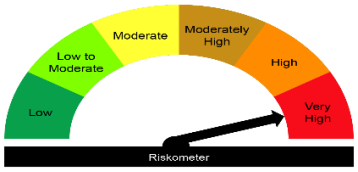
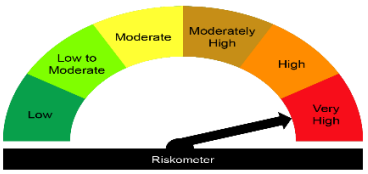
KEY INFORMATION MEMORANDUM

BANDHAN INNOVATION FUND
(An open-ended equity scheme following an innovation theme)

Offer of Units at Rs.10 each during the New Fund Offer and Continuous offer for Units at NAV based prices on an on-going basis.

This product is suitable for investors who are seeking*:	**Scheme Riskometer**	**Benchmark Riskometer (as applicable)**
• To create wealth over a long term • Investment predominantly in equity and equity-related instruments of companies following innovation theme. **Investors should consult their financial advisers if in doubt about whether the product is suitable for them.*	 *The risk of the scheme is very high.*	 *The risk of the benchmark is very high.* As per AMFI Tier I Benchmark i.e. NIFTY 500 TRI

Scheme Code - BNDN/O/E /THE/24/02/0071

Name of the Mutual Fund		**Bandhan Mutual Fund**
Name of the Asset Management Company	:	**Bandhan AMC Limited**
Name of the Trustee Company	:	**Bandhan Mutual Fund Trustee Limited**
Address of the Entities	:	6th Floor, One World Centre, 841, Senapati Bapat Marg, Prabhadevi, Mumbai – 400013
Website	:	www.bandhanmutual.com

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. **For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website www.bandhanmutual.com**

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 2026, (herein after referred to as SEBI (MF) Regulations) as amended till date SEBI Master Circular dated March 20, 2026 (hereinafter referred to as SEBI Master Circular), as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated May 27, 2026.

<table>
<tr><td>Investment Objective</td><td>The Scheme seeks to generate long-term capital appreciation by investing predominantly in equity and equity-related instruments of companies following innovation theme.

Disclaimer: There is no assurance or guarantee that the scheme's objectives will be realized.</td></tr>
<tr><td>Asset Allocation Pattern of the scheme</td><td>The asset allocation under the scheme will be as follows:
<table>
<tr><th rowspan="2">Instruments</th><th colspan="2">Indicative Allocation (% of total assets)</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Equity & equity related instruments following innovation theme</td><td>80%</td><td>100%</td></tr>
<tr><td>Equity & Equity related securities other than above and overseas securities*</td><td>0%</td><td>20%</td></tr>
<tr><td>Debt Securities and Money Market Instruments (including Government securities, Securitised debt)</td><td>0%</td><td>20%</td></tr>
<tr><td>Units issued by InvITs</td><td>0%</td><td>10%</td></tr>
</table>
In line with SEBI (Mutual Funds) Regulations 2026 and Clause 13.13 of SEBI Master Circular dated March 20, 2026, any investment made by Mutual Funds in REITs shall be considered as investment in equity related instruments.

*Investment in Foreign Securities - up to 20% of the total assets of the scheme. The scheme intends to invest maximum of US$ 30 million (including US$ 25 million in overseas ETFs) in Overseas securities. This limit will be applicable for a period of six months from the date of closure of NFO, subject to overall limit of fund house up to maximum of US$ 1 billion. Investment in Overseas securities in terms of clause 13.11.2 of SEBI Master Circular. In accordance with SEBI Master Circular clause 13.11.2 it is clarified that the aforesaid limit applicable for a period of six months from the date of closure of NFO.

In line with SEBI Master circular clause 13.11.4 for all ongoing schemes that invest or are allowed to invest in Overseas securities / Overseas ETFs, an investment headroom of 20% of the average AUM in Overseas securities / Overseas ETFs of the previous three calendar months would be available to the Mutual Fund for that month to invest in Overseas securities / Overseas ETFs subject to maximum limits specified in Clause 13.11.2 of SEBI master Circular. The disclosure as per SEBI Master circular Clause 13.11.3 and 13.11.4 on overseas investment would be soft limits for the purpose of reporting only by Mutual Funds on monthly basis in the prescribed format.

Investment in Securities Lending - up to 20% of the total assets with maximum single counter party exposure restricted to 5% of the total assets.
Exposure in Equity Derivatives (other than for hedging purpose) - up to 50% of total equity assets.

In line with clause 13.8 of SEBI Master Circular, Gross Exposure to Repo of Corporate Debt Securities – up to the extent permitted by the Regulations (currently up to 10% of total assets, subject to change in line with the regulations from time to time).
The Scheme shall invest in securitized debt - up to 40% of the debt assets.</td></tr>
</table>

	The Scheme will not invest in foreign securitized debt and in Debt Instruments having Structured Obligations / Credit Enhancements as per clause 13.1 of SEBI Master Circular. The scheme will not invest in commodity derivatives. The scheme will not invest in Debt Derivatives instruments and securities with special features. #Money Market instruments includes commercial papers, commercial bills, Tri-party repos, treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, certificate of deposit, usance bills, and any other like instruments as specified by the Reserve Bank of India from time to time. The Scheme shall invest in foreign securities/overseas Mutual Funds as may be permissible and described in clause 13.11.4 of SEBI Master Circular, within the overall applicable limits. The Scheme can make overseas investments subject to a maximum of US $ 1 billion per Mutual Fund, within the overall industry limit of US$ 7 billion or such limits as may be prescribed by SEBI from time to time. The Scheme therefore may or may not be able to utilise the limit of US$ 1 billion due to the US$ 7 billion limit being exhausted by other Mutual Funds. Further, the scheme can make investments in overseas Exchange Traded Fund (ETF(s)) subject to a maximum of US$ 300 million per Mutual Fund, within the overall industry limit of US$ 1 billion. Subject to SEBI (MF) Regulations and in accordance with Securities Lending Scheme, 1997, Clause 13.6 of SEBI Master Circular, as amended from time to time, the Fund can engage in securities lending and borrowing. Securities lending means lending a security to another person or entity for a fixed period of time, at a negotiated compensation. The security lent will be returned by the borrower on expiry of the stipulated period. The security lent will be returned by the borrower on expiry of the stipulated period up to 20% of the total assets with maximum single counter party exposure restricted to 5% of the total assets. The Scheme may engage in short selling of securities in accordance with the guidelines / regulations issued by SEBI. Short sale of securities means selling of securities without owning them. Engaging in short sale of securities is subject to risks related to fluctuations in market price, and settlement/ liquidity risks. The Scheme may engage in short selling of securities upto 20% of the total assets and in accordance with the applicable guidelines / regulations. The scheme will invest in Credit Default Swaps (CDS) in accordance with guidelines issued by SEBI from time to time. Exposure to a single counterparty in CDS transactions shall not exceed 10% of the net assets of the scheme. As per Clause 13.18.1 of SEBI Master Circular, the cumulative gross exposure through equity and equity related instruments, debt and money market instruments, derivative positions (including derivatives), repo transactions in corporate debt securities, Infrastructure Investment Trusts (InvITs), credit default swaps and other permitted securities/assets and such other securities/assets as may be permitted by the Board from time to time should not exceed 100% of the net assets of the scheme. In line with Clause 5.6 of SEBI Master circular, Securities in which investment is made for the purpose of ensuring liquidity (debt and money market instruments) are those that fall within the definition of liquid assets which includes Cash, Government Securities, T-bills and Repo on Government Securities.

Pursuant to Clause 13.18.6 of SEBI Master Circular and SEBI Letter to AMFI dated November 03, 2021, Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure. Cash Equivalent shall consist of the following securities having residual maturity of less than 91 days:
a) Government Securities
b) T-Bills and
c) Repo on Government securities.

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

Sl. no	Type of Instrument	Percentage of exposure	Circular references
1.	**Securities Lending**	A maximum of 20% of the net assets will be deployed in securities lending and the maximum single party exposure will be restricted to 5% of the net assets.	Clause 13.6 of SEBI Master Circular
2.	**Equity Derivatives for non- hedging purposes**	Exposure in Equity Derivatives (other than for hedging purpose) - up to 50% of total equity assets	-
3.	**Securitized Debt**	The Scheme shall invest in securitized debt - up to 40% of the debt assets.	-
4.	**Overseas Securities**	Investment in Foreign Securities - up to 20% of the total assets of the scheme	Clause 13.11 of SEBI Master Circular
5.	**InvITS**	Units issued by InvITs: 0% - 10%	Clause 13.13 of SEBI Master Circular
6.	**AT1 and AT2 Bonds (debt instruments with special features)**	The scheme will not invest in Debt Derivatives instruments and securities with special features.	Clause 13.1 of SEBI Master Circular.
7.	**Any other instrument**	Gross Exposure to Repo of Corporate Debt Securities – up to the extent permitted by the Regulations (currently up to 10% of total assets, subject to change in line with the regulations from time to time).	Clause 13.8 of SEBI Master Circular

The scheme will follow the applicable provisions as specified in SEBI Circular and SEBI (Mutual Funds) Regulations, 2026 as amended from time to time.

Portfolio rebalancing:

Rebalancing due to Short Term Defensive Consideration
Due to market conditions, the AMC may invest beyond the range set out in the asset allocation. Such deviations shall normally be for a short term and defensive

	considerations as per clause 1.9.1 (b) of SEBI Master circular, and the fund manager will rebalance the portfolio within 30 calendar days from the date of deviation. **Rebalancing due to Passive Breaches** Further, as per clause 3.11 of SEBI Master circular, as may be amended from time to time, in the event of deviation from mandated asset allocation due to passive breaches, the fund manager shall rebalance the portfolio of the Scheme within 30 Business Days. In case the portfolio of the Scheme is not rebalanced within the period of 30 Business Days, justification in writing, including details of efforts taken to rebalance the portfolio shall be placed before the Investment Committee of the AMC. The Investment Committee, if it so desires, can extend the timeline for rebalancing up to sixty (60) Business Days from the date of completion of mandated rebalancing period. Further, in case the portfolio is not rebalanced within the aforementioned mandated plus extended timelines the AMC shall comply with the prescribed restrictions, the reporting and disclosure requirements as specified in clause 3.11.4 of SEBI Master circular. Provided further and subject to the above, any change in the asset allocation affecting the investment profile of the Scheme shall be effected only in accordance with the provisions of sub regulation (9) (c) of Regulation 22 of the Regulations, as detailed later in this document.
Investment Strategy	Subject to the Asset Allocation pattern, the investment strategy of the Scheme shall be as under: The scheme is an open-ended thematic scheme and endeavors to provide long-term capital appreciation through investment primarily in companies which are embracing innovation theme and employ innovation in products, distinguished processes, and/or business models. The fund will primarily invest in businesses that aim to have a relatively higher market share in a new industry with significant growth potential and have a focus on higher research and development. The fund will be actively managed and will have the flexibility to invest across market caps and sectors with a focus on high-quality companies that are early trend adopters. The fund manager will predominantly follow a bottom-up approach to seek but not be limited to companies that exhibit strong innovative characteristics. The innovation framework that the scheme uses focuses on three key aspects i.e., Leading Innovators, Rising Innovators, and Emerging Innovators (LRE). **Leading Innovators:** Companies that are consistently researching and disrupting with new ideas, technologies, and strategies, setting new standards, and defining the business landscape are "Leading Innovators". These companies tend to gain market share from the traditional players and have the ability to anticipate and meet evolving market needs establishing them as the forefront drivers of innovation. These companies have the trait of being the pioneers in identifying new trends and adjusting their offerings to quickly take advantage of those trends. **Rising Innovators:** A "Rising Innovator" characterizes a company poised for growth and success in the innovation arena. These are positioned just below the status of a "Leading Innovator," and this segment signifies notable potential. These companies are making strides by introducing fresh ideas, cutting-edge technologies, or inventive approaches within their industry. As they actively progress and garner recognition for their innovative pursuits, they are becoming

increasingly prominent players in the dynamic landscape of their respective markets.

Emerging Innovators: "Emerging Innovators" are innovation aspiring companies and may be in the early stages of transforming their business models, incorporating new technologies, or fostering a culture of creativity to position themselves for future growth and success in the stock market.
For example a company following innovation theme may be a financial services company which started as a brick-and-mortar enterprise and rapidly changed to a digital platform, to augment its scale with constant innovation and investment in technology. Further, it kept adding investment products to its basket to have a larger wallet share.
While creating the universe and selecting the stocks the fund manager will focus on the fundamentals of the business, the robustness of the business model and potential for growth, the quality of management, governance standards, the financial strength of the company, market leadership, etc.

The sectors/space/theme in which such companies may operate may include but may not be limited to:

Sector
Financial Services
Information Technology
Oil, Gas & Consumable Fuels
Fast Moving Consumer Goods
Automobile and Auto Components
Healthcare
Capital Goods
Consumer Durables
Metals & Mining
Power
Construction
Consumer Services
Chemicals
Construction Materials
Telecommunication
Services
Realty
Textiles
Media, Entertainment & Publication

The fund will have the flexibility to invest in a broad range of companies with an objective to maximize the returns, at the same time trying to minimize the risk by reasonable diversification.

Though every endeavor will be made to achieve the objective of the Scheme, the AMC / Sponsors / Trustee does not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.

INVESTMENT IN COVERED CALL

Covered Call Options Strategy: Under clause 13.15 of SEBI Master Circular, the mutual fund schemes are permitted to write call options under a covered call

	strategy as per the prescribed guidelines. A call option gives the holder(buyer)the right but not the obligation to buy an asset by a certain date for a certain price. Covered calls are an options strategy where a person holds a long position in an asset and writes (sells) call options on that same asset to generate an income stream. **Benefits of using Covered Call strategy in Mutual Funds:** The covered call strategy can be followed by the Fund Manager in order to hedge risk thereby resulting in better risk adjusted returns of the Scheme. This strategy is also employed when the Fund Manager has a short-term neutral view on the asset and for this reason holds the asset long and simultaneously takes a short position via covered call option strategy to generate income from the option premium. **The strategy offers the following benefits:** a) Hedge against market risk - Since the fund manager sells a call option on a stock already owned by the mutual fund scheme, the downside from fall in the stock price would be lower to the extent of the premium earned from the call option. b) Generating additionalreturns in the form of option premium in a range bound market. Thus, a covered call strategy involves gains for unitholders in case the strategy plays out in the right direction. **Illustration – Covered Call strategy using stock call options:** Suppose a fund manager buys equity stock of ABC Ltd. for Rs. 1,000 and simultaneously sells a call option on the same stock at a strike price of Rs. 1,100. The scheme earns a premium of say, Rs. 50. Here, the fund manager does not have a view that the stock price will exceed Rs. 1,100. **Scenario 1:** Stock price exceeds Rs. 1,100. The call option will get exercised and the fund manager will sell the stock to settle his obligation on the call at Rs. 1,100 (earning a return of 10% on the stock purchase price). Also, the scheme has earned a premium of Rs. 50 which reduced the purchase cost of the stock (Rs. 1,000 - Rs. 50 = Rs. 950). Net Gain - Rs. 150 **Scenario 2:** Stock prices stays below Rs. 1100. The call option will not get exercised and will expire worthless. The premium earned on call option will generate alpha for the scheme. Net Gain - Rs. 50. **INVESTMENT IN DERIVATIVES** Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

	The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments. **(i) Trading in Derivatives** The Scheme may use derivatives instruments like Stock/ Index Futures & Options, or such other derivative instruments as may be introduced from time to time and in the manner permitted by SEBI/RBI from time to time. The following information provides a basic idea as to the nature of the derivative instruments proposed to be used by the Scheme and the risks attached there with. **Features of Derivatives:** Derivatives provide unique flexibility to the Scheme to hedge part of its portfolio. Some of the features of specific derivatives are as under: **ii) Derivatives Strategy** **Equity Derivative** The Scheme intends to use derivatives for purposes that may be permitted by SEBI Mutual Fund regulations from time to time. Derivatives instruments may take the form of Futures, Options, Swaps or any other instrument, as may be permitted from time to time. Pursuant to Clause 8.5 and 8.6 of the SEBI Master Circular, specified the guidelines pertaining to trading by Mutual Fund in Exchange trades derivatives. All Derivative positions taken in the portfolio would be guided by the following principles: Position limit for the Fund in index options contracts The 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 of the market in index options, whichever is higher per Stock Exchange. This limit would be applicable on open positions in all options contracts on a particular underlying index. Position limit for the Fund in index futures contracts: The 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 of the market in index futures, whichever is higher, per Stock Exchange. This limit would be applicable on open positions in all futures contracts on a particular underlying index. 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 Fund's holding of stocks. Long positions in index derivatives (long futures, long calls and short puts) shall not exceed (in notional value) the Fund's holding of cash, government securities, T-Bills and similar instruments. Position limit for the Fund for stock based derivative contracts : The Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts, :-

	The combined futures and options position limit shall be 20% of the applicable MWPL. The MWPL and client level position limits however would remain the same as prescribed Position limit for the Scheme The position limits for the Scheme and disclosure requirements are as follows– For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a Fund shall not exceed the higher of: 1% of the free float market capitalisation (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 Fund shall disclose the total open interest held by its scheme or all schemes 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." The Scheme will comply with provisions specified in clause 13.15 of Master Circular related to overall exposure limits applicable for derivative transactions. The following section describes some of the more common equity derivatives transactions along with their benefits: **1. Basic Structure of a Stock & Index Future** The Stock Index futures are instruments designed to give exposure to the equity markets indices. The stock Exchange, Mumbai (BSE) and The National Stock Exchange (NSE) provide futures in select stocks and indices with maturities of 1, 2 and 3 months. The pricing of a stock/index future is the function of the underlying stock/index and short term interest rates. Example using hypothetical figures: 1 month NIFTY 50 Index Future Say, Fund buys 1,000 futures contracts; each contract value is 50 times futures index price Purchase Date : February 24, 2021 Spot Index : 6000 Future Price : 6150 Say, Date of Expiry : March 24, 2021 Say, Margin : 20% Assuming the exchange imposes total margin of 20%, the Investment Manager will be required to provide total margin of approx. Rs. 6.15 Cr (i.e.20% * 6150 * 1000 * 50) through eligible securities and cash. Date of Expiry: Assuming on the date of expiry, i.e. March 24, 2021, Nifty 50 Index closes at 6200, the net impact will be a profit of Rs 25,00,000 for the fund i.e. (6200–6150)*1000*50

	Futures price = Closing spot price = 6200.00 Profits for the Fund = (6200–6150)*1000*50 = Rs. 25,00,000/- Please note that the above example is given for illustration purposes only. Some assumptions have been made for the sake of simplicity. The net impact for the Fund will be in terms of the difference of the closing price of the index and cost price. Thus, it is clear from the example that the profit or loss for the Fund will be the difference of the closing price (which can be higher or lower than the purchase price) and the purchase price. The risks associated with index futures are similar to those associated with equity investments. Additional risks could be on account of illiquidity and potential mis–pricing of the futures. **2. Basic Structure of an Equity Option:** An option gives a buyer the right but does not cast the obligation to buy or sell the underlying. 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. In India, National Stock Exchange (NSE) became the first exchange to launch trading in options on individual securities. Trading in options on individual securities commenced from July 2, 2001. All stock/index Option contracts are European style and cash settled and are currently available on 5 Indices and 223 securities as stipulated by the Securities and Exchange Board of India (SEBI). Example using hypothetical figures on Index Options: Market type : N Instrument Type : OPTIDX Underlying : Nifty 50 Purchase date : February 24, 2021 Expiry date : March 24, 2021 Option Type : Put Option (Purchased) Strike Price : Rs. 6,100.00 Spot Price : Rs. 6,136.00 Premium : Rs. 84.00 Lot Size : 50 No. of Contracts : 100 Say, the Fund purchases on February 24, 2021, 1 month Put Options on Nifty 50 on the NSE i.e. put options on 5000 shares (100 contracts of 50 shares each) of Nifty 50. Date of Exercise: As these are European style options, they can be exercised only on the expiry date i.e. March 24, 2021. If the share price of Nifty 50 falls to Rs.5,500 on expiry day, the net impact will be as follows: Premium expense = Rs.84*100* 50 =Rs. 4,20,000/- Option Exercised at = Rs. 5,500/- Profits for the Fund = (6100.00–5,500.00) * 100*50 = Rs. 30,00,000/- Net Profit = Rs. 30,00,000 – Rs. 4,20,000 = Rs. 25,80,000/-

	In the above example, the Investment Manager hedged the market risk on 5,000 shares of Nifty 50 Index by purchasing Put Options. 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 have been ignored. The purchase of Put Options does not increase the market risk in the fund as the risk is already in the fund's portfolio on account of the underlying asset position. The premium paid for the option is treated as an expense. Additional risks could be on account of illiquidity and potential mis–pricing of the options.- **Derivatives Strategy** If and where Derivative strategies are used under the scheme the Fund Manager will employ a combination of the following strategies: 1. **Index Arbitrage:** As the index derives its value from underlying stocks, the underlying stocks can be used to create a synthetic index matching the specified Index levels. Also, theoretically, the fair value of a stock/ index futures is equal to the spot price plus the cost of carry i.e. the interest rate prevailing for an equivalent credit risk, in this case is the Clearing Corporation of the NSE. Theoretically, therefore, the pricing of Index futures should be equal to the pricing of the synthetic index created by futures on the underlying stocks. However, due to market imperfections, the index futures may not exactly correspond to the synthetic index futures. The Index futures normally trades at a discount to the synthetic Index due to large volumes of stock hedging being done using the Index futures giving rise to arbitrage opportunities. The fund manager shall aim to capture such arbitrage opportunities by taking long positions in the Index futures and short positions in the synthetic index. The strategy is attractive if this price differential (post all costs) is higher than the investor's cost-of-capital. **Objective of the Strategy:** The objective of the strategy is to lock-in the arbitrage gains. **Risks Associated with this Strategy:** Lack of opportunity available in the market. The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Execution Risk: The prices which are seen on the screen need not be the same at which execution will take place. 2. **Cash Futures Arbitrage:** (Only one way as funds are not allowed to short in the cash market). The scheme would look for market opportunities between the spot and the futures market. The cash futures arbitrage strategy can be employed when the price of the futures exceeds the price of the underlying stock. The scheme will first buy the stocks in cash market and then sell in the futures market to lock the spread known as arbitrage return. Buying the stock in cash market and selling the futures results into a hedge where the scheme have 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 cash market. Thus there is a convergence between the cash market and the futures market on expiry. This convergence helps the Scheme to generate the arbitrage return locked in earlier. However, the position could even be closed earlier in case the price differential is realized before expiry or better opportunities are available in other stocks The strategy is attractive if this price differential (post all costs) is higher than the investor's cost-of-capital. **Objective of the Strategy:** The objective of the strategy is to lock-in the arbitrage gains. **Risk Associated with this Strategy:** Lack of opportunity available in the market. The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Execution Risk: The prices which are seen on the screen need not be the same at which execution will take place **3. Hedging and alpha strategy**: The fund will use exchange-traded derivatives to hedge the equity portfolio. The hedging could be either partial or complete depending upon the fund managers' perception of the markets. The fund manager shall either use index futures and options or stock futures and options to hedge the stocks in the portfolio. The fund will seek to generate alpha by superior stock selection and removing market risks by selling appropriate index. For example, one can seek to generate positive alpha by buying an IT stock and selling Nifty IT Index future or a bank stock and selling Bank Index futures or buying a stock and selling the Nifty 50 Index **Objective of the Strategy:** The objective of the strategy is to generate alpha by superior stock selection and removing market risks by hedging with appropriate index. **Risk Associated with this Strategy:** The stock selection under this strategy may under-perform the market and generate a negative alpha. The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Execution Risk: The prices which are seen on the screen need not be the same at which execution will take place. **4. Other Derivative Strategies:** As allowed under the SEBI guidelines on derivatives, the fund manager will employ various other stock and index derivative strategies by buying or selling stock/index futures and/or options. **Objective of the Strategy:** The objective of the strategy is to earn low volatility consistent returns.

	Risk Associated with this Strategy: The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Execution Risk: The prices which are seen on the screen need not be the same at which execution will take place. **INVESTMENT IN SECURITISED DEBT** **1. How the risk profile of securitized debt fits into the risk appetite of the scheme** Securitization is the fact or process of securitizing assets i.e. the conversion of loans into securities, usually in order to sell them on to other investors. This is done by assigning the loans to a special purpose vehicle (a trust), which in turn issues Pass-Through-Certificates (PTCs). These PTCs are transferable securities with fixed income characteristics. The risk of investing in securitized debt is similar to investing in debt securities. However, it differs mainly in two respects. One, the liquidity of securitized debt is less than similar debt securities. Two, for certain types of securitized debt (backed by mortgages etc.), there is an additional pre-payment risk. Prepayment risk refers to the possibility that loans are repaid before they are due, which may reduce returns if the re-investment rates are lower than initially envisaged. Because of these additional risks, securitized debt typically offers higher yields than debt securities of similar credit rating and maturity. After considering these additional risks, the investment is no different from investment in a normal debt security. Considering the investment objective of the scheme, these instruments with medium risk profile can be considered in the investment universe. Thus, if the Fund Manager judges that the additional risks are suitably compensated by the higher returns, he may invest in securitized debt up to the limits specified in the asset allocation table. **2. Policy relating to originators based on nature of originator, track record, NPAs, losses in earlier securitized debt, etc** Investments in securitized debt will be done based on the assessment of the originator and the securitized debt, which is carried out by the Fixed Income team based on the in-house research capabilities as well as the inputs from the independent credit rating agencies and by following AMC's internal credit process. Specifically, in order to mitigate the risk at the issuer/originator level the Fixed Income team will consider various factors which will include – Track record of the originator in the specific business to which the underlying loans correspond to; Size and reach of the issuer/originator; Collection infrastructure & collection policies; Post default recovery mechanism & infrastructure; Underwriting standards & policies followed by originator; Management information systems; Financials of the originators including an analysis of leverage, NPAs, earnings, etc. Future strategy of the company for the specific business to which the underlying loans correspond to;

	Performance track record of Originator's portfolio & securitized pools, if any; Utilization of credit enhancement in the prior securitized pools; The quality of information disseminated by the issuer/ originator; and The credit enhancement for different types of issuer/originator. Also, assessment of business risk would be carried out which includes – Outlook for the economy (both domestic and global); and Outlook for the industry In addition, the fund analyses the specific pool and the broad evaluation parameters are as follows: Average seasoning of the loans in the pool Average Loan to value ratio of the loans in the pool Average ticket size of the loans Borrower profile (salaried / self-employed, etc) Geographical profile of the pool Tenure profile of the pool Obligor concentration Credit enhancement cover available over and above the historic losses on Originator's portfolio Expected Prepayment rate in the specific asset class experienced by the originator in the past as well as the industry Limited Liquidity and Price Risk. The scheme will invest in securitized debt which are rated investment grade and above by a credit rating agency recognized by SEBI. The investment team analyses the Rating Rationale in detail before investing in any PTCs, and also discusses with the concerned rating agency on a need basis. The rating agency would normally take into consideration the following factors while rating a securitized debt: - Credit risk at the asset/originator/portfolio/pool level The quality of the pool is a crucial element in assessing credit risk. In the Indian context, generally, pools are 'cherry-picked' using positive selection criteria. To protect the investor from adverse selection of pool contracts, the rating agencies normally take into consideration pool characteristics such as pool seasoning (seasoning represents the number of installments paid by borrower till date: higher seasoning represents better quality), over dues at the time of selection and Loan to Value (LTV). To assess its risk profile vis-à-vis the overall portfolio, the pool is analysed with regard to geographical location, borrower profile, LTV, and tenure. - Counterparty risk This includes Servicer Risk, co-mingling risk etc. The rating agencies generally mitigate such risks though the usage of stringent counterparty selection and replacement criteria to reduce the risk of failure. - Bankruptcy risk - Of the Originator – Normally, specific care is taken in structuring the securitization transaction so as to minimize the risk of the sale to the trust not being construed as a 'true sale'. It is also in the Interest of the originator to demonstrate the transaction as a true sell to get the necessary revenue recognition and tax benefits.

	- Of the Investors' agent All possible care is normally taken in structuring the transaction and drafting the underlying documents so as to provide that the assets/receivables if and when held by Investor's Agent is held as agent and in Trust for the Investors and shall not form part of the personal assets of Investor's Agent. - Legal risks The rating agency normally conducts a detailed study of the legal documents to ensure that the investors' interest is not compromised and relevant protection and safeguards are built into the transaction. Various market risks like interest rate risk, macro-economic risks Assessment of risks related to business for example outlook for the economy, outlook for the industry and factors specific to the issuer/originator. **3. Risk mitigation strategies for investments with each kind of originator** The examples of securitized assets which may be considered for investment by the Scheme and the various risk mitigation parameters (please read in continuation with point 2 above), which will be considered include; A) Asset backed securities issued by banks or nonbanking finance companies. Underlying assets may include receivables from loans against cars, commercial vehicles, construction equipment or unsecured loans such as personal loans, consumer durable loans. The various factors which will be usually considered while making investments in such type of securities include profile of the issuer, analysis of underlying loan portfolio – nature of asset class, seasoning of loans, geographical distribution of loans and coverage provided by credit-cum-liquidity enhancements. A) Mortgage backed securities issued by banks or housing finance companies, where underlying assets are comprised of mortgages/home loan. The various factors which will be usually considered while making investments in such type of securities include issuer profile of the issuer, quality of underlying portfolio, seasoning of loans, coverage provided by credit-cum-liquidity enhancements and prepayment risks. B) Single loan securitization, where the underlying asset comprises of loans issued by a bank/non-banking finance company. The factors which will be usually considered while making investments in such type of securities include assessment of credit risk associated with the underlying borrower as well as the originator. The Fixed Income team will adhere to the AMC's internal credit process and perform a detailed review of the underlying borrower prior to making investments. This analysis is no different from the analysis undertaken by Fund when it invests in Debentures or Commercial papers issued by the same borrower. Critical Evaluation Criteria Typically, the Fund would avoid investing in securitization transaction (without specific risk mitigation strategies / additional cash/security collaterals/ guarantees) if there are concerns on the following issues regarding the originator / underlying issuer: High default track record/ frequent alteration of redemption conditions/covenants

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

Further, investments in securitized debt will be done in accordance with the investment restrictions specified under the SEBI Regulations/ this Scheme Information Document which would help in mitigating certain risks.

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

The framework which will generally be applied by the Fund Manager while evaluating the investment decision with respect to securitized debt will be as follows:

Characteristics/Type of Pool	**Mortgage Loan**	**Single Sell Down**	**Others**
Approximate Average Maturity (in Months)	Up to 10 years	Case by case basis	As and when new asset classes of securitized debt are introduced, the investments in such instruments will be evaluated on a case by case basis
Collateral margin (including cash, guarantees, excess interest spread, subordinate tranche)	In excess of 3%	Case by case basis	
Average Loan to Value Ratio	95% or lower	Case by case basis	
Average seasoning of the Pool	Minimum 2 months	Case by case basis	
Maximum single exposure range *	< 5%	Not applicable	
Average single exposure applicable range % *	< 5%	Not applicable	

* denotes % of a single ticket/loan size to the overall assets in the securitized pool.
$ Broad evaluation criteria as per point 3 above

Notes:

1. Retail pools are the loan pools relating to Car, 2 wheelers, micro finance and personal loans, wherein the average loan size is relatively small and spread over large number of borrowers.
2. The information illustrated in the table above is based on current scenario relating to securitized debt market and is subject to change depending upon the change in the related factors. In addition to the framework stated in the table above, in order to mitigate the risks associated with the underlying assets where the diversification is less, at the time of investment the Fixed Income team could consider various factors including but not limited to

Size of the loan - the size of each loan is generally analyzed on a sample basis and an analysis of the static pool of the originator is undertaken to ensure that the same matches with the static pool characteristics. It also indicates whether there is high

	reliance on very small ticket size borrower which could result in delayed and expensive recoveries. Average original maturity of the pool of underlying assets The analysis of average maturity of the pool is undertaken to evaluate whether the tenor of the loans are generally in line with the average loans in the respective industry and repayment capacity of the borrower. Loan to value ratio, average seasoning of the pool of underlying assets - these parameters would be evaluated based on the asset class as mentioned in the table above. Default rate distribution - the Fixed Income team generally ensures that all the contracts in the pool are current to ensure zero default rate distribution. Geographical distribution - the analysis of geographical distribution of the pool is undertaken to ensure prevention of concentration risk. Credit enhancement facility - credit enhancement facilities in the form of cash collateral, such as fixed deposits, bank guarantee etc could be obtained as a risk mitigation measure. Liquidity facility - these parameters will be evaluated based on the asset class as mentioned in the table above. Structure of the pool of underlying assets – The structure of the pool of underlying assets would be either single asset class or combination of various asset classes as mentioned in the table above. We could add new asset class depending upon the securitization structure and changes in market acceptability of asset classes. **5. Minimum retention period of the debt by originator prior to securitization** The minimum retention period of the debt by the originator prior to securitization and the minimum retention percentage by originator of debts will be as per the guidelines/regulations issued by the RBI/other regulatory agencies from time to time. Also, please refer the table in point 4. The Fund will adopt that policy, whichever is stricter. **6. Minimum retention percentage by originator of debts to be securitized** Same as point 5 above. **7. The mechanism to tackle conflict of interest when the mutual fund invests in securitized debt of an originator and the originator in turn makes investments in that particular scheme of the fund** An investment by the scheme in any security is done after detailed analysis by the Fixed Income team and in accordance with the investment objectives and the asset allocation pattern of a scheme. All investments are made on an arms-length basis without consideration of any investments (existing/potential) in the schemes made by any party related/involved in the transaction. The robust credit process ensures that there is no conflict of interests when a scheme invests in securitized debt of an originator and the originator in turn makes investments in that particular scheme. **8. The resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt** The resources for and mechanisms of individual risk assessment with the AMC for monitoring investment in securitized debt are as follows:

	Fixed Income Team – Currently, the AMC has a team, who is responsible for credit research and monitoring and fund management, for all exposures including securitized debt. Ratings are monitored for any movement – Based on the cash flow report and Fixed Income Team's view, periodic review of utilization of credit enhancement shall be conducted and ratings shall be monitored accordingly. For legal and technical assistance with regard to the documentation of securitized debt instruments, the team can make use of resources within the internal legal team and if required take help of our external legal counsel as well. For detailed derivative strategies, please refer to SAI.
Risk Profile of the Scheme	**Risks associated with Capital Markets or Equity Markets** • Investing in a sectoral/thematic fund is based on the premise that the fund will seek to invest in companies belonging to a specific sector/ theme. To this extent investment universe of the fund will be restricted as compared to the broader diversified market. • Also, as with all equity investing, there is the risk that companies in that specific sector will not achieve its expected earnings results, or that an unexpected change in the market or within the company may occur, both of which may adversely affect investment results. Thus investing in a sector specific fund could involve potentially greater volatility and risk. • Excessive competition from domestic as well as international players will have a significant bearing on the sector. • The value of the Scheme's investments, may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. Consequently, the NAV of the Units of the Scheme may fluctuate and can go up or down. • Equity instruments by nature are volatile and prone to price fluctuations on a daily basis due to both micro and macro factors. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments. Different segments of financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Scheme(s) to make intended securities' purchases due to settlement problems could cause the Scheme(s) to miss certain investment opportunities. • 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. Money market securities, while fairly liquid, lack a well-developed secondary market, which may restrict the selling ability of the Scheme(s) and may lead to the Scheme(s) incurring losses till the security is finally sold.

<table>
<tr><td></td><td>

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

- Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options to the investor, including a put option. Within the Regulatory limits, the AMC may choose to invest in unlisted securities that offer attractive yields. This may however increase the risk of the portfolio.
</td></tr>
<tr><td>Plans/Options</td><td>
The Scheme offers Regular Plan & Direct Plan.
Both the Plans will have separate NAV.
Both the plans under the Scheme offer Income Distribution cum capital withdrawal (IDCW) Option^ & Growth Option. IDCW Option under both the Plans further offers Payout of IDCW, Reinvestment of IDCW & Sweep/Transfer of IDCW (from Equity Schemes to Debt Schemes Only).

^the amounts can be distributed out of investors capital (Equalization Reserve), which is part of sale price that represents realized gains.

Please note that where the Unitholder has opted for IDCW Payout option and in case the amount of IDCW payable to the Unitholder is Rs.100/- or less under a Folio in case of cheque payouts, the same will be compulsorily reinvested in the Scheme.

Default option: The investors must clearly indicate the Option/facility (Growth or IDCW / Reinvestment of IDCW or Payout of IDCW or transfer of IDCW) in the relevant space provided for in the Application Form. In case the investor does not select any Option, the default shall be considered as Growth Option for all the plans of the scheme. Within IDCW if the investor does not select any facility, then default facility shall be Reinvestment of IDCW.

Investors subscribing under Direct Plan of a Scheme will have to indicate “Direct Plan” in the application form e.g. “Bandhan Innovation Fund - Direct Plan”. Investors should also indicate “Direct” in the ARN column of the application form.

Treatment of applications under "Direct" / "Regular" Plans:
<table>
<tr><th>Scenario</th><th>Broker Code mentioned by the investor</th><th>Plan mentioned by the investor</th><th>Default Plan to be captured</th></tr>
<tr><td>1</td><td>Not mentioned</td><td>Not mentioned</td><td>Direct Plan</td></tr>
<tr><td>2</td><td>Not mentioned</td><td>Direct</td><td>Direct Plan</td></tr>
<tr><td>3</td><td>Not mentioned</td><td>Regular</td><td>Direct Plan</td></tr>
<tr><td>4</td><td>Mentioned</td><td>Direct</td><td>Direct Plan</td></tr>
<tr><td>5</td><td>Direct</td><td>Not Mentioned</td><td>Direct Plan</td></tr>
<tr><td>6</td><td>Direct</td><td>Regular</td><td>Direct Plan</td></tr>
<tr><td>7</td><td>Mentioned</td><td>Regular</td><td>Regular Plan</td></tr>
<tr><td>8</td><td>Mentioned</td><td>Not Mentioned</td><td>Regular Plan</td></tr>
</table>
</td></tr>
</table>

	AMC shall ensure that before accepting any business from any MFD, such a MFD is duly empaneled with the AMC. Transactions received, if any, from / under the ARN of a non-empaneled MFD may be processed under Direct Plan, with prompt intimation to the non-empaneled MFD, and the investor. In cases of wrong/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of application without any exit load. Further in case of transactions received from Invalid ARN, the AMC shall follow the guidelines provided in AMFI Best Practise circular dated February 2, 2024 Investors are requested to note that any change in IDCW sub-option (Payout of IDCW option, Reinvestment of IDCW option and Transfer of IDCW option) due to additional investment done under IDCW option or on the basis of a request received from the investor, will be applicable to all existing units in the IDCW option of the concerned scheme under respective folio. However, this provision shall not be applicable to transactions undertaken / units held in demat mode. The face value of the Units will be Rs.10/- per unit.
Applicable NAV (after the scheme opens for subscriptions and redemptions)	Subscription facility is available on a continuous basis. **A. Applicable NAV for Subscriptions / Switch-ins (irrespective of application amount):** 1. In respect of valid applications received upto 3.00 p.m on a Business Day at the official point(s) of acceptance and funds for the entire amount of subscription/purchase (including switch ins) as per the application are credited to the bank account of the Scheme before the cut-off time on same day i.e available for utilization before the cut-off time - the closing NAV of the day shall be applicable 2. In respect of valid applications received after 3.00 p.m on a Business Day at the official point(s) of acceptance and funds for the entire amount of subscription/purchase (including switch ins) as per the application are credited to the bank account of the Scheme either on same day or before the cut-off time of the next Business Day i.e available for utilization before the cut-off time of the next Business Day - the closing NAV of the next Business Day shall be applicable 3. Irrespective of the time of receipt of application at the official point(s) of acceptance, where funds for the entire amount of subscription/purchase (including switch-ins) as per the application are credited to the bank account of the Scheme before the cut-off time on any subsequent Business Day - i.e available for utilization before the cut-off time on any subsequent Business Day - the closing NAV of such subsequent Business Day shall be applicable. 4. In case of switch transactions from one scheme to another scheme, units allotment in switch-in scheme shall be in line with the redemption payouts. The aforesaid provisions shall also apply to systematic transactions i.e Systematic Investment Plan (SIP), Systematic Transfer Plan (STP), Transfer

<table>
<tr><td></td><td>of Income Distribution cum capital withdrawal plan etc. irrespective of the installment date or Income Distribution cum capital withdrawal record date.

B. For Repurchase/Redemption/Switch-outs:
In respect of valid applications received upto 3.00 pm by the Mutual Fund, same day's closing NAV shall be applicable. In respect of valid applications received after 3.00 pm by the Mutual Fund, the closing NAV of the next business day shall be applicable.</td></tr>
<tr><td>Minimum Application Amount/ Number of Units</td><td>
<table>
<tr><th>Purchase</th><th>Additional Purchase</th><th>Redemption</th></tr>
<tr><td>- Rs.1,000/- and in multiples of Re. 1/- thereafter</td><td>Rs.1,000/- and any amount thereafter</td><td>Rs.500/- or the account balance of the investor, whichever is less.</td></tr>
<tr><td colspan="3">SIP Rs.100/- and in multiples of Re.1 thereafter
SWP Rs. 200 and any amount thereafter
STP (in) Rs.500/- and any amount thereafter</td></tr>
</table>
</td></tr>
<tr><td>Despatch of Redemption Request</td><td>Redemption: Within 3 (three) working days working days of the receipt of the redemption request at the authorised centre of Bandhan Mutual Fund.</td></tr>
<tr><td>Benchmark Index</td><td>NIFTY 500 TRI</td></tr>
<tr><td>Income Distribution cum Capital Withdrawal (IDCW) Policy</td><td>The Scheme will endeavor to declare IDCW from time to time. The IDCW shall be dependent on the availability of distributable surplus as on the Record Date. The Mutual Fund is not assuring any declaration of dividend under IDCW option nor is it assuring that it will make any IDCW distributions. All IDCW distributions would depend on the performance of the scheme. Under this Option, IDCW amount payable of upto Rs. 100/- under a folio shall compulsorily be reinvested in the same option of the Scheme. Such IDCW shall be re-invested at the prevailing ex- IDCW Net Asset Value per Unit on the Record Date.

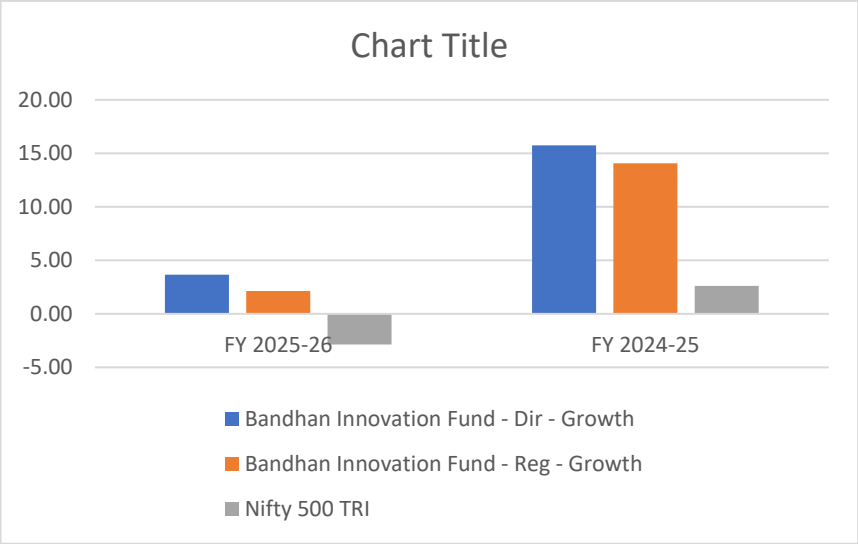
The payment of dividend/IDCW to the unitholders shall be made within seven working days from the record date.</td></tr>
<tr><td>Name of the Fund Manager</td><td>The Fund Managers of the Scheme are –
A. Mr. Manish Gunwani & Mr. Prateek Poddar (equity portion)
B. Mr. Brijesh Shah (debt portion)
C. Ms. Ritika Behera & Mr. Gaurav Satra (overseas investment portion)</td></tr>
<tr><td>Name of the Trustee Company</td><td>Bandhan Mutual Fund Trustee Limited</td></tr>
<tr><td>Performance of the scheme:

[In case of a new scheme, the statement should be given "This scheme does not have any performance track record"]

Or

[In case of a scheme in existence, the return figures shall be given</td><td>Returns (%) as on March 31, 2026:

<table>
<tr><th rowspan="2">Period</th><th colspan="2">Scheme Returns %</th><th colspan="2">Benchmark Returns %</th></tr>
<tr><th>Direct</th><th>Regular</th><th>Direct</th><th>Regular</th></tr>
<tr><td>Returns for the last 1 Year</td><td>3.65%</td><td>2.14%</td><td>-2.87%</td><td>-2.87%</td></tr>
<tr><td>Returns for the last 3 Years</td><td>N.A.</td><td>N.A.</td><td>N.A.</td><td>N.A.</td></tr>
<tr><td>Returns for the last 5 Years</td><td>N.A.</td><td>N.A.</td><td>N.A.</td><td>N.A.</td></tr>
<tr><td>Returns Since Inception</td><td>9.98%</td><td>8.31%</td><td>-0.18%</td><td>-0.18%</td></tr>
</table>
</td></tr>
</table>

for that scheme only, as per the scheme which is in existence for more than 1 year, the returns given will be Compounded Annualised Returns and for scheme which is in existence for less than 1 year, the returns would be absolute returns since inception.] Absolute returns for each financial year for the last 5 years shall be represented by means of a bar diagram as per the adjacent format.]	Benchmark – Nifty 500 TRI, Alternate Benchmark - Nifty 50 TRI Date of Inception: Direct Plan – 30-April-2024_ Regular Plan – 30-April-2024 
Additional Scheme Related Disclosures	1. Scheme's portfolio holdings Refer https://bandhanmutual.com/downloads/sid for top 10 holdings by issuer and fund allocation towards various sectors 2. Refer link https://bandhanmutual.com/statutory disclosures/schemes for disclosure of name and exposure to Top 7 issuers, stocks, groups and sectors as a percentage of NAV of the scheme 3. Functional website link for Portfolio Disclosure - Refer https://www.bandhanmutual.com/download-centre/disclosures for Monthly/ Half Yearly portfolio disclosure. 4. Functional website link to the respective addendums to the SID after the last update of SID - https://bandhanmutual.com/downloads/addendums 5. Portfolio Turnover ratio of the scheme for the period April 01, 2025 to March 31, 2026 is 0.90*. *Portfolio Turnover Ratio is calculated as lower of purchase or sale during the period /Average AUM for the last one year (includes Fixed Income securities and Equity derivatives.
Expenses of the Scheme **Load Structure** **Recurring expenses**	Exit load: • If redeemed/switched out within 30 days from the date of allotment: 0.50% of the applicable NAV • If redeemed/switched out after 30 days from date of allotment – Nil These are the fees and expenses for operating the scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below: The AMC has estimated that upto 2.10% (plus additional expenses as permitted under SEBI Regulations) of the daily net assets of the scheme will be charged to the scheme as expenses. As per SEBI (MF) Regulations, 2026, recurring expenses will not exceed the following limits:

Base Expense Ratio (BER) slab rates will be as follows:

AUM Slab (In Rs. Crore)	Base expense ratio limits for equity oriented schemes
on the first Rs.500 crores of the daily net assets	2.10%
on the next Rs.250 crores of the daily net assets	1.90%
on the next Rs.1,250 crores of the daily net assets	1.60%
on the next Rs.3,000 crores of the daily net assets	1.50%
on the next Rs.5,000 crores of the daily net assets	1.40%
on the next Rs.40,000 crores of the daily net assets	Expense ratio reduction of 0.05% for every increase of Rs.5,000 crores of daily net assets or part thereof.
on balance of the assets	0.95%

The total fees and expenses for operating the scheme as listed hereunder would be upto 2.10% of the daily net assets which includes expenses towards management fees, commission, marketing expense and other expense relating to operating the scheme.

For the actual current expenses being charged, the investor should refer to the website of the mutual fund.

Expense Head	**% p.a. of daily Net Assets* (Estimated p.a.)**
Investment Management & Advisory Fee	Upto 2.10%
Audit fees/fees and expenses of trustees	
Custodial Fees	
Registrar & Transfer Agent Fees including cost of providing account statements / IDCW / redemption cheques/ warrants	
Marketing & Selling Expenses including fees, commission and charges towards distribution of mutual fund schemes	
Costs related to investor communications	
Costs of fund transfer from location to location	
Cost towards investor education, awareness and financial inclusion**	
Brokerage cost incurred towards execution of trades; over and above 6 bps and 2 bps of trade value for cash and derivative market trades respectively	
Cost of statutory advertisements	
Other Expenses (to be specified as per Reg 66 of SEBI MF Regulations)	
Maximum Total expenses ratio (TER) permissible	Upto 2.10%

under Regulation 66^	
Statutory levies (including GST) on all expenses excluding brokerage and transaction cost	As per prevailing rates
Statutory levies (including GST) on brokerage and transaction cost	

Note: Total Expense Ratio (*TER) = Base Expense Ratio (BER) + Brokerage Cost + Transaction Cost incurred for the purpose of execution of trade + Statutory levies (including GST)*

^ In line with Clause 11.9.3 of SEBI Master Circular, the AMC / Mutual Fund shall annually set apart at least 2 basis points (i.e. 0.02%) on daily net assets of the scheme within the maximum limit of Total Expense Ratio as per Regulation 66 of the SEBI (MF) Regulations for investor education and awareness initiatives.

In line with Clause 11.6 of SEBI Master Circular, distributors shall be eligible for additional commission in the following manner:

A. New investments / inflows eligible for the additional commission

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

B. Incentive Structure: AMCs shall pay additional commission to distributors for onboarding aforesaid eligible new investors as per point A above, as per following structure:

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

The additional distribution commission shall be paid from the 2 basis points on daily net assets, mandated to be set apart annually by AMCs for investor education, awareness and financial inclusion initiatives, subject to adequate claw back provisions. The additional commission shall be in addition to the existing trail commission paid to the distributor from the scheme.

Distributors shall be eligible to receive the additional commission for mobilizing investments from new women investors from Top-30 cities and in cases where the commission for new investment from B-30. cities has not been claimed for the same woman investor/ investment. Dual incentives for the same investor/investment shall not be permitted.

Further, as directed by SEBI, AMFI has vide email dated December 27, 2025 issued the implementation standards in consultation with SEBI, to ensure uniform implementation under the Clause 11.6 of SEBI Master Circular.

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

	percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in other than Direct Plan. The AMC shall adhere provisions of Chapter 11 of SEBI Master Circular and various guidelines specified by SEBI as amended from time to time, with reference to charging of fees and expenses. Accordingly: a) All scheme related expenses including commission paid to distributors, shall be paid from the Scheme only within the regulatory limits and not from the books of the AMC, its associates, sponsor, trustee or any other entity through any route. b) Provided that, such expenses that are not specifically covered in terms of Regulation 66 (5) can be paid out of AMC books at actual or not exceeding 2 bps of the Scheme AUM, whichever is lower. c) The Fund / the AMC shall adopt full trail model of commission in the Scheme, without payment of any upfront commission or upfronting of any trail commission, directly or indirectly, in cash or kind, through sponsorships, or any other route. d) All fees and expenses charged in a Direct Plan (in percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in Regular Plan. e) No pass back, either directly or indirectly, shall be given by the Fund / the AMC / Distributors to the investors. **Disclosure on Goods & Services Tax:** Goods & Services Tax on investment management and advisory fees shall be in addition to the above expense. Further, with respect to Goods & Services Tax on other than management and advisory fees: a. Goods & Services Tax on other than investment and advisory fees, if any, shall be borne by the scheme within the maximum limit of TER as per regulation 67 of the Regulations. b. Goods & Services Tax on exit load, if any, shall be paid out of the exit load proceeds and exit load net of Goods & Services Tax, if any, shall be credited to the scheme. c. Goods & Services Tax on brokerage and transaction cost paid for asset purchases, if any, shall be within the limit prescribed under regulation 67 of the Regulations. For the actual current expenses being charged to the Scheme, the investor should refer to the website of the mutual fund at www.bandhanmutual.com (Home > Total Expense Ratio of Mutual Fund Schemes). Any change proposed to the current expense ratio will be updated on the website at least three working days prior to the change. As per the Regulations, the total recurring expenses that can be charged to the Scheme in this Scheme information document shall be subject to the applicable guidelines. The Total Recurring Expenses of the Scheme will however be limited to the ceilings as prescribed under Regulation 67 of the Regulations. **Illustration in returns between Regular and Direct Plan**

<table>
<tr><td></td><td>
<table>
<tr><th>Particulars</th><th>Regular Plan</th><th>Direct Plan</th></tr>
<tr><td>Amount invested at the beginning of the year (Rs,)</td><td>10,000</td><td>10,000</td></tr>
<tr><td>Returns before Expenses (Rs.)</td><td>1,500</td><td>1,500</td></tr>
<tr><td>Expenses other than Distribution Expenses (Rs.)</td><td>150</td><td>150</td></tr>
<tr><td>Distribution Expenses (Rs.)</td><td>50</td><td>-</td></tr>
<tr><td>Returns after Expenses at the end of the year (Rs.)</td><td>1,300</td><td>1,350</td></tr>
<tr><td>Returns</td><td>13.00%</td><td>13.50%</td></tr>
</table>

Actual expenses for the previous financial year: 31st March, 2026

<table>
<tr><th>Name of the Scheme</th><th>Regular Total TER</th><th>Direct Total TER</th></tr>
<tr><td>Bandhan Innovation Fund</td><td>2.06%</td><td>0.66%</td></tr>
</table>

The maximum limit of recurring expenses that can be charged to the Scheme would be as per Regulation 67 of the SEBI (MF) Regulation, 2026. Investors are requested to read “Section- Annual Scheme Recurring Expenses” in the SID.
</td></tr>
<tr><td>Tax treatment for the Investors (Unitholders)</td><td>Investor will be advised to refer to the details in the Statement of Additional Information and also independently refer to his tax advisor.</td></tr>
<tr><td>Daily Net Asset Value (NAV) Publication</td><td>NAV will be determined for every Business Day except in special circumstances. NAV will be calculated upto three decimal places. NAV of the Scheme shall be made available on the website of AMFI (www.amfiindia.com) and the Mutual Fund (www.bandhanmutual.com) by 11.00 p.m. on all business days.</td></tr>
<tr><td>For Investor Grievances please contact</td><td>Computer Age Management Services Limited (CAMS)
9th Floor | Tower II | Rayala Towers
158 | Anna Salai | Chennai – 600 002
contact number is +91- 44 2843 3303 / +91-44 6102 3303
E-Mail ID: enq_g@camsonline.com
Website: www.camsonline.com

INVESTOR RELATIONS OFFICER
<table>
<tr><td>Name</td><td>Address and Contact Number</td><td>E-Mail</td></tr>
<tr><td>Ms. Neeta Singh</td><td>Bandhan AMC Limited, 6th Floor, One World Centre, 841 Senapati Bapat Marg, Prabhadevi, Mumbai 400013.
Contact number #022 66289999</td><td>neeta.singh@bandhanamc.com</td></tr>
</table>
</td></tr>
<tr><td>Unitholders’ Information</td><td>Monthly / Fortnightly Portfolio Disclosures:
The Mutual fund shall disclose portfolio (along with ISIN) as on the last day of the month for all the schemes within 10 days from the close of each month in a user-friendly and downloadable spreadsheet format and for debt schemes, such disclosure, including the yield of the instrument, shall be disclosed on fortnightly basis within 5 calendar days of every fortnight on website of the AMC (https://bandhanmutual.com/downloads/disclosures) and AMFI (www.amfiindia.com). In case of unitholder whose email addresses are registered with the Fund, the portfolios disclosed as above shall be sent to the unitholders via email. The unitholders whose e-mail address are not registered with the Fund are requested to update / provide their email address to the Fund for updating the</td></tr>
</table>

	database. Investors may also place a specific request through modes such as SMS, telephone, email or written request (letter) for a physical or electronic copy of the statement of scheme portfolio. Physical copy of statement of scheme's portfolio shall be provided without charging any cost, on specific request received from the unitholder. **Half Yearly Financial Results** The Mutual Fund shall within one month from the end of each half year, that is on 31st March and on 30th September, host a soft copy of its unaudited financial results on their website and shall publish an advertisement disclosing the hosting of such financial results on their website, in atleast one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the mutual fund is situated. The unaudited financial results will be displayed on the website of the Mutual Fund (www.Bandhanmutual.com) and that of AMFI (www.amfiindia.com). **Annual Report** Scheme wise Annual Report or an abridged summary in machine readable formats, thereof shall be emailed to all unitholders within four months from the date of closure of the financial year, by e-mail to the Unit holders whose e-mail address are registered with the Fund. The physical copy of the scheme wise annual report or abridged summary shall be made available to the investors at the registered office of the AMC. A link of the scheme annual report shall be displayed prominently on the website of the Mutual Fund (https://bandhanmutual.com/statutory-disclosures/financials) and that of AMFI (www.amfiindia.com). The AMC shall also provide a physical copy of abridged summary and the scheme wise annual report, on specific request received from the unitholder. **Risk-o-meter** In accordance with Clause 6.16 of SEBI Master Circular, Mutual Fund shall disclose, to the investors in which the unit holders are invested, (a) risk-o-meter of the scheme and benchmark while disclosing the performance of scheme vis-à-vis benchmark and (b) details of the scheme portfolio including the scheme risk-o-meter, name of benchmark and risk-o-meter of benchmark while communicating the fortnightly, monthly and half-yearly statement of scheme portfolio via email. Further, pursuant to clause 16.6 of SEBI Master Circular , any change in risk-o-meter shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to unitholders of that particular scheme. Risk-o-meter shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meter along with portfolio disclosure for all their schemes on the website of the Mutual Fund (www.bandhanmutual.com) and that of AMFI (www.amfiindia.com) within 10 days from the close of each month. Mutual Funds shall also disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on its website and AMFI website. Investors may please note that the Risk-o-meter disclosed is basis internal assessment of the scheme portfolio as on the date of disclosure.

	Scheme Summary Document Pursuant to SEBI advisory dated December 28, 2021, a standalone scheme document called 'Scheme Summary Document' for all the Schemes of Bandhan Mutual Fund has been hosted on its website (www.bandhanmutual.com) which contains all the details of the Schemes including but not limited to Scheme features, Fund Manager details, investment details, investment objective, expense ratios, portfolio details, etc. The Scheme Summary Document is uploaded on the website of the Mutual Fund, AMFI and stock exchanges in 3 data formats i.e. PDF, Spreadsheet and a machine readable format (either JSON or XML). Refer SAI for further details. B. Transparency/NAV Disclosure: NAV will be determined for every Business Day except in special circumstances. NAV will be calculated upto three decimal places. NAV of the Scheme shall be made available on the website of AMFI (www.amfiindia.com) and the Mutual Fund (www.bandhanmutual.com) by 11.00 p.m. on all business days. The NAV shall also be available on the Toll Free Number -1800-300-66688/1-800-2666688 and on the website of the Registrar and Transfer Agent CAMS (www.camsonline.com). In case the NAV is not uploaded by 11.00 p.m it shall be explained in writing to AMFI for non adherence of time limit for uploading NAV on AMFI's website. If the NAVs are not available before the commencement of business hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV. As the Scheme can invest in overseas securities, valuations of which are declared as per their different time zones, daylight savings and market hours, therefore pursuant to Clause 9.3 of the SEBI Master Circular with respect to "Frequency of Computation and Disclosure of NAVs", the timeline for declaration of NAV of the Scheme shall be by 10 a.m. of the immediately succeeding Business Day. **Account Statements** **For fresh purchase during ongoing sales with creation of a new Folio:** • The AMC shall allot the units to the applicant whose application has been accepted and also send confirmation specifying the number of units allotted to the applicant by way of email and/or SMS's to the applicant's registered email address and/or mobile number within five working days from the date of closure of the transaction. • The AMC shall issue to the investor whose application has been accepted, an account statement specifying the number of units allotted within five business days of closure of transaction. For allotment in demat form the account statement shall be sent by the depository / depository participant, and not by the AMC. • For allotment in demat form, the AMC shall issue units in dematerialized form to a unit holder within two working days of the receipt of request from the unit holder. • For those unitholders who have provided an e-mail address, the AMC will send the account statement by e-mail instead of physical statement. • The unitholder may request for an account statement by writing / calling us at any of the ISC and the AMC shall provide the account statement to the investor within 5 business days from the receipt of such request.

	• The holding(s) of the beneficiary account holder for units held in demat mode will be shown in the statement issued by respective Depository Participants (DPs) periodically. Pursuant to clause 15.7 of SEBI Master Circular, investors are requested to note the following regarding dispatch of account statements: **A) Consolidated Account Statement (CAS) - for Unitholders who have registered their PAN / PEKRN with the Mutual Fund:** <u>Investors who hold demat account and have registered their PAN with the mutual fund:</u> For transactions in the schemes of Bandhan Mutual Fund, a Consolidated Account Statement, based on PAN of the holders, shall be sent by Depositories to investors holding demat account, for each calendar month within on or before fifteenth day of the succeeding month to the investors in whose folios transactions have taken place during that month. Due to this regulatory change, AMC has now ceased sending account statement (physical / e-mail) to the investors after every financial transaction including systematic transactions. The CAS shall be generated on a monthly basis. AMCs/ RTAs shall share the requisite information with the Depositories on monthly basis to enable generation of CAS. Consolidation of account statement shall be done on the basis of PAN. In case of multiple holding, it shall be the PAN of the first holder and pattern of holding. Based on the PANs provided by the AMCs/MF-RTAs, the Depositories shall match their PAN database to determine the common PANs and allocate the PANs among themselves for the purpose of sending CAS. For PANs which are common between depositories and AMCs, the Depositories shall send the CAS. In case investors have multiple accounts across the two depositories, the depository having the demat account which has been opened earlier shall be the default depository which will consolidate details across depositories and MF investments and dispatch the CAS to the investor. However, option shall be given to the demat account holder by the default depository to choose the depository through which the investor wishes to receive the CAS. In case of demat accounts with nil balance and no transactions in securities and in mutual fund folios, the depository shall send the account statement to the investor as specified under the regulations applicable to the depositories. Consolidated account statement sent by Depositories is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, payout of IDCW option, reinvestment of IDCW option, systematic investment plan, systematic withdrawal plan, systematic transfer plan, bonus etc. (including transaction charges paid to the distributor) and transaction in dematerialised securities across demat accounts of the investors and holding at the end of the month. The CAS shall also provide the total purchase value / cost of investment in each scheme.

	Further, a consolidated account statement shall be sent by Depositories every half yearly (September/March), on or before twenty first day of succeeding month, providing the following information: - holding at the end of the six month - The amount of actual commission paid by AMCs/Mutual Funds (MFs) to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each MF scheme. The term 'commission' here refers to all direct monetary payments and other payments made in the form of gifts/ rewards, trips, event sponsorships etc. by AMCs/MFs to distributors. Further, a mention may be made in such CAS indicating that the commission disclosed is gross commission and does not exclude costs incurred by distributors such as service tax/goods and services tax (wherever applicable, as per existing rates), operating expenses, etc. - The scheme's average Total Expense Ratio (in percentage terms) along with the break up between investment and advisory fees, commission paid to the distributor and other expenses for the period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in. Such half-yearly CAS shall be issued to all MF investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period. Investors whose folio(s)/demat account(s) are not updated with PAN shall not receive CAS. Investors are therefore requested to ensure that their folio(s)/demat account(s) are updated with PAN. For Unit Holders who have provided an e-mail address to the Mutual Fund or in KYC records, the CAS will be sent by e-mail. 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 in the Depository system. Investors who do not wish to receive CAS sent by depositories have an option to indicate their negative consent. Such investors may contact the depositories to opt out. <u>Other investors:</u> The Consolidated Account Statement (CAS) for each calendar month shall be issued on or before fifteenth day of succeeding month to the investors who have provided valid Permanent Account Number (PAN) / PAN Exempt KYC Registration Number (PEKRN). Due to this regulatory change, AMC has now ceased sending physical account statement to the investors after every financial transaction including systematic transactions. The CAS shall be generated on a monthly basis. The Consolidated Account Statement issued is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, payout of IDCW option, reinvestment of IDCW option, systematic investment plan, systematic withdrawal plan, systematic transfer plan,

	bonus etc. (including transaction charges paid to the distributor) and holding at the end of the month. The CAS shall also provide the total purchase value / cost of investment in each scheme. Further, a consolidated account statement shall be issued every half yearly (September/March), on or before twenty first day of succeeding month, providing the following information: - holding at the end of the six month - The amount of actual commission paid by AMCs/Mutual Funds (MFs) to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each MF scheme. The term 'commission' here refers to all direct monetary payments and other payments made in the form of gifts/ rewards, trips, event sponsorships etc. by AMCs/MFs to distributors. Further, a mention may be made in such CAS indicating that the commission disclosed is gross commission and does not exclude costs incurred by distributors such as service tax (wherever applicable, as per existing rates), operating expenses, etc. - The scheme's average Total Expense Ratio (in percentage terms) along with the break up between investment and advisory fees, commission paid to the distributor and other expenses for the period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in. Such half-yearly CAS shall be issued to all MF investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period. The CAS will be sent via email (instead of physical statement) where any of the folios consolidated has an email id or to the email id of the first unit holder as per KYC records. **B) For Unitholders who have not registered their PAN / PEKRN with the Mutual Fund:** For folios not included in the Consolidated Account Statement (CAS): The AMC shall allot the units to the applicant whose application has been accepted and also send confirmation specifying the number of units allotted to the applicant by way of email and/or SMS's to the applicant's registered email address and/or mobile number within five working days from the date of transaction. The AMC shall issue account statement to the investors on a monthly basis, pursuant to any financial transaction in such folios on or before tenth day of succeeding month. The account statement shall contain the details relating to all financial transactions made by an investor during the month, the holding as at the end of the month and shall also provide the total purchase value / cost of investment in each scheme. For those unitholders who have provided an e-mail address, the AMC will send the account statement by e-mail instead of physical statement. The unitholder may request for an account statement by writing / calling us at any of the ISC and the AMC shall provide the account statement to the investor within 5 business days from the receipt of such request.

	Further, an account statement shall be sent by the AMC every half yearly (September/March), on or before twenty first day of succeeding month, providing the following information: - holding at the end of the six month - The amount of actual commission paid by AMCs/Mutual Funds (MFs) to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each MF scheme. The term 'commission' here refers to all direct monetary payments and other payments made in the form of gifts/ rewards, trips, event sponsorships etc. by AMCs/MFs to distributors. Further, a mention may be made in such CAS indicating that the commission disclosed is gross commission and does not exclude costs incurred by distributors such as service tax (wherever applicable, as per existing rates), operating expenses, etc. - The scheme's average Total Expense Ratio (in percentage terms) along with the break up between investment and advisory fees, commission paid to the distributor and other expenses for the period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in Such half-yearly account statement shall be issued to all investors, excluding those investors who do not have any holdings in Bandhan MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period. **C) For all Unitholders** In case of a specific request received from the unit holder, the AMC shall provide the account statement to the investor within 5 business days from the receipt of such request.