall not be entitled to charge any fees on its investment in that Investment strategy;
- not acquire any assets out of the Trust Fund which involves the assumption of any liability which is unlimited or which may result in encumbrance of the Investment strategy property in any way
- xlv. The AMC shall ensure that the Specialized Investment Fund complies with all the provisions of Regulations, 1996 and the guidelines or circulars issued in relation thereto from time to time and that the investments made by the fund managers are in the interest of the unit holders and shall also be responsible for the overall risk management function of the Specialized Investment Fund.
- xlvi. The AMC for each investment strategy shall keep and maintain proper books of account, records and documents, for each investment strategy so as to explain its transactions and to disclose at any point of time the financial position of each investment strategy and in particular give a true and fair view of the state of affairs of the Fund and intimate to the SEBI the place where such books of account, records and documents are maintained.

The financial statements and accounts of the investment strategies shall be prepared in accordance with Indian Accounting Standards (IND AS) and any addendum thereto, as notified by the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time: Provided that in case there is any conflict between the requirements of IND AS and these regulations and guidelines issued thereunder, the asset management companies shall follow

the requirements specified under these regulations.

- xlvii. The AMC shall maintain and preserve for a period of eight years its books of account, records and documents.
- xlviii. The independent directors of the AMC shall pay specific attention to the following, as may be applicable, namely:—
- The Investment Management Agreement and the compensation paid under the agreement,
 - Service contracts with associate—whether the asset management company has charged higher fees than outside contractors for the same services,
 - Selections of the asset management company’s independent directors,
 - Securities transactions involving associate to the extent such transactions are permitted,
 - Selecting and nominating individuals to fill independent directors vacancies,
 - Code of ethics must be designed to prevent fraudulent, deceptive or manipulative practices by insiders in connection with personal securities transactions,
 - The reasonableness of fees paid to sponsors, asset management company and any others for services provided,
 - Principal underwriting contracts and their renewals,
 - Any service contract with the associates of the asset management company.

B. Information on Key Personnel.

Name	Age	Designation	Educational Qualification	Total No. of years of Experience	Brief Experience
Mr. Sandeep Tandon	55 Years	Chief Executive Officer, Chief Investment Officer and Fund Manager-Equity	MBA in Finance	Over 33 years of experience of Capital Markets	Sandeep is the Founder & Chief Investment Officer of the quant Group and has a vast experience of over 33 years in capital markets. His journey in the money management business started in FY 1992- 93 with GIC mutual fund (a JV partner with George Soros in India) where he was a trainee. He later joined IDBI Asset Management (now Principal Asset Management), where he was a founding member and was part of the core team that initialized the asset management business. He played a key role in devising, conceptualizing and marketing one of India’s most successful mutual fund schemes: IDBI I-NITS 95. Furthermore, Sandeep worked in pivotal positions at several reputed financial services firms including ICICI Securities (a JV partner with J P Morgan in India), Kotak Securities (a J V partner with Goldman Sachs in India) and REFCO (erstwhile global derivatives firm). He has also worked at the Economic Times

					<p>Research Bureau (a research wing of Bennett, Coleman and Company Limited).</p> <p><u>Relevant Experience in managing the investment strategies for SIF.</u></p> <p>Earlier, as Chief Executive Officer of Quant Broking from 2008 to 2018, Sandeep led the proprietary trading vertical, overseeing a daily average turnover exceeding \$1 billion. Under his leadership, the vertical executed a diverse range of derivative long-short strategies, including equity arbitrage, equity volatility arbitrage, commodity arbitrage, pair trading, sectoral long-short, event-driven long-short, spread strategies and special situations. Over the 10-year period, the proprietary trading operations consistently achieved profitability, with no recorded yearly or quarterly losses at the aggregate level.</p>
Mr. Premprakash Dubey	46 Years	Head-Operations	Master in Business Administration, Masters in Commerce, Bachelor in Commerce, Govt. Diploma in Co-operation & Accountancy, Diploma in Business Management	Over 24 years of experience	<p>Premprakash has overall 24 years of experience involving over 19 years in Mutual Fund FA & Treasury & Trade Operations. Prior to this he was with PPFAS Asset Management Private Limited, as Chief Manager – Operations, in the domain of NAV, trade operations, banking operations & reporting. Prior to that he was with DSP Mutual Fund as Senior Manager-Trade & Treasury Operations (TTO) monitoring end-to-end trade reporting and settlement & managing daily cash flow reporting & team supervision activities. His various prior stints include Matsun Casting Private Limited as Account Assistant, G D Rathi & Company as part of the audit staff, Kanak Vora Capital Private Limited etc. He has rich and varied experience across investment Banking, evaluation of information, processing of accounts, managing confidential information for corporate and retail clients & portfolio management. As a trade operations professional, he has assisted clients on complete trade life cycle from trade</p>

					confirmation to settlement, clearing and reporting, monitoring trades for settlement in the market and payment processing. He has expertise in managing service operations for rendering and achieving quality services; providing first line customer support by answering trade related queries & resolving their issues and ensuring minimum TAT. He holds an M.Com degree, a Government Diploma in Co-operative and Accountancy (G.D.C.A.) and is a MBA (Finance).
Ms. Ushalakshmi Raman	58 Years	Chief Compliance Officer & Company Secretary	B Com (Hons), Chartered Accountant, Cost Accountant, Company Secretary	Over 30 years of experience	Usha Lakshmi Raman, has over 30 years of experience in the industry and has previously held leadership roles at SBI Funds Management as Head of Internal Audit and at JPMorgan where she was responsible for Custody Securities Operations and Risk Management. She brings to the table seasoned expertise in many areas of internal audit, operations, process improvement and strategy. Usha is accomplished as a CA, CS and Cost Accountant and is a regular speaker at the Institute of Chartered Accountants of India. In 2024, she received an award as the STAR Woman of WIRC of ICAI. Her leadership will be instrumental in upholding our commitment to the highest standards of integrity and ethical business practices. By ensuring that our compliance framework evolves and adapts to the ever-changing needs of the industry and regulators, Usha will play a key role in reinforcing our dedication to responsible governance and operational excellence.
Mr. Anupam Saxena	49 years	Chief Business Officer – Retail	Post Graduate in Management SIESCOMS, Certificate program in Business Strategy – IIM Kozhikode, Ruth Cohn	Over 20 years of experience	Mr. Anupam has prolific experience of more than 20 years in the Mutual Fund Industry. He completed his post graduate in Management from SIESCOMS, a Certificate program in Business Strategy from IIM Kozhikode and was part of Ruth Cohn Leadership Program at Tata Institute of Fundamental Research. Before joining quant, Anupam has

			Leadership Program – Tata Institute of Fundamental Research, Mumbai		worked at leading Mutual Fund houses including DSP Blackrock MF, LIC MF and Motilal Oswal MF. Given his vast experience and qualifications, Anupam handles various responsibilities of Sales, Business Development and Internal Training programs.
Mr. Surendra Yadav	49 years	Chief Business Officer-Wealth & Management Investors	B.com, MBA - Marketing	Over 20 years of experience	Mr. Surendra has over two decades' experience in Sales and Business Development. His last assignment was with Sundaram Asset Management where he was working as Senior Vice President and National Head Sales; responsible for managing sales and distributors across various segments including MFDs, National distributors, and Banks. Surendra has also worked with Strategic Capital Corporation Pvt. Ltd. and India Infoline Distribution Company Ltd. He holds a Commerce degree and is an MBA with specialization in Marketing. In his free time; he loves to practice yoga and is an avid marathoner.
Ms. Khushboo Meshri	28 Years	Chief Risk Officer	MBA, M.com (Hons) in Finance	More than 7 years of experience	Khushboo Meshri is the Chief Risk Officer at quant Mutual Fund. Before joining quant, Khushboo worked in market surveillance at the Bombay Stock Exchange. In Financial Surveillance she conducted investigations and coordinated with the regulator to create a framework for proactive identification of financial frauds. In Online Surveillance, Khushboo was responsible for strengthening systems that generate periodic alerts & monitor various segments of the market for any aberrant activity. Prior to that, she worked in internal audit at the State Bank of Mauritius, where she helped identify and reduce all business risks through effective implementation and monitoring of controls. Khushboo holds a dual MBA and Master of Commerce degree from the University of Mumbai. She is an alumni of St. Xavier's College, Mumbai.

Ms. Sudha Biju	48 years	Chief Investor Relations Officer	Masters in Financial Management from Welingkar Institute of Management	Over 20 years of experience	Sudha has two decades of experience in client services, complaint investigation and resolution. She was previously working with HDFC Asset Management Private Limited as AVP – Corporate Client Service where she led the Call Centre team, focused on performance management and ensured high-quality customer service and efficient handling of inquiries. She was also responsible for client servicing and service operations for HNIs and was responsible for the development/documentation of various processes/ activities handled by the client services team. Previous to this, she worked with HSBC Asset Management as Associate Vice President – Customer Service. She also worked with HDFC Limited as a Call Centre Head for recoveries and was a part of the Six Sigma Project while restructuring the Call Centre. She also did stints with e-Serve International as a Unit Head – External Business and Citibank Credit Cards. She holds an M’Com degree and a Master in Financial Management.
Mr. Shashi Menghraj Kataria	47 years	Executive Director & Chief Financial Officer	Chartered Accountant	Over 20 years of experience	Shashi has 20 years’ total experience in Accounting, Audit, Direct & Indirect Taxation, Financials & MIS, Payroll and Labour Law compliance out of which 13 years are from the Indian Mutual Fund industry. His last assignment was with PPFAS Asset Management Private Limited as CFO & Director. He was previously associated with DSP Blackrock Investment Managers Private Limited as Manager Finance. He had also worked on assignment basis in various companies like Cargotec India Private Limited, Redbull India Private Limited, UTV Software Limited, UCB Pharmaceuticals Limited, Cravatex Limited, among several others, while he was associated with Ganesh Jagadeesh & Co. Chartered Accountants. He is a Commerce graduate from Mumbai

					University and a fellow member of Institute of Chartered Accountants of India (ICAI)
Mr. Dinesh Khot	38 years	Chief Information Security Officer	Bachelor's degree in Science (Information Technology)	Over 12 years of experience	Dinesh Khot is a Chief Manager and Chief Information Security Officer at quant Money Managers Limited. He is responsible for the overall information and cyber security strategy and its implementation across the organization. Dinesh has over 12 years of industry experience across Information Technology and Cyber Security domains. He is skilled in IT Strategy and Services, Technology Implementation, Business Automation and Processes, Business Continuity Planning and Disaster Recovery Planning (BCP-DRP) and Vendor Management. Dinesh holds a Bachelor's degree in Science (Information Technology). His professional certifications include VCP and MCITP Certified Professional
Mr. Sanjeev Sharma	45 years	Fund Manager Debt & Chief Dealer - Debt	M.Com, PGDBA (Fin), Certification in Treasury, Forex & Risk Management	Overs 20 years of experience in Fixed Income dealing	Sanjeev has total work experience of more than two decade of experience in equity, debt, fund management and treasury operations. <u>Relevant Experience in managing the investment strategies for SIF.</u> He has total work experience of more than two decades in treasury and has extensive experience in deploying various strategies for all instruments viz. equity, debt and derivatives.
Mr. Ankit Pande	40 years	Fund Manager Equity	CFA, MBA	Overs 13 years of experience	Ankit has Experience of more than 14 years in Indian equities and of over 3 years in software products with Infosys' core banking software, Finacle. Began his career in equity research in 2011, picking up the (U.S. based) CFA charter in 2015 and MBA from The Chinese University of Hong Kong in 2017. He won the Thomson Reuters StarMine Award for best stock picker in the IT sector in 2014 and is a lifetime member of the Beta Gamma Sigma Honour society.

					<p><u>Relevant Experience in managing the investment strategies for SIF.</u></p> <p>Under the leadership of Mr. Sandeep Tandon, at Quant Broking, Ankit was tasked with developing fundamental long-short investment ideas, incorporating strategies such as covered calls and protective puts. Ankit is also Fund Manager of various schemes of quant Mutual Fund and has successfully generated superior risk-adjusted returns in his tenure.</p>
Mr. Sameer Kate	55 years	Fund Manager-Equity & Chief Dealer-Equity	Bachelor of Computer Science - Pune University, MBA from IME Pune	Over 20 years of experience	<p>Sameer has over two decades of experience in Indian equities and derivatives dealing. Prior to joining quant MF, Sameer was Sr. Sales Trader at Investec Capital covering equity and derivatives trading for domestic and foreign institutional clients. He has also worked for over 16 years at Kotak Securities (Institutional Equities) as a Derivatives Sales Trader.</p> <p><u>Relevant Experience in managing the investment strategies for SIF.</u></p> <p>Sameer started his career with world's largest derivative group REFCO and worked as a derivatives dealer. Later for 16 years he was part of Kotak group and served as Senior Derivatives Sales Trader for Kotak Securities - JV with Goldman Sachs. He also served as an advisor to the Kotak Group Proprietary Desk managing assets under management (AUM) exceeding ₹500 crore. Renowned in the industry for his expertise in synthetic derivatives, Sameer later joined Investec Capital, focusing on equity and derivatives trading for domestic and institutional clients. Currently at quant, he holds the role of Chief Dealer and is focused on Arbitrage opportunities, overseeing of various derivative investment strategies.</p>

Mr. Lokesh Garg	47 years	Fund Manager- Equity	MBA - IIM Ahmedabad, B.Tech - IIT Roorkee with a University Gold Medal, CFA Level III	Over 20 years of experience	<p>Lokesh brings two decades of experience in the equity markets. His most recent role was as Executive Director at UBS, India Institutional Equities, following the global UBS-Credit Suisse merger. Prior to this, he worked with Credit Suisse as a Director in India Institutional Equities, where he was recognized as one of the top analysts in capital goods and managed coverage across multiple sectors, earning high praise from large institutional investors. Earlier in his career, he worked with ICICI Bank in Treasury and Infosys. He also has extensive experience with Kotak Institutional Equities and Credit Suisse/UBS, having consistently ranked highly as an analyst across a variety of sectors.</p> <p><u>Relevant Experience in managing the investment strategies for SIF.</u></p> <p>Lokesh brings 20 years of expertise in equity markets, with a focus on generating fundamental ideas including long-short investment ideas. His most recent role was as Executive Director at UBS, India Institutional Equities, where he leveraged his deep market insights. Prior to this, he held significant positions at Kotak Institutional Equities, contributing extensive experience in equity research and generating investment & trading ideas including long-short ideas.</p>
Mr. Yug Tibrewal	30 years	Dealer- Equity	Bachelor of Management studies (B.M.S), CFA charterholder	Over 7 Years of Experience	Yug Tibrewal is a CFA charterholder with over seven years of diverse experience in financial markets. At quant Mutual Fund, he specializes in liquidity analytics, fundamental research, and portfolio risk mitigation, while overseeing trade execution and analytics.
Mr. Sourav Banerjee	28 years	Dealer - Equity	MMS – MFM from Jamnalal Bajaj Institute of Management Studies, B.com, M.com.	Over 8 years of experience	Sourav Banerjee has experience in dealing of securities and audits.

Mr. Harshvardhan Bharatia	23 years	Dealer-Debt,	Bcom (Honours) in Finance CFA Level-1	Over 1 year of experience	Harshvardhan brings valuable experience in trading global fixed income products, including Secured Overnight Financing Rates (SOFR), Federal Funds Rates (FFR), and Treasury Bonds, from his time at Axxela Research and Analytics. Holding a degree in finance, he leverages various analytical tools to mitigate portfolio risks while maximizing returns. With over a year of experience in the quant MF investment team, Harshvardhan has honed his expertise in credit risk evaluation and interest rate management, skills he uses to strategically position the portfolio for optimal performance
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PROCEDURE AND MANNER OF RECORDING INVESTMENT DECISIONS

The fund managers carry out daily investment activities within the framework of SEBI guidelines in accordance with the investment objectives.

All investment decisions are recorded and documented in the format approved by the Boards of the AMC and Trustee and are monitored on a test-check basis by the Trustee Auditors. The fund manager continuously monitors all investment decisions and their impact on the performance of the investment strategies and carries out suitable adjustment on periodic intervals. Adherence to overall risk parameters is monitored by the Chief Investment Officer & CEO on a regular basis. The Boards of AMC and Trustee review the performance of the investment strategies in comparison with investment strategies of other Specialized Investment Fund (with similar investment objective and asset profile generally) and benchmark of the investment strategy.

III. Service providers

Service provider	Name	Address	SEBI Regn. No.
Custodian	HDFC Bank Limited	Empire Plaza 1, 04th Floor, LBS Marg, Vikhroli (W), Mumbai 400083	IN/CUS/001
Registrar and Transfer Agent #	Kfin Technologies Limited	Selenium, Tower B, Plot No 31 And 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana, 500032.	INR000000221
Statutory Auditor for Specialized Investment Fund	M/s. M M Nissim & Co. LLP	Barodawala Mansion, B Wing, 3rd Floor, 81, Dr. Annie Besant Road, Worli, Mumbai - 400 018.	N.A.
Legal Counsel	There are no retained legal counsels to the Specialized Investment Fund or AMC. The AMC uses the services of renowned legal counsel, if need arises.	N.A.	N.A.
Fund Accountant	HDFC Bank Limited	Empire Plaza 1, 04th Floor, LBS Marg, Vikhroli (W), Mumbai 400083	N.A.
Collecting Banker	During the NFO of the investment strategies, the AMC may appoint the Collecting Bankers to accept the applications for investments into the investment strategies. The details of the collecting bankers i.e. Name, Address and other required details will be communicated during the respective NFOs of the investment strategies or as and when the Bankers are appointed.		

The Boards of AMC and Trustee have ensured that the Registrar has adequate capacity to discharge responsibilities with regard to processing of applications and dispatching unit certificates to unit holders within the time limit prescribed in the Regulations and also has sufficient capacity to handle investor complaints.

IV. Condensed financial information (CFI) for all the investment strategies launched by SIF during the last three fiscal years (excluding redeemed investment strategies) in the format given below: *Not Applicable*

HISTORICAL PER UNIT STATISTICS	Name of the Investment Strategy		
	YR. 1	YR. 2	YR. 3
NAV (Net Asset Value) at the beginning of the year (as on April 1)	-	-	-
IDCW*	-	-	-
NAV at the end of the year (as on March 31)	-	-	-
Annualised return**	-	-	-
Net Assets at the end of period (Rs. Crs.)	-	-	-
Ratio of Recurring Expenses to net assets	-	-	-

* Excluding IDCW details of investment strategy.

** Only for growth option. Explanation to be given for not providing annualised return for options other than growth option. Absolute returns to be provided for Investment strategies less than one year.

V. RISK FACTORS

1. Standard Risk Factors

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

(i) Risk factors associated with investing in equities and equity related instruments

- Equity shares and equity related instruments are volatile and prone to price fluctuations on a daily basis. Investments in equity shares and equity related instruments involve a degree of risk and investors should not invest in the Investment strategy unless they can afford to take the risks.
- Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges. Investment in such securities may lead to increase in the investment strategy portfolio risk.
- While securities that are listed on the stock exchange carry lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges and may lead to the Investment strategy incurring losses till the security is finally sold.
- Investment strategy's performance may differ from the benchmark index to the extent of the investments held in the debt segment, as per the investment pattern indicated under normal circumstances.

(ii) Risk factors associated with investing in Fixed Income Securities

- The Net Asset Value (NAV) of the Investment strategy, to the extent invested in Debt and Money Market instruments, will be affected by changes in the general level of interest rates. The NAV of the Investment strategy is expected to increase from a fall in interest rates while it would be adversely affected by an increase in the level of interest rates.
- Money market instruments, while fairly liquid, lack a well developed secondary market, which may restrict the selling ability of the Investment strategy and may lead to the Investment strategy incurring losses till the security is finally sold. • 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 (i.e. the risk of an issuer's inability to meet interest or principal payments on its obligations) or any other issues, which may have their credit ratings downgraded. Changes in financial conditions of an issuer, changes in economic and political conditions in general, or changes in economic or and 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. The Investment Manager will endeavour to manage credit risk through in-house credit analysis. This may increase the risk of the portfolio. The Investment Manager will endeavour to manage credit risk through in-house credit analysis.
- **Prepayment Risk:** Certain fixed income securities give an issuer the right to call back its securities before their maturity date, in periods of declining interest rates. The possibility of such prepayment may force the Investment strategy to reinvest the proceeds of such investments in securities offering lower yields, resulting in lower interest income for the Investment strategy.
- **Reinvestment Risk:** This risk refers to the interest rate levels at which cash flows received from the securities in the Investment strategy are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.
- **Settlement risk:** Different segments of Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. Delays or other problems in settlement of transactions could result in temporary periods when the

assets of the Investment strategy are uninvested and no return is earned thereon. The inability of the Investment strategy to make intended securities purchases, due to settlement problems, could cause the Investment strategy to miss certain investment opportunities. Similarly, the inability to sell securities held in the Investment strategy's portfolio, due to the absence of a well developed and liquid secondary market for debt securities, may result at times in potential losses to the Investment strategy in the event of a subsequent decline in the value of securities held in the Investment strategy's portfolio.

- Government securities where a fixed return is offered run price-risk like any other fixed income security. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates. The new level of interest rate is determined by the rates at which government raises new money and/or the price levels at which the market is already dealing in existing securities. The price-risk is not unique to Government Securities. It exists for all fixed income securities. However, Government Securities are unique in the sense that their 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 Investment strategy would invest as given in the Investment Strategy Information Document carry different levels and types of risk. Accordingly, the Investment strategy risk may increase or decrease depending upon its investment pattern. e.g. corporate bonds carry a higher level of risk than Government securities. Further even among corporate bonds, AAA rated bonds are comparatively less risky than AA rated bonds.
- 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.
- 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 and are subject to issuer default risk. 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. Zero coupon or deep discount bonds are debt obligations that do not entitle the holder to any periodic payment of interest prior to maturity or a specified date when the securities begin paying current interest and therefore, are generally issued and traded at a discount to their face values. The discount depends on the time remaining until maturity or the date when securities begin paying current interest. It also varies depending on the prevailing interest rates, liquidity of the security and the perceived credit risk of the Issuer. The market prices of zero coupon securities are generally more volatile than the market prices of securities that pay interest periodically.
- The Investment strategy 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.
- **Risks associated with investment in unlisted securities:**
Except for any security of an associate or group company, the investment strategy can invest in securities which are not listed on a stock exchange ("unlisted Securities") which in general are subject to greater price fluctuations, less liquidity and greater risk than those which are traded in the open market. Unlisted securities may lack a liquid secondary market and there can be no assurance that the Investment strategy will realise their investments in unlisted securities at a fair value.
- Investment in unrated instruments may involve a risk of default or decline in market value higher than rated instruments due to adverse economic and issuer-specific developments. Such investments display increased price sensitivity to changing interest rates and to a

deteriorating economic environment. The market values for unrated investments tends to be more volatile and such securities tend to be less liquid than rated debt securities.

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

The risks factors stated below for the Structured Obligations & Credit Enhancement are in addition to the risk factors associated with debt instruments.

- Credit rating agencies assign CE rating to an instrument based on any identifiable credit enhancement for the debt instrument issued by an issuer. The credit enhancement could be in various forms and could include guarantee, shortfall undertaking, letter of comfort, etc. from another entity. This entity could be either related or non-related to the issuer like a bank, financial institution, etc. Credit enhancement could include additional security in form of pledge of shares listed on stock exchanges, etc. SO transactions are asset backed/ mortgage backed securities, securitized paper backed by hypothecation of car loan receivables, securities backed by trade receivables, credit card receivables etc. Hence, for CE rated instruments evaluation of the credit enhancement provider, as well as the issuer is undertaken to determine the issuer rating. In case of SO rated issuer, the underlying loan pools or securitization, etc. is assessed to arrive at rating for the issuer.
- **Liquidity Risk:** SO rated securities are often complex structures, with a variety of credit enhancements. Debt securities lack a well-developed secondary market in India, and due to the credit enhanced nature of CE securities as well as structured nature of SO securities, the liquidity in the market for these instruments is adversely affected compared to similar rated debt instruments. Hence, lower liquidity of such instruments, could lead to inability of the investment strategy to sell such debt instruments and generate liquidity for the investment strategy or higher impact cost when such instruments are sold.
- **Credit Risk:** The credit risk of debt instruments which are CE rated is based on the combined strength of the issuer as well as the structure. Hence, any weakness in either the issuer or the structure could have an adverse credit impact on the debt instrument. The weakness in structure could arise due to inability of the investors to enforce the structure due to issues such as legal risk, inability to sell the underlying collateral or enforce guarantee, etc. In case of SO transactions, comingling risk and risk of servicer increases the overall risk for the securitized debt or assets backed transactions. Therefore apart from issuer level credit risk such debt instruments are also susceptible to structure related credit risk.

(iv) Risk factors associated with investment in Tri-Party Repo

The Mutual Fund/SIF is a member of securities segment and Triparty Repo trade settlement of the Clearing Corporation of India (CCIL). All transactions of the SIF in government securities and in Tri-party Repo trades are settled centrally through the infrastructure and settlement systems provided by CCIL; thus reducing the settlement and counterparty risks considerably for transactions in the said segments. The members are required to contribute an amount as communicated by CCIL from time to time to the default fund maintained by CCIL as a part of the default waterfall (a loss mitigating measure of CCIL in case of default by any member in settling transactions routed through CCIL). As per the waterfall mechanism, after the defaulter's margins and the defaulter's contribution to the default fund have been appropriated, CCIL's contribution is used to meet the losses. Post utilization of CCIL's contribution if there is a residual loss, it is appropriated from the default fund contributions of the non-defaulting members. Thus the investment strategy is subject to risk of the initial margin and default fund contribution being invoked in the event of failure of any settlement obligations. In addition, the fund contribution is allowed to be used to meet the residual loss in case of default by the other clearing member (the defaulting member). CCIL shall maintain two separate Default Funds in respect of its Securities Segment, one with a view to meet losses arising out of any default by its members from outright and repo trades and the other for meeting losses out of any default by its members from Triparty Repo trades. The fund is exposed to the extent of its contribution to the default fund of CCIL, in the event that the

contribution of the fund is called upon to absorb settlement/default losses of another member by CCIL, as a result the investment strategy may lose an amount equivalent to its contribution to the default fund.

(v) Risk factors associated with Repo in Corporate Debt Securities

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 in corporate debt securities is economically similar to a secured loan, with the buyer receiving corporate debt securities as collateral to protect against default. Some of the risks associated with repo in corporate debt are given below:

- **Counterparty Risk:** Counterparty risk refers to the inability of the seller to meet the obligation to buy back securities at the contracted price on the contracted date. In case of over the counter (OTC) repo trades, the investment manager will endeavour to manage counterparty risk by dealing only with counterparties having strong credit profiles. Also, the counter-party 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 investment strategy shall have recourse to the corporate debt securities. In case the repo transaction is executed on exchange platform approved by RBI/SEBI, the exchange may also provide settlement guarantee.
- **Collateral Risk:** Collateral risk arises when the market value of the securities is inadequate to meet the repo obligations. This risk can be partly mitigated by restricting participation in repo transactions only in corporate debt securities which are approved by credit risk team. Additionally, to address the risk related to reduction in market value of corporate debt security held as collateral due to credit rating downgrade, the repo contract can incorporate either an early termination of the repo agreement or call for fresh margin to meet the minimum haircut requirement or call for replacement of security with eligible security. Moreover, the investment manager may apply a higher haircut on the underlying security than required as per RBI/SEBI regulation to adjust for the illiquidity and interest rate risk on the underlying instrument. To mitigate the risk of price reduction due to interest rate changes, the adequacy of the collateral can be monitored on a daily basis by considering the daily market value & applying the prescribed haircut. The investment manager or the exchange can then arrange for additional collateral from the counterparty, within a prespecified period. If the counterparty is not able to top-up either in form of cash / collateral, it would tantamount to early termination of the repo agreement, and the outstanding amount can be recovered by sale of collateral.

(vi) Risk factors associated with investing in Non- Convertible Preference Shares

- **Credit Risk:** Credit risk is the risk that an issuer will be unable to meet its obligation of payment of dividend and/ or redemption of principal amount on the due date. Further, for non-cumulative preference shares, issuer also has an option to not pay dividends on preference shares in case of inadequate profits in any year.
- **Liquidity Risk:** The preference shares generally have limited secondary market liquidity and thus we may be forced to hold the instrument till maturity.
- **Unsecured in nature** - Preference shares are unsecured in nature and rank lower than secured and unsecured debt in hierarchy of payments in case of liquidation. Thus there is significant risk of capital erosion in case the company goes into liquidation.

(vii) General Risk factors

- Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Investment strategy. 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 Investment strategy 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 Investment strategy could, at times, be restricted by trading volumes and settlement periods, the time taken by the Fund for redemption of Units may be significant in the event of an inordinately large number of redemption requests or restructuring of the Investment strategy. In view of the above, the Trustee has the right, in its sole discretion, to limit redemptions (including suspending redemptions) under certain circumstances.
- At times, due to the forces and factors affecting the capital market, the Investment strategy may not be able to invest in securities falling within its investment objective resulting in holding the monies collected by it in cash or cash equivalent or invest the same in other permissible securities / investments amounting to substantial reduction in the earning capability of the Investment strategy. The Investment strategy may retain certain investments in cash or cash equivalents for its day-to-day liquidity requirements.
- Investment strategy to be adopted by the Investment strategy may carry the risk of significant variance between the portfolio allocation of the Investment strategy and the Benchmark particularly over a short to medium term period.
- Performance of the Investment strategy may be affected by political, social, and economic developments, which may include changes in government policies, diplomatic conditions, and taxation policies.

(viii) Risk factors associated with investing in Foreign Securities

- **Currency Risk:** Moving from Indian Rupee (INR) to any other currency entails currency risk. To the extent that the assets of the Investment strategy will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in the value of certain foreign currencies relative to the Indian Rupee.
- **Interest Rate Risk:** The pace and movement of interest rate cycles of various countries, though loosely co-related, can differ significantly. Hence by investing in securities of countries other than India, the Investment strategy stand exposed to their interest rate cycles.
- **Credit Risk:** Investment in Foreign Debt Securities are subject to the risk of an issuer's inability to meet interest and principal payments on its obligations and market perception of the creditworthiness of the issuer. This is substantially reduced since the SEBI (MF) Regulations stipulate investments only in debt instruments with rating not below investment grade by accredited/registered credit rating agency.
- **Taxation Risk:** Investment in Foreign Securities poses additional challenges based on the tax laws of each respective country or jurisdiction. The investment strategy may be subject to a higher level of taxes than originally anticipated and or dual taxation. The Investment strategy may be subject to withholding or other taxes on income and/or gains arising from its investment portfolio. Further, such investments are exposed to risks associated with the changing / evolving tax / regulatory regimes of all the countries where the Investment strategy invests. All these may entail a higher outgo to the Investment strategy by way of taxes, transaction costs, fees etc. thus adversely impacting its NAV; resulting in lower returns to an Investor.
- **Legal and Regulatory Risk:** Legal and regulatory changes could occur during the term of the Investment strategy which may adversely affect it. If any of the laws and regulations currently in effect should change or any new laws or regulations should be enacted, the legal requirements to which the Investment strategy and the investors may be subject could differ materially from current requirements and may materially and adversely affect the Investment strategy and the investors. Legislation/ Regulatory guidelines could also be imposed retrospectively.
- **Country Risk:** The Country risk arises from the inability of a country, to meet its financial obligations. It is the risk encompassing economic, social and political conditions in a foreign country, which might adversely affect foreign investors' financial interests. In addition, country

risks would include events such as introduction of extraordinary exchange controls, economic deterioration, bi-lateral conflict leading to immobilisation of the overseas financial assets and the prevalent tax laws of the respective jurisdiction for execution of trades or otherwise.

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

(ix) Risk factors associated with investing in Derivatives

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

(x) Risks Factors associated with investing in Derivatives for short exposure

- Derivative strategies are designed to capitalize on price movements in underlying assets. However, significant market volatility may lead to substantial losses, particularly in directional strategies or uncovered positions, where unexpected price swings could impact performance.
- Strategies employing options, are subject to time decay, where the value of options decreases as expiration nears. If anticipated price movements do not materialize within the option's lifespan, these positions may become unprofitable, affecting returns.
- Derivative trading involves costs such as premiums, commissions, and bid-ask spreads, which can erode returns. This is particularly relevant for strategies with narrow profit margins, or complex strategies like spreads and combinations requiring multiple transactions.
- Certain derivatives may exhibit lower liquidity, resulting in wider bid-ask spreads or challenges in entering or exiting positions at optimal prices. This may increase costs or complicate trade execution, especially in advanced strategies like diagonal spreads or synthetic positions.
- Sudden market events or shifts in implied volatility can disrupt strategies, which rely on the underlying asset remaining within a specific price range. Misalignment with market conditions may lead to losses.

- Strategies involving short positions, such as synthetic stock or income generation through writing options, may require significant margin reserves. Failure to meet margin obligations could result in forced liquidations at unfavorable prices, impacting portfolio performance.
- (xi) Additional Risk viz. Basis Risk** associated with imperfect hedging using Interest Rate Futures (IRF): The imperfect correlation between the prices of securities in the portfolio and the IRF contract used to hedge part of the portfolio leads to basis risk. Thus, the loss on the portfolio may not exactly match the gain from the hedge position entered using the IRF.
- (xii) Risk factors associated with Securities Lending:** As with other modes of extensions of credit, there are risks inherent to securities lending, including the risk of failure of the other party, in this case the approved intermediary, to comply with the terms of the agreement entered into between the lender of securities i.e. the Investment strategy and the approved intermediary. Such failure can result in the possible loss of rights to the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary. The investment strategy may not be able to sell lent out securities, which can lead to temporary illiquidity & loss of opportunity.
- (xiii) Risk factors associated with investing in Securitised Debt :** The Risks involved in Securitised Papers described below are the principal ones and does not represent that the statement of 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. No financial recourse is available to the Certificate Holders against the Investors' Representative. Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the Investor Payouts to the Certificate Holders may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall. On persistent default of a 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).
 - **Bankruptcy of Bank with Liquidity facility**
If the Bank with Liquidity facility, becomes subject to bankruptcy proceedings then an investor could experience losses or delays in the payments.
 - **Risk of Co-mingling**
With respect to the Certificates, the Servicer will deposit all payments received from the Obligors into the Collection Account. However, there could be a time gap between collection by a Servicer and depositing the same into the Collection account especially considering that some of the collections may be in the form of cash. In this interim period, collections from the Loan Agreements may not be segregated from other funds of originator. If originator in its capacity as Servicer fails to remit such funds due to Investors, the Investors may be exposed to a potential loss.

(xiv) Risk factors associated with investments in Perpetual Debt Instrument (PDI)

Perpetual Debt instruments are issued by Banks, NBFCs and corporates to improve their capital profile. Some of the PDIs issued by Banks which are governed by the RBI guidelines for Basel III Capital Regulations are referred to as Additional Tier I (AT1 bonds). While there are no regulatory guidelines for issuance of PDIs by corporate bodies, NBFCs issue these bonds as per guidelines issued by RBI. The instruments are treated as perpetual in nature as there is no fixed maturity date. The key risks associated with these instruments are highlighted below:

Key Risk Factors: -

- **Risk on coupon servicing**

Banks

As per the terms of the instruments, Banks may have discretion at all times to cancel distributions/ payment of coupons. In the event of non-availability of adequate distributable reserves and surpluses or inadequacy in terms of capital requirements, RBI may not allow banks to make payment of coupons.

NBFCs

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

Corporates

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

- **Risk of write-down or conversion into equity**

Banks

As per the regulatory requirements, Banks have to maintain a minimum Common Equity Tier-1 (CET-1) ratio of Risk Weighted Assets (RWAs), failing which the AT-1 bonds can get written down. Further, AT-1 Bonds are liable to be written down or converted to common equity, at the discretion of RBI, in the event of Point of Non Viability Trigger (PONV). PONV is a point, determined by RBI, when a bank is deemed to have become non-viable unless there is a write off/ conversion to equity of AT-1 Bonds or a public sector capital injection happens. The write off/conversion has to occur prior to public sector injection of capital. This risk is not applicable in case of NBFCs and Corporates.

- **Risk of instrument not being called by the Issuer**

Banks

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

NBFCs

The NBFC issuer has an option to call back the instrument after minimum specific period as per the regulatory requirement from date of issuance and thereafter, subject to meeting the RBI guidelines. However, if the NBFC does not exercise the call option the Investment strategy may have to hold the instruments for a period beyond the first call exercise date. Corporates There is no minimum period for call date. However, if the corporate does not exercise the call option, the Investment strategy may have to hold the instruments for a period beyond the call exercise date.

(xv) Risk factors associated with Short Selling

Short-selling is the sale of shares which are not owned by the seller at the time of trade. Instead, he borrows it from someone who already owns it. Later, the short seller buys back the stock he shorted and returns the stock to close out the loan. If the price of the stock corrects, Short seller can buy the stock back for less than he received for selling it and earn profit (the difference between higher short sale price and the lower purchase price). If the price of stock appreciates, short selling results in loss. Thus, Short positions carry the risk of losing money and these losses may grow theoretically unlimited if the price increases without limit and shall result into major losses in the portfolio.

(xvi) 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 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).

(xvii) Risk factors associated with REITs and InvITs:

- **Price Risk:** Securities/Instruments of REITs and InvITs are volatile and prone to price fluctuations on a daily basis owing to market movements. The extent of fall or rise in the prices is a fluctuation in general market conditions, factors and forces affecting capital market, Real Estate and Infrastructure sectors, level of interest rates, trading volumes, settlement periods and transfer procedures.
- **Interest Rate Risk:** Securities/Instruments of REITs and InvITs run interest rate risk. Generally, when interest rates rise, prices of units fall and when interest rates drop, such prices increase.
- **Credit Risk:** Credit risk means that the issuer of a REIT/InvIT security/ instrument may default on interest payment or even on paying back the principal amount on maturity. Securities/ Instruments of REITs and InvITs are likely to have volatile cash flows as the repayment dates would not necessarily be pre scheduled.
- **Liquidity Risk:** This refers to the ease with which securities/instruments of REITs/InvITs can be sold. There is no assurance that an active secondary market will develop or be maintained. Hence there would be time when trading in the units could be infrequent. The subsequent valuation of illiquid units may reflect a discount from the market price of comparable securities/instruments for which a liquid market exists. As these products are new to the market they are likely to be exposed to liquidity risk.
- **Reinvestment Risk:** Investments in securities/instruments of REITs and InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or Dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns.
- **Legal and Regulatory Risk:** The regulatory framework governing investments in securities/instruments of REITs and InvITs comprises a relatively new set of regulations and is therefore untested, interpretation and enforcement by regulators and courts involves uncertainties. Presently, it is difficult to forecast as to how any new laws, regulations or standards or future amendments will affect the issuers of REITs/InvITs and the sector as a whole. Furthermore, no assurance can be given that the regulatory system will not change in a way that will impair the ability of the Issuers to comply with the regulations, conduct the business, compete effectively or make distributions.

(xviii) Risk factors associated for investments in SIF Investment strategy

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

2. Redemptions in this Investment strategy would be subject to applicable exit loads.

2. Special Considerations

- i. As the liquidity of the investment strategy investments may sometimes be restricted by trading volumes and settlement periods, the time taken by the Specialized Investment Fund for redemption of Units may be significant in the event of an inordinately large number of redemption requests or of a restructuring of the investment strategy portfolios. In view of this, the Trustee has the right, in its sole discretion, to limit redemptions under certain circumstances.
- ii. Neither the ISID and SAI, nor the Units have been registered in any jurisdiction. The distribution of the ISID in certain jurisdictions may be restricted or subject to registration requirements and, accordingly, persons who come into possession of the ISID and the SAI in such jurisdictions are required to inform themselves about, and to observe, any such restrictions. No person receiving a copy of the ISID or any accompanying application form in such jurisdiction may treat the ISID or such application form as constituting an invitation to them to subscribe for Units, nor should they in any event use any such application form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such application form could lawfully be used without compliance of any registration or other legal requirement.
- iii. The Specialized Investment Fund is not assuring any returns nor is it assuring that it will make periodic distributions. All Income Distribution cum capital withdrawal (IDCW) distributions are subject to the investment performance of the investment strategy, availability of distributable profits and computed in accordance with SEBI (MF) Regulations
- iv. The Specialized Investment Fund/AMC has not authorized any person to give any information or make any representations, either oral or written, not stated in the ISID/SAI in connection with issue of Units under any of the investment strategy of qsif. Prospective investors are advised not to rely upon any information or representations not incorporated in ISID/SAI as the same have not been authorized by the Specialized Investment Fund or the AMC. Any subscription, purchase or sale made by any person on the basis of statements or representations which are not contained in ISID/ SAI or which are inconsistent with the information contained herein shall be solely at the risk of the investor.
- v. Suspicious Transaction Reporting: If after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, the AMC shall report any such suspicious transactions to competent authorities under PMLA and rules/guidelines issued thereunder by SEBI and/or 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 by SEBI and/or RBI without obtaining the prior approval of the investor/Unit Holder/any other person.
- vi. The AMC and its Registrar reserve the right to disclose/share investors' personal information with the following third parties:
 1. Registrar, Banks and / or authorised external third parties who are involved in transaction processing, dispatches, etc., of investors' investment in the investment strategy;
 2. Distributors or Sub-brokers or Registered Investment Advisors through whom applications of investors are received for the investment strategy; or;
 3. Any other organisations for compliance with any legal or regulatory requirements or to verify the identity of investors for complying with anti-money laundering requirements.
 4. Account statements or financial information pertaining to the investor, if it is to be sent over the internet to the Unitholder, distributors or any other entity as indicated above, will be sent only through a secure means and / or through encrypted electronic mail.
- vii. Non-Individual Investors should note the following:
 1. A list of specimen signatures of the authorized officials, duly certified / attested should also be attached to the Application Form.

2. In case of application for any transaction, the authorized signatories/officials should sign such application under their official designation and as per the authority granted to them under their constitutional documents/board resolutions etc.
 3. In case a generic board resolution authoring investment has been submitted, the AMC/Fund reserves the right to consider such generic resolution as a valid authorisation for all other financial and non-financial transactions including but not limited to redemption/switches etc. Accordingly, all transactions executed by the officials named in such generic resolution would be processed by the AMC/Fund.
- viii. The tax benefits described in the Investment Strategy 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 any of the investment strategy 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.
- ix. Investors should study the Investment Strategy 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 Units.
- x. Any dispute arising out of any of the investment strategy shall be subject to the exclusive jurisdiction of the Courts in India. Statements in the Investment Strategy Information Document and Statement of Additional Information are, except where otherwise stated, based on the law, practice currently in force in India, and are subject to changes therein.
- xi. The Specialized Investment 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 Specialized Investment Fund may disclose such details to the bankers / its agents, as may be necessary for the purpose of effecting payments to the investor. Further, the Specialized Investment Fund may disclose details of the investor's account and transactions thereunder to any Regulatory/Statutory entities as per the provisions of law.

VI. How to Apply?

Purchase

1. New investors can purchase units by using an application form or through such other modes as may be offered by the AMC, subject to KYC and various requirements and documents. Existing unit holders may use the transaction slip attached to their account statement or use a Common Transaction Form or through such other modes as may be offered by the AMC. Application forms or common transaction forms are generally available at the official points of acceptance of transactions during the business hours. The same can also be downloaded from the website of the SIF <https://www.qsif.com>.
2. The duly completed application form/transaction slip/common transaction form, as the case maybe, can be submitted at any of the official points of acceptance of transactions. The official point of acceptance of transaction will stamp, and return the acknowledgement slip in the application form, to acknowledge receipt of the application, subject to verification. No other form of acknowledgement will be provided. Investors should retain the acknowledgement evidencing submission of the transaction till they receive a confirmation of acceptance or rejection of transaction. In case of difference of details in acknowledgement vis a vis actual transaction document, the details as mentioned on transaction document will prevail.
3. Investors should mandatorily use the Application Forms, Transactions Request, SIP/STP/SWP forms included in the KIM and other standard forms available at the ISCs/ www.qsif.com, for any financial/non-financial transactions. Any transactions received in any non-standard forms are liable to be rejected. Further, any transaction or request received on a non-standard form or document not specified by the Fund will still be governed and subject to terms and conditions of the standard forms and investment strategies related documents. Investor using application form/ transaction request for financial/ non- financial transactions not provided by the Fund declare that they have read and understood the contents of the Investment Strategy Information Document and Statement of Additional Information, Key Information Memorandum, instructions and addenda issued by quant Mutual Fund/Specialized Investment Fund from time to time. Any transactions request received with incomplete information are liable to be rejected or may be processed at the sole discretion of the AMC.
4. The AMC/Registrar may open or close offices/ISCs or change address of an office from time to time. Investors may obtain latest addresses of Official Points of Acceptance of Transactions from the relevant ISID or by calling the AMC/Registrar or available on the website of SIF i.e. www.qsif.com Investors are requested to note that no transaction shall be accepted on a day which is a public and /or bank holiday or non-business days or local holiday at an Investor Service Centre/ Official Points of Acceptance of Transaction.
5. Investors should provide details/instructions only in the space provided in the relevant form in CAPITAL case and in English language. Further, any details/notings/information/instruction provided at a non-designated area of the standard form being used, or any additional details for which space is not designated in the standard form, may not be executed by the AMC. If the details are not mentioned clearly or in capital case, the AMC will endeavour to capture client and transaction details on a best effort basis and will not be liable towards data entry errors due to illegible or unclear handwriting. Hence, investors should check all details as mentioned in the Account Statement to verify details and approach the AMC for any corrections within 15 days from the date of application.
6. Facility of transactions is available on the official website www.qsif.com for selected investment strategies of qsif. Accordingly, the said website will also be considered as an official point of acceptance for applications for subscriptions, redemptions, switches and other available facilities as the case may be.
7. The Trustees shall have absolute discretion to reject any application for purchase of Units, if in its opinion, increasing the size of the Unit Capital is not in the general interest of the Unit

Holders, or if for any other reason it does not believe it would be in the best interest of the investment strategy or its Unit Holders to accept such an application.

8. Applicants have to specify the “mode of holding” in the application form. If an application is made by:
 - I. one investor, the mode of holding will “Single”;
 - II. more than one investor (maximum three permitted), the mode of holding should be specified as “Joint” or “Anyone or Survivor”. If the mode of holding is specified as “Joint”, all transactions/instructions will have to be signed by all joint holders, while for mode of holding specified as “Anyone or Survivor”, all transactions/instructions may be signed by anyone of the Unit holders. If the mode of holding is not specified or is ambiguous, it will be treated as “Joint”, where there is more than one holder. With respect to Units held in demat mode, the rules of Depository for operation of such DP account shall be applicable. Request for nomination needs to be signed by all unit holders jointly, irrespective of “mode of holding”.
9. In all cases, proceeds of redemption will be paid to the first-named holder (as determined by reference to the original application form). Further, the first named holder shall receive the account statements, all notices and correspondences with respect to the account, or IDCW or other distributions and also have the voting rights, as permitted, associated with such units.
10. The proceeds towards redemptions and IDCW will be dispatched by a reasonable mode of despatch like courier, Speed post, etc. in case of cheque/ demand draft or directly credited to the bank account (as per the details mentioned by the investor), entirely and solely at the risk of the investor. The Specialized Investment Fund will endeavour to remit redemption proceeds via electronic means, as made available by RBI. Where such electronic means are not available or feasible under any circumstances, the Specialized Investment Fund will remit the redemption proceeds by way of cheques. The investor will not hold the Mutual Fund/Specialized Investment Fund or the AMC or the Registrar responsible for any non-receipt or delay of receipt of redemption & IDCW proceeds due to any negligence or deficiency in service by the courier company, postal authorities or the bank executing direct credits, or due to incorrect bank account details provided by the investor.
11. Investors must clearly specify investment strategies/plans/options /sub-option in the application form and ensure that the form is accompanied by a cheque/demand draft/account to account transfer instruction, bank acknowledgement favouring investment strategies/plans/options/sub-option. In case of ambiguity or any discrepancy, the application is liable to be rejected or default plan/ option may be applied for allotment of the Units at the sole discretion of the AMC.
12. Where the Investment Strategy name as written on the application form and on the payment instrument differs, the proceeds may, at the discretion of the AMC be allotted in the investment strategy as mentioned on the application form.
13. It is mandatory for all applicants/investors (including guardians, joint holders, NRIs and power of attorney holders) to mention their bank account No., permanent account number (PAN) irrespective of the amount of purchase in the application form. In order to verify that the PAN of the applicants (in case of application in joint names, each of the applicants) has been duly and correctly quoted therein, the applicants shall attach along with the purchase application, a photocopy of the PAN card or KYC status from KRA website).
14. Applications are liable to be rejected without any intimation to the applicants, if KYC requirements are not complied with by all the applicants, KYC acknowledgement is not enclosed or any of the additional details are not mentioned for any of the applicant at the time of purchase or if the KYC details are not updated in the existing folio for all unitholders, including guardian. In case where the KYC application is given along with the purchase/switch and where the purchase/switch is processed based on KYC application or based on KYC status as In-Process, the purchase/switch may be rejected in case the KYC is subsequently rejected or is on Hold. In case of such rejections, refund of the subscription amount without any interest would be made to the investor within 05

business days from the date of rejection / reversals.

15. Investors should mention the correct Tax Status which should correspond to the 4th Character convention of the PAN issued by the Income Tax Department. In case the Tax Status provided by the investor does not correspond to the 4th character convention of PAN, then the status as per the PAN 4th character would be updated in the investor folio.
16. Investors are requested to note that there can be only tax status, either Resident (RI) or Non-Resident (NRI) against a single PAN. There cannot be different tax status for different folios for the same investor, same PAN. In case the existing tax status in a folio is NRI and the investor makes a new investment with tax status as RI, the new investment will be processed with tax status as NRI. Similarly, if the existing status in a folio is RI and the investor makes a new purchase with tax status as NRI, the tax status of the existing RI folio will be changed to NRI. In case of any change in tax status, Investors should submit a request for change of tax status request before submitting the new investment to avoid any inconvenience. The AMC reserves the right to reject or reverse & reprocess the transactions at a later date in case of any error.

17. Contact Details and Correspondence Address

- a. Applicants should provide contact information such as email id, mobile telephone number/s and correspondence address. However, the fund reserves the right to update communication postal address, email id, mobile number from KYC records of SEBI designated KYC Registration Authority (KRA).
 - b. Investors should ensure that, the email id, mobile number provided in the application form should be their own or any of the immediate family member and should be same as the ones provided in the KRA. Investors should clearly mention if the email id belongs to any of the immediate family members. Where the email id, mobile number are not provided or where provided but the same is found to be invalid, or seems to be not pertaining to the investor or any of the immediate family member or is of a distributor or any other agency, then AMC/ RTA reserves the right to remove the email id, mobile number without any notice and the email id, mobile number as per KRA records may be updated in the folio.
 - c. Investors will need to update the email id / mobile number with the KRA in case of any change.
 - d. Account statements, newsletter, annual reports and other communication, including statutory communication, will be sent through email/sms only instead of physical, for investors who provide their email address/mobile on the application form. Should they wish to have a physical copy, they are requested to send an email to the AMC/RTA. It is deemed that the applicants are aware of all the security risks associated with online communication, including possible third-party interception of documents sent via email.
 - e. If the pin code provided in application form or as received from KYC Database of a KRA is Null or Incorrect/Invalid, the transactions will be tagged as received from a T30 location.
18. In case of any investor being suspended / debarred by any statutory or government authority, the AMC/RTA reserves the right to reject any transaction without any notice.
 19. Refund if any in case of purchases will be made within 5 business days from the date of rejection and identification of remitter information of the credits received by the Investment Strategy, whichever is later.
 20. The applicability of NAV for allotment of units of the Investment Strategies shall be in line with the guideline with the Uniform Cut -off timings.

Investors should ensure that their banks provide adequate information in bank statements with respect to funds remitted through cheque deposited in transfer banking or through electronic means like funds transfer, IMPS, RTGS/NEFT etc so as to ensure credit identification against their subscription application at the earliest.

21. The AMC and its Registrar reserve the right to disclose the details of the investors and their transactions to third parties viz. banks, couriers, distributors or stock brokers or registered investment advisors or any other parties through whom the application has been sourced or facilitated, printers and any other organization for the purpose of transaction confirmations and/or execution, redemption payouts, data validations, compliance with legal and regulatory requirements, or for complying with anti-money laundering requirements.

All investments and interactions with AMC/ its Registrar is done with full knowledge of the above necessity and consent for such sharing.

AMC/ its Registrar will take utmost care in processing, storing and maintaining such information so that such sensitive and personal information shall not get exposed to any unrelated third party(ies) and used for specific & associated purpose for which such information is collected. AMC/ its Registrar has implemented all required processes and controls as required under local data protection & privacy laws (Information Technology Act, 2000 & amendments thereof from time to time) and will continue to abide by all such data protection & privacy laws as notified by Government of India from time to time.

Mutual Fund / Specialized Investment Fund /AMC / its Registrar, who shall be collecting, using and sharing as indicated above, shall comply with local laws of India, which may or may not be in line with the requirements of other territorial laws. If you have any concern / query, you can write to Investor Relations Officer of the Specialized Investment Fund/AMC. By choosing to invest in the Specialized Investment Fund, it is construed that investor is providing explicit consent to AMC, RTA and other entities engaged by AMC to process investor data in their roles as per existing & prospective processes determined by Specialized Investment Fund /AMC from time to time.

22. If the investor wishes to invest directly, i.e. without involving the services of any agent or broker, "DIRECT" should be mentioned in the space provided for "ARN Number" in the application form. Any subsequent change/updation/removal of broker code will be based on the written request/authentication from the Unit holder and will be on a prospective basis only from the date when the Registrar executes such written instruction.
23. Investor/s also have the provision to specify in the application / transaction form the unique identity number (EUIN) of the employee/relationship manager/ sales person of the distributor interacting with the investor/s for the sale of Specialized Investment Funds products, along with AMFI Registration Number (ARN) of the distributor and sub-distributor ARN (if applicable). Investors are hereby requested to note the following with respect to EUIN and ARN:
- AMFI has allotted EUIN to all the sales person of AMFI registered distributors.
 - Investor/s shall ask and specify the valid ARN code, sub-distributor ARN (if applicable) and the valid EUIN of the the sub-distributor /sales person in the application/transaction form. This will assist in handling the complaints of mis-selling if any, even if the sales person on whose advice the transaction was executed leaves the employment of the distributor.
 - Investors are requested to use the new application /transaction forms which have space for sub-broker ARN code and EUIN.
 - If EUIN is not mentioned in the application form, it will be assumed as Execution Only transaction.
 - In cases of wrong/ invalid/ incomplete ARN, any purchase or switch-in or SIP & STP registration shall be processed under Direct Plan or rejected depending on the mode of the transaction. "Invalid ARNs" shall include ARN validity period expired, ARN cancelled /terminated, ARN suspended, ARN Holder deceased, Nomenclature change, as required pursuant to IA Regulations, not complied by the MFD, MFD is debarred by SEBI, ARN not present in AMFI ARN database, ARN not empanelled with AMC.

The distributor of a product under a SIF shall also have to pass such other certification as may be directed by SEBI/AMFI from time to time.

24. Signature(s) in application form should be in English or in any of the Indian languages specified in the Eighth Schedule of the Constitution of India. Thumb impressions and signatures in languages not specified in the Eighth Schedule of the Constitution of India should be attested by a magistrate or a Notary Public or a special Executive Magistrate under his/her official seal. Applications by minors should be signed by their guardian(s). In the case of an HUF, the Karta should sign on behalf of the HUF. In the case of company, Authorized officials should sign the

form under their official designation and company seal. A list of specimen signatures of the authorized officials, duly certified and attested should also be attached to the application form. In case of trust fund, a resolution from the trustee(s) authorizing such purchase or investment should be submitted.

25. Mode of payment: The following mode of payment can be used by Resident Investors:

- a. Electronic Funds Transfer (EFT) over the internet or by way of direct credit/ Real Time Gross Settlement (RTGS)/National Electronic Funds Transfer (NEFT) / Unified Payment Interface (UPI) / Immediate Payment Service (IMPS) to designated Investment Strategy collection account by clearly mentioning the name of the investor and application number in the remark. If IFSC code provided in application form is Null or Incorrect/Invalid, then AMC/RTA reserves the right to update/overwrite/correct the details as per RBI master.
- b. Through MICR cheque / demand draft/ pay order payable locally & drawn on any bank which is a member of the Banker's Clearing House /Zone in a city where the application is submitted to a designated Collection Centre (ISC). The cheques issued should confirm to the CTS 2010 standards in banking industry and be payable locally at the centre where the application forms / transaction request is submitted.
- c. In order to avoid fraud and prevent misuse of payment instruments, investors are advised to draw payment instrument (i.e. cheque, demand draft, pay order etc.) favouring either "XYZ Investment Strategy A/c First Investor name" or "XYZ Investment Strategy A/c Permanent Account Number of the First investor" or "XYZ Investment Strategy A/c Folio number". For example: quant Equity Long -Short Fund A/c followed by (Name of the Investor) or quant Equity Long-Short Fund A/c followed by 10 digit PAN or quant Equity Long-Short Fund A/c followed by Folio Number.
- d. Bank charges, if any will be borne by the AMC subject to such conditions as prescribed by the AMC from time to time.
- e. Cash will not be accepted as a mode of payment. Payment by stock invests and/or posted dated cheques will not be accepted except for payment of future instalments of investment through Systematic Investment Plans (SIP).
- f. With respect to online transactions, payment can also be made through various modes as may be offered on digital platforms from time to time.
- g. In respect of New Fund Offer (NFO) of Investment Strategies, an investor can subscribe to the NFO through Applications Supported by Blocked Amount (ASBA) facility by applying for the Units offered under the Option(s) of the Investment Strategy(s) in the ASBA Application Form and following the procedure as prescribed in the form. For details please refer to the Section "Applications Supported by Blocked Amount (ASBA) facility".
- h. The AMC, at its discretion at a later date, may choose to alter or add other modes of payment.

Payment through Applications Supported by Blocked Amount (hereinafter referred to as "ASBA") in Specialized Investment Funds for investing in New Fund offer (NFO)

- a. ASBA facility is currently available only to those investors who wish to hold the units in dematerialized form.
- b. ASBA facility is not available in case of NFOs of Exchange Traded Funds (ETFs).
- c. An ASBA investor shall submit a duly filled up ASBA Application form, physically or electronically to the Self Certified Syndicate Bank (SCSB) with whom the investors holds the bank account which is to be blocked
 - i. In case of ASBA application in physical mode, the investor shall submit the ASBA form at the bank branch of SCSB, which is designated for the purpose and the investor must be holding a bank account with such SCSB.
 - ii. In case of ASBA application in electronic form, the investor shall submit the ASBA form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for subscribing to units of SIFs authorizing to block the subscription money in a bank account.
- d. The Bank Account Number in the form should necessarily be of the first applicant only. In case where the bank account is jointly held, the first applicant should be one of the joint holders.
- e. ASBA application form will not be accepted by any of the offices of Fund or its Registrar &

Transfer Agent, i.e. KFin Technologies Limited (KFintech).

- f. Investors shall ensure that the bank account details mentioned in the ASBA application form is correct and the funds are available in the account for the SCSB to block the amount.
- g. Upon submission of an ASBA form with the SCSB, investor shall be deemed to have agreed to block the entire subscription amount specified in the application form, and authorized the designated branch to block such amount in the bank account.
- h. The SCSBs shall block the subscription money based on the authorization given by the account holder in the ASBA application form. The subscription money shall remain blocked in the Bank account till allotment of Units under the Investment Strategy or till rejection of the application, as the case may be.
- i. The SCSBs may at any time before the closure of the NFO reject the ASBA application and inform the investor accordingly.
- j. During processing of the application by the Registrar, if the application is found to be incomplete or incorrect, the SCSB will be informed on the same who will then unblock the investor account with appropriate remarks in the investor account.
- k. The names of the applicants, the manner of holding, the mode of holding in the application form should exactly match with the information available in the demat account. In case of any mismatch, incorrect or incomplete information, the application may be rejected by the SCSB or the Registrar.
- l. All investor related details for allotment of Units such as names of the applicants, manner of holding, mode of holding, bank account, etc will be updated as per the demat account.
- m. The investors should check their demat accounts for allotment of Units within 10 working days of the NFO closure. No physical account statement will be sent to the investors by the Mutual Fund / Specialized Investment Fund or its Registrar.
- n. All grievances relating to the ASBA facility may be addressed to the AMC/RTA, with a copy to the SCSB, giving full details such as name, address of the applicants, subscription amount blocked on application, bank account number and the designated branch or the collection centre of the SCSB where the ASBA form was submitted by the investor.
- o. On the closure date of the NFO, the ASBA form should be submitted to the SCSB before the 3.00 p.m. or such other time as may be decided by respective SCSB.
- p. Specialized Investment Fund or its Registrar shall not be liable for any negligence or mistake committed by the SCSBs.

26. Application from NRI, FII and PIOs

NRIs and PIOs may purchase units on a repatriation and non-repatriation basis, while FIIs may purchase units only on a repatriation basis. They shall enclose along with the application form a copy of the payment cheque / FIRC / Debit Certificate to enable the AMC to ascertain the repatriation status of the amount invested. The account type shall be clearly ticked as NRE or NRO or FCNR, to enable the AMC determine the repatriation status of the investment amount. The AMC and the Registrar may ascertain the repatriation status purely based on the details provided in the application form.

a. Repatriation basis

NRIs and PIOs may pay their subscription amounts by way of cheques drawn on NRE or FCNR accounts in Indian currency. FIIs may pay their subscription amounts either by way of inward remittance through normal banking channels or out of funds held in Foreign Currency Accounts or Non Resident Rupee Accounts maintained with a designated branch of an authorised dealer with the approval of RBI.

In case Indian Rupee drafts are purchased abroad or from FCNR/NRE accounts, an account debit certificate from the bank issuing the draft confirming the debit shall also be enclosed. NRIs shall also be required to furnish such other documents as may be necessary and as desired by the AMC/ Mutual Fund/ Specialized Investment Fund/ Registrar, in connection with the investment in the Investment Strategies. Where redemption is received for units held by NRI and requiring credit of redemption proceeds to a NRE account, the fund may reject the redemption if the necessary documents like FIRC evidencing payment of subscription of units through NRE account are not provided by the investor.

b. **Non-Repatriation basis**

NRIs and PIOs may pay their subscription amounts by cheques/demand drafts drawn out of Non-Resident Ordinary (NRO) accounts/Non-Resident Special Rupee (NRSR) accounts and Non-Resident Non-Repatriable (NRNR) accounts payable at the city where the application form is accepted.

27. Applications under Power of Attorney

In case of an application under POA or by a Limited Company, Body Corporate, Registered Society Trust or Partnership etc., the relevant POA or the Resolution or Authority to make the application as the case may be, or duly certified copy thereof, along with the Memorandum and Articles of Association /Bye-laws must be lodged at the authorized center along with the application form.

28. Bank Account Details / Multiple Bank Account Registration.

It is mandatory for all investors to provide their bank mandate which will be used for payment of redemption/Payout of Income Distribution cum Capital Withdrawal. Applications without the mandatory bank details and supporting documents are liable to be rejected. Investors should ideally mention account details of the same bank account from where the payment towards purchase is made. If the bank account details mentioned are different from purchase pay-in bank, investors should attach a cancelled cheque of the said account with name and account number pre-printed. Should the investor fail to provide the documents, the Fund/AMC/RTA reserve the right to register the pay-in bank details as the redemption bank details and use such bank account for payment of any redemption/Income Distribution cum Capital Withdrawal proceeds.

The Specialized Investment Fund offers its Unit holders, facility to register multiple bank accounts for pay-in & payout purposes and designate one of the registered bank account as "Default Bank Account". This facility can be availed by using a designated "Bank Accounts Registration Form". In case of new investors, the bank account mentioned on the purchase application form used for opening the folio will be treated as default bank account till a separate request to register multiple bank accounts and change the default bank account to any of other registered bank account is submitted by such investor. Registered bank accounts may also be used for verification of pay ins (i.e. receiving of subscription funds) to ensure that a third party payment is not used for mutual fund / Specialized Investment Fund subscription.

29. Change of Bank

New bank accounts can only be registered using the designated "Bank Accounts Registration Form" / "Change of Bank Form". If Unit holder(s) provide a new and unregistered bank mandate or a change of bank mandate request with specific redemption/ Income Distribution cum Capital Withdrawal payment request (with or without necessary supporting documents), such bank account will not be considered for payment of redemption/ Income Distribution cum Capital Withdrawal proceeds, or the Mutual Fund / Specialized Investment Fund withhold the payment for upto 10 calendar days to ensure validation of new bank mandate mentioned. Change of bank mandate would not be processed based on the request submitted along with the redemption request and the investor will have to submit a fresh request for change of bank mandate with supporting documents. Any request without the necessary documents will be treated invalid and will not be acted upon and any financial transaction, including redemptions, will be processed with the existing registered details only. Valid change of bank mandate requests with supporting documents will be processed within ten days of documents reaching the head office of the Registrar and any financial transaction request received in the interim will be carried based on the previously registered details. Investors are requested to note the following with respect to the Multiple Bank Registration Facility / Change of Bank:

- a. Bank registration/deletion request from Unit holder(s) will be accepted and processed only if all the details and necessary documents are attached. The request is liable to be rejected if it is not filled completely and in case of any ambiguous/incorrect/ incomplete information.

- b. The first/sole Unit holder in the folio should be amongst any one of the bank account holders. Unit holder(s) cannot provide the bank account(s) of any other person or where the first/sole Unit holder is not an account holder in the bank account provided.
- c. Unit holder(s) need to attach the original cancelled cheque of the old and new bank account for updating/changing the bank details in the folio. This will help in verification of the account details and register them accurately. Where multiple banks are registered in the folio, cancelled cheque of any one of the old bank accounts will need to be provided along with the original cancelled cheque of the new bank account.
- d. In case original old bank proofs is not available, investors will have to visit quant Mutual Fund / Specialized Investment Fund or RTA's ISCs for doing In Person Verification [IPV] along with ORIGINAL PAN / Photo Identification proofs & new bank cheque copy.
- e. All documents submitted should clearly evidence the bank name, account number and name of all bank account holders.
- f. While registering multiple bank accounts, the Unit holder(s) has to specify any one bank account as the 'Default Bank Account'.
- g. If the 'Default Bank Account' is not specified or is unclear, the Mutual Fund / Specialized Investment Fund reserves the right to designate any of the bank accounts as 'Default Bank Account'. Default Bank Account will be used for all Income Distribution cum Capital Withdrawal, redemption and maturity payouts in case of close ended Investment Strategies.
- h. Investors can change the default bank account by submitting the Bank Account Registration form. In case multiple bank accounts are opted for registration as default bank account, the mutual fund / Specialized Investment Fund retains the right to register any one of them as the default bank account at its discretion.
- i. Bank account Details with redemption request: Please note the following important points related to payment of redemption proceeds:
 - i. Proceeds of any redemption request will be sent only to a bank account that is already registered and validated in the folio at the time of redemption transaction processing.
 - ii. Unit holder(s) may choose to mention any of the existing registered bank account with redemption request for receiving redemption proceeds. If no registered bank account is mentioned, default bank account will be used.
 - iii. if unit holder(s) provides a new bank mandate or a bank mandate which has not been previously registered with a specific redemption request (with or without necessary supporting documents) such bank account may not be considered for payment of redemption proceeds and proceeds will be sent to existing registered bank account only entirely at the risk of the unit holder(s) and the fund will not be liable for the same under any circumstances.
 - iv. Change of bank mandate would also not be processed based on the request submitted along with the redemption request and the investor will have to submit a fresh request for change of bank mandate with supporting documents.
- j. The registered bank accounts will also be used to identify the pay-in proceeds. Hence, unit holder(s) are advised to register their various bank accounts in advance using this facility and ensure that payments for ongoing purchase transactions are from any of the registered bank accounts only, to avoid fraudulent transactions and potential rejections due to mismatch of pay-in bank details with the accounts registered in the folio.
- k. This facility of multiple bank registration requests or any subsequent addition/change/ deletion in the registered bank accounts would be effected within 10 business days from the receipt of a duly completed application form at the office of the Registrar in Hyderabad and a confirmation letter will be sent within 15 business days. Unit holder(s) should preserve this letter for their reference, as the account statement will reflect default bank mandate only.
- l. The requests for addition/change/deletion/modification in the registered bank account(s) should be submitted using the designated application form only. Requests received on a plain paper/any other formats are liable to be rejected.
- m. The Mutual fund, Specialized Investment Fund, AMC, it's registrar and other service providers shall not be held liable for any loss arising to the unit holder(s) due to the credit of the redemption proceeds into any of the bank accounts registered in the folio.

30. Transaction through Stock Exchange mode and option to hold units in dematerialized form:

- a. In order to facilitate transactions in Specialized Investment Fund units through the stock exchange infrastructure, BSE and NSE have introduced their respective platforms. Investors desirous of transacting in the Units of the select Investment Strategy(s)/Plans/ Options through the stock exchange mode shall submit applications to registered stockbrokers or distributors or Registered Investment Advisors (RIA) registered with NSE or BSE.
- b. The facility of transacting through the stock exchange mechanism enables investors to buy and sell the Units of the Investment Strategy(s) through the stockbrokers or distributors or RIAs registered with the BSE and/or NSE in accordance with the guidelines issued by SEBI and operating guidelines and directives issued by NSE, BSE or such other recognized stock exchange in this regard. Investors desirous of transacting through the stock exchange mode and want to hold the units in the dematerialized form may be required to have a demat account with NSDL/CDSL.
- c. The Specialized Investment Fund /ISCs will not accept any request directly for transactions or service requests in respect of Units held by the investors in demat form. The AMC/Specialized Investment Fund will not send any account statement in respect of Units bought in demat mode or accept any request for statement as the units will be credited in demat account of the investor and their DPs should be approached for issuance of statement.
- d. For any grievances with respect to transactions through stock exchange mechanism, Unit Holders must approach either stockbroker or their distributors or RIA or the investor grievances cell of the respective stock exchange. The Specialized Investment Fund or the AMC will not be liable for any transactions processed based on the transaction details provided by the stock exchanges.

Option to hold units in dematerialized form:

- a. Investors subscribing for Units in any of the Investment Strategy(s) of the Fund may opt to hold Units in dematerialized mode by providing details of their demat account in the purchase request submitted by them. Units shall be allotted in physical form by default, unless the investors intimate their intention of holding Units in demat form by submitting the demat account details. This option shall be available in accordance with the provisions laid under the respective Investment Strategy(s) and in terms of guidelines/ procedural requirements as laid by the depositories (NSDL/ CDSL) from time to time.
- b. Investors intending to hold the Units in Demat form are required to have a demat account with the Depository Participant (DP) registered with NSDL/CDSL and will be required to provide the DP's name, DP ID number and the beneficiary account number of the Unit holder with the DP. Investors should attach copy of either Client Master List / Transaction Holding Statement / Delivery Instruction Slip (DIS) to verify the demat details provided in the form. In case the Demat account details are not provided or the details are incomplete or the details do not match with the records as per Depository(ies), Units will be allotted in physical form.
- c. The sequence of names/pattern of holding as mentioned in the purchase request must be same as that in the demat account. Units shall be credited to the investors' demat account only after the funds are credited into the Investment Strategy(s) account to the satisfaction of the AMC.
- d. Investors holding units in demat mode cannot directly approach the Fund House to redeem or switch the units by submitting a physical request. Investors should approach the BSE or NSE Stock Exchange Platform to submit the redemption or switch request. Investors can also approach their Depository Participant (DP) to submit the redemption request.
- e. For any change in static information like address, bank details, nomination, contact etc. investors should approach their respective depository participant. The Mutual Fund/ Specialized Investment Fund/ ISCs will not accept any request directly for transactions or service requests in respect of Units held by the investors in demat form.
- f. In case, the Unit holder desires to hold the Units in a Dematerialized/Rematerialized form at a later date, the request for conversion of units held in non- demat form to Demat (electronic) form or from Demat form to non-demat or physical form should be submitted along with a Demat/Remat Request Form to their Depository Participants. Dematerialization/ Rematerialization of Units will be in accordance with the provisions of SEBI (Depositories & Participants) Regulations, 1996 as may be amended from time. Units held in demat form will be transferable subject to the provisions laid under the respective Investment Strategy(s)/Plan(s)

and in accordance with provisions of Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as may be amended from time to time.

- g. The Mutual Fund/ Specialized Investment Fund/AMC will not send any account statement for units held in demat mode and investors should approach their DPs for the account statement.

31. Facility to transact in units of the Investment Strategy(s) through MFU (MF Utilities India Pvt. Ltd) and MF Central:

- i. Investors can execute financial and non-financial transactions pertaining to Investment Strategy(s) of qsiif electronically on the MFU (www.mfuonline.com) and MF Central portal (<https://www.mfcentral.com>), as and when such facility is made available by the respective platforms transactions subject to terms, conditions and processes adopted by these platforms.
- ii. The AMC has entered into an Agreement with MFUI, for usage of MF Utility (“MFU”) - a shared services initiative of various Asset Management Companies, which acts as a transaction aggregation portal for transacting in multiple schemes/investment strategies.
- iii. The Points of Service (“POS”) of MFUI with effect from the respective dates as published on MFUI website i.e. www.mfuindia.com against the POS locations will be considered as Official Point of Acceptance/ Investor Services Centre where application for financial transactions in Investment Strategy(s) of Specialized Investment Fund will be accepted on an ongoing basis. Further, investors can also submit their non-financial transaction requests at the POS.

32. APPLICATION VIA ELECTRONIC MODE

Subject to the investor fulfilling certain terms and conditions stipulated by the AMC as under, AMC, Mutual Fund, Specialized Investment Fund, the Registrar may accept transactions through any electronic mode (“fax/web/electronic transactions”) as permitted by SEBI or other regulatory authorities:

- i. The acceptance of the fax/web/electronic transactions will be solely at the risk of the transmitter of the fax/web/electronic transactions and the Recipient shall not in any way be liable or responsible for any loss, damage caused to the transmitter directly or indirectly, as a result of the transmitter sending or purporting to send such transactions.
- ii. The recipient will also not be liable in the case where the transaction sent or purported to be sent is not processed on account of the fact that it was not received by the recipient.
- iii. The transmitter’s request to the recipient to act on any fax/web/ electronic transmission is for the transmitter’s convenience and the recipient is not obliged or bound to act on the same.
- iv. The transmitter acknowledges that fax/web/electronic transactions is not a secure means of giving instructions/ transactions requests and that the transmitter is aware of the risks involved including those arising out of such transmission.
- v. The transmitter authorizes the recipient to accept and act on any fax/web/ electronic transmission which the recipient believes in good faith to be given by the transmitter and the recipient shall be entitled to treat any such fax/ web/electronic transaction as if the same was given to the recipient under the transmitter’s original signature.
- vi. The transmitter accepts that the fax/web transactions shall not be considered until time stamped as a valid transaction request in the Investment Strategy in line with SEBI regulations. For electronic transactions, the time of transaction would be the time when the request of purchase /redemption /switch /SIP/STP/SWP other facilities is received on the servers of AMC/RTA as per terms and conditions of such facilities.
- vii. In consideration of the recipient from time to time accepting and at its sole discretion acting on any fax/web/electronic transaction request received/ purporting to be received from the transmitter, the transmitter agrees to indemnify and keep indemnified the AMC, Directors, employees, agents, representatives of the AMC, Mutual Fund, Specialized Investment Fund and Trustees from and against all actions, claims, demands, liabilities, obligations, losses, damages, costs and expenses of whatever nature (whether actual or contingent) directly or indirectly suffered or incurred, sustained by or threatened against the indemnified parties whatsoever arising from or in connection with or any way relating to the indemnified parties in good faith accepting and acting on fax/ web/electronic transaction requests including relying upon such fax/electronic transaction requests purporting to come from the transmitter and their

authorised personnel even though it may not come from the transmitter and their authorised personnel.

33. Note on prevention of money laundering and Know Your Client (“KYC”) Requirements

- a. Know Your Client (“KYC”) formalities under the Prevention of Money laundering Act, 2002 (“PMLA”) and the related guidelines issued by SEBI from time to time, are to be completed by all investors, (including Power of Attorney holders and Guardian in case of a minor) intending to invest any amounts in an Investment Strategy(s) launched under the Specialized Investment Fund.
- b. Prevention of Money Laundering Act, 2002 (hereinafter referred to as “PML Act”) came into effect from July 1, 2005 vide Notification No. GSR 436(E) dated July 1, 2005 issued by Department of Revenue, Ministry of Finance, Government of India. SEBI vide Circular No. SEBI/HO/MIRSD/MIRSDSECFATF/P/CIR/2024/78 dated June 6, 2024 has issued a ‘Master Circular on Anti Money Laundering (AML) Standards/ Combating the Financing of Terrorism (CFT)/Obligations of Securities Market Intermediaries under the Prevention of Money Laundering Act, 2002’ consolidating all the requirements / instructions / obligations of Securities Market Intermediaries issued under the various circulars issued by SEBI with regard to AML/CFT , whereby all intermediaries are advised to take necessary steps to ensure compliance with the requirement of the PML Act inter-alia for the maintenance and preservation of records and reporting of information relating to cash and suspicious transactions to Financial Intelligence Unit-India (FIU-IND), New Delhi.
- c. The Mutual fund/ Specialized Investment Fund/ Registrar and Transfer Agent (RTA)/ KRAs shall perform the KYC of its new investors. Investors may however, note that the fund reserves the right to conduct enhanced KYC of its investors as may be commensurate with their respective risk profiles.
- d. The investor(s) should ensure that the amount invested in the Investment Strategy(s) of Specialized Investment Fund is through legitimate sources only and does not involve and is not designated for the purpose of any contravention or evasion of the provisions of the Income Tax Act, Prevention of Money Laundering Act, Prevention of Corruption Act and / or any other laws in force in India from time to time or any rules, regulations, notifications or directions issued thereunder.
- e. To ensure appropriate identification of the investor(s)/ Unitholder(s) under the KYC policy and with a view to monitor transactions for the prevention of money laundering, the AMC / the Mutual Fund / Specialized Investment Fund reserves the right to seek information, record investor’s/Unitholder’s telephonic calls and / or obtain and retain documentation for establishing the identity of the investor/ Unitholder, their beneficial owner(s), proof of residence, source of funds, etc. It may re-verify identity and obtain any incomplete or additional information for this purpose as the case may be. The investor(s)/Unitholder(s) shall provide such documents to the satisfaction of the AMC as may be required from time to time for the verification/identification of the investor(s)/ Unitholder(s)/any transaction by the AMC/Mutual Fund/ Specialized Investment Fund. If the investor(s)/Unitholder(s) refuses / fails to provide to the AMC, the required documents/ information within the period specified, the AMC, shall have the sole and absolute discretion to freeze the folio(s) of the investor(s)/Unitholder(s), reject any application(s) / allotment of Units and report the details of such investor/Unitholder/transaction to appropriate authority.
- f. The Mutual Fund, Specialized Investment Fund, AMC, quant Capital Trustee Limited and its Directors, employees and agents shall not be liable in any manner for any claims arising whatsoever on account of such freezing of folio(s) / rejection of any application / allotment of Units and/or reporting the same to appropriate authorities.
- g. In terms of the PML Act, 2002, the Rules issued there under and the guidelines/circulars issued by SEBI and/or AMFI regarding the Anti Money Laundering (AML Laws) and KYC requirement, all intermediaries, including Mutual Funds, Specialized Investment Fund have to formulate and implement a client identification programme, verify and maintain the record of identity and address(es) of investors.
- h. Pursuant to SEBI Circular no. MIRSD/ Cir-26/ 2011 dated December 23, 2011, SEBI (KYC Registration Agency) Regulations, 2011 and SEBI Circular no. MIRSD/SE/Cir-21/2011 dated October 5, 2011, to bring about uniformity in the Know Your Customer (KYC) process in the

securities market, Common KYC Application form and supporting documents shall be used by all SEBI registered intermediaries viz. intermediaries viz. Mutual Funds, Portfolio Managers, Depository Participants, Stock Brokers, Venture Capital Funds, Collective Investors Schemes, etc. Further, to avoid duplication of KYC process across SEBI registered intermediaries, a mechanism for centralization of the KYC records in the securities market has been developed.

Accordingly, we will be performing the initial KYC of our clients and upload the details on the system of the KYC Registration Agency (KRA). The data from the KRA shall be checked and passed onto the Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI) for generation of the KYC Identification number (KIN) of the investor. The KYC details of the client can be accessed by other intermediaries by accessing the KRA system. As a result, once the client has done KYC with a SEBI registered intermediary, he need not undergo the same process again with another intermediary. For regulating KRAs, SEBI has formulated the KYC Registration Agency (KRA) Regulations, 2011 which covers the registration of KRAs, functions and responsibilities of the KRAs and intermediaries, code of conduct, data security, etc. However, to comply with prevailing regulatory guidelines, the AMC reserves the right to carryout fresh KYC to the investors or undertake enhanced KYC measures commensuration with the risk profile of the investor. In-Person Verification (IPV) of clients has been made mandatory for all SEBI registered intermediaries. Asset Management Companies (AMCs) and the distributors who comply with the certification process of National Institute of Securities Market (NISM) or Association of Mutual Funds in India (AMFI) and have undergone the process of 'Know Your Distributor (KYD)' can perform the IPV for mutual fund / Specialized Investment Fund investors. However, where applications are received by the mutual funds/ Specialized Investment Fund directly from the clients (i.e. not through any distributor), the IPV performed by the scheduled commercial banks can be relied on. The IPV carried out by any SEBI registered intermediary can be relied upon.

- i. Investors should note that it is mandatory for all applicants (in the case of application in joint names, each of the applicants) to mention his/her Permanent Account Number (PAN) irrespective of the amount of purchase in the Application Form.
- j. In the event of noncompliance of KYC requirements, the Trustee / AMC reserves the right to freeze the folio of the investor(s) and affect mandatory redemption of unit holdings of the investors at the applicable NAV, subject to payment of exit load, if any.
- k. All investors (both individual and non-individual) can apply for KYC compliance. However, applicants should note that minors cannot apply for KYC compliance and any investment in the name of minors should be through a Guardian, who should be KYC compliant for the purpose of investing with a Mutual Fund/ Specialized Investment Fund. Also, applicants / unitholders intending to apply for Units / currently holding Units and operating their Specialized Investment Fund folios through a Power of Attorney (PoA) must ensure that the issuer of the PoA and the holder of the PoA must mention their KYC compliance status at the time of investment. PoA holders are not permitted to apply for KYC compliance on behalf of the issuer of the PoA. Separate procedures are prescribed for change in name, address and other KYC related details, should the applicant desire to change such information.
- l. Financial transactions (including redemptions, switches and all types of systematic plans) and non-financial requests will not be processed if the unitholders have not completed KYC requirements.
- m. Unitholders are advised to use the applicable KYC Form for completing the KYC requirements and submit the form at the point of acceptance.
- n. Further, upon updation of PAN details with the KRA (KRA-KYC) / CERSAI (CKYC), the unit holders are requested to intimate us / our Registrar and Transfer Agent their PAN information along with the folio details for updation in our records.

- o. For applicants who subscribe to the Units through Stock Exchange facility, the KYC performed by the Depository Participant of the applicants will be considered as KYC verification done by the Trustee / AMC.
- p. Units held in Electronic (Demat) mode, the KYC performed by the Depository Participant of the applicants will be considered as KYC verification done by the Trustee / AMC.

34. Change in Static Information

- a. Requests for change in static information, viz. name, mobile number, email id, status, signature, bank account details, Income Distribution cum Capital Withdrawal sub-option, nomination, registration of Power of Attorney, Updation of Authorised Signatory List, etc. may be submitted to the AMC or its Registrar. Such changes will be effected within 5 Business Days of the valid signed request reaching the office of the Registrar at Hyderabad, and any interim financial transactions like purchase, redemption, switch, payment of Income Distribution cum Capital Withdrawal etc. will be effected with the previously registered details only. If any change in static information is submitted along with a financial transaction, the change may be handled separately, and the financial transaction may be processed with the previously registered details. Unit holders are therefore advised to provide requests for change in static information separately and not along with financial transactions. Investors holding units in demat mode should approach their respective Depository Participant for non-financial requests/ applications such as change of address, mobile number, email id, change of bank, etc.
- b. Any change in Income Distribution cum Capital Withdrawal sub option due to additional investment or unit holder request will be applicable to the entire units in the Income Distribution cum Capital Withdrawal option of the investment strategy/plan concerned.
- c. Unit Holders may write to the AMC or the Registrar to change the broker code of their transactions. Any such request will be handled on a prospective basis and the change in broker code will be effected within 5 business days from the date when the Registrar receives the request at its office in Hyderabad.
- d. All non-financial requests are liable to be rejected if the KYC is not completed and updated for all holders in the folio.

Redemption and Switches

- i. All allotment of units on account of purchases, switch ins will be provisional subject to realisation & reconciliation of funds & the AMC having been reasonably satisfied that the SIF has received the clear funds. Any redemption or switches in the interim is liable to be rejected at the sole discretion of the AMC. For more details, please refer the relevant ISID for details on redemption and switch.
- ii. Redemption & switches will be rejected if the KYC is not completed and updated for all the holders in the folio.
- iii. The AMC also has the right, at its sole discretion, to close a Unitholder's account by redemption of units in the account of unitholder, if the unitholder does not submit the requisite proof/documents/information required by the AMC or where the units are held by a unitholder in breach of any Regulation.
- iv. Since a request for purchase is generally made in Rupee amounts and not in terms of number of Units of the Investment Strategy, a unit holder may be left with fractional Units. Fractional Units will be computed and accounted for up to three decimal places. However, fractional Units will, in no way, affect the unit holder's ability to redeem the Units, either in part or in full, standing to his/her/its credit.

Suspension of purchase and restriction on redemption of units

1. Suspension of purchase of units

Subject to the approval of the Boards of the AMC and the Trustee and subject to necessary communication to SEBI, determination of NAV of the units under any investment strategy of the Specialized Investment Fund may be temporarily suspended, leading to consequent suspension of purchase of units, in any of the following events:

- a) When one or more stock exchanges or markets, which provide the basis of valuation for a substantial portion of the assets of the Investment Strategy(s), is/are closed, otherwise than for ordinary holidays.
- b) When, as a result of political, economic or monetary events or any circumstance outside the control of the trustee and the AMC, disposal of the assets of the investment strategy is not reasonable, or would not reasonably be practicable without being detrimental to the interests of the unit holders.
- c) In the event of a breakdown in the means of communication used for the valuation of investments of the investment strategy(s), without which the value of the securities of the investment strategy(s) cannot be accurately arrived at.
- d) During periods of extreme volatility of markets, which in the opinion of the AMC, are prejudicial to the interests of the unit holders.
- e) In the case of natural calamities, pandemic, strikes, riots, bandhs etc.
- f) In the event of any force majeure or disaster that affects the normal functioning of the AMC or the Registrar or if the Trustees are of the opinion that the suitable investment opportunities are not available for deployment of funds.
- g) If so directed by SEBI.
- h) Additionally, the AMC reserves the right in its sole discretion to withdraw the facility of sale and switching option of units into and out of the investment strategy(s) (including any one Plan / option of the investment strategy), temporarily or indefinitely, if AMC views that changing the size of the corpus may prove detrimental to the existing unit holders of the investment strategy(s).

2. Restriction on redemption of units

Pursuant to clause 1.12 of SEBI Master Circular dated June 27, 2024, the restriction on redemption may be imposed under following scenario that may lead to a systemic crisis or the efficient functioning of markets such as:-

- a) **Liquidity issues** –Market at large becomes illiquid affecting almost all securities rather than any issuer specific security.
- b) **Market failures, exchange closures** - 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.
- c) **Operational issues** – when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out).
- d) Subject to the approval of the Boards of the AMC and the Trustee and subject to necessary communication to SEBI, restriction on redemption would be imposed; the following procedure shall be applied:
 - i. Restriction on redemption may be imposed for a specified period of time not exceeding 10 working days in any 90 days period.
 - ii. No redemption requests upto INR 2 lakh shall be subject to such restriction.
 - iii. Where redemption requests are above INR 2 lakh, AMCs shall redeem the first INR 2 lakh without such restriction and remaining part over and above INR 2 lakh shall be subject to such restriction.

Suspension of Sale/Switches into the Investment Strategy under special circumstances

The AMC/Trustee reserves the right to temporarily suspend subscription in/switches into any investment strategy of the Specialized Investment Fund which invests overseas, if the limit prescribed by SEBI for overseas investments by all schemes of the Mutual fund/investment strategies is exceeded/expected to be exceeded.

Procedure for various facilities

Investors can request for Annual Report / Abridged Summary, Half Yearly Portfolio, Net Asset Value (NAV) through any of the following means.

I. Request for Annual Report (AR)/Abridged Summary

- a) **Telephone:-** Give a call to our Contact Centre at 022 6295 5005
- b) **Email:-** Send an email to help.investor@qsif.com
- c) **Letter:-** Submit the letter to any of the AMC Offices or KFin Technologies Investor Service Centres.

II. Request for Monthly/Half Yearly Portfolio

- a) **Telephone:-** Give a call to our Contact Centre at 022 6295 5005
- b) **Email:-** Send an email to help.investor@qsif.com
- c) **Letter:-** Submit the letter to any of the AMC Offices or KFin Technologies Investor Service Centres.

III. Request for Net Asset Value (NAV)

- a) **Telephone:-** Give a call to our Contact Centre at 022 6295 5005
- b) **Email:-** Send an email to help.investor@qsif.com.

A. Special Products / Facilities offered by the Investment Strategies.

(i) Systematic Investment Plan (SIP)

Investors can benefit by investing specific Rupee amounts periodically, for a continuous period through SIP. SIP allows investors to invest a fixed amount of Rupees on every week, fortnight, month or quarter by purchasing Units of an Investment Strategy at the Purchase Price prevailing at such time. The minimum installment shall be 6 instalments. Investors can enroll themselves for SIP in the Investment Strategy by ticking the appropriate box in the application form and filling up the relevant SIP form. If start date for SIP period is not specified, SIP will be registered to start anytime from a period after five business days from the date of receipt of application based on the SIP date available / mentioned, subject to mandate being registered. If end date is not specified the SIP will be registered for 40 years from the start date or end date of mandate/tenure of the Investment Strategy, whichever is earlier.

Units will be allotted at the applicable NAV as on the SIP Date opted for by the investor. Where such SIP Date is not a Business Day, Units will be allotted at the applicable NAV of the immediately succeeding Business Day.

The AMC may change the terms and conditions for SIP from time to time, due to changing market and operational conditions. Investors are advised to check the latest terms and conditions from any of the offices of the AMC, before investing same is available on www.qsif.com.

(ii) Systematic Withdrawal plan (SWP)

A Unit Holder may, through SWP, receive regular payments by way of withdrawals from an Investment Strategy (in the said folio) on a monthly, quarterly basis with specific SWP dates and the request should be for at least 6 such withdrawals. A Unit holder may avail of SWP by

ticking the appropriate box in the application form and filling up the SWP form, specifying therein the 'SWP Date' and period. To start an SWP, the unit holder should submit the SWP form atleast seven days prior to the first desired SWP date. To discontinue the SWP, the unit holder should provide atleast 30 days written notice to the Registrar/AMCs offices. A Unit Holder who opts for an SWP has the choice of withdrawing (i) a fixed amount or (ii) an amount equal to the periodic appreciation on his/her/its investment in the Investment Strategy from which the withdrawal is sought.

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

In case the SWP Date happens to be a Non-Business Day, the transaction will be processed on the immediately succeeding Business Day. On the other hand, the Specialized Investment Fund may terminate the SWP, if all the Units concerned are liquidated or withdrawn from the account or pledged or upon the Specialized Investment Fund's receipt of notification of death or incapacity of the Unit Holder. All terms and conditions for SWP, including Exit Load, if any, prevailing in the date of SWP enrolment/registration by the fund shall be levied in the Investment Strategy.

The AMC may change the terms and conditions for SWP facility from time to time, due to changing market and operational conditions. Investors are advised to check the latest terms and conditions from any of the offices of the AMC, before investing same is available on www.qsif.com.

(iii) Systematic Transfer Plan (STP)

A Unit Holder may transfer, through STP, part of his/her/its investment in the Investment Strategy (in the said folio) to another Investment Strategy on a daily, weekly, fortnightly, monthly, quarterly basis with specific STP dates and the request should be for at least 6 such transfers. The transfer will be effected by way of a switch, i.e. redemption of Units from one Investment Strategy and investment of the proceeds thereof, in the other Investment Strategy, at the then prevailing terms of both Investment Strategies. Therefore, all provisions pertaining to Inter-Investment Strategy Switching will apply to an STP (**Please refer to "Switching" for provisions on switching**). Also, all provisions pertaining to Entry and Exit Load in an STP transaction will be same as applicable for purchase or redemption of investment made through SIP. All transactions by way of STP shall, however, be subject to the terms (other than minimum application amount) of the target Investment Strategy.

All terms and conditions for STP, including Exit Load, if any, prevailing in the date of STP enrolment/registration by the fund shall be levied in the Investment Strategy.

A Unit Holder who opts for an STP has the choice of switching (i) A fixed amount or (ii) an amount equal to the periodic appreciation on his/her/its investment in the Investment Strategy from which the transfer is sought.

The AMC may change the terms and conditions for STP facility from time to time, due to changing market and operational conditions. Investors are advised to check the latest terms and conditions from any of the offices of the AMC, before investing same is available on

Daily STP facility

Under Daily STP, the Unit Holder can switch a fixed amount from any one Investment Strategy (Source Investment Strategy) to any other Investment Strategy (Target Investment Strategy) on a daily basis subject to exit load as applicable. The minimum period for Daily STP shall be 6 days and maximum for any period subject to the end period being year 2099. STP installment shall be processed only when it is a Business day for both source and target

Investment Strategy. In case the start date is not mentioned, the Daily STP shall start from the 7th day from the date of submission of valid STP registration form. In case the end date is not mentioned, the STP shall be registered for a period of one year.

For general terms and conditions and more information, Unit holder(s) are requested to read Terms and Conditions available on ww.qsif.com.

(iv) Switching

A switch has the effect of redemption from one investment strategy/ plan/option and a purchase in the other investment strategy/plan/ option to which the switching has been done. To effect a switch, a Unit Holder must provide clear instructions. Such instructions may be provided in writing or by completing the transaction slip/form attached to the account statement. The switch request can be made for an amount as stated in the respective ISID. A Unit Holder may request switch of a specified amount or a specified number of Units only. If the Unit Holder has specified both the amount (in Rs.) and the number of Units, switch-out of units will be carried out based on the number of units specified by the Unit Holder.

All allotments will be provisional, subject to realisation of payment instrument and subject to the AMC having been reasonably satisfied that the Specialized Investment Fund has received clear funds. Any redemption or switch out transaction in the interim is liable to be rejected at the sole discretion of the AMC. Investors may note that switch facility is currently not available for units held in demat mode and will be provided as and when enabled by stock exchange platforms and depositories as the units are held in demat account. Unit holders are requested to note that application for switch-out for units for which funds are not realized via purchase or switch-in in the Investment Strategy of the Fund shall be liable to be rejected. In other words, switch out of units will be processed only if the funds for such units are realized in the Investment Strategy by a way of payment instructions/transfer or switch-in funding process.

(a) Inter-Investment Strategy Switching

Unit Holders will have the option to switch all or part of their investment in the Investment Strategy, to any other Investment Strategy established by the Specialized Investment Fund, which is available for investment at that time. The switch will be affected by way of redemption of Units from an Investment Strategy and re-investment of the redemption proceeds in the other Investment Strategy selected by the Unit Holder at the prevailing terms of the Investment Strategy to which the switch is taking place.

The price at which the Units will be switched out of the Investment Strategy will be based on the Redemption Price on the Business Day of acceptance of switching request and the net proceeds will be invested in the other Investment Strategy at the prevailing Purchase Price for Units in that/those Investment Strategy.

(b) Inter-Plan Switching

Unit Holders will have the option to switch all or part of their investment(s) from one plan of an Investment Strategy to the other plan of that Investment Strategy. The switch will be effected by way of a redemption of Units of the relevant plan of an Investment Strategy as per terms and conditions of redemption and re-investment of the redemption proceeds in the other plan of the Investment Strategy selected by the Unit Holder on the prevailing terms of that Plan as a purchase as per purchase terms and conditions of purchase.

(c) Inter-Option Switching

Unit Holders have the option to switch all or part of their investments from one Option of an Investment Strategy /Plan to the other Option of the same Strategy/Plan.

The switch will be affected by way of redemption of Units of the relevant Option and reinvestment of the redemption proceeds in the other Option selected by the Unit Holder on the prevailing terms of that Investment strategy/Plan. The price at which the Units will be switched out will be at the Applicable NAV on the Business Day of acceptance of switching request and the net proceeds will be invested in the other Option at the Applicable NAV of that Option.

The AMC may change the terms and conditions for switching facility from time to time, due to changing market and operational conditions.

(v) Pledge of Units for Loans

Units can be pledged by the Unit Holders as security for raising loans, subject to any rules/restrictions that the Trustee may prescribe from time to time.

For Units held in demat form, the rules of the respective DP will be applicable for pledge of the Units. Units held in demat form can be pledged by completing the requisite forms/formalities as may be required by the Depository. The pledge gets created in favour of the pledgee only when the pledgee's DP confirms the creation of pledge in the system.

In case of Units held in physical form, the Registrar will note and record such pledge. A standard form for this purpose is available at any of the official points of acceptance of transactions

(vi) OTM – One Time Mandate ('Facility')

This Facility enables the Unit Holder/s of Specialized Investment Fund ('Fund') to transact with in a simple, convenient and paperless manner by submitting OTM - One Time Mandate registration form to the Fund which authorizes his/her bank to debit their account up to a certain specified limit per day, as and when they wish to transact with the Fund, without the need of submitting cheque or fund transfer letter with every transaction thereafter.

This Facility enables Unit holder(s) of the Fund to start Systematic Investment Plan (SIP) or invest lump sum amounts in any Investment Strategy of the Fund by sending instructions through Transaction forms, and online facility specified by the AMC. This Facility is only available to Unit holder(s) of the Fund who have been assigned a folio number by the AMC.

Unit Holder/s are requested to note that in line with the requirement of SEBI and AMFI Circulars on Two Factor Authentication[2FA], SMS based transaction facility and transaction through Call Centre for all forms of transaction, including but not limited to purchase, redemptions, switches, systematic registrations.

Unit Holder(s) are requested to note that the AMC reserves the right to amend the terms and conditions, or modify, or discontinue the Facility for existing as well as prospective investors at anytime in future.

For general terms and conditions and more information, Unit holder(s) are requested to read Terms and Conditions, OTM - One Time Mandate registration form available at the Official Point of Acceptance of Transactions of AMC/RTA and also available on www.qsif.com.

B. Default scenarios available to the investors under plans/options of the Investment Strategy(s)

Default Plan would be as mentioned below:

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

In case of Investment Strategy's plan option not specified, "Growth" will be the default option for processing of transaction.

In case of IDCW sub-option not specified, "Reinvestment" will be default option for processing of transaction.

VII. RIGHTS OF UNITHOLDERS OF THE INVESTMENT STRATEGY

1. Unit holders have a proportionate right in the beneficial ownership of the assets of the Investment Strategy.
2. When the SIF declares an Income Distribution cum Capital Withdrawal (IDCW) under an Investment Strategy, IDCW payments shall be completed to the Unit Holders within 7 working days from the record date of IDCW.

Consolidated Account Statement ('CAS') at SIF level for each calendar month will be issued on or before 15th day of succeeding month to all unit holders having financial transactions and who have provided valid Permanent Account Number (PAN). For folios not included in the CAS, the AMC shall issue a monthly account statement to the unit holders, pursuant to any financial transaction done in such folios; the monthly statement will be send on or before 15th day of succeeding month. In case of a specific request received from the unit holders, the AMC shall provide the account statement to the unit holder within 5 business days from the receipt of such request. If a Unit holder so desires the SIF shall issue a Unit certificate (non- transferable) within 5 Business Days of the receipt of request for the certificate.

3. The SIF shall dispatch redemption or repurchase proceeds within 3 working days of accepting the valid redemption or repurchase request. Provided that, processing of redemption(s) in the SIF Investment Strategies shall be subject to appropriate notice period(s), if any, as may be implemented by the AMC, based on structure of the Investment Strategy and the liquidity risk associated with it.
4. The Trustee is bound to make such disclosures to the Unit holders as are essential in order to keep the unitholders informed about any information known to the Trustee which may have a material adverse bearing on their investments.
5. The appointment of the AMC for the SIF can be terminated by majority of the Directors of the Trustee Board or by 75% of the Unit holders of the investment strategy.
6. 75% of the Unit holders can pass a resolution to wind- up an Investment strategy.
7. The Trustee shall obtain the consent of the Unit holders:
 - whenever required to do so by SEBI, in the interest of the Unit holders.
 - whenever required to do so if a requisition is made by three- fourths of the Unit holders of the Investment strategy.
 - when the majority of the trustees decide to wind up an investment strategy in terms of clause (a) of sub regulation (2) of regulation 39 of SEBI (Mutual Funds) Regulations, 1996 or prematurely redeem the units of a close ended investment strategy.
 - when the majority of the trustees decide to wind up the Investment Strategy or prematurely redeem the units of an Investment Strategy.
8. The trustees shall ensure that no change in the fundamental attributes of any Investment strategy, the fees and expenses payable or any other change which would modify the Investment strategy and affect the interest of the unit holders is carried out by the asset management company, unless it complies with sub-regulation (26) of regulation 25 of SEBI (Mutual Funds) Regulations, 1996.
9. The Trustee shall ensure that no change in the fundamental attributes of any Investment strategy or the trust or fees and expenses payable or any other change which would modify the Investment strategy and affects the interest of Unit holders of the Investment Strategy, shall be carried out by the AMC, unless the AMC ensures compliance with requirements listed hereunder:

- (i) SEBI has reviewed and provided its comments on the proposal;
- (ii) 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 quant Mutual Fund is situated; and
- (iii) the Unit holders are given an option to exit at the prevailing Net Asset Value without any Exit Load.

10. In specific circumstances, where the approval of unitholders is sought on any matter, the same shall be obtained by way of a postal ballot or such other means as may be approved by SEBI.

VIII. INVESTMENT VALUATION NORMS FOR SECURITIES AND OTHER ASSETS

A. Background

SEBI has amended Regulation 47 and the Eighth Schedule relating to valuation of investments to introduce overriding principles in the form of “Principles of Fair Valuation”.

Prior to this amendment, Eighth schedule and various circulars issued from time-to-time provided detailed guidelines on valuation of traded securities, non-traded securities, thinly traded securities, etc.

The amended regulations require that Mutual Funds/ Specialized Investment Funds shall value their investments in accordance with principles of fair valuation so as to ensure fair treatment to all investors i.e. existing investors as well as investors seeking to subscribe or redeem units.

It further prescribes that the valuation shall be reflective of the realizable value of securities and shall be done in good faith and in a true and fair manner through appropriate valuation policies and procedures approved by the Board of the asset management company (AMC).

The amendment also states that in case of any conflict between the principles of fair valuation and valuation guidelines as per Eighth Schedule and circulars issued by SEBI, the Principles of Fair Valuation shall prevail.

B. Valuation methodologies

1. Annexure I describes the methodologies for valuing each and every type of security held by the Investment Strategys.
2. Investment in any new type of security shall be made only after establishment of the valuation methodology for such security with the approval of the board of the AMC.

C. Inter-Investment Strategy transfers

1. Inter-Investment Strategy transfers shall be effected as per regulations and internal policy at prevailing market price (essentially fair valuation price).
2. Annexure I describes the methodology to determine the fair valuation of securities which are intended to be transferred from one Investment Strategy to another.

D. Scope of the Valuation Committee:

- a. Recommendation and drafting of valuation policy for AMC Board approval
- b. Review the accuracy and appropriateness of methods used in arriving at the fair value of securities and recommend changes, if any.
- c. Lay down procedures to detect and prevent incorrect valuation.
- d. Recommend valuation method during exceptional events.
- e. Recommend valuation methodology for a new type of security.
- f. Report to the Board regarding any deviations or incorrect valuations.

E. Periodic Review

The valuation committee shall be responsible for ongoing review of the valuation methodologies in terms of its appropriateness and accuracy in determining the fair value of each and every security.

F. Exceptional Events

1. Following types of events could be classified as Exceptional events where current market information may not be available / sufficient for valuation of securities:
 - a. Major policy announcements by the Central Bank, the Government or the Regulator.
 - b. Natural disasters or public disturbances that force the markets to close unexpectedly.
 - c. Absence of trading in a specific security or similar securities.
 - d. Significant volatility in the capital markets.

In case the Fund Managers are of the opinion that the price provided by valuation agencies (currently CRISIL and ICRA) does not reflect the fair value of a security, the same shall be valued on the basis of guidelines provided by the Valuation Committee.

2. Escalation Procedure:
 - a. Valuation Committee shall be responsible for monitoring Exceptional events and recommending appropriate valuation methods under the circumstances with due guidance from the AMC Board.
 - b. Under such circumstances, Valuation committee shall seek the guidance of the AMC Board in deciding the appropriate methodology for valuation of affected securities.
 - c. Deviations from the valuation policy and principles, if any, will be communicated to the unit holders' wide suitable disclosures on the fundwebsite.

G. Record keeping

Policy document should be updated in ISID / SAI, website and other documents as prescribed by the SEBI regulations and guidelines.

All the documents which forms the basis of valuation including Inter-Investment Strategy transfers (the approval notes & supporting documents) should be maintained in electronic form or physical papers.

Above records will be preserved in accordance with the norms prescribed by the SEBI regulations and guidelines.

Valuation Policy: Annexure I

A. Equity and related securities

Asset Class	Traded / Non Traded	Basis of Valuation
	Traded	<p>On the valuation day, at the last quoted closing price on the National Stock Exchange (NSE)/ Bombay Stock Exchange (BSE) or other stock exchange, where such security is listed. If not traded on the primary stock exchange, the closing price on the other stock exchange will be considered. NSE will be the primary stock exchange.</p> <p>For Index Funds / Exchange Traded Funds, exchange of underlying benchmark index would be the primary stock exchange.</p>
	Non Traded	<p>1. When a security is not traded on any stock exchange, on the date of valuation, then the previous closing price on NSE / any other SE will be used, provided such closing price is not exceeding a period of 30 calendar days.</p> <p>2. In all other cases</p> <p>a. Equity Shares:</p> <p>Based on the latest available Balance Sheet, net worth shall be calculated as follows: Net Worth per share = [share capital+ reserves (excluding revaluation reserves) – Misc. expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.</p> <p>Average capitalisation rate (P/E ratio) for the industry based upon either BSE or NSE data (which should be followed consistently and changes, if any noted with proper justification thereof) shall be taken and discounted by 75% i.e. only 25% of the Industry Average P/E shall be taken as capitalisation rate (P/E ratio). Earnings per share of the latest audited annual accounts will be considered for this purpose.</p> <p>The value as per the net worth value per share and the capital earning value calculated as above shall be averaged and further discounted by 10% for ill-liquidity so as to arrive at the fair value per share.</p> <p>In case the EPS is negative, EPS value for that year shall be taken as zero for arriving at capitalised earning.</p> <p>In case where the latest balance sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies shall be</p>

		<p>valued at zero.</p> <p>In case an individual security accounts for more than 5% of the total assets of the Investment Strategy, an independent valuer shall be appointed for the valuation of the said security.</p> <p>To determine if a security accounts for more than 5% of the total assets of the Investment Strategy, it should be valued by the procedure above and the proportion which it bears to the total net assets of the Investment Strategy to which it belongs would be compared on the date of valuation.</p> <p>Preference Shares: Intrinsic value will be considered</p> <p>Equity Warrants / Rights entitlement / partly paid up rights shares: Valuation price will be arrived, after applying appropriate discount (valuation committee delegated the power to decide the discount factor), after reducing the exercise price/ issuance price from the closing price of the underlying cash equity security.</p> <p>Partly Paid Up Share - If the partly paid up share is not traded on any stock exchange on the date of valuation, then it should be valued at the price derived after reducing the uncalled amount from the Closing price of underlying fully paid up share. Further Valuation Committee to decide on application of illiquidity discount as deemed appropriate on case to case basis.</p> <p>Demerger:</p> <p>Where there is one resulting Company along with the demerged company and such resulting company is unlisted - The resulting company will be valued by residual price methodology which would be traded value of the demerged company on the day before the demerger less value of the demerged company immediately post demerger. However, if value of demerged entity is greater or equal to the value of the demerged entity before demerger, then the resulting company would be valued at zero.</p> <p>Where there are more than one resulting companies along with the demerged company and all or some resulting companies are unlisted - The resulting companies will be valued by residual price methodology which would be traded value of the demerged entity on the day before the demerger less value of the demerged entity immediately post demerger. The residual value would be allocated into resulting companies in the ratio provided as a part of Investment Strategy of arrangement or such other ratio as decided by the Valuation Committee. If one of the resulting</p>
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		<p>companies is listed, the residual value for unlisted companies would be further determined by reducing the traded value of listed resulting companies from the residual value computed as above.</p> <p>In case where the resulting companies and the demerged company are unlisted – The traded value of demerged company on the day before the demerger would be allocated between the resulting companies and demerged company in the ratio provided as a part of Investment Strategy of arrangement or such other ratio as decided by the Valuation Committee.</p> <p>If the above companies remained unlisted for more than 3 months, illiquidity discount on the derived prices may be applied on the basis of the market capitalization of the issuer viz. at 5% ,10% and 15%, for Large cap, Mid cap, Small cap respectively</p> <p>In case of the above listed, Valuation committee may decide fair value other than guided above, post considering facts on a case to case basis. Further guidance from valuation committee would be sought for any exceptional cases not covered above.</p> <p>f. Merger: Valuation of resulting company would be determined by valuation of merging / amalgamating company immediately prior to the ex-date of merger / amalgamation</p> <p>In case merging / amalgamating companies being listed, valuation of resulting companies would be summation of valuation of entities immediately prior to merger date. Further if listed company merges into an unlisted surviving company, then the surviving company should be valued at the traded value of merging company immediately before merger.</p> <p>Example: If Company A and Company B merge to form a new Company C then Company C would be valued at the price equals to A+B If Company A which is a listed company merges into Company B which is an unlisted company would be valued at traded price of A immediately before merger.</p> <p>ii. In case, one of the merging / amalgamating companies being unlisted, valuation of resulting</p>
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		<p>companies would be valued on the principles of fair valuation as guided by the valuation committee.</p> <p>If the above companies remained unlisted for more than 3 months, illiquidity discount on the derived prices may be applied on the basis of the market capitalization of the issuer viz. at 5% ,10% and 15%, for Large cap, Mid cap, Small cap respectively.</p> <p>In case of the above listed, Valuation committee may decide fair value other than guided above, post considering facts on a case to case basis. Further guidance from valuation committee would be sought for any exceptional cases not covered above.</p>
	Thinly Traded	<p>Policy similar to non-traded Equity Shares.</p> <p>Definition of thinly traded equity/ equity related security: When trading in an equity/ equity related security in a calendar month is both less than INR 5 lacs and the total volume is less than 50,000 shares, it shall be considered as a thinly traded security.</p>
	Unlisted Equity Shares	<p>Unlisted equity shares of a company shall be valued "in good faith" on the basis of the valuation principles laid down below:</p> <p>a. Based on the latest available audited balance sheet, net worth shall be calculated as lower of (i) and (ii) below:</p> <p>i. Net worth per share = [paid up share capital plus free reserves (excluding revaluation reserves) minus Miscellaneous expenditure not written off or deferred revenue expenditure, intangible assets and accumulated losses] divided by Number of Paid up Shares.</p> <p>ii. After taking into account the outstanding warrants and options, Net worth per share shall again be calculated and shall be = [paid up share capital plus consideration on exercise of Option/Warrants received/receivable by the Company plus free reserves(excluding revaluation reserves) minus Miscellaneous expenditure not written off or deferred revenue expenditure, intangible assets and accumulated losses] divided by {Number of Paid up Shares plus Number of Shares that would be obtained on conversion/ exercise of Outstanding Warrants and Options}</p> <p>The lower of (i) and (ii) above shall be used for calculation of net worth per share and for further</p>

		<p>calculation in (c) below</p> <p>b. Average capitalisation rate (P/E ratio) for the industry based upon either BSE or NSE data (which should be followed consistently and changes, if any, noted with proper justification thereof) shall be taken and discounted by 75% i.e. only 25% of the Industry average P/E shall be taken as capitalisation rate (P/E ratio). Earnings per share of the latest audited annual accounts will be considered for this purpose.</p> <p>c. The value as per the net worth value per share and the capital earning value calculated as above shall be averaged and further discounted by 15% for illiquidity so as to arrive at the fair value per share.</p> <p>The above methodology for valuation shall be subject to the following conditions:</p> <ol style="list-style-type: none"> i. All calculations as aforesaid shall be based on audited accounts. ii. In case where the latest balance sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies shall be valued at zero. iii. If the net worth of the company is negative, the share would be marked down to zero. iv. In case the EPS is negative, EPS value for that year shall be taken as zero for arriving at capitalised earning. v. In case an individual security accounts for more than 5% of the total assets of the Investment Strategy, an independent valuer shall be appointed for the valuation of the said security. To determine if a security accounts for more than 5% of the total assets of the Investment Strategy, it should be valued in accordance with the procedure as mentioned above on the date of valuation. <p>At the discretion of the AMC and with the approval of the trustees, an unlisted equity share may be valued at a price lower than the value derived using the aforesaid methodology.</p>
	Lock-in Shares	In case of Equity share under lock in for more than 3 months from the date of purchase/allotment, which are traded on the stock exchanges, the investment manager may apply appropriate discount to the closing price quoted on the stock exchange as may be decided by the Investment Committee on a case to case basis.
	Inter-Investment Strategy Transfers	Inter-Investment Strategy would be done at the Price of the security prevailing on the primary stock exchange at the time of effecting the transfer. If not traded on the primary stock exchange, the closing price of other stock exchange (BSE) will be considered.

Futures & Options	Traded/Non Traded	On the valuation day, at the settlement price provided by the respective stock exchanges. In case of QIP and FPO recognition and valuation would start from the date of allotment. In case of IPO the security would be valued at cost from the date of allotment till a day prior to listing and on last quoted closing price (as mentioned above under Traded criteria) from the day of listing.
Qualified Institutional Placement (QIP) / Follow on Public Offer (FPO) / Initial Public Offer (IPO)		In case of QIP and FPO recognition and valuation would start from the date of allotment. In case of IPO the security would be valued at cost from the date of allotment till a day prior to listing and on last quoted closing price (as mentioned above under Traded criteria) from the day of listing.
Convertible Debentures		In respect of convertible debentures and bonds, the non-convertible and convertible components shall be valued separately. The non-convertible component (Debt) should be valued on the same basis as would be applicable to a debt instrument. The convertible component (Equity) should be valued on the same basis as would be applicable to an equity instrument/equity derivative. If, after conversion the resultant equity instrument would be traded pari passu with an existing equity instrument which is traded, the value of the latter instrument can be arrived at after an appropriate discount for non-tradability, time value, volatility etc. of the equity instrument during the period preceding the conversion. While valuing such instruments, the fact whether the conversion is optional should also be factored in.

B. Fixed Income and related securities

Valuation of all Debt and Money Market Instruments (including Government Securities, Treasury Bills, Cash Management Bills, State Development Loans, Ujwal DISCOM Assurance Yojana (UDAY) Bond etc.) (Including Reverse Repo, Corporate Debt Repo, TREPS all with residual maturity greater than 30 days),	At average of the security level prices provided by valuation agencies. In case security level prices are not given by valuation agencies, then such securities will be valued at weighted average purchase yield on the date of allotment / purchase.
Valuation of money market and debt securities classified as below investment grade or default.	All money market and debt securities which are rated below investment grade shall be valued at the average of the security level price provided by valuation agencies. Till such time the valuation agencies compute the valuation of money market and debt securities classified as below investment grade, such securities shall be valued by the valuation agencies on the basis of indicative haircuts. If security is traded, it will be valued at lower of weighted average traded price available on public platform or

	<p>average of the security level price provided by valuation agencies. The traded qualification criteria shall be determined by valuation agencies. In the absence of the information on the traded qualification criteria from the valuation agencies, the qualification criteria shall be as determined by the Investment Committee</p> <p>In absence of the above information the valuation shall be arrived at basis guidance from Investment Committee</p> <p>In case of any deviation from the valuation price for money market and debt securities rated below investment grade provided by the valuation agencies, AMC shall follow the procedure as mentioned in clause 9.2.3.e of SEBI Master Circular dated June 27, 2024.</p>
Interest Rate Futures	The exchange traded Interest Rate Futures would be valued based on the Daily settlement Price or any other derived price provided by the exchange.
Interest Rate Swaps and other Debt OTC Derivatives	Valuation would be done at average of Price provided by valuation agencies. In absence of Price from valuation agencies, valuation shall be arrived at basis guidance from Investment Committee.
Market Linked Debentures	Valuation would be done at average of Price provided by valuation agencies. In absence of Price from valuation agencies, valuation shall be arrived at basis guidance from Investment Committee
Inter-Investment Strategy Transfers (IST)	<p>Inter-Investment Strategy transfer of all debt and money market securities would be done as per the Price provided by valuation agencies for the said purpose.</p> <p>If Prices from both the valuation agencies are received within the pre- agreed turnaround time (TAT) plus an additional grace time of 30 minutes, an average of the prices so received shall be used for IST.</p> <p>If Prices from only one valuation agency are received within the agreed TAT plus an additional grace time of 30 minutes, then that Price will be used for IST. In case prices from any of the valuation agencies are received beyond the additional grace time of 30 minutes and are adopted for IST trade, then the same shall be approved by Investment Committee.</p> <p>For securities where price is not provided by valuation agencies, the below mentioned approach would be adopted.</p> <p><u>For Fixed Income Securities (excluding Government Securities, Treasury Bills, Cash Management Bills, State Development Loans, Ujwal DISCOM Assurance Yojana (UDAY) Bond, etc)</u></p> <p>Inter-Investment Strategy will be done at the weighted average YTM of all trades for same or similar security</p>

	<p>on a public platform with minimum traded lot of INR 25 crore of face value at the time of inter-Investment Strategy.</p> <p>If there are eligible trades in the same security, the weighted average YTM of these will be considered. If there are no eligible trades in the same security, then weighted average YTM of similar securities will be considered.</p> <p><u>Criteria for identifying the similar securities:</u></p> <p>Similar security should be identified by the following waterfall logic:</p> <ol style="list-style-type: none"> 1. Same issuer with maturity date within ± 5 days of maturity date of security for inter-Investment Strategy transfer shall be considered first. If no such instance is available, then Step 2 to be followed: <i>Example: For inter-Investment Strategy transfer of Canara Bank CD maturing on 15-Jun- 2025, all secondary market trades of Canara Bank CD maturing within 10-Jun- 2025 to 20-Jun-2025 will be considered first</i> 2. Similar security from a different issuer within the same category (PSU Bank, Private Bank or Financial Institution etc) and having same credit rating, with maturity date within ± 5 days of maturity date of security considered for inter- Investment Strategy transfer <i>Example: For inter-Investment Strategy transfer of Canara Bank CD maturing on 15-Jun- 2025, all secondary market trades of similar public sector bank CDs maturing within 10-Jun-2025 to 20-Jun-2025 having same credit rating will be considered.</i> 3. Provided the maturity dates are within the same calendar quarter. <u>Note:</u> Outlier trades, if any, should be ignored after suitable justification by Valuation Committee. <p><u>In case no data point is available for a security, in accordance with above principles:</u> Inter-Investment Strategy valuation will be at previously valued YTM.</p> <p><u>For Government Securities, Treasury Bills, Cash Management Bills, State Development Loans, Ujwal DISCOM Assurance Yojana (UDAY) Bond, etc.</u></p> <p>Inter-Investment Strategy done would be at the last traded YTM on NDS-OM at the time of inter-Investment Strategy. In case of no trade on NDS-OM at the time of inter- Investment Strategy, previous day's YTM will be considered.</p>
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C. Foreign Securities including ADR/GDR

Category	Policy
Traded	<p>Foreign security shall be valued based on the last quoted closing price available on the overseas stock exchange, where the security is listed on multiple exchanges, price of the primary stock exchange in the respective jurisdiction would be considered for valuation.</p> <p>When a security is not traded on stock exchange on the date of valuation, then the previous closing price will be used for valuation, provided such closing price is not exceeding a period of 30 calendar days.</p> <p>However, in case of an extra ordinary event in other markets during the market hours or post the closure of the markets but before NAV computation, the AMC shall value the security at suitable fair value as determined by the Valuation Committee on a case-to-case basis. Further the valuation committee reserves right to suitably modify the defined priority or valuation methodology by documenting rationale for exception to the above defined policy.</p> <p>On valuation date, all assets and liabilities in foreign currency shall be valued in Indian Rupees at the reference rate available on FBIL's (Financial Benchmarks India Pvt Ltd) website as at the close of banking hours on the relevant business day in India.</p> <p>For securities / exposure where RBI / FBIL reference rate is not available, the valuation committee would approve the exchange rate to be used. In case the direct exchange rates are not available, then cross currency rate with USD would be considered. The valuation committee reserves the right to change the source for determining the exchange rate with appropriate rationale in case of exceptional scenarios.</p>
Non Traded	<p>Where the security is not traded, on the date of valuation, on any of the exchanges the last quoted closing price on the selected / primary stock exchange shall be used provided such date is not more than thirty days prior to the valuation date. Securities not traded for more than thirty days shall be valued by AMC at fair value after considering relevant factors on case to case basis.</p> <p>On valuation date, all assets and liabilities in foreign currency shall be valued in Indian Rupees at the reference rate available on FBIL.'s (Financial Benchmarks India Pvt Ltd) website as at the close of</p>

	banking hours on the relevant business day in India. For securities / exposure where RBI / FBIL reference rate is not available, the valuation committee would approve the exchange rate to be used. In case the direct exchange rates are not available, then cross currency rate with USD would be considered. The valuation committee reserves the right to change the source for determining the exchange rate with appropriate rationale in case of exceptional scenarios.
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D. Investment in Mutual Fund (including ETF's) and Corporate Debt Market Development Fund

Category	Policy
Domestic Mutual Fund	<p>As per guidelines issued by AMFI, Mutual Fund Units (including ETF's) listed and traded on exchanges (NSE & BSE) would be valued at at the last quoted closing price on the National Stock Exchange (NSE)/ Bombay Stock Exchange (BSE) or other stock exchange, where such security is listed. If not traded on the primary stock exchange, the closing price on the other stock exchange will be considered. NSE will be the primary stock exchange.</p> <p>Unlisted Mutual Fund Units and listed but not traded Mutual Fund Units (including ETF's) would be valued at the NAV as on the valuation day. In case if on any valuation day the domestic mutual fund is having a non-business day then previous day closing price / NAV would be considered for valuation.</p>
Overseas Mutual Fund	Overseas Mutual Fund Units (including ETF's) listed and traded on exchanges would be valued at the last quoted closing price on the overseas stock exchange, where the security is listed on multiple exchanges, price of the primary stock exchange in the respective jurisdiction would be considered for valuation.
Corporate Debt Market Development Fund (as and when applicable)	Units of Corporate Debt Market Development Fund Alternative Investment Fund (CDMDF) would be valued at the published NAV as on the valuation day.

E. Investment in ReITs, InvITs

Category	Policy
ReITs / InvITs	On the valuation day, at the last quoted closing price on the National Stock Exchange (BSE) or other stock exchange, where such security is listed. If not traded on the primary stock exchange, the closing price on the other stock exchange will be considered. NSE will be the primary stock exchange. In case if it's not traded on the valuation day the valuation committee would recommend appropriate valuation methodology to determine the fair value.

F. Waterfall Mechanism for valuation of money market, debt and government securities:

Clause 9.2.3.c. of SEBI Master Circular dated June 27, 2024 has laid down broad principles for waterfall approach to be followed for valuation of debt, money market and government securities. The said circular prescribes AMFI shall ensure valuation agencies have a documented waterfall approach for valuation of Debt & money market securities.

The AMFI best practices guidelines circular (135/BP/83/2019-20) dated November 18, 2019 provided guidelines on waterfall approach to be followed for valuation money market and debt securities. The waterfall approach is documented in Annexure II.

G. Gold, Silver, Other Commodities and Exchange Traded Commodity Derivatives

Category	Policy
Gold	<p>The physical Gold held by Investment Strategy shall be valued at the AM fixing price of London Bullion Market Association (LBMA) in US dollars per troy ounce for gold having a fineness of 995 parts per thousand, subject to the following:</p> <ul style="list-style-type: none"> (a) adjustment for conversion to metric measure as per standard conversion rates. (b) adjustment for conversion of US dollars into Indian rupees as per the RBI reference rate available on FBIL.'s (Financial Benchmarks India Pvt Ltd) website as at the close of banking hours on the relevant business day in India; and (c) addition of- <ul style="list-style-type: none"> (i) transportation and other charges that may be normally incurred in bringing such gold or silver from London to the place where it is stored on behalf of the mutual fund/ Specialized Investment Fund; and (ii) notional customs duty and other applicable taxes and levies that may be normally incurred to bring the gold or silver from the London to the place where it is actually stored on behalf of the mutual fund/ Specialized Investment Fund; <p>Provided that the adjustment under clause (c) above may be made on the basis of a notional premium that is usually charged for delivery of gold to the place where it is stored on behalf of the mutual fund/ Specialized Investment Fund; If the Gold held by a Investment Strategy has a greater fineness; the relevant LBMA prices of AM fixing shall be taken as the reference price. If the Gold acquired by the Investment Strategy is not in the form of standard bars, it shall be assayed and converted into standard bars which comply with the good delivery norms of the LBMA and thereafter valued in terms of above-paragraph.</p> <p>MCX spot price would be considered for determining a suitable notional premium to arrive at the fair valuation reflecting the domestic prices of Gold. Instances where MCX spot price is lower than the price as determined</p>

	<p>above, a suitable notional discount would be applied. If on any day MCX spot price is not available, any other appropriate source may be used as agreed upon by the Valuation Committee.</p> <p>If on any day, LBMA price is not available due to holiday, the last published LBMA price will be considered for valuation by applying last available RBI reference rate</p>
Silver	<p>The physical Silver held by Investment Strategy shall be valued at the AM fixing price of London Bullion Market Association (LBMA) in US dollars per troy ounce for Silver having a fineness of 999 parts per thousand, subject to the following:</p> <p>(a) adjustment for conversion to metric measure as per standard conversion rates;</p> <p>(b) adjustment for conversion of US dollars into Indian rupees as per the RBI reference rate available on FBIL.'s (Financial Benchmarks India Pvt Ltd) website as at the close of banking hours on the relevant business day in India; and</p> <p>(c) addition of-</p> <p>(i) transportation and other charges that may be normally incurred in bringing such silver from London to the place where it is actually stored on behalf of the mutual fund/ Specialized Investment Fund; and</p> <p>(ii) notional customs duty and other applicable taxes and levies that may be normally incurred to bring the silver from London to the place where it is actually stored on behalf of the mutual fund/ Specialized Investment Fund: Provided that the adjustment under clause (c) above may be made on the basis of a notional premium that is usually charged for delivery of silver to the place where it is stored on behalf of the mutual fund/ Specialized Investment Fund. Where the silver held by a Investment Strategy has a greater fineness, the relevant LBMA prices of AM fixing shall be taken as the reference price.</p> <p>MCX spot price would be considered for determining a suitable notional premium to arrive at the fair valuation reflecting the domestic prices of Silver. Instances where MCX spot price is lower than the price as determined above, a suitable notional discount would be applied. If on any day MCX spot price is not available, any other appropriate source may be used as agreed upon by the Valuation Committee.</p> <p>If on any day, LBMA price is not available due to holiday, the last published LBMA price will be considered for valuation by applying last available RBI reference rate.</p>
Exchange Traded Commodities Derivatives (ETCDs) Contracts	<p>Futures and Options will be valued at the settlement price provided by the respective commodity exchange where they are listed / traded.</p> <p>In case necessary details to value ETCDs are not</p>

	available the same would be valued based on guidance from valuation committee.
Other Commodities (physical received from trading in ETCDs other than the Gold & Silver)	<p>On receipt of the physical stocks at the accredited warehouses of the exchanges, at the allocated location, the commodity will be valued daily at the pooled physical price of the respective location published by the respective commodity exchanges.</p> <p>If the pooled physical prices are not available on the respective commodity exchanges, then below waterfall approach would be adopted.</p> <p>a) Price of the derivative position best reflecting the physical holding (location of warehousing & expiry) which the Investment Strategy owns will be considered for valuation.</p> <p>b) Previous day valuation price</p> <p>In case necessary details to value are not available the same would be valued based on guidance from valuation committee.</p>

Notes:

1. Public Platform refers to:
 - a) Clearcorp F-TRAC Platform of Clearcorp Dealing Systems (India) Ltd. (CDSIL), NSE & BSE: For Commercial Papers and Certificate of Deposits
Clearcorp F-TRAC Platform of Clearcorp Dealing Systems (India) Ltd. (CDSIL) For corporate bonds / debentures and securitized debts order of preference for the Public Platforms for consideration would be as follow:
NSE – NSE OTC
BSE -ICDM
 - b) NDS-OM: For Government Securities, Treasury Bills, Cash Management Bills, State Development Loans, Ujwal DISCOM Assurance Yojana (UDAY) Bond, etc
2. Following assets will be valued at cost plus accruals / amortization:
 - c) Bank Fixed Deposits
 - d) TREPS / Reverse Repo (including Corporate Bond Repo) with tenor up to 30 days
3. Weighted average YTM / Last Traded YTM shall be rounded up to two digits after decimal point.
4. Securities with Put/Call Options – Would be valued as per security level prices provided by the valuation agencies for the said purpose.
5. The valuation of security lent shall be done as per the valuation methodology stated for respective security in Annexure I of this valuation policy. The lending fee received for the security lent would be amortized proportionately, until expiry of the contract.
6. In case of any deviation from the valuation price for money market and debt securities provided by the valuation agencies, AMC shall follow the procedure as mentioned in clause 9.2.3.d. of SEBI Master Circular dated June 27, 2024.

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and/or ICRA assessment as to the value of the relevant securities as at the date of the valuation. This is an indicative value of the relevant securities on the valuation date and can be different from the actual realizable value of the securities. The valuation is based on the information provided or arranged by or on behalf of the asset management company concerned (AMC) or obtained by CRISIL and/or ICRA from sources they consider reliable. Neither AMFI nor CRISIL and/or ICRA guarantee the completeness or accuracy of the information on which the valuation is based. The user of the valuations takes the full responsibility for any decisions made on the basis of the valuations. Neither AMFI nor CRISIL and/or ICRA accept any liability (and each of them expressly excludes all liability) for any such decision or use.

Valuation Policy: Annexure II

Part A: Valuation of Money Market and Debt Securities other than G-Secs

1. Waterfall Mechanism for valuation of money market and debt securities:

The following shall be the broad sequence of the waterfall for valuation of money market and debt securities:

- i. Volume Weighted Average Yield (VWAY) of primary reissuances of the same ISIN (whether through book building or fixed price) and secondary trades in the same ISIN
- ii. VWAY of primary issuances through book building of same issuer, similar maturity (Refer Note 1 below)
- iii. VWAY of secondary trades of same issuer, similar maturity
- iv. VWAY of primary issuances through fixed price auction of same issuer, similar maturity
- v. VWAY of primary issuances through book building of similar issuer, similar maturity (Refer Note 1 below)
- vi. VWAY of secondary trades of similar issuer, similar maturity.
- vii. VWAY of primary issuance through fixed price auction of similar issuer, similar maturity
- viii. Construction of matrix (polling may also be used for matrix construction)
- ix. In case of exceptional circumstances, polling for security level valuation (Refer Note 2 below)

Note 1

Except for primary issuance through book building, polling shall be conducted to identify outlier trades. However, in case of any issuance through book building which is less than INR 100 Cr, polling shall be conducted to identify outlier trades.

Note 2

Some examples of exceptional circumstance would be stale spreads, any event/news in particular sector/issuer, rating changes, high volatility, corporate action or such other event as may be considered by valuation agencies. Here stale spreads are defined as spreads of issuer which were not reviewed/updated through trades/primary/polls in same or similar security/issuers of same/similar maturities in waterfall approach in last 6 months.

Further, the exact details and reasons for the exceptional circumstances which led to polling shall be documented and reported to AMCs. Further, a record of all such instances shall be maintained by AMCs and shall be subject to verification during SEBI inspections.

Note 3

All trades on stock exchanges and trades reported on trade reporting platforms till end of trade reporting time (excluding Inter-Investment Strategy transfers) should be considered for valuation on that day.

Note 4

It is understood that there are certain exceptional events, occurrence of which during market hours may lead to significant change in the yield of the debt securities. Hence, such

exceptional events need to be factored in while calculating the price of the securities. Thus, for the purpose of calculation of VWAY of trades and identification of outliers, on the day of such exceptional events, rather than considering whole day trades, only those trades shall be considered which have occurred post the event (on the same day).

The following events would be considered exceptional events:

- i. Monetary/Credit Policy
- ii. Union Budget
- iii. Government Borrowing /Auction Days
- iv. Material Statements on Sovereign Rating
- v. Issuer or Sector Specific events which have a material impact on yields
- vi. Central Government Election Days
- vii. Quarter end days

In addition to the above, valuation agencies may determine any other event as an exceptional event. All exceptional events along-with valuation carried out on such dates shall be documented with adequate justification.

2. Definition of tenure buckets for Similar Maturity

When a trade in the same ISIN has not taken place, reference should be taken to trades of either the same issuer or a similar issuer, where the residual tenure matches the tenure of the bond to be priced. However, as it may not be possible to match the exact tenure, it is proposed that tenure buckets are created and trades falling within such similar maturity be used as per table below.

Residual Tenure of Bond to be priced	Criteria for similar maturity
Up to 1 month	Calendar Weekly Bucket
Greater than 1 month to 3 months	Calendar Fortnightly Bucket
Greater than 3 months to 1year	Calendar Monthly Bucket
Greater than 1 year to 3 years	Calendar Quarterly Bucket
Greater than 3 years	Calendar Half Yearly or Greater Bucket

In addition to the above:

- a. In case of market events, or to account for specific market nuances, valuation agencies may be permitted to vary the bucket in which the trade is matched or to split buckets to finer time periods as necessary. Such changes shall be auditable. Some examples of market events/ nuances include cases where traded yields for securities with residual tenure of less than 90 days and more than 90 days are markedly different even though both may fall within the same maturity bucket, similarly for less than 30 days and more than 30 days or cases where yields for the last week v/s second last week of certain months such as calendar quarter ends can differ.
- b. In the case of illiquid/ semi liquid bonds, it is proposed that traded spreads be permitted to be used for longer maturity buckets (1year and above). However, the yield should be adjusted to account for steepness of the yield curve across maturities.
- c. The changes I deviations mentioned in clauses a and b, above, should be documented, along with the detailed rationale for the same. Process for making any such deviations shall also be recorded. Such records shall be preserved for verification.

3. Process for determination of similar issuer

Valuation agencies shall determine similar issuers using one or a combination of the following criteria. Similar issuer do not always refer to issuers which trade at same yields, but may carry

spreads amongst themselves & move in tandem or they are sensitive to specific market factor/s hence warrant review of spreads when such factors are triggered.

- i. Issuers within same sector/industry and/or
- ii. Issuers within same rating band and/or
- iii. Issuers with same parent/ within same group and/or
- iv. Issuers with debt securities having same guarantors and/or
- v. Issuers with securities having similar terms like Loan Against Shares (LAS)/ Loan Against Property (LAP)

The above criteria are stated as principles and the final determination on criteria, and whether in combination or isolation shall be determined by the valuation agencies. The criteria used for such determination should be documented along with the detailed rationale for the same in each instance. Such records shall be preserved for verification. Similar issuers which trade at same level or replicate each other's movements are used in waterfall approach for valuations. However, similar issuer may also be used just to trigger the review of spreads for other securities in the similar issuer category basis the trade/news/action in any security/ies within the similar issuer group.

4. Recognition of trades and outlier criteria

i. Volume criteria for recognition of trades (marketable lot)

Clause 9.1.3.1 of SEBI Master Circular, dated June 27, 2024 prescribes that the marketable lots shall be defined by AMFI, in consultation with SEBI. In this regard, marketable lot is defined as under.

The following volume criteria shall be used for recognition of trades by valuation agencies:

Parameter	Minimum Volume Criteria for marketable lot
Primary	INR 25 cr. for both Bonds/NCD/CP/CD and other money market instruments
Secondary	INR 25 cr. for CP/ CD, T-Bills and other money market instruments
Secondary	INR 5 Cr for Bonds/NCD/G-secs

Trades not meeting the minimum volume criteria i.e. the marketable lot criteria as stated above shall be ignored.

ii. Outlier criteria

It is critical to identify and disregard trades which are aberrations, do not reflect market levels and may potentially lead to mispricing of a security or group of securities. Hence, the following broad principles would be followed by valuation agencies for determining outlier criteria.

- a. Outlier trades shall be classified on the basis of liquidity buckets (Liquid, Semi-liquid, and Illiquid). Price discovery for liquid issuers is generally easier than that of illiquid issuers and hence a tighter pricing band as compared to illiquid issuers would be appropriate.
- b. The outlier trades shall be determined basis the yield movement of the trade, over and above

the yield movement of the matrix. Relative movement ensures that general market movements are accounted for in determining trades that are outliers. Hence, relative movement over and above benchmark movement shall be used to identify outlier trades.

- c. Potential outlier trades which are identified through objective criteria defined above will be validated through polling from market participants. Potential outlier trades that are not validated through polling shall be ignored for the purpose of valuation.
- d. The following criteria shall be used by valuation agencies in determining Outlier Trades

Liquidity Classification	Bps Criteria (Yield movement over Previous Day yield after accounting for yield movement of matrix)		
	Up to 15 days	15-30 days	Greater than 30 days
Liquid	30 bps	20 bps	10 bps
Semi-liquid	45 bps	35 bps	20 bps
Illiquid	70 bps	50 bps	35 bps

The above criteria shall be followed consistently and would be subject to review on a periodic basis by valuation agencies and any change would be carried in consultation with AMFI.

- e. In order to ensure uniform process in determination of outlier trades the criteria for liquidity classification shall be as detailed below.

Liquidity classification criteria - liquid, semi Liquid and Illiquid definition

Valuation agencies shall use standard criteria for classifying trades as Liquid, Semi-Liquid and illiquid basis the following two criteria

- a. Trading Volume
- b. Spread over reference yield

Such criteria shall be reviewed on periodic basis in consultation with AMFI.

Trading Volume (Traded days) based criteria:

Number of unique days an issuer trades in the secondary market or issues a new security in the primary market in a calendar quarter

- Liquid >=50% of trade days
- Semi liquid >=10% to 50% trade days
- Illiquid <10% of trade days

Spread based criteria:

Spread over the matrix shall be computed and based on thresholds defined, issuers shall be classified as liquid, semi liquid and illiquid.

For bonds thresholds are defined as up to 15 bps for liquid; >15-75 bps for semi-liquid; > 75 bps for illiquid. (Here, spread is computed as average spread of issuer over AAA Public Sector Undertakings/Financial Institutions/Banks matrix),

For CP/ CD- up to 25 bps for liquid; >25- 50 bps for semiliquid; >50 bps for illiquid. (Here, spread is computed as average spread of issuer over A1+/AAA CD Bank matrix). The thresholds shall be periodically reviewed and updated having regard to the market.

The best classification (liquid being the best) from the above two criteria (trading volume and spread based) shall be considered as the final liquidity classification of the issuer.

The above classification shall be carried out separately for money market instruments (CP/CDs) and bonds.

5. Process for construction of spread matrix

Valuation agencies shall follow the below process in terms of calculating spreads and constructing the matrix:

Steps	Detailed Process
Step 1.	<p>Segmentation of corporates- The entire corporate sector is first categorised across following four sectors i.e. all the corporates will be catalogued under one of the below mentioned bucket: Public Sector Undertakings/Financial Institutions/Banks; Non-Banking Finance Companies -except Housing Finance Companies; Housing Finance Companies; Other Corporates</p>
Step 2.	<p>Representative issuers - For the aforesaid 4 sectors, representative issuers (Benchmark Issuers) shall be chosen by the valuation agencies for only higher rating {I.e. "AAA" or AA+}. Benchmark/Representative Issuers will be identified basis high liquidity, availability across tenure in AAA/AA+ category and having lower credit/liquidity premium. Benchmark Issuers can be single or multiple for each sector. It may not be possible to find representative issuers in the lower rated segments, however in case of any change in spread in a particular rating segment, the spreads in lower rated segments should be suitably adjusted to reflect the market conditions.</p> <p>In this respect, in case spreads over benchmark are widening at a better rated segment, then adjustments should be made across lower rated segments, such that compression of spreads is not seen at any step. For instance, if there is widening of spread of AA segment over the AAA benchmark, then there should not be any compression in spreads between AA and A rated segment and so on.</p>
Step 3.	<p>Calculation of benchmark curve and calculation of spread - Yield curve to be calculated for representative issuers for each sector for maturities ranging from 1 month till 20 years and above. Waterfall approach as defined in Part A (1) above will be used for construction of yield curve of each sector. In the event of no data related to trades/primary issuances in the securities of the representative issuer is available, polling shall be conducted from market participants Yield curve for Representative Issuers will be created on daily basis for all 4 sectors. All other issuers will be pegged to the respective benchmark issuers depending on the sector, parentage and characteristics. Spread over the benchmark curve for each security is computed using latest available trades/primaries/polls for respective maturity bucket over the Benchmark Issuer. Spreads will be carried forward in case no data points in terms of trades/primaries/polls are available for any issuer and respective</p>

	benchmark movement will be given.
Step 4.	<p>The principles of VWAY, outlier trades and exceptional events shall be applicable while constructing the benchmark curve on the basis of trades/primary issuances.</p> <p>In case of rating downgrade/credit event/change in liquidity or any other material event in Representative Issuers, new Representative Issuers will be identified. Also, in case there are two credit ratings, the lower rating to be considered.</p> <p>Residual tenure of the securities of representative issuers shall be used for construction of yield curve.</p>

Part B: Valuation of G-Secs (T-Bill, Cash management bills, G-Sec and SDL)

The following is the waterfall mechanism for valuation of Government securities:

- VWAY of last one hour, subject to outlier validation
- VWAY for the day (including a two quote, not wider than 5 bps on NDSOM), subject to outlier validation
- Two quote, not wider than 5 bps on NDSOM, subject to outlier validation
- Carry forward of spreads over the benchmark
- Polling etc.

Note:

1. VWAY shall be computed from trades which meet the marketable lot criteria stated in Part A of these Guidelines.
2. Outlier criteria: Any trade deviating by more than +/- 5 bps post factoring the movement of benchmark security shall be identified as outlier. Such outlier shall be validated through polling for inclusion in valuations. If the trades are not validated, such trades shall be ignored.

IX. COMPUTATION OF NAV

A. Policy of computation of NAV

The first NAV will be calculated and announced not later than 5 business days from the date of allotment in the NFO. Thereafter NAV of the investment strategy shall be computed and declared on every business day. The NAV under the investment strategy would be rounded off to 4 decimals and Units will be allotted upto three decimal places as follows or such other formula as may be prescribed by SEBI from time to time:

$$\text{NAV (Rs.)} = [(\text{Assets} + \text{Income}) - (\text{Liabilities} + \text{Expenses})] / \text{Number of units outstanding}$$

NAV will be disclosed in the manner specified under SEBI (Mutual Funds) Regulations, 1996. NAV can also be viewed on www.qsif.com and www.amfiindia.com. The AMC shall update the NAVs on the website of Association of Mutual Funds in India - AMFI (www.amfiindia.com) and on www.qsif.com by 11.00 p.m. on every business day.

In case the investment strategy has taken exposure towards Exchange Traded Commodity Derivatives (ETCD), the NAVs of the investment strategy for those business days will be disclosed on the website of the AMFI (www.amfiindia.com) and on website of the SIF (www.qsif.com) by 9:00 a.m. of the following business day.

B. Policy for computation of NAV in foreign securities

In case the Investment Strategy has investments in foreign securities, the NAVs of the investment strategy for those business days will be computed by taking the same day price / valuation of the underlying overseas investments and the NAV will be disclosed on the website of the AMFI (www.amfiindia.com) and on the website of the Specialized Investment Fund (www.qsif.com) by 10:00 a.m. of the following business day. In case of non-availability of price / valuation for the underlying overseas investments before timeline, consequent to which there would be inability in capturing same day price / valuation for such underlying investments, then NAV of the investment strategy will be declared as and when the price / valuation for such underlying securities / Fund is available.

C. Procedure in case of delay in disclosure of NAV

In case of any delay, the reasons for such delay would be explained to AMFI and SEBI by the next day. If the NAVs are not available before commencement of business hours on the following day due to any reason, the Specialized Investment Fund shall issue a press release providing reasons and explaining when the Specialized Investment Fund would be able to publish the NAVs

X. TAX & LEGAL & GENERAL INFORMATION

A. Taxation on investing in SIF

The information on taxation for units issued by the Investment Strategy(s) under Specialized Investment Fund may be related to taxation of Mutual Funds as mentioned below. It is advised that each unit holder should appropriately consult its tax consultant with respect to the specific tax implications arising out of their participation in the Investment Strategy.

Taxation on investing in Mutual Funds

The information furnished below outlines briefly the key tax implications applicable to the unit holders of the Scheme and to the Mutual Fund based on relevant provisions of the Income-tax Act, 1961 (the Act) including amendments made under the Finance Act, 2025.

The tax benefits set out in the SAI are for general purposes only and do not constitute tax advice. The tax information provided in the SAI does not purport to be a complete description of all potential tax costs, tax incidence and risks inherent in subscribing to the units of the Scheme(s) offered by quant Mutual Fund ("Fund"). Investors should be aware that the tax laws may change and there can be no guarantee that the current tax position as laid out hereunder may continue indefinitely. Accordingly, it is recommended that each unit holder should appropriately consult its tax consultant with respect to the specific tax implications arising out of their participation in the scheme. The tax information contained in SAI alone is not sufficient and should not be used for the development or implementation of an investment strategy or construed as investment advice. Investors alone shall be fully responsible/liable for any decision taken on the basis of this document. Neither the Mutual Fund nor the AMC nor any person connected with it accepts any liability arising from the use of this information. Investors should study this SAI carefully in its entirety and should not construe the contents as advice relating to taxation.

TAX IMPLICATIONS FOR THE FUND

As the Mutual Fund has been registered with the SEBI under the SEBI (Mutual Fund) Regulations, 1996, the entire income of the Mutual Fund is exempt from income-tax under section 10(23D) of the Act.

Income received by a Mutual Fund is not liable for the deduction of income tax at source as per the provisions of section 196(iv) of the Act.

TAX IMPLICATIONS TO UNIT HOLDERS

Distribution of income by the Mutual Fund to the unit holders,

Distribution of income by the Mutual Fund to the unitholders will be taxed directly in the hands of the unitholders of the mutual fund at the tax rates applicable to them. Further, the taxpayer can claim a deduction of interest expenditure only under section 57 of the Act which shall be restricted to 20% of the gross dividend income. Deduction would not be permissible for any other expense that the unit holder may incur wholly and exclusively for earning IDCW income.

Further, in computing the IDCW income chargeable to tax in the hands of the non-resident unit holder, no deduction would be allowed u/s. 57 and Chapter VI-A against this IDCW income. Tax rate applicable to Non resident unit holders is 20 % Plus applicable Surcharge & Health & Education Cess.

Tax Deduction at Source on IDCW

As a consequence of withdrawal of exemption u/s. 10(35), the Mutual Fund would be required to deduct tax at source on distribution of IDCW income.

In case of resident unit holders, rate of TDS is 10% u/s. 194K (other than income is of the nature of capital gains). However, no deduction is required if the amount payable to the unit holder does not exceed Rs. 10,000/- during a financial year.

In case of a non-resident unit holder, rate of TDS is 20% (plus applicable surcharge and cess) u/s. 196A.

Securities Transaction Tax

As per Chapter VII of the Finance (No. 2) Act, 2004 pertaining to STT, STT shall be payable in respect of sale / redemption of units of Equity-oriented funds at the following rates:

Sr. No.	Taxable Securities Transaction	Rate	Value	Payable by
1	Purchase of units of equity oriented mutual fund (delivery based) on recognized stock exchange	Nil	Not Applicable	Not Applicable
2	Sale of units of equity oriented mutual fund (delivery based) on recognized stock exchange	0.001 per cent	Value at which units sold	Seller
3	Sale of units of equity oriented mutual fund (non-delivery based)	0.025 per cent	Value at which units sold	Seller
4	Sale of a unit of an equity-oriented fund to the Mutual Fund	0.001 per cent	Value at which units sold	Seller

Gains on transfer / redemption of units

The tax implications on Mutual Funds are determined based on:

- i. the type of Mutual Fund (classified based on the % holding in the equity shares of domestic companies); and
- ii. the holding period (from date of acquisition up to the date of the redemption/transfer).

In case of Equity-Oriented Mutual Funds [Subject to Securities Transaction Tax (STT)]:

An Equity-Oriented Fund ('Equity Fund') refers to a scheme of a Mutual Fund wherein minimum of 65% of the total proceeds of such fund are invested in the equity shares of domestic companies listed on a recognised stock exchange. A Fund of Fund (FOF) structure is treated as an Equity Fund if a minimum of 90% of the total proceeds of such fund are invested in the units of another fund and such other fund also invests a minimum of 90% of its total proceeds in the equity shares of domestic companies listed on a recognised stock exchange. The equity holding is computed with reference to the annual average of the monthly averages of the opening and closing figures.

CAPITAL GAINS ON EQUITY ORIENTED MUTUAL FUNDS

Type of Capital Gain	Short Term Capital Gains (Section 111A)		Long Term Capital Gains (Section 112A)	
Period of Holding	Up to 12 months		More than 12 months	
Status of Investor	Income Tax Rate ⁵	TDS ^{5 6}	Income Tax Rate ⁵	TDS ^{5 6}
(A) Resident	20%	NIL	12.50% ¹	NIL
(B) Non-Resident (other than FII)		20%		12.50 %
(C) Foreign Institutional Investor (FII)		NIL		NIL

Mutual fund schemes having less than 65% holding in listed equity shares of domestic companies shall be classified as Non-Equity Funds.

CAPITAL GAINS ON NON-EQUITY ORIENTED MUTUAL FUNDS

[I] FOR INVESTMENTS MADE ON OR AFTER APRIL 1, 2023

CONDITION – % of Debt Holding in MF	MORE THAN 65% ²		UP TO 65%			
	Type of Capital Gain	Short Term Capital Gains	Short Term Capital Gains		Long Term Capital Gains (Section 112)	
Period of Holding	Irrespective of Holding Period		Unlisted MF – Up to 24 months Listed MF – Up to 12 months		Unlisted MF – More than 24 months Listed MF – More than 12 months	
Status of Investor	Income Tax Rate ⁵	TDS ^{5 6}	Income Tax Rate ⁵	TDS ^{5 6}	Income Tax Rate ⁵	TDS ^{5 6}
(A) Resident	Applicable Tax / Slab Rates ⁴	NIL	Applicable Tax / Slab Rates ⁴	NIL	12.50% ³	NIL
(B) Non-Resident (other than FII)		30%				
(C) Foreign Institutional Investor (FII)	30%	NIL	30%	NIL		

[II] FOR INVESTMENTS MADE ON OR BEFORE MARCH 31, 2023

Type of Capital Gain	Short Term Capital Gains		Long Term Capital Gains (Section 112)	
Period of Holding	Unlisted MF – Up to 24 months Listed MF – Up to 12 months		Unlisted MF – More than 24 months Listed MF – More than 12 months	
Status of Investor	Income Tax Rate ⁵	TDS ^{5 6}	Income Tax Rate ⁵	TDS ^{5 6}
(A) Resident	Applicable Tax / Slab Rates ⁴	NIL	12.50% ³	NIL
(B) Non-Resident (other than FII)		30%		12.50% ³
(C) Foreign Institutional Investor (FII)	30%	NIL		NIL

Notes:

- As per section 112A of the Act, long-term capital gains on transfer of units of EOFs exceeding ₹ 1,25,000 shall be taxable @ 12.5% provided transfer of such units is subject to STT, without

giving effect to first and second proviso to section 48 i.e., without taking benefit of foreign currency fluctuation and indexation benefit.

2. As per Section 50AA of the Income-tax Act, 1961, investments in Specified Mutual Funds on or after April 1, 2023 shall be deemed to be short term capital assets irrespective of holding period.
 - a. Up to 31st March 2025, a “Specified Mutual Fund” means a Mutual Fund by whatever name called, where not more than 35% of its total proceeds is invested in the equity shares of domestic companies. The percentage of equity shareholding held in respect of the Specified Mutual Fund shall be computed with reference to the annual average of the daily closing figures. It is possible that an “equity-oriented fund” which invests in units of another equity fund instead of investing directly in equity shares of domestic company may be regarded as “specified mutual fund” and taxed accordingly.
 - b. From 1st April 2025 onwards, a “Specified Mutual Fund” means: (a) a Mutual Fund by whatever name called, which invests more than 65% of its total proceeds in debt and money market instruments; or (b) a fund which invests 65% or more of its total proceeds in units of a fund referred to in (a). The percentage of investment in debt and money market instruments or in units of a fund, as the case may be, in respect of the Specified Mutual Fund, shall be computed with reference to the annual average of the daily closing figures.
3. Without indexation and foreign exchange fluctuation benefit.

4. Applicable Tax / Slab Rates

A. For Individuals / HUF / AOP / BOI / Artificial Juridical Persons

DEFAULT – NEW TAX REGIME [Section 115BAC(1A)]

TOTAL INCOME	TAX RATES ⁵
Up to INR 4,00,000	NIL
INR 4,00,001 to INR 8,00,000	5%
INR 8,00,001 to INR 12,00,000	10%
INR 12,00,001 to INR 16,00,000	15%
INR 16,00,001 to INR 20,00,000	20%
INR 20,00,001 to INR 24,00,000	25%
INR 24,00,001 and above	30%

OPTIONAL – OLD TAX REGIME (with specified exemptions & deductions)

TOTAL INCOME	TAX RATES ⁹
Up to INR 2,50,000	NIL
INR 2,50,001 to INR 5,00,000	5%
INR 5,00,001 to INR 10,00,000	20%
INR 10,00,001 and above	30%

- (i) Under the old tax regime, in the case of a resident individual of the age of 60 years or more but less than 80 years, the basic exemption limit is INR 300,000 and in the case of a resident individual of the age of 80 years or more, the basic exemption limit is INR 500,000
- (ii) In cases where the taxable income, reduced by long term capital gains / short term capital gains, of a resident individual/HUF is below the basic exemption limit, the long-term capital

gain / short-term capital gains will be reduced to the extent of this shortfall and only the balance is chargeable to income tax. The benefits of this provision are not available to non-resident individuals.

- (iii) In case of a resident individual: (a) If opting to pay tax under the old tax regime, then rebate of up to Rs.12,500 is available if total income does not exceed Rs.5,00,000; (b) If total income is chargeable to tax under the default New Tax Regime u/s. 115BAC(1A), then rebate of up to Rs.60,000 is available if such total income does not exceed Rs.12,00,000. However, in case of point (b), such rebate is not available with respect to tax on incomes chargeable at special rates (such as tax on capital gains u/s. 111A / 112 / 112A).

B. For Domestic Companies

If availing specified exemptions / deductions Optional Regime (Without specified Exemptions /deductions)

	Turnover ≤ Rs. 400 Crore for FY 2023-24	Turnover > Rs.400 Crore	Section 115BAA	Section 115BAB
Basic Tax Rate ⁵	25%	30%	22%	5%
Minimum Alternate Tax (MAT) ⁵	15%	15%	Not Applicable	

5. Surcharge:

If taxpayer (Individual/HUF/AOP/BOI/AJP) opts for Old Tax Regime, then Surcharge to be levied on basic tax at:

- 37% where specified income exceeds Rs.5 crore;
- 25% where specified income exceeds Rs.2 crore but does not exceed Rs.5 crore;
- 15% where total income exceeds Rs.1 crore but does not exceed Rs.2 crore; and
- 10% where total income exceeds Rs.50 lakhs but does not exceed Rs.1 crore.

If taxpayer (Individual/HUF/AOP/BOI/AJP) pays tax as per default New Tax Regime u/s. 115BAC(1A), then maximum rate of Surcharge will be 25% where income exceeds Rs.2 crore. 'Specified income' refers to total income excluding dividend income on shares, STCG on EOF and LTCG on mutual fund units. Enhanced surcharge of 25% or 37%, as the case may be, will not apply in case of income by way of dividend or capital gains on securities covered under Section 111A (STCG on EOF), Section 112 (LTCG on non-EOF), Section 112A (LTCG on EOF) & Section 115AD (tax on income earned by FIs).

In case of an AOP consisting of only companies as its members, the rate of surcharge shall not exceed 15%.

Surcharge for companies to be levied on basic tax:

- Domestic Company: 12% where income exceeds Rs.10 crore and 7% where income exceeds Rs.1 crore but less than Rs.10 crore. If a domestic company opts for concessional tax regime u/s. 115BAA/115BAB: then flat rate of 10% on basic tax
- Non-resident Company: 5% where income exceeds Rs.10 crore and 2% where income exceeds Rs.1 crore but less than Rs.10 crore

Cess: Health & Education Cess @ 4% is applicable on aggregate of basic tax & surcharge

6. Tax Deduction at Source (TDS) or Withholding Tax:

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

Income-tax Act, 1961 and the relevant DTAA as well as interpretation of relevant Article of such DTAA.

TDS on Income Distributions (IDCW Option):

- In case of non-resident investors (other than FII): As per provisions of Section 196A, TDS is applicable on any income in respect of units of a Mutual Fund at lower of 20% or rate of income-tax provided in the relevant DTAA (read with CBDT Circular no. 3/2022 dated 3rd February 2022), provided such investor furnishes valid Tax Residency Certificate (TRC) for concerned FY.
- In case of FII: As per provisions of Section 196D, TDS is applicable at lower of 20% or rate of income-tax provided in the relevant DTAA (read with CBDT Circular no. 3/2022 dated 3rd February 2022), provided such investor furnishes valid Tax Residency Certificate (TRC) for concerned FY.

TDS on Capital Gains: Tax will be deducted on Short-term/Long-term capital gains at the tax rates (plus applicable Surcharge and Health and Education Cess) specified in the Finance Act 2025 at the time of redemption of units in case of Non-Resident investors (other than FIIs) only.

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

7. The following deductions are available on long term capital gains arising on the transfer of Mutual Fund units, if the sale proceeds are invested in eligible avenues:

Particulars	Section 54F
Eligible persons	Individuals and HUFs
Asset to be purchased to claim exemption	Residential house in India
Time limit for purchase from date of sale of MF units	Purchase: 1 year backward / 2 years forward & Construction: 3 years forward
Amount Exempted	Capital gains proportionate to the investment made from the sale proceeds (subject to other conditions of owning / purchasing the residential house mentioned in the section)
Lock-in period	3 years
Maximum deduction*	INR 10 crores

*The Finance Act, 2023 limits the maximum deduction that can be claimed under section 54F of the Act to INR 10 crores, where the cost of new asset purchased more than INR 10 crore then the cost of such asset exceeding INR 10 crore should not be considered.

8. LOSSES UNDER THE HEAD 'CAPITAL GAINS'

Losses under the head capital gains cannot be set off against income under any other head. Furthermore, within the head capital gains, losses arising from the transfer of long-term capital assets cannot be adjusted against gains arising from the transfer of a short-term capital asset. However, losses arising from the transfer of short-term capital assets can be adjusted against gains arising from the transfer of either a long term or a short-term capital asset.

Unabsorbed long term capital losses can be carried forward and set off against the long-term capital gains arising in any of the subsequent eight assessment years. Unabsorbed short term capital losses can be carried forward and set off against the income under the head capital gains in any of the subsequent eight assessment years.

9. BONUS STRIPPING

As per section 94(8) of the Act, units purchased within a period of 3 months prior to record date of entitlement of bonus and sold within a period of 9 months after such date, the loss

arising on the transfer of original units shall be ignored for the purpose of computing the income chargeable to tax. The amount of loss ignored shall be deemed to be the cost of purchase / acquisition of the bonus units. In the Finance Act, 2022, sub-section 8 of the section 94 has modified the definition of unit, so as to include units of business trusts and AIF, within the definition of units.

10. Religious and Charitable Trust

Investments in units of the Mutual Fund will rank as an eligible form of investment under section 11(5) of the Act read with Rule 17C of the Income-tax Rules, 1962 for Religious and Charitable Trusts.

11. Deduction U/S. 80C in respect of Amount Invested

As per Section 80C of the Act, an individual and HUF can claim a deduction for the amount paid or deposited in certain eligible schemes or investments, subject to maximum amount of Rs.150,000. The benefit of deduction under Section 80C of the Act can be availed by a unitholder (being individual or HUF) by investing in “quant ELSS Tax Saver Fund”, provided such unitholder opts to pay tax under the Old Regime in accordance with provisions of Section 115BAA of the Act.

B. Legal Information

1. Nomination Facility

In terms of Regulation 29A of the SEBI (Mutual Funds) Regulations the unit holders have an option for making nomination

(a) Who can nominate/be nominees?

Individuals, on their own behalf, singly or jointly can nominate.

Following is an illustrative list of the categories of investors who cannot nominate:

- i) company
- ii) body corporate
- iii) PSU
- iv) AOP, BOI
- v) society
- vi) trust (other than religious or charitable trust)
- vii) partnership firm
- viii) karta of HUF
- ix) bank
- x) FII/Foreign Portfolio Investors (FPI)
- xi) holder of POA

A minor can be nominated and in that event, the name and address of the guardian of the minor nominee shall be provided by the Unit holder. Nomination can also be in favour of the Central Government, State Government, a local authority, any person designated by virtue of his office or a religious or charitable trust. For nomination to a religious or charitable trust, the investor should attach a proof or certificate that the trust being nominated is religious or charitable trust. The Nominee shall not be a trust, other than a religious or charitable trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family or a Power of Attorney holder. A non-resident Indian can be a Nominee subject to the exchange controls in force, from time to time.

(b) How to Nominate?

A Unit holder can, at the time an application is made, or by subsequently writing to an ISCs, request for a nomination form in order to nominate not more than three individuals, to receive the units upon his/her death, subject to completion of the necessary formalities. If the Units are held jointly, all joint unit holders will be required to sign the nomination form irrespective of the mode of holding being 'Anyone or Survivor' or 'Joint'. Nomination form cannot be signed by Power of attorney (PoA) holders. Every new nomination for a folio/account will overwrite the existing nomination.

Investors may please note that nomination is mandatory for folios held in the name of a single individual. Nomination cannot be made in a folio held 'on behalf of a minor'. Further, investors who do not wish to nominate are required to confirm at the time of making an application of their non-intention to nominate i.e. to submit opt-out declaration form signed by all holders.

Investors shall indicate clearly the percentage of allocation/share in favour of each of the nominees against their names, and such allocation/ share shall be in whole numbers without any decimals. In the event of the investor not indicating the percentage of allocation/share for each of the nominees, the AMC shall settle the claim equally amongst all the nominees.

(c) Effects of nomination/cancellation of nomination

Nomination in respect of units stands rescinded upon redemption of units. Cancellation of nomination can be made only by those individuals who hold units on their own behalf, singly or jointly, and who made the original nomination. On cancellation, the nomination shall stand rescinded and the AMC/Mutual Fund/ Specialized Investment Fund shall not be under any obligation to transfer the units in favour of any of the nominees. Transfer of units/payment to a nominee of the sums shall be valid and effectual against any demand made upon the

Trust/AMC, and shall discharge the Trust/AMC of all liability towards the estate of the deceased unit holder and his/her successors and legal heirs, executors and administrators.

- Legal heir(s) of nominee shall not be eligible to inherit the assets of the investor, if the nominee predeceases the investor.
- The nominees(s) shall receive the assets of deceased sole account / sole holder(s) as trustee on behalf of legal heir(s) of deceased holder(s) thereby effecting due discharge of the AMC.

If the Mutual Fund, Specialized Investment Fund or the AMC or the Trustee were to incur or suffer any claim, demand, liabilities, proceedings or if any actions are filed or made or initiated against any of them in respect of or in connection with the nomination, they shall be entitled to be indemnified absolutely for any loss, expenses, costs, and charges that any of them may suffer or incur absolutely from the investor's estate.

2. KYC Requirements and Requirements of Prevention of Money Laundering Act

Please refer to point "Note on and Prevention of Money Laundering and Know Your Client ('KYC') Requirements" under section "How to Apply".

3. Transfer of Units

Units of the Investment Strategy(s) held in physical form shall be non-transferable. Further units of the Investment Strategy(s) of the Specialized Investment Fund held in demat form are freely transferable (in terms of clause 14.4.4 of SEBI Master Circular dated June 27, 2024) from one demat account to another demat account.

4. Transmission

If a person becomes a holder of the Units consequent to operation of law or upon enforcement of a pledge, the Specialized Investment 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 Specialized Investment Fund subject to production of satisfactory evidence and completion of formalities as specified by the AMC.

On death of the single or all the Unitholder(s), Units can be transmitted in favour of the registered nominee or the legal heirs, as the case may be, after completion of necessary formalities to the satisfaction of the AMC/Trustee. All restrictions and limitations specified herein including those relating to lock-in period and lien/pledge will be binding also on the legal heirs, successors, pledgees of the Unitholder(s).

(i) Transmission to surviving Unit holders in case of death of one or more Unit holders:

In case units are held by more than one registered unit holder, then upon death of first unit holder, units shall be transmitted in favour of the second named holder on production of the following documents to the satisfaction of the Specialized Investment Fund, AMC/Trustee or Registrar:

- a. Prescribed transmission request form from surviving Unit holder(s);
- b. Death Certificate/s in original or photocopy duly attested by a Notary Public or Gazetted officer or photocopy self- attested by the nominee/s/ claimant/s, subject to verification of original at the designated accepting centres; ;
- c. Cancelled cheque leaf with name and bank account number pre-printed OR copy of bank statement / Photocopy of Bank Passbook with current entries (not older than 3 months) attested by a Notary Public or a Gazetted Officer or Bank Manager.
- d. Self attested copy of PAN / KYC of the surviving Unit holders, if not already available.

(ii) Transmission to registered nominee(s) in case of death of sole or all Unit holders:

Units shall be transmitted in favour of the registered nominee(s) in case of death of sole or all Unit holders upon production of the following documents to the satisfaction of the Specialized Investment Fund, AMC/Trustee or Registrar:

- a. Prescribed transmission request form signed by the registered nominee(s);
- b. Death Certificate(s) in original or photocopy duly attested by a Notary Public or Gazetted officer or photocopy self-attested by the nominee/s/ claimant/s subject to verification of original at the designated accepting centres.
- c. Copy of Birth Certificate in case the nominee(s) / claimant is a minor.
- d. Self-attested copy of PAN and a valid KYC of the registered nominee(s).
- e. Cancelled cheque leaf with name and bank account number pre-printed OR copy of bank statement / Photocopy of Bank Passbook with current entries (not older than 3 months) attested by a Notary Public or a Gazetted Officer or Bank Manager.
- f. Bank attestation of the signature of the Claimant / Guardian (in case the nominee is a minor) by the bank manager where transmission value is up to Rs. 5,00,000/-.
- g. Attestation of signature of the claimant by a Notary Public or a Judicial Magistrate First Class (in the space provided in prescribed transmission form), where transmission value is more than Rs. 5,00,000/-.

(iii) Transmission to claimant(s), where nominee is not registered, in case of death of sole or all Unit holders:

If the Unit holder has not appointed a nominee, the Units shall be transmitted in favour of the Unit holder's executor/administrator of estate/legal heir(s), as the case may be, on production of the following documents, in addition to the documents mentioned in (i) above, to the satisfaction of the Specialized Investment Fund, AMC/Trustee or Registrar:

- a. Prescribed transmission request form
- b. Copy of Birth Certificate is required in case the nominee(s) / claimant is a minor.
- c. Death Certificate/s in original or photocopy duly attested by a Notary Public or Gazetted officer or photocopy or photocopy self-attested by the nominee/s/ claimant/s subject to verification of original at the designated accepting centres
- d. Self attested copy of PAN / KYC of the surviving Unit holders, if not already available.
- e. Cancelled cheque leaf with name and bank account number pre-printed OR copy of bank statement / Photocopy of Bank Passbook with current entries (not older than 3 months) attested by a Notary Public or a Gazetted Officer or Bank Manager.
- f. Bank attestation of the signature of the Claimant / Guardian (in case the nominee is a minor) by the bank manager where transmission value up to Rs.5,00,000/-.
- g. Attestation of signature of the claimant by a Notary Public or a Judicial Magistrate First Class (in the space provided in prescribed transmission form), where transmission value is more than Rs. 5,00,000/-
- h. Indemnity Bond from legal heir(s);
- i. Individual affidavits from legal heir(s);
- j. Transmission value up to Rs. 5,00,000/-:
 - I. Any appropriate document evidencing relationship of the claimant/s with the deceased Unit holder(s);
 - II. NOC from other Legal Heirs
- k. Transmission value is more than Rs. 5,00,000/- and up to 10,00,000/-
Notarised copy of probated will or Registered Will. (In case of registered will, an indemnity bond signed from the claimant (beneficiary of the will) OR;
 - I. Legal Heir certificate or its equivalent along with
 - I. Indemnity Bond from legal heir
 - II. NOC from the non-claimants
- m. If the transmission amount at PAN level is Rs Ten Lakh or more: Any one of the documents mentioned below:
 - I. Notarised copy of probated will, or
 - II. Legal Heir Certificate or Succession Certificate or Claimant's Certificate issued by a competent court, or
 - III. Letter of Administration, in case of Intestate Succession.

Please note that in case the claimant submits any document mentioned under point I to III, then the Indemnity Bond as mentioned under point a. would not be required.

(iv) Transmission in case of HUF, due to death of Karta:

HUF, being a Hindu Undivided Family, the property of the family is managed by the Karta and HUF does not come to an end in the event of death of the Karta. In such a case, the members of the HUF who appoint the new Karta need to submit following documents for transmission:

- a. Prescribed transmission request form;
- b. Death Certificate in original or photocopy duly notarized or attested by gazette officer or a bank manager or the certificate which is generated from the official sites;
- c. Self-attested PAN copy and KYC of the new Karta, if not already available;
- d. Cancelled cheque leaf with name and bank account number pre-printed OR copy of bank statement / Photocopy of Bank Passbook with current entries (not older than 3 months) attested by a Notary Public or a Gazetted Officer or Bank Manager
- e. Duly certified Bank certificate stating that the signature and details of new Karta have been appended in the bank account of the HUF;
- f. Indemnity bond signed by all the surviving coparceners and new Karta;
- g. Any appropriate document evidencing relationship of the new Karta and the other coparceners with the deceased Karta, where transmission value upto Rs.500,000/-.
- h. In case of no surviving co-parceners and the transmission value is more than ₹500,000 OR where there is an objection from any surviving members of the HUF, transmission should be effected only on the basis of any of the following mandatory documents:
 - Notarized copy of Settlement Deed, or
 - Notarized copy of Deed of Partition, or
 - Notarized copy of Decree of the relevant competent Court
- i. Indemnity bond signed by the Claimant, where there is no surviving co-parcener or the HUF has been dissolved/partitioned after demise of the Karta

Unit holders may please note that, in addition to the above-mentioned documents, the AMC/Registrar may, depending on the circumstance of each case seek additional documents.

Additional risk mitigation measures:

To avoid the risk of frauds and enhance operational efficiency, AMC shall not accept any 'Transmission cum Redemption' request. AMC shall first accept and process the request for transmission of units with proper documentation and thereafter accept and process redemption request.

“On Behalf of Minor” Accounts

- A.** In the case of investments made “on behalf of minor”, investors may please note the following:
- a. The minor shall be the first and the sole holder in the account. There shall not be any joint holder where minor is the first holder.
 - b. Guardian can be either natural guardian (i.e. father or mother) or a court appointed legal guardian
 - c. It is mandatory for guardian to submit documentary evidence confirming the relationship status.
 - d. It is mandatory for the minor to have a bank account in his own name singly or jointly with the Guardian. The investment amount has to be from the minor's bank account or parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian.
 - e. It is mandatory to provide minor's date of birth in application form along with any of following supporting documents:
 - Birth certificate of the minor, or
 - School leaving certificate / Mark sheet issued by Higher Secondary Board of respective states, ICSE, CBSE etc., or
 - Passport of the minor, or
 - Any other suitable proof evidencing the date of birth of the minor.

B. Minor attaining majority – Status Change

- a. The AMC/Registrar shall send advance notice at the registered correspondence address, advising the minor and guardian to submit prescribed documents, in order to effect change of status from 'minor' to 'major'.
- b. In case the requisite documents to change the status are not received by the date when the minor attains the age of majority, no transactions (financial and non-financial) including fresh registration of Systematic Investment Plan ('SIP'), Systematic Transfer Plan ('STP') and

Systematic Withdrawal Plan ('SWP') will be permitted after the date of minor attaining the age of majority.

- c. Existing SIPs, SWPs and STPs registered prior to the minor attaining the age of majority, will be continued to be processed till the time an instruction from the major to terminate the standing instruction is received by the AMC/Registrar along with the prescribed documents.
- d. New SIPs, SWPs and STPs will be registered upto the date of the minor attaining the age of majority.
- e. List of standard documents to change account status from minor to major:
 - Service Request form, duly filled and containing details like name of major, folio numbers, etc.;
 - New Bank mandate where account changed from minor to major;
 - Signature attestation of the major by a manager of a scheduled bank / Bank Certificate/Letter;
 - KYC acknowledgement of the major.

C. Change in Guardian

Guardian can be changed in a folio held "on behalf of minor", either due to mutual consent or demise of the existing guardian. However, the new guardian can only be either a natural guardian (i.e. father or mother) or a court appointed legal guardian. New guardian should submit documentary evidence confirming the relationship with the minor, bank attestation attesting his/her signature and KYC acknowledgement.

D. Process for Investments made in the name of a Minor through a Guardian –

1. For all fresh purchases including Lumpsum, new Systematic Investment Plan (SIP) registrations in the name of minor will be accepted only from the bank account of minor or parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian.
2. Existing unitholders/guardians with folios in the name of minor, should ensure to update a bank account in the name of minor (or a joint account of the minor with the guardian only) as a payout bank in the folio, before placing any redemption in such folio.
3. In case of any redemption received in the folio of a minor where the bank account of the minor is not updated, such redemption will be rejected.

Upon the minor attaining the status of major, the minor in whose name the investment was made is required to provide all the KYC details, updated bank account details including cancelled original cheque leaf of the new account.

5. Duration of the Investment Strategies

The duration of open-ended Investment Strategies is perpetual while that of the close-ended Investment Strategies is as mentioned in the relevant ISID. However, in terms of the Regulations, open-ended Investment Strategies may be wound up anytime, and close-ended Investment Strategy may be wound up at any time prior to the maturity date, after repaying the amount due to the unit holders under the following circumstances:

1. On happening of any event, which in the opinion of the Trustee, requires the Investment Strategy concerned to be wound up, OR
2. If 75% of the unit holders of the Investment Strategy concerned pass a resolution that the Investment Strategy be wound up, OR
3. If SEBI so directs in the interests of unit holders.

In addition to the above, an open-ended Investment Strategies may also be wound up if the Investment Strategy/investment Plan fails to fulfill the condition of a minimum of 20 investors on an ongoing basis for each calendar quarter.

Further, an average AUM of Rs. 20 crore on half yearly rolling basis has to be maintained for all open ended debt oriented Investment Strategies. In case of breach of this provisions, the AMC shall scale up the AUM of such Investment Strategy within prescribed period so as to comply with the provisions, failing which the provisions of Regulation 39(2)(c) of the Regulations related to winding up of Investment Strategy would become applicable.

6. Procedure and Manner of Winding Up

The Trustee shall call a meeting of the unit holders to approve by simple majority of the unit holders present and voting at the meeting for authorising the Trustee or any other person to take steps for winding up of the Investment Strategy concerned.

The Trustee or the person authorised as above, shall dispose off the assets of the Investment Strategy concerned in the best interest of the unit holders of the Investment Strategy.

The proceeds of sale realised in pursuance of the above shall be first utilised towards discharge of such liabilities as are due and payable under the Investment Strategy, and after meeting the expenses connected with such winding up, the balance shall be paid to the unit holders in proportion to their respective interest in the assets of the Investment Strategy, as on the date when decision for winding up was taken.

On completion of the winding up, the Trustee shall forward to SEBI and unit holders a report on the winding up, detailing, the circumstances leading to the winding up, the steps taken for disposal of the assets of the Investment Strategy before winding up, net assets available for distribution to the unit holders and a Certificate from the auditors of the Mutual Fund/ Specialized Investment Fund.

Notwithstanding anything contained herein above, the provisions of the Regulations in respect of disclosures of half-yearly reports and annual reports shall continue to be applicable until winding up is completed or the Investment Strategy concerned ceases to exist.

After the receipt of the report referred to above, under "Procedure and Manner of Winding Up", if SEBI is satisfied that all measures for winding up of the Investment Strategy concerned have been complied with, the Investment Strategy shall cease to exist.

The aforesaid provisions pertaining to "Procedure and Manner of Winding Up" shall apply in respect of each individual Investment Strategy and to the extent possible shall apply mutatis mutandis to each Investment Plan.

7. Pledge of Units for Loans

Units can be pledged by the Unit Holders as security for raising loans, subject to any rules/restrictions that the Trustee may prescribe from time to time.

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/ Specialized Investment Fund/ AMC assumes no responsibility thereof. The Pledgor will not be able to redeem Units that are pledged until the entity to which the Units are pledged provides written authorisation to the Mutual Fund/ Specialized Investment 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. In case the units pledged are of close ended Investment Strategy and if the units are under pledge at the time of maturity of the Investment Strategy, then the AMC reserves the right to pay the maturity amount to the person / bank / financial institution/non-banking finance companies (NBFCs)/any other body in whose favour the lien has been marked. An intimation of such payment will be sent to the investor. The AMC thereafter shall not be responsible for any claims made by the investor/third party on account of such payments.

For Units held in demat form, the rules of the respective Depository Participants ('DP') will be applicable for pledge of the Units. Units held in demat form can be pledged by completing the requisite forms/formalities as may be required by the Depository. The pledge gets created in favour of the pledgee only when the pledgee's DP confirms the creation of pledge in the system. In case of Units held in physical form, the Registrar will note and record such pledge. A standard form for this purpose is available at any of the official points of acceptance of transactions and on www.qsif.com.

8. Compliance under Foreign Account Tax Compliance Act /Common Reporting

Standard requirements:

Foreign Account Tax Compliance Act: The Government of India and US Government have signed an Inter-Governmental Agreement (IGA) on July 9, 2015, to implement FATCA. Pursuant to the reporting requirements mandated under FATCA, the AMC would be required, from time to time:

1. To undertake necessary due diligence process by collecting information/documentary evidence about US/Non-US status of the investors/unit holders and identify US reportable accounts; and
2. To disclose/report information about the holdings, investments returns pertaining to US reportable accounts to the specified US agencies and/or such Indian authorities as may be specified under FATCA guidelines or under any other guidelines issued by Indian Regulatory Authorities such as SEBI, Income Tax etc. (collectively referred to as 'the Guidelines').

FATCA due diligence will be applicable at each investor/unit holder (including joint holders) level and on being identified as reportable person/specified US person, all folios/accounts will be reported including their identity, direct or indirect beneficiaries, beneficial owners and controlling persons. Further, in case of folio(s)/account(s) with joint holder(s), the entire account value of the investment portfolio will be attributable under each such reportable person. Investor(s)/Unitholder(s) will, therefore, be required to comply with the request of the AMC/the Fund to furnish such information, in a timely manner as may be required by the AMC/the Fund to comply with the due diligence/reporting requirements stated under IGA and/or the Guidelines issued from time to time.

With respect to individuals, the US reportable accounts would cover those with US citizenship or US residency. With respect to entities, FATCA requires reporting in relation to specified US persons (Eg. US partnerships, private corporations) as well as passive Non-financial foreign entities (NFFEs) in which controlling interest is held by specified US person. The identification of US person will be based on one or more of the following "US indicia" –

- Identification of account holder as a US citizen or resident;
- Unambiguous indication of a US place of birth;
- Current US mailing or residence address (including a US post office box)
- Current US telephone number;
- Standing instructions to transfer funds to an account maintained in USA;
- Current effective power of attorney or signing authority granted to a person with a US address; or
- An "in-care of" or "hold mail" address that is the sole address that the Indian Financial Institution **has on the file for the account holder.**

Common Reporting Standard –

On similar lines as FATCA, the Organization of Economic Development (OECD), along with the G20 countries, of which India is a member, has released a "Standard for Automatic Exchange of Financial Account Information in Tax Matters", requiring cooperation amongst tax authorities. The G20 and OECD countries have together developed a Common Reporting Standard (CRS) on Automatic Exchange of Information (AEOI).

The CRS on AEOI was presented to G20 Leaders in Brisbane on 16th November 2014. On June 3, 2015, India has joined the Multilateral Competent Authority Agreement (MCAA) on AEOI. The CRS on AEOI requires the financial institutions of the "source" jurisdiction to collect and report information to their tax authorities about account holders "resident" in other countries, such information having to be transmitted "automatically" annually. The information to be exchanged relates not only to individuals, but also to shell companies and trusts having beneficial ownership or interest on the "resident" countries.

Appropriate rules have been notified to implement CRS and FATCA. In view of India's commitment to implement the CRS on AEOI and also the IGA with USA, and with a view to provide information to other countries, necessary legislative changes have been made through Finance (No. 2) Act, 2014, by amending section 285BA of the Income Tax Act, 1961. Income tax Rules, 1962 were amended vide notification No. 62 of 2015 dated 7th August, 2015 by inserting Rules 114F to 114H and Form 61B to provide a legal basis for the Reporting Financial Institutions (RFIs) for maintaining and reporting information about the Reportable Account.

FATCA/ CRS provisions are relevant not only at on-boarding stage of investor(s)/Unitholder(s) but also throughout the life cycle of investment with the AMC. In view of this, Investors should immediately intimate to the AMC, in case of any change in their status with respect to FATCA/ CRS related declaration provided by them previously.

The AMC / Trustee reserves the right to reject any application or redeem the units held directly or beneficially in case the applicant/investor(s) fails to furnish the relevant information and/or documentation in accordance with the FATCA/ CRS provisions, notified.

Investors(s)/Unitholder(s) should consult their own tax advisors to understand the implications of FATCA/ CRS provisions/requirements.

9. Ultimate Beneficial Ownership

Pursuant to SEBI Master Circular dated June 6, 2024 on 'Guidelines on Anti-Money Laundering (AML) Standards and Combating the Financing of Terrorism (CFT) / Obligations of Securities Market Intermediaries under the Prevention of Money Laundering Act, 2002 and Rules framed there under', as amended from time to time, investors (other than Individuals) are required to provide details of 'Ultimate Beneficial Owner(s) (UBO).

A 'Beneficial owner' is defined as a natural person or persons who ultimately own, control or influence a client and/or persons on whose behalf a transaction is being conducted and includes a person who exercises ultimate effective control over a legal person or arrangement. In this regard, all categories of investors (including all new / existing investors / unitholders) (except individuals, companies listed on a stock exchange or majority-owned subsidiary of such companies) are mandatorily required to provide beneficial ownership details for all investments. Failing which, the Fund/AMC reserves the right to reject applications / subscription requests / additional subscription requests (including switches) / restrict further investments or seek additional information from investors who have not provided the requisite information on beneficial ownership.

I. Applicability:

1. Providing information about beneficial ownership will be applicable to the subscriptions received from all categories of investors except Individuals and a Company listed on a stock exchange or is a majority owned subsidiary of such a Company.
2. In case the investor or the owner of the controlling interest is an entity listed on a stock exchange in India, or it is an entity resident in jurisdictions notified by the Central Government and listed on stock exchanges in such jurisdictions notified by the Central Government, or it is a subsidiary of such listed entities, the details of shareholders or beneficial owners are not required to be provided.
3. In case of any change in the beneficial ownership, the investor should immediately intimate the AMC / its Registrar / KRA, as may be applicable, about such changes.

II. Identification Process:

(A) For Investors other than Individuals or Trusts:

- (i) If the investor is an unlisted company, partnership firm or unincorporated association / body of individuals, the beneficial owners are the natural person/s who is/are acting alone or together, or through one or more juridical person and exercising control through ownership or who ultimately has a controlling ownership interest.
- (ii) Controlling ownership interest means ownership of / entitlement to:
 - a. more than 10% of shares or capital or profits of the juridical person, where juridical person is a company.
 - b. more than 10% of the capital or profits of the juridical person, where the juridical person is a partnership firm; or
 - c. more than 15% of the property or capital or profits of the juridical person, where the juridical person is an unincorporated association or body of individuals.
- (iii) In cases, where there exists doubt as to whether the person with the controlling ownership interest is the beneficial owner or where no natural person exerts control through ownership interests, the identity details should be provided of the natural person who is exercising control over the juridical person through other means (i.e. control exercised through voting rights, agreement, arrangements or in any other manner).
- (iv) In case no natural person is identified under any of the above criteria, the person who holds the position of senior managing official shall be provided.

(B) For Investor which is a Trust:

In case of a Trust, the settler of the trust, the trustee, the protector and the beneficiaries with 10% or more interest in the trust or any other natural person exercising ultimate effective control over the trust through a chain of control or ownership shall be considered as beneficial owner.

(C) For Foreign Investors:

The Know Your Client requirements in case of foreign investors viz. Foreign Portfolio Investors (FPIs), Sub accounts and identification of beneficial ownership of the investor shall be as specified in SEBI regulations.

The AMC/ Trustee reserves the right to reject application forms submitted without disclosing necessary information as prescribed under the aforesaid laws/ rules/ regulations.

10. Investors' Personal Information

Investor/s should be aware and agrees that the AMC and its Registrar reserve the right to disclose the investor and transactions details to third parties viz. Distributors registered with AMFI, SEBI Registered Investment Advisors (RIA), SEBI Registered Portfolio Managers, Stock Brokers and any other entity (from whom applications / transactions of investors are received), banks, payment aggregators, printers, mailing agencies and any other entity for the purpose of compliance with legal and regulatory requirements or for complying with anti-money laundering requirements. In case of any specific consent request received from the investor to provide data feed to the Registered Investment Advisor, SEBI Registered Portfolio Managers, Stock Brokers, AMC will overwrite the existing RIA/PMRN/Stock Broker code in the folio, if the code mentioned in the request is different from the code registered in the folio.

11. Acts done in good faith

Any act, thing or deed done in good faith in pursuance of or with reference to the information provided in the application or other communications received from the investor/ unit holder will constitute good and full discharge of the obligation of the Fund, Trustee and the AMC.

In cases of copies of the documents / other details such as list of authorized signatories, that are submitted by a limited company, body corporate, registered society, trust or partnership, if the same are not specifically authenticated to be certified true copies but are attached to the application form and / or submitted to the Fund, the onus for authentication of the documents so submitted shall be on such investors and the AMC/Fund will accept and act on these in good faith wherever the documents are not expressly authenticated. Submission of these documents / details by such investors shall be full and final proof of the corporate investor's authority to invest and the AMC/Fund shall not be liable under any circumstances for any defects in the documents so submitted.

In cases where there is a change in the name of such investor, such a change will be effected by the AMC/Fund only upon receiving the duly certified copy of the revised Certificate of Incorporation issued by the relevant Registrar of Companies / registering authority. In cases where the changed PAN Number reflecting the name change is not submitted, such transactions accompanied by duly certified copy of the revised Certificate of Incorporation with a copy of the Old Pan Card and confirmation of application made for new PAN Card will be required as a documentary proof.

12. Power to make rules

Subject to the prior approval of SEBI, if required, the Trustee may, from time to time, prescribe such terms and make such rules for the purpose of giving effect to the provisions of the Investment Strategies with power to the AMC to add to, alter or amend all or any of the terms and rules that may be framed from time to time.

13. Power to remove difficulties

If any difficulty arises in giving effect to the provisions of the Investment Strategies, the Trustee may do anything not inconsistent with such provisions, which appear to them to be necessary, desirable or expedient, for the purpose of removing the difficulty.

C. General Information

1. Inter- Investment Strategy transfer of investments:

Transfers of investments from one Investment Strategy to another Investment Strategy in the same SIF shall be allowed only if -

(a) such transfers are done at the prevailing market price for quoted instruments on spot basis.

Explanation: "spot basis" shall have same meaning as specified by stock exchange for spot transactions.

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

2. Aggregate investment in the Investment Strategy under the following categories: **Not Applicable**

In accordance with Paragraph on 'Scheme Related Disclosures' of SEBI Master Circular for Mutual Funds dated June 27, 2024, please find below the aggregate investment in the respective Investment Strategy by Board of Directors of quant Money Managers Limited (AMC) and key personnel as on August 31, 2025:

Name of Investment Strategy	Aggregate amount invested in the Investment Strategy as on August 31, 2025 (market value in Rs.)		
	AMC's Board of Directors	Key personnel (excluding Fund Manager)	Fund Manager
-	-	-	-

3. Dematerialisation and Rematerialisation procedures

Investors subscribing for the Units (other than by way of switch-in) may opt to hold Units in dematerialized mode by filling and providing details of their demat account in the specified application form. Units shall be allotted in physical form by default, unless the investors intimate their intention of holding Units in demat form by filling in the specified application form. This option shall be available in accordance with the other relevant provisions prescribed in the ISID and in terms of guidelines / procedural requirements as laid by the depositories (NSDL/CDSL) from time to time.

Investors intending to hold the Units in Demat form are required to have a beneficiary account with the Depository Participant (DP) registered with NSDL/CDSL and will be required to indicate in the specified application form, the DP's name, DP ID number and the beneficiary account number of the Unit holder with the DP. In case the Demat account details are not provided, or the details are incomplete or the details do not match with the records as per Depository(ies), Units will be allotted in physical form. The sequence of names/pattern of holding as mentioned in the application form must be same as that in the demat account. Units shall be credited to the investors' demat account only after the funds are credited into the Investment Strategy(s) account to the satisfaction of the AMC.

In case of credit of Units to depository account, applicants' details like the mode of holding, bank account, correspondence address, payment bank, nomination etc. will be considered as appearing in the depository account for various purposes. For any subsequent change in static

information like address, bank details, nomination etc. investors should approach their respective depository.

If the demat account details do not match with applicants' name and order, units will be allotted the in physical form. Bank details in such cases shall be captured from the payment instrument provided by the investor. No further transactions shall be permitted in such folio till the KYC related documents or a valid depository account details are provided.

In case, the Unit holder desires to hold the Units in a Dematerialized/Rematerialized form at a later date, the request for conversion of units held in non-demat form into Demat (electronic) form or vice-versa should be submitted along with a Demat/Remat Request Form to their Depository Participants. Rematerialization of Units will be in accordance with the provisions of SEBI (Depositories & Participants) Regulations, 2018 as may be amended from time. The asset management company shall issue units in dematerialized form to a unit holder in an Investment Strategy within two working days of the receipt of request from the unit holder.

Units held in demat form will be transferable subject to the other relevant provisions prescribed in this ISID and in accordance with provisions of Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as may be amended from time to time.

4. Applications Supported by Blocked Amount (ASBA) facility

ASBA is an application containing an authorization to a Self -Certified Syndicate Bank (SCSB) to block the application money in the bank account maintained with the SCSB, for subscribing to a New Fund Offer.

The list of Banks that have been notified by SEBI to act as a SCSB for the ASBA process as provided on www.sebi.gov.in. It shall co-exist with the existing process, wherein cheques/ demand drafts are used as a mode of payment. Please refer ASBA application form for detailed instructions. Investors intending to apply through ASBA will be required to submit ASBA form to their respective banks, which in turn will block the amount in their account as per authority contained in the ASBA form. ASBA form should not be submitted at location other than SCSB as it will not be processed. For details on ASBA process please refer the ASBA application form.

5. Portfolio Turnover Details

Portfolio turnover is defined as lesser of purchases and sales as a percentage of the average corpus of the investment strategy during a specified period of time. Portfolio turnover in the investment strategy will be a function of market opportunities.. It is expected that there would be a number of subscriptions and repurchases on a daily basis. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio. There may be an increase in transaction cost such as brokerage paid, if trading is done frequently. However, the cost would be negligible as compared to the total expenses of the investment strategy. Frequent trading may increase the profits which will offset the increase in costs. The AMC will endeavour to optimise portfolio turnover to optimise risk adjusted return keeping in mind the cost associated with it. A high portfolio turnover rate is not necessarily a drag on portfolio performance and may be representative of arbitrage opportunities that exist for securities held in the portfolio rather than an indication of change in AMC's view on a security etc. However, the AMC will take advantage of the opportunities that present themselves from time to time because of the inefficiencies in the securities markets

6. Unclaimed Redemption/IDCW Amount

As per para 14.3 of SEBI Master Circular dated June 27, 2024, the unclaimed redemption and dividend 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 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 dividend 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.

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 50 bps, whichever is lower.

Further, for the Unclaimed redemption and dividend amounts deployed by Mutual Funds in Call Money Market or Money Market instruments, the investment management and advisory fee charged by the AMC for managing unclaimed amounts shall not exceed 50 basis points. Investors who claim the unclaimed amounts during a period of three years from the due date shall be paid initial unclaimed amount along with the income earned on its deployment. Investors, who claim these amounts after 3 years, shall be paid initial unclaimed amount along with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education.

Investors can trace their inactive and unclaimed Mutual Fund folios where no transaction/s (financial and non-financial) have taken place in the last 10 years but unit balance is available through MITRA (Mutual Fund Investment Tracing and Retrieval Assistant) service platform

D. Associate Transactions

- i. *Any underwriting obligations undertaken by the Investment strategies of SIF with respect to issues of associate companies, devolvement if any, of such commitments: Not applicable*
- ii. *Subscription by the Investment strategies in issues lead managed by associate companies: Not applicable*
- iii. *Brokerage paid to associates/related parties/group companies of Sponsor/AMC: Not applicable*
- iv. *Commission paid to Sponsor or its associates /employees or their relatives of the AMC: Not applicable*

The AMC, on behalf of the SIF, may utilise the services of Sponsors, group companies and any other subsidiary or associate company of the Sponsors established or to be established at a later date, in case such a company (including their employees or relatives) is in a position to provide the requisite services to the AMC. The AMC will conduct its business with the aforesaid companies (including their employees or relatives) on commercial terms and on arms-length basis and at a mutually agreed terms and conditions to the extent and limits permitted under the SEBI Regulations. Appropriate disclosures, wherever required, shall be made by the AMC.

The AMC will, before investing in the securities of the group companies of the Sponsor, evaluate such investments, the criteria for the evaluation being the same as is applied to other similar investments to be made under the Investment Strategy. Investments by the Investment

Strategy in the securities of the group companies will be subject to the limits under the Regulations

(a) No Investment Strategy shall 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% of the net assets.

(b) in case any Investment strategies of SIF invest more than 25% of its net assets in group companies, this shall be disclosed.

(c) Names of associates of the Sponsor or the Asset Management Company with which the SIF proposes to have dealings, transactions and those whose services may be used for marketing and distributing the Investment strategy and the commissions that may be paid to them: **Not applicable.**

E. Documents Available for Inspection

The following documents will be available for inspection at the office of quant Mutual Fund at 6th Floor, Sea Breeze building, Appasaheb Marathe Marg, Prabhadevi, Mumbai-400025, Maharashtra, India during business hours on any day (excluding Saturdays, Sundays and public holidays):

- Memorandum and Articles of Association of the AMC
- Investment Management Agreement
- Trust Deed and amendments thereto, if any
- Mutual Fund Registration Certificate
- No objection from SEBI to establish SIF
- Agreement between the Mutual Fund and the Custodian
- Agreement with Registrar and Share Transfer Agents
- Consent of Auditors to act in the said capacity
- Consent of Legal Advisors to act in the said capacity
- Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments from time to time thereto.
- Indian Trusts Act, 1882.

F. Investor Grievances Redressal Mechanism

Investors may contact any of the Investor Service Centers (ISCs) of the AMC for any queries / clarifications, may call on 022-6295 5005, e-mail: help.investor@qsif.in. Investors can also post their grievances/feedback/suggestions on our website www.qsif.com Investors can also raise any complaints or grievances on “SCORES Platform” of SEBI at <https://scores.sebi.gov.in/> or on “Online Dispute Resolution Portal” (ODR) at <https://smartodr.in/login>. With respect to transactions through BSE and/or NSE, the investors/Unit Holders should approach either the stock broker or the investor grievance cell of the respective stock exchange. Investors may contact the customer care of MFUI on 022 6134 4316 (during the business hours on all days except Sunday and Public Holidays) or send an email to clientservices@mfindia.com for any service required or for resolution of their grievances for their transactions with MFUI.

The status of investor complaints received and redressed during the last three fiscal years is as under:

Financial Year	Carried forward from previous year	Received during the year	Resolved during the year	Pending at the end of the year
2024-25	NA	NA	NA	NA
2023-24	NA	NA	NA	NA
2022-23	NA	NA	NA	NA

The data on the number of complaints received, redressed and pending required to be updated every six months as prescribed by SEBI is accordingly updated is as follows:

Month	Carried forward from previous month	Received during the month	Resolved during the month	Pending at the end of the month
NA	NA	NA	NA	NA

G. Information pertaining to Investments by the Investment Strategies of SIF

1. Derivative strategies

Investments in derivatives shall be undertaken in accordance with the SEBI (Mutual Funds) Regulations, 1996, the SEBI Master Circular for Mutual Funds, and the SEBI circulars applicable to Specialized Investment Funds (SIFs), including SEBI/HO/IMD/IMD-PoD-1/P/CIR/2025/26 dated February 27, 2025 and SEBI/HO/IMD/IMD-RAC/P/CIR/2025/54 dated April 11, 2025, as amended from time to time.

Investment in Derivatives

As part of the Fund Management process, the investment strategies may use derivative instruments such as Index futures and options, Stock futures and options, Exchange-traded debt derivatives, Interest rate futures (IRFs), Interest rate swaps (IRS), Forward rate agreements (FRAs), Options on debt instruments, Exchange-trade commodity derivatives, any other derivatives permitted by SEBI in future.

Equity Derivatives

The Investment Strategies may use various equity derivatives from time to time, as would be available and permitted by SEBI, in an attempt to protect the value of the portfolio and enhance unitholder's interest. Accordingly, the Investment Strategies may use derivative instruments for hedging, portfolio rebalancing and for taking directional (long and short) exposures to the extent permissible and consistent with ISID.

Exposure and Leverage Framework

The cumulative gross exposure through equity, debt, derivatives, repo transactions and such other securities/instruments as may be permitted by SEBI from time to time shall not exceed 100% of the net assets of the Investment Strategy. The SIF framework does not permit leverage. Derivatives may not be used to create structural or economic leverage beyond NAV. Positions that meet SEBI's hedging definition may be excluded from gross exposure. Exposure in cash or cash equivalents with residual maturity of less than 91 days Unhedged short exposures shall be permitted only through exchange-traded derivatives, capped at 25% of net assets and short selling in the cash market is not permitted.

Exposure computation methodology:

Long Future = Futures Price × Lot Size × Number of Contracts

Short Future = Futures Price × Lot Size × Number of Contracts

Option Bought = Option Premium Paid × Lot Size × Number of Contracts

Option Sold = Market Price of Underlying × Lot Size × Number of Contracts

Offsetting of Transactions (illustrative list)

Sr. No.	Position 1	Position 2	Offsetting Allowed?	Net Exposure Considered
1	Equity Long	Futures Short	Yes	Equity Long only
2	Equity/Futures Long	Call Option Short	Yes	Equity/Futures Long only
3	Equity/Futures Long	Put Option Long	Yes	Equity/Futures Long only
4	Futures Short	Call Option Long	Yes	Futures Short only
5	Futures Short	Put Option Short	Yes	Futures Short only
6	Call Option Long	Call Option Short	Yes	Call Option Short only
7	Put Option Long	Put Option Short	Yes	Put Option Short only
8	Equity Long	Futures Long	No	Equity Long + Futures Long
9	Equity/Futures Long	Call Option Long	No	Equity/Futures Long + Call Long
10	Equity/Futures Long	Put Option Short	No	Equity/Futures Long + Put Short
11	Futures Short	Call Option Short	No	Futures Short + Call Short
12	Futures Short	Put Option Long	No	Futures Short + Put Long
13	Call Option Long	Put Option Short	No	Call Long + Put Short
14	Call Option Short	Put Option Long	No	Call Short + Put Long

Illustrative Equity Derivative Strategies

a) Unhedged directional long and short using index and / or stock futures

Index futures: Index futures are instruments designed to give exposure to the equity markets indices. The Stock Exchange, Mumbai (BSE) and The National Stock Exchange (NSE) have trading in index futures of different maturities. The pricing of an index future is the function of the underlying index and short-term interest rates. Index futures are cash settled there is no delivery of the underlying.

Stock futures: A futures contract on a stock gives its owner the right and obligation to buy or sell stocks. Single Stock Futures in India are physically settled; there is delivery of the underlying stocks on the expiration date. A purchase or sale of futures on a security gives the trader essentially the same price exposure as a purchase or sale of the security itself. In this regard, trading stock futures is no different from trading the security itself.

Unhedged directional exposure: It means that there is no corresponding opposite position to offset impact of any price changes. Whenever price changes, there will be a direct impact on the value of the portfolio.

Long and Short: When it is expected that the underlying price will rise in future, a long exposure is created to benefit from rising prices. When it is expected that the price of the underlying will fall in future, a short exposure is created to benefit from the fall in prices. SIFs are permitted to have unhedged short exposure to the extent of 25% of the net assets of the investment strategy which may include unhedged short futures position.

Example using hypothetical figures

Unhedged Long Position (Index Futures):

Consider a scenario where the Nifty 50 index is trading at 24,000. If it is expected that the index will appreciate on the back of strong corporate earnings, the Investment Manager may take a long position in Nifty futures. Should the index rise to 24,800 at the time of expiry, the futures position would generate gains commensurate with the increase in the index level, adjusted for the contract size. Conversely, if the index were to decline, the position would incur a corresponding loss. Since there is no offsetting position to mitigate this risk, the exposure remains unhedged and directional.

Unhedged Short Position (Stock Futures):

Assume Reliance Industries Limited is trading at ₹3,000 in the cash market and its one-month futures contract is priced at ₹3,020. If it is anticipated that the price of the stock will decline due to sector-specific concerns, the Investment Manager may take a short position in Reliance stock futures equivalent to 1,000 shares. If the stock price falls to ₹2,900 at expiry, the short futures position would generate a profit of ₹120,000 ($₹120 \times 1,000$). However, if the stock price rises, the position would result in a loss. In the absence of a corresponding hedge, this exposure constitutes an unhedged directional short position.

Please note that the above examples are given for illustration purposes only. Some assumptions have been made for the sake of simplicity. Certain factors like margins and other related costs have been ignored. The risks associated with stock futures are similar to those associated with equity investments. Additional risks could be on account of illiquidity and potential mis-pricing of the futures.

b) Unhedged directional long and short using index and / or stock options

An option gives a person the right but not an obligation to buy or sell something. An option is a contract between two parties wherein the buyer receives a privilege for which he pays a fee (premium) and the seller accepts an obligation for which he receives a fee. The premium is the price negotiated and set when the option is bought or sold. A person who buys an option is said to be long in the option. A person who sells (or writes) an option is said to be short in the option.

Options are of two types:

Call Options: Call options are financial contracts that give the buyer the right, but not the obligation, to buy a stock or index, at a specified price within a specific period. A call seller must sell the asset if the buyer exercises the call.

A call buyer profits when the underlying asset increases in price. Asset prices can increase for several reasons, including positive company news and during acquisitions. The seller profits from the premium if the price drops below the strike price at expiration because the buyer typically will not exercise the option.

A long call option is the standard call option in which the buyer has the right, but not the obligation, to buy a stock / index at a strike price in the future. The advantage of a long call is that it allows the buyer to plan ahead to purchase a stock / index at a cheaper price.

A short call option also known as call writing is the opposite of a long call option. In a short call option, the seller promises to sell their shares at a fixed strike price in the future. Short call options are mainly used for covered calls by the option seller, or call options in which the seller already owns the underlying stock for their options. Selling an option without owning the underlying is known as naked short call.

Put Options: Put options are financial contracts that give the buyer the right, but not the obligation, to sell a stock or index, at a specified price within a specific period. A put buyer profits when the underlying asset decreases in price. Asset prices can decrease for several reasons including negative company news or commentary. The seller profits from the premium if the price increases above the strike at expiration because the buyer typically will not exercise the option. Investment managers often use put options in a risk management strategy known as a protective put, a form of investment insurance or hedge to ensure that losses in the underlying asset do not exceed a certain amount.

A long put is when a put option is bought and a premium (the price of an option contract) is paid for the right to sell a stock / index at the strike price. This can be a good strategy if it is expected the price of the stock / index will go down in the future, because it can be sold at the higher strike price to make a profit. However, if the stock price goes up instead, the premium paid for the option is lost.

A short put also known as put writing is when a put option is sold and a premium is received for giving someone else the right to sell a stock / index at the strike price. This can be a good strategy if it is expected the price of the stock / index is going to go up or stay the same, because you get to keep the premium as profit. However, if the stock price goes down below the strike price, a loss will be incurred.

Example using hypothetical figures:

Unhedged Long Position (Call Option on Index):

Assume the Nifty 50 index is trading at 24,000. If it is expected that the index will appreciate, the Investment Manager may purchase a Nifty 25,000 Call Option expiring in one month by paying a premium of ₹200.

If, at expiry, the index closes at 25,500, the option will be exercised and the position will yield a gain of 500 points less the premium paid (i.e., $500 - 200 = 300$ points).

Conversely, if the index closes below 25,000, the option will expire worthless and the premium paid will be the loss incurred.

Since there is no corresponding hedge, this constitutes an unhedged directional long position.

Unhedged Short Position (Put Option on Stock):

Assume Infosys Limited is trading at ₹1,500, and the one-month Infosys 1,400 Put Option is priced at a premium of ₹20. If it is anticipated that the price of Infosys will remain stable or rise, the Investment Manager may sell (write) the put option and receive the premium of ₹20 per share.

If, at expiry, the stock remains above ₹1,400, the option expires worthless and the premium received represents the profit.

However, if the stock declines to ₹1,300, the option buyer may exercise the contract, obligating the seller to purchase Infosys at ₹1,400. This results in a notional loss of ₹100 per share, net of the ₹20 premium received.

In the absence of any offsetting position, this exposure is an unhedged directional short position.

SIFs are permitted to have 25% short exposure, which may include naked call writing or put buying.

Option contracts are classified into two styles:

(a) **European Style**

In a European option, the holder of the option can only exercise his right on the date of expiration only.

(b) **American Style**

In an American option, the holder can exercise his right anytime between the purchase date and the expiration date.

In India, options contracts on indices are European style and cash settled whereas, option contracts on individual securities are European style and physically settled

c) Index/ Stock spot – Index/ Stock Futures (Stock Arbitrage):

This strategy is employed when the price of the future is trading at a premium to the price of its underlying in spot market. The Investment Strategy shall buy the stock in spot market and endeavor to simultaneously sell the future at a premium on a quantity neutral basis.

Buying the stock in spot market and selling the futures results into a hedge where the Investment Strategy has locked in a spread and is not affected by the price movement of cash market and futures market. The arbitrage position can be continued till expiry of the future contracts. The future contracts are settled based on the last half an hour's weighted average trade of the spot market. Thus, there is a convergence between the spot price and the futures market on expiry.

This convergence helps the Investment Strategy to generate the arbitrage return locked in earlier.

On or before the date of expiry, if the price differential between the spot and futures position of the subsequent month maturity still remains attractive, the Investment Strategy may rollover the futures position and hold onto the position in the spot market. In case such an opportunity is not available, the Investment Strategy would liquidate the spot position and settle the futures position simultaneously.

Rolling over of the futures transaction means unwinding the short position in the futures of the current month and simultaneously shorting futures of the subsequent month maturity, and holding onto the spot position.

Example using hypothetical figures:

The Investment Strategy holds shares of XYZ Ltd., the current price of which is Rs. 500 per share. The Investment Strategy sells one month futures on the shares of XYZ Ltd. at the rate of Rs. 540.

If the price of the stock falls, the Fund will suffer losses on the stock position held. However, in such a scenario, there will be a profit on the short futures position.

At the end of the period, the price of the stock falls to Rs. 450 and this fall in the price of the stock results in a fall in the price of futures to Rs. 470. There will be a loss of Rs. 50 per share (Rs. 500 - Rs. 450) on the holding of the stock, which will be offset by the profits of Rs. 70 (Rs. 540 - Rs. 470) made on the short futures position.

Please note that the above example is given for illustration purposes only. Some assumptions have been made for the sake of simplicity. Certain factors like margins and other related costs have been ignored. The risks associated with stock futures are similar to those associated with equity investments. Additional risks could be on account of illiquidity and potential mispricing of the futures.

d) Index Arbitrage:

The Nifty 50 index derives its value from fifty constituent stocks; the constituent stocks (in their respective weights) can be used to create a synthetic index matching the Nifty Index. Also, theoretically, the fair value of a future is equal to the spot price plus the cost of carry.

Theoretically, therefore, the pricing of Nifty Index futures should be equal to the pricing of the synthetic index created by futures on the underlying stocks.

Due to market imperfections, the index futures may not exactly correspond to the synthetic index futures. The Nifty Index futures normally trades at a discount to the synthetic Index due to large volumes of stock hedging being done using the Nifty Index futures giving rise to arbitrage opportunities.

One instance in which an index arbitrage opportunity exists is when Index future is trading at a discount to the index (spot) and the futures of the constituent stocks are trading at a cumulative premium.

The investment manager shall endeavour to capture such arbitrage opportunities by taking long positions in the Nifty Index futures and short positions in the synthetic index (constituent stock futures). Based on the opportunity, the reverse position can also be initiated.

e) **Portfolio Hedging:**

This strategy will be adopted:

- (i) If in an already invested portfolio of an Investment Strategy, the Investment manager is expecting a market correction, the Investment manager may sell Index Futures or buy index puts to insulate the portfolio from the market related risks.
- (ii) Hedging may also be undertaken at the stock level. For instance, if the portfolio has a substantial holding in a particular stock and the Investment Manager expects near-term weakness in that stock, the Manager may sell Stock Futures or purchase Stock Put Options to reduce the downside risk associated with that holding.

Illustrative Fixed Income Derivatives Strategies

a) Interest Rate Swap (IRS)

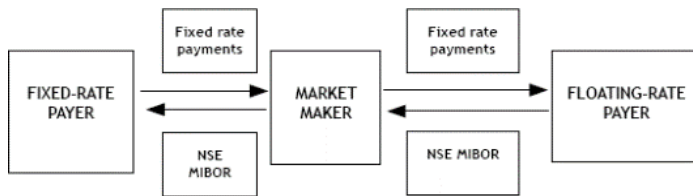
Any swap is effectively an exchange of one set of cash-flows for another considered to be of equal value. If the exchange of cash flows is linked to interest rates, it becomes an interest rate swap.

An interest rate swap is an agreement between two parties to exchange future payment streams based on a notional amount. Only the interest on the notional amount is swapped, and the principal amount is never exchanged.

In a typical interest rate swap, one party agrees to pay a fixed rate over the term of the agreement and to receive a variable or floating rate of interest. The counterparty receives a stream of fixed rate payments at regular intervals as described in the agreement and pays the floating rate of interest. A fixed/ floating interest rate swap is characterized by:

1. Fixed interest rate;
2. Variable or floating interest rate, which is periodically reset;
3. Notional principal amount upon which total interest payments are based; and
4. The terms of the agreement, including a schedule of interest rate reset dates, payment dates and termination date.

The primary reason for engaging in an interest rate swap is to hedge the interest rate exposure. An illustration could be an institution having long-term fixed rate assets (longer tenor securities receiving fixed rate) in a rising interest rate environment; it can hedge the interest rate exposure by purchasing an interest rate swap where the institution receives floating interest rate and pays fixed rate. In this case, an interest rate swap is likely to reduce the duration and interest rate volatility of the fund.



Example using hypothetical figures:

Terms:

Fixed Interest Rate : 8.50% p.a.
 Variable Interest Rate : NSE Over-Night MIBOR reset daily and compounded daily
 Notional Principal Amount: Rs.100 Crore
 Period of Agreement : 1 year Payment Frequency : Semi-annual

Now, suppose the six-month period from the effective date of the swap to the first payment date comprises 182 days and the daily compounded NSE Over-Night MIBOR is 8.15% p.a. on the first payment date, then the fixed and variable rate payment on the first payment date would be as follows:

Fixed rate payment:

$$\text{Rs. } 4,23,83,562 = (\text{Rs. } 100,00,00,000) \times (8.50\%) \times (182 \text{ Days} / 365 \text{ Days})$$

Variable rate payment:

$$\text{Rs. } 4,06,38,356 = (\text{Rs. } 100,00,00,000) \times (8.15\%) \times (182 \text{ Days} / 365 \text{ Days})$$

Often, a swap agreement will call for only the exchange of net amount between the counterparties. In the above example, the fixed- rate payer will pay the variable-rate payer a net amount of Rs. 17,45,205 = Rs. 4,23,83,562 - Rs. 4,06,38,356.

The second and final payment will depend on the daily NSE MIBOR compounded daily for the remaining 183 days. The fixed rate payment will also change to reflect the change in holding period from 182 days to 183 days.

b) Forward Rate Agreement (FRA)

An FRA is an off balance sheet agreement to pay or receive on an agreed future date, the difference between an agreed interest rate and the interest rate actually prevailing on that future date, calculated on an agreed notional principal amount. It is settled against the actual interest rate prevailing at the beginning of the period to which it relates rather than paid as a gross amount.

FRAs are purchased to hedge the interest rate risk; an investor facing uncertainty of the interest rate movements can fix the interest costs by purchasing an FRA.

An FRA is referred to by the beginning and end dates of the period covered. Thus a 5x8 FRA is one that covers a 3-month period beginning in 5-months and ending in 8-months. FRAs are purchased to hedge the interest rate risk; an investor facing uncertainty of the interest rate movements can fix the interest costs by purchasing an FRA.

An illustration could be a corporation having floating rate debt linked to an index such as say, 3-Month MIBOR. If the existing interest cost is at 8% on Rs.100 Crore for the next three months, the corporation can purchase a 3x6 FRA @ 8.1% on Rs.100 Crore and fix the interest cost for the 3-6 months period. If the actual 3-Month MIBOR after 3-months is at 8.25%, the corporation has saved 15 bps in interest cost. As the settlement is done at the beginning of the period, the savings in interest expense are discounted to a present value using a 3-month rate to calculate the actual settlement amount.

The flows for the institution will be, as follows:

Interest Savings = Rs. 100 Crore * 15 bps * 92/365

(assuming 92 days in the 3 month FRA period and 365 days in the conventional year) =

Rs.3,78,082.19 Settlement Amount = Rs.3,78,082.19/ (1+8.25%*92/365)

Please note that the above examples are hypothetical in nature and the figures are assumed.

c) Interest Rate Futures

An Interest Rate Futures ('IRF') contract is "an agreement to buy or sell a debt instrument at a specified future date at a price that is fixed today." The underlying security for Interest Rate Futures is either Government Bond or T-Bill. Interest Rate Futures are Exchange traded and standardized contracts based on 6 year, 10 year and 13 year Government of India Security and 91-day Government of India Treasury Bill (91DTB). These future contracts are cash settled. These instruments can be used for hedging interest rate exposure.

Hedging using IRFs: For example, assume a portfolio has Rs. 100 crores of Government security 7.59% GOI 2026 with face value Rs. 100/-. The bond is currently trading in market at 105.00.

The futures on 7.59% GOI 2026, expiring on 26th October 2018 is trading on exchange at 105.10.

Instead of exiting the cash position, the fund manager can decide to hedge the position by selling the same quantity in futures. Since one contract of IRF has a notional of Rs. 2 lakhs, in this example the fund manager sells Rs. 100 crores/2 lakhs = 5000 contracts, to hedge his position.

At maturity, the settlement price of the futures will be almost same as closing price of the underlying security.

At maturity of the Interest Rate Futures

Case 1: At maturity Bonds close higher than the price at which fund manager hedged the position, but below the futures price at which he hedged

Closing price of Bonds on day of maturity of futures = 105.05 Settlement price of futures = 105.05

MTM gain on the underlying bond = (105.05-105.00) * 100 crores / 100 (i.e. face value of bond) = Rs. 5,00,000

The profit on the futures leg is = 5000*2lakhs *(105.10-105.05)/ 100 (i.e. face value of bond) = Rs 5,00,000 Overall profit to the fund = Rs 10,00,000

Case 2: At maturity bonds close higher than the level at which futures were sold

In case, the closing price of bonds on the day of maturity of futures = 105.20, Settlement price of futures = 105.20

The MTM gain on bonds = (105.20-105.00) * 100 crores /100 (i.e. face value of bond) = Rs. 20,00,000

Loss on futures leg = 5000*2 lakhs * (105.10-105.20) /100 (i.e. face value of bond) = (Rs 10,00,000)

Total Profit to the fund = Rs 10,00,000

Case 3: At maturity bonds sells off from levels were hedges were initiated

In case, the closing price of bonds on the day of maturity of futures = 104.80, Settlement price of futures = 104.80

The MTM loss on bonds = $(104.80-105.00) * 100$ crores= (Rs. 20,00,000)

Profit on futures leg = $5000*2$ lacs * $(105.10-104.80)$ = Rs 30,00,000

Total Profit to the fund = Rs 10,00,000

Unhedged directional exposure using IRFs:

Long Position (Bullish on Bonds / Bearish on Interest Rates):

Assume a 10-year Government of India Security Futures contract is trading at ₹102.50. If the Investment Manager expects interest rates to decline, bond prices are likely to rise. Accordingly, the Manager may take a long position in the IRF. If, at expiry, the futures price increases to ₹104.00, the position will generate a profit of ₹1.50 per unit of the contract. Conversely, if interest rates rise and the futures price declines, the position will incur a loss.

Short Position (Bearish on Bonds / Bullish on Interest Rates):

Assume the same 10-year Government of India Security Futures contract is trading at ₹102.50. If the Investment Manager expects interest rates to rise, bond prices are likely to fall. In this scenario, the Manager may take a short position in the IRF. If, at expiry, the futures price declines to ₹101.00, the position will generate a profit of ₹1.50 per unit of the contract. However, if interest rates fall and futures prices rise, the position will result in a loss.

In both cases, the exposure is unhedged and directional, as the performance of the position is directly dependent on the movement of interest rates through their impact on Government Securities prices.

EXCHANGE TRADED COMMODITY DERIVATIVES

Investment Strategy may take exposure to ETCs to take exposure to various commodities or to hedge existing commodity exposure subject to SEBI regulations

Illustration on Exchange Traded Commodity Derivatives (ETCs):

1) Commodity Futures

Trade date	21-Dec
Expiry	05-Feb
Current market price/ 10gm	₹ 45,000
Lot size in gms	1000
Lot value / contract value	₹ 45,00,000
Margin	5%
Margin Value	₹ 2,25,000
Trade / position	Buy Commodity
Quantity	1 lot
Buy price per 10 gm	₹ 45,000
Sell trade date	30-Jan
Sell price per 10 gm	₹ 50,000
Gain/Loss per 10 gm	₹ 5,000
Gain/ Loss per Lot or contract value	₹ 5,00,000

2) Commodity Options

Trade date	21-Dec
Expiry	29-Jan
Corresponding futures contract	05-Feb
Current future price/ 10 gm	₹ 45,000

Strike Price	₹ 45,000
Call option premium per / 10 gm	₹ 500
Trade / position	Buy strike 45,000 CE
Quantity	1 kg
Buy price per 10 gm	₹ 500
Sell trade date	20-Jan
Futures price on 20-Jan per 10 gm	₹ 48,000
45000 strike CE price on 20-Jan per 10 gm	₹ 3,500
Gain/Loss per 10 gm	₹ 3,000
Gain/ Loss per Lot or contract value	₹ 3,00,000

Position Limits

The position limits for trading in derivatives by Specialized Investment FundS specified by clause 7.5 of SEBI Master Circular are as follows:

i. Position limit for the Specialized Investment Fund in index options contracts:

- The Specialized Investment Fund position limit in all index options contracts on a particular underlying index shall be Rs. 500 crore or 15% of the total open interest in the market in index options, whichever is higher.
- This limit would be applicable on open positions in all options contracts on a particular underlying index.

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

- The Specialized Investment Fund position limit in all index futures contracts on a particular underlying index shall be Rs. 500 crore or 15% of the total open interest in the market in index futures, whichever is higher.
- This limit would be applicable on open positions in all futures contracts on a particular underlying index.

iii. Additional position limit for hedging:

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

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

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

The combined futures and options position limit shall be 20% of the applicable Market Wide Position Limit (MWPL).

v. Position limit for the Investment Strategy:

The position limits for the Investment Strategy and disclosure requirements are as follows:

- The gross open position across all derivative contracts on a particular underlying stock of an Investment Strategy of a Fund shall not exceed the higher of 1% of free float market capitalization (in terms of number of shares).

Or

5% of the open interest in the derivative contracts on a particular underlying stock (in terms of number of contracts).

- This position limit shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
- For index based contracts, the Specialized Investment Fund shall disclose the total open

interest held by its Investment Strategy or all Investment Strategies put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

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

2. Swing Pricing

Not applicable currently, as qsif does not have any open-ended debt investment strategies.

However, the AMC/Trustee reserves the right to introduce such strategies at its discretion in the future

3. Provisions on creation of Segregated portfolio/Side pocketing

Creation of segregated portfolio shall be subject to guidelines specified by SEBI from time to time and includes the following:

1. 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:
 - a. Downgrade of a debt or money market instrument to 'below investment grade', or
 - b. Subsequent downgrades of the said instruments from 'below investment grade', or
 - c. Similar such downgrades of a loan rating

In case of unrated debt or money market instruments of an issuer that does not have any outstanding rated debt or money market instruments, actual default of either the interest or principal amount by the issuer of such instruments shall be considered as a Credit Event for creation of Segregated Portfolio.

2. In case of difference in rating by multiple CRAs, the most conservative rating shall be considered. Creation of segregated portfolio shall be based on issuer level credit events as mentioned above and implemented at the ISIN level.
3. Creation of segregated portfolio is optional and is at the discretion of the AMC. It shall be created only if the Investment Strategy Information Document (ISID) of the investment strategy has provisions for segregated portfolio with adequate disclosures.

Process for Creation of Segregated Portfolio:

1. On the date of credit event, AMC should decide on creation of segregated portfolio. Once AMC decides to segregate portfolio, it should:
 - a. seek approval of trustees prior to creation of the segregated portfolio.
 - b. immediately issue a press release disclosing its intention to segregate such debt and money market instrument and its impact on the investors. The Fund 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.
 - c. ensure that till the time the trustee approval is received, which in no case shall exceed 1 business day from the day of credit event, the subscription and redemption in the investment strategy will be suspended for processing with respect to creation of units and payment on redemptions.
2. Once Trustee approval is received by the AMC:
 - a. Segregated portfolio will be effective from the day of credit event
 - b. AMC shall issue a press release immediately with all relevant information pertaining to the

segregated portfolio. The said information will also be submitted to SEBI.

- c. An e-mail or SMS will be sent to all unit holders of the concerned investment strategy.
 - d. The NAV of both segregated and main portfolios will be disclosed from the day of the credit event.
 - e. All existing investors in the investment strategy 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.
 - f. No redemption and subscription will be allowed in the segregated portfolio. However, upon recovery of any money from segregated portfolio, it will be immediately distributed to the investors in proportion to their holding in the segregated portfolio.
 - g. AMC should enable listing of units of segregated portfolio on the recognized stock exchange within 10 working days of creation of segregated portfolio and also enable transfer of such units on receipt of transfer requests
 - h. All subscription and redemption requests for which NAV of the day of credit event or subsequent day is applicable will be processed as per the existing SEBI circular on applicability of NAV as under:
Upon trustees' approval to create a segregated portfolio –
 - 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.
 - Investors subscribing to the investment strategy will be allotted units only in the main portfolio based on its NAV. After creation of segregated portfolio, 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. Further investors subscribing to the investment strategy will be allotted units only in the main portfolio based on its NAV.
3. If the trustees do not approve the proposal to segregate portfolio, AMC will issue a press release immediately informing investors of the same and subscription and redemption applications will be processed based on the NAV of total portfolio.
 4. Notwithstanding the decision to segregate the debt and money market instrument, the valuation shall take into account the credit event and the portfolio shall 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.

TER for the Segregated Portfolio

- 1) AMC will not charge investment and advisory fees on the segregated portfolio. However, TER (excluding the investment and advisory fees) can be charged, on a pro-rata basis only upon recovery of the investments in segregated portfolio.
- 2) 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. In addition to the TER mentioned above, the legal charges related to recovery of the investments of the segregated portfolio may be charged to the segregated portfolio as mentioned below.
- 3) 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. However, the same shall be within the maximum TER limit as applicable to the main portfolio. The legal charges in excess of the TER limits, if any, shall be borne by the AMC.
- 4) The costs related to segregated portfolio shall in no case be charged to the main portfolio.

Explanations:

- 1) The term 'segregated portfolio' means a portfolio, comprising of debt or money market instrument affected by a credit event that has been segregated in a SIF investment strategy.
- 2) The term 'main portfolio' means the investment strategy portfolio excluding the segregated portfolio.
- 3) The term 'total portfolio' means the investment strategy portfolio including the securities affected by the credit event.

Disclosure Requirements:

In order to enable the existing as well as the prospective investors to take informed decision, the following shall be adhered to:

- a. 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 shall be communicated to the investors within 5 working days of creation of the segregated portfolio.
- b. Adequate disclosure of the segregated portfolio shall appear in all investment strategy related documents, in monthly and half-yearly portfolio disclosures and in the annual report of the Specialized Investment Fund and the investment strategy.
- c. The Net Asset Value (NAV) of the segregated portfolio shall be declared on daily basis.
- d. The information regarding number of segregated portfolios created in a investment strategy shall appear prominently under the name of the investment strategy at all relevant places such as SID, KIM-cum-Application Form, advertisement, AMC and AMFI websites, etc.
- e. The investment strategy performance required to be disclosed at various places shall include the impact of creation of segregated portfolio. The investment strategy performance shall 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, shall be disclosed as a footnote to the investment strategy performance.
- f. The disclosures at paragraph (d) and (e) above regarding the segregated portfolio shall be carried out for a period of at least 3 years after the investments in segregated portfolio are fully recovered/ written-off.
- g. The investors of the segregated portfolio shall be duly informed of the recovery proceedings of the investments of the segregated portfolio. Status update may be provided to the investors at the time of recovery and also at the time of writing- off of the segregated securities.

Monitoring by Trustees:

- a. In order to ensure timely recovery of investments of the segregated portfolio, trustees shall ensure that:
 - i. The AMC puts in sincere efforts to recover the investments of the segregated portfolio.
 - ii. Upon recovery of money, whether partial or full, it shall 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.
 - iii. An Action Taken Report (ATR) on the efforts made by the AMC to recover the investments of the segregated portfolio is placed in every trustee meeting till the investments are fully recovered/ written-off.
 - iv. The trustees shall 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.
- b. In order to avoid mis-use of segregated portfolio, trustees shall ensure to have 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 investment strategy.

Risks associated with segregated portfolio

- 1) Investor holding units of segregated portfolio may not able to liquidate their holding till the time recovery of money from the issuer.
- 2) Security comprises of segregated portfolio may not realise any value.
- 3) Listing of units of segregated portfolio in recognised stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units in the stock market. Further trading price of units on the stock market may be significantly lower than the prevailing NAV.

Illustration of Segregated Portfolio

Portfolio Date	31-Mar-19
Downgrade Event Date	31-Mar-19
7.65% C Ltd from	
Downgrade Security	AA+ to B
Valuation Marked Down	25%

Mr. X is holding 1000 Units of the investment strategy, amounting to (1000*15.0574) Rs.15057.40

Portfolio prior to downgrade on the date of Credit Event

Security	Rating	Type of the Security	Quantity	Price Per Unit	Market Value (Rs. In lacs)	% Net Assets
7.80% A FINANCE LTD	CRISIL AAA	NCD	3,200,000	102.812	3,289.98	20.764
7.70 % B LTD	CRISIL AAA	NCD	3,230,000	98.5139	3,182.00	20.082
7.65 % C Ltd	CRISIL AAA	NCD	3,200,000	98.457	3,150.62	19.884
D Ltd (15/May/2019)	ICRA A1+	CP	3,200,000	98.3641	3,147.65	19.865
7.65 % E LTD	CRISIL AA	NCD	3,000,000	98.6757	2,960.27	18.683
Cash / Cash Equivalents					114.47	0.722

Net Assets	15,845
Unit Capital (no of units)	1,000
NAV Per Unit	15.8450

Segregated Portfolio after segregation (before mark-down of security)

Security	Rating	Type of the Security	Quantity	Price Per Unit	Market Value (Rs. In lacs)	% Net Assets
7.65 % C Ltd	CRISIL AAA	NCD	3,200,000	98.457	3,150.62	100.000

Net Assets	3,150.62
Unit Capital (no of units)	1,000
NAV Per Unit	3.1506

Segregated Portfolio after segregation (after mark-down of security)*

Security	Rating	Type of the Security	Quantity	Price Per Unit	Market Value (Rs. In lacs)	% Net Assets
7.65 % C Ltd	CRISIL AAA	NCD	3,200,000	73.843	2,362.98	100.000

Net Assets	2,362.98
Unit Capital (no of units)	1,000
NAV Per Unit	2.3630

Main Portfolio after segregation

Security	Rating	Type of the Security	Quantity	Price Per Unit	Market Value (Rs. In lacs)	% Net Assets
7.80% A FINANCE LTD	CRISIL AAA	NCD	3,200,000	102.812	3,289.98	25.917
7.70 % B LTD	CRISIL AAA	NCD	3,230,000	98.5139	3,182.00	25.066
D Ltd (15/May/2019)	ICRA A1+	CP	3,200,000	98.3641	3,147.65	24.796
7.65 % E LTD	CRISIL AA	NCD	3,000,000	98.6757	2,960.27	23.320
Cash / Cash Equivalents					114.47	0.902

Net Assets	12,694
Unit Capital (no of units)	1,000
NAV Per Unit	12.6944

* On the date of credit event i.e. on 31st March 2019, NCD of C Ltd (7.65%) will be segregated as separate portfolio and further it is assumed to be marked down by 25% on the date post segregation, before marking down the security was valued at Rs.98.4570 per unit.

Value of Holding of Mr. X after creation of Segregated Portfolio

Particulars	Segregated Portfolio	Main Portfolio	Total Value
No of units	1000	1000	
NAV	2.3630	12.6944	
Total value	2363.00	12694.40	15057.40

4. Short selling / stock lending

The investment strategy may engage in short selling in accordance with framework relating to Short Selling specified by SEBI. Short Selling means selling stock which the seller does not own at the time of trade.

Subject to the SEBI Regulations as applicable from time to time, Specialized Investment Fund may, engage in Stock Lending. Stock Lending means the lending of stock to another person or entity for a fixed period of time, at a negotiated compensation. The securities lent will be returned by the borrower on the expiry of the stipulated period.

Investors are requested to refer to asset allocation specified in the ISID of respective investment strategy to know if the investment strategy is going to engage in short selling or participate in securities lending activities

H. Transaction Charges and Stamp Duty

Transaction Charges

Not Applicable

Stamp Duty

Investors / Unit Holders of all the investment strategy(s) of qsif (offered by quant Mutual Fund) are advised to take note that, pursuant to notification no. S.O. 4419(E) dated December 10, 2019 read with notification no. S.O. 115(E) dated January 08, 2020 and notification no. S.O. 1226(E) dated March 30, 2020 issued by Department of Revenue, Ministry of Finance, Government of India, read with Part I of Chapter IV of Notification dated February 21, 2019 issued by Legislative Department, Ministry of Law and Justice, Government of India on the Finance Act, 2019, applicable stamp duty @ 0.005% of the transaction value would be levied on mutual fund/ Specialized Investment Fund investment transactions with effect from July 1, 2020. Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchases, switch-ins, SIP/STP installments, (including reinvestment of IDCW) to the unit holders would be reduced to that extent

XI. Disclosures and Reports by The Fund

1. Account Statement/Consolidated Account Statement:

The AMC shall send an allotment confirmation specifying the units allotted by way of email and/or SMS within 5 business days of receipt of valid application/transaction to the Unit holders registered e-mail address and/ or mobile number (whether units are held in demat mode or in account statement form).

A consolidated Account Statement and Monthly CAS shall be issued to investors that have opted for delivery via electronic mode (e-CAS) by the twelfth (12th) day from the month end, detailing all the transactions across all investment strategies of Specialized Investment Fund and to investors that have opted for delivery via physical mode by the fifteenth (15th) day from the month end.

The CAS will be dispatched by email to all the investors whose email addresses are registered with the Depositories and AMCs/MF-RTAs. However, where an investor does not wish to receive CAS through email, option shall be given to the investor to receive the CAS in physical form at the address registered with the Depositories and the AMCs/MF-RTAs. The depositories shall also intimate the investor on quarterly basis through the SMS mode specifying the email id on which the CAS is being sent.

If there is any transaction in any of the demat accounts of the investor or in any of his Specialized Investment Fund folios, then CAS shall be sent to that investor through email on monthly basis. In case there is no transaction in any of the Specialized Investment Fund and demat accounts then CAS with holding details shall be sent to the investors by email on half yearly basis.

The depositories shall dispatch the CAS to investors that have opted for delivery via electronic mode, on or before the eighteenth (18th) day of April and October and to investors that have opted for delivery via physical mode, on or before the twenty-first (21st) day of April and October.

However, where an investor does not wish to receive CAS through email, option shall be given to the investor to receive the CAS in physical form at the address registered with the Depositories and the AMCs/MF-RTAs.

In the event the account has more than one registered holder, the first named Unit holder shall receive the CAS/ account statement.

The transactions viz. purchase redemption, switch, etc., carried out by the Unit holders shall be reflected in the CAS on the basis of Permanent Account Number (PAN).

The CAS shall not be received by the Unit holders for the folio(s) not updated with PAN details. The Unit holders are therefore requested to ensure that the folio(s) are updated with their PAN.

In case of a specific request received from the Unit holders, the AMC will provide an account statement (reflecting transactions of the Fund) to the investors within 5 Business Days from the receipt of such request, by mail/email.

The Unit holder without any charges may request for a physical account statement by writing to/calling the AMC/ISC/RTA. The Specialized Investment Fund / AMC shall dispatch an account statement within 5 Business Days from the date of the receipt of request from the Unit holder.

Half Yearly CAS shall be issued to investors that have opted for e-CAS on or before the eighteenth (18th) day of April and October, to all investors providing the prescribed details across all investment strategies of Specialized Investment Fund and to investors that have

opted for delivery via physical mode by the twenty first (21st) day of April and October.

The statement of holding of the beneficiary account holder for units held in demat will be sent by the respective DPs periodically.

The Account Statement shall state that the net investment as gross subscription less transaction charges, if any and specify the no. of units allotted against the net investment.

CAS for investors having Demat account:

- Investors having MF investments and holding securities in Demat account shall receive a single Consolidated Account Statement (CAS) from the Depository.
- Consolidation of account statement shall be done on the basis of Permanent Account Number (PAN). In case of multiple holding, it shall be PAN of the first holder and pattern of holding. The CAS shall be generated on a monthly basis.
- If there is any transaction in any of the Demat accounts of the investor or in any of his Specialized Investment Fund folios, depositories shall send the CAS within ten days from the month end. In case, there is no transaction in any of the Specialized Investment Fund folios and demat accounts then CAS with holding details shall be sent to the investor on half yearly basis.
- 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.
- No Account Statements will be issued by the AMC to Unit holders who hold units in dematerialized mode. For Units in dematerialised mode, the Account Statements may be obtained by the Investor from the depository participants with whom the investor holds the DP account.

The dispatch of CAS by the depositories would constitute compliance by the AMC/ the Specialized Investment Fund with the requirement under Regulation 36(4) of SEBI (Mutual Funds) Regulations and as per SEBI Circular Reference no. SEBI/HO/MRD/PoD1/CIR/P/2025/16 dated February 14, 2025.

2. Half Yearly Disclosures/Portfolio Disclosures/Financial Results

The SIF shall disclose portfolio (along with ISIN), including derivative instruments, as on the last day of every alternate month (i.e. as on the end of May, July, September, November, January and March) for all its investment strategies (including debt based investment strategies) on the respective AMC SIF website <http://qsif.com/statutory-disclosures> and on the website of AMFI within 10 days from the close of such month in a user friendly and downloadable spreadsheet format. All other provisions regarding portfolio disclosure applicable to Mutual Fund schemes, shall also be applicable to the investment strategies under the SIF.

Further, AMC shall publish an advertisement in an all India edition of one national English daily newspaper and one Hindi newspaper, every half year, disclosing the hosting of the half-yearly statement of its investment strategies' portfolio on the AMC SIF website and AMFI and the modes through which unitholder(s) can submit a request for a physical or electronic copy of the statement of investment strategy portfolio.

The AMC will also provide a dashboard, in a comparable, downloadable (spreadsheet) and machine readable format, providing performance and key disclosures like Investment strategy's AUM, investment objective, expense ratios, portfolio details, investment strategy's past performance etc. on the website.

3. Half Yearly Results

The Specialized Investment Fund shall within one month from the close of each half year, that is on 31st March and on 30th September, host a soft copy of its unaudited financial results on the AMC SIF website and AMFI.

The Specialized Investment Fund shall publish an advertisement disclosing the hosting of such financial results on their website, in atleast one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the Specialized Investment Fund is situated.

The unaudited financial results will also be displayed on the website of the AMC SIF <http://qsif.com/statutory-disclosures> and AMFI website.

4. Annual Report

The Investment strategy annual report or an abridged summary thereof shall be mailed (emailed, where e mail id is provided unless otherwise required) to all Unit holders 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) and full annual report shall be available for inspection at the Head Office of the Specialized Investment Fund and a copy shall be made available to the Unit holders on request on payment of nominal fees, if any.

Investment strategy wise annual report shall also be displayed on the website of the AMC SIF (<http://qsif.com/statutory-disclosures>) and on the website of Association of Mutual Funds in India (www.amfiindia.com).

Unitholders whose email addresses are not registered with the AMC SIF may 'opt-in' to receive a physical copy of the annual report or an abridged summary thereof.

Further, AMC shall provide a physical copy of the abridged summary of the Annual Report, without charging any cost, on a specific request received from a unitholder.

AMC shall also publish an advertisement every year, in an all India edition of one national English daily newspaper and in one Hindi newspaper, disclosing the hosting of the investment strategy wise annual report on the website of the AMC SIF and AMFI and the modes through which a unitholder can submit a request for a physical or electronic copy of the annual report or abridged summary thereof.

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