NOTICE-CUM-ADDENDUM TO THE SCHEME INFORMATION DOCUMENT ('SID') AND KEY INFORMATION MEMORANDUM ('KIM') OF SCHEMES OF AXIS MUTUAL FUND ('THE FUND')

Notice is hereby given to the investors, that SEBI had vide guidelines issued on Categorization and Rationalization of Mutual Fund Schemes dated February 26, 2026, prescribed modifications to the existing categories, to accommodate the continuously evolving landscape of mutual fund investments and the emergence of opportunities across various asset classes.

A. Changes in permissible asset class:

Accordingly, the details of changes to the existing schemes in the respective category, have been mentioned in the table below:

Category	**Scheme names**	**Change in existing permissible asset Classes for residual portion* in Asset Allocation of the SID and KIM**
Equity Schemes	• Axis Business Cycles Fund • Axis Consumption Fund • Axis Flexi Cap Fund • Axis India Manufacturing Fund • Axis Multi Cap Fund • Axis Innovation Fund • Axis Large & Mid Cap Fund • Axis Large Cap Fund • Axis Mid Cap Fund • Axis Momentum Fund • Axis Quant Fund • Axis Services Opportunities Fund • Axis Small Cap Fund • Axis Value Fund • Axis ESG Integration Strategy Fund	**Restriction/Deletions:** 1. Investments in Debt Instruments 2. Investments in Mutual Fund units of other than Overnight funds, Liquid funds and Money Market Mutual Funds **Inclusion:** 1. Gold ETFs and / or Silver ETFs 2. Other Liquid Instruments# 3. Mutual Fund units of Overnight funds, Liquid funds and Money Market Mutual Funds. The residual portion of the Asset Allocation of the Scheme(s) shall be invested in equity and equity related instruments, money market instruments, other liquid instruments#, INVits and Gold ETF, Silver ETFs, units of Overnight funds, Liquid funds and Money Market Mutual Funds. #Other liquid instruments shall include cash, bank deposits with Scheduled Commercial Banks, Government Securities, Treasury bills, Repo on Government securities and any other instruments as specified by SEBI.
	Axis ELSS Tax Saver Fund	**Restriction/Deletions:** 1. Investments in Debt Instruments 2. Investments in Mutual Fund units

Category	Scheme names	Change in existing permissible asset Classes for residual portion* in Asset Allocation of the SID and KIM
	Axis Focused Fund	The allocation to Equity and Equity Related Instruments (of not exceeding 30 companies) shall be **80% - 100%** Accordingly, the residual portion under the Scheme shall be **0% - 20%** The residual portion of the Schemes shall be invested in money market instruments, other liquid instruments, INviTs and Gold ETFs, Silver ETFs, units of Overnight funds, Liquid funds and Money Market Mutual Funds.
Debt Schemes	• Axis Short Duration Fund • Axis Strategic Bond Fund • Axis Dynamic Bond Fund	**<u>Restriction/Deletions:</u>** Investments in Units of INvITs. Existing investment in InvITs held by these debt schemes as on August 25, 2026, shall be grandfathered.
	• Axis Banking & PSU Debt Fund • Axis Gilt Fund	**<u>Inclusions:</u>** Investments in Units of INvITs
Hybrid Schemes	Axis Conservative Hybrid Fund Axis Aggressive Hybrid Fund	**<u>Inclusions:</u>** Investments in ETCDs, Gold ETFs, Silver ETFs and Mutual Fund Units
	Axis Balanced Advantage Fund	**<u>Restrictions/Deletions:</u>** Investment in InvITs Investments in Mutual Fund Units Existing investment in InvITs held by the scheme as on March 31, 2026, shall be grandfathered. The scheme shall invest only in debt and equity instruments. Equity instruments shall include equity related instruments.
	Axis Multi Asset Allocation Fund	**<u>Inclusions:</u>** Investments in Mutual Fund Units

<table>
<tr><th>Category</th><th>Scheme names</th><th>Change in existing permissible asset Classes for residual portion* in Asset Allocation of the SID and KIM</th></tr>
<tr><td rowspan="2"></td><td>Axis Arbitrage Fund</td><td><u>Restriction/Deletions:</u>

1. Investment in debt securities except as may be permitted by SEBI$.

<u>Inclusions:</u>

1. Investments in ETCDs, Gold ETFs and Silver ETFs.

$The Scheme is permitted to invest in CDs, government securities with maturities upto 1 year, mutual fund units of liquid, money market schemes or schemes having Macaulay duration less than 1 year for meeting liquidity and margin requirements.

Asset Allocation in case of Defensive Consideration shall be as under@:
<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>Equities, equity related instruments and derivatives including index futures, stock futures, index options, & stock options, etc. as part of hedged / arbitrage exposure</td><td>0</td><td>65</td></tr>
<tr><td>CDs, government securities with maturities upto 1 year, mutual fund units of liquid, money market schemes or schemes having Macaulay duration less than 1 year for meeting liquidity and margin requirements</td><td>35</td><td>100</td></tr>
<tr><td>Investments in ETCDs, Gold ETFs and Silver ETFs</td><td>0</td><td>10</td></tr>
</table></td></tr>
<tr><td>Axis Equity Savings Fund</td><td><u>Inclusions:</u>

Investments in ETCDs, Gold ETFs and Silver ETFs and mutual fund schemes.

Net Long Equity Exposure shall be 15%- 40% of total assets of the Scheme.</td></tr>
</table>

*Residual Portion refers to the part of a scheme's corpus not invested in the main, core asset classes as provided in the respective category's scheme characteristic.

All the above investments shall be within the prescribed regulatory investment limits. The maximum investments in ETCDs shall not exceed 10% of NAV of the respective scheme(s). The maximum investments in the units of InvITs shall not exceed 10% of NAV of the respective scheme(s).

Mr. Pratik Tibrewal shall be appointed as a co- Fund manager for all Equity schemes and Hybrid schemes investing residual portion in ETCDs, Gold ETF and Silver ETF.

@The applicable taxation in case of defensive asset allocation shall be as applicable to "Other than Equity and Other than Specified".

The other relevant sections of the Scheme Related Documents of the above schemes shall be modified to reflect the above changes.

B. The type of Scheme for the following Scheme(s) shall be aligned as under:

Category	Scheme Names	Type of Scheme
Index/ETFs	Axis BSE India Sector Leaders Index Fund	An open ended scheme replicating/ tracking BSE India Sector Leaders Index.
	Axis BSE Sensex ETF	An open ended scheme replicating/ tracking BSE Sensex Index.
	Axis BSE Sensex Index Fund	An open ended scheme replicating/ tracking the BSE Sensex Index.
	Axis CRISIL IBX 50:50 Gilt Plus SDL June 2028 Index Fund	An open ended scheme replicating/ tracking the constituents of CRISIL IBX 50:50 Gilt Plus SDL Index – June 2028. Relatively High interest rate risk and Relatively Low Credit Risk.
	Axis CRISIL IBX 50:50 Gilt Plus SDL September 2027 Index Fund	An open ended scheme replicating/ tracking the constituents of CRISIL IBX 50:50 Gilt Plus SDL Index – September 2027. Relatively High-interest rate risk and Relatively Low Credit Risk
	Axis CRISIL IBX SDL May 2027 Index Fund	An open ended scheme replicating/ tracking the constituents of CRISIL IBX SDL – May 2027. A Relatively High Interest Rate Risk and Relatively Low Credit Risk.
	Axis CRISIL-IBX AAA Bond Financial Services – Sep 2027 Index Fund	An open ended scheme replicating/ tracking the constituents of CRISIL-IBX AAA Financial Services Index – Sep 2027. A moderate interest rate risk and relatively low credit risk.
	Axis CRISIL-IBX AAA Bond NBFC - Jun 2027 Index Fund	An open ended scheme replicating/ tracking the constituents of CRISIL-IBX AAA NBFC Index – Jun 2027. A moderate interest rate risk and relatively low credit risk.
	Axis CRISIL-IBX AAA Bond NBFC-HFC – Jun 2027 Index Fund	An open ended scheme replicating/ tracking the constituents of CRISIL-IBX AAA NBFC-HFC Index – Jun 2027. A moderate interest rate risk and relatively low credit risk.
	Axis CRISIL-IBX Financial Services 3-6 Months Debt Index Fund	An open ended scheme replicating/ tracking the CRISIL-IBX Financial Services 3-6 Months Debt Index. A relatively low interest rate risk and relatively low credit risk.
	Axis NIFTY 100 Index Fund	An open ended scheme replicating/ tracking the NIFTY 100 Index
	Axis NIFTY 50 Index Fund	An open ended scheme replicating/ tracking the NIFTY 50 Index
	Axis Nifty 500 Index Fund	An open ended scheme replicating/ tracking Nifty 500 Index
	Axis NIFTY Bank ETF	An open ended scheme replicating/ tracking the NIFTY Bank Index
	Axis Nifty Bank Index Fund	An open ended scheme replicating/ tracking the Nifty Bank Index

Category	Scheme Names	Type of Scheme
	Axis Nifty Capital Markets Index Fund	An open ended scheme replicating/ tracking the Nifty Capital Markets Index
	Axis NIFTY Healthcare ETF	An open ended scheme replicating/ tracking NIFTY Healthcare Index
	Axis NIFTY India Consumption ETF	An open ended scheme replicating/ tracking NIFTY India Consumption Index
	Axis Nifty India Defence Index Fund	An open ended scheme replicating/ tracking Nifty India Defence Index
	Axis NIFTY IT ETF	An open ended scheme replicating/ tracking the Nifty IT Index
	AXIS NIFTY IT INDEX FUND	An open ended scheme replicating/ tracking the Nifty IT Index
	Axis Nifty Midcap 50 Index Fund	An open ended scheme replicating/ tracking the Nifty Midcap 50 Index
	Axis NIFTY Next 50 Index Fund	An open ended scheme replicating/ tracking the Nifty Next 50 Index
	Axis Nifty SDL September 2026 Debt Index Fund	An open ended scheme replicating/ tracking the Nifty SDL September 2026 Debt Index
	Axis Nifty Smallcap 50 Index Fund	An open ended scheme replicating/ tracking the Nifty Smallcap 50 Index
	Axis Nifty500 Momentum 50 Index Fund	An open ended scheme replicating/ tracking the Nifty500 Momentum 50 Index
	AXIS NIFTY500 QUALITY 50 INDEX FUND	An open ended scheme replicating/ tracking the Nifty500 Quality 50 Index
	Axis Nifty500 Value 50 ETF	An open ended scheme replicating/ tracking the Nifty500 Value 50 Index
	AXIS NIFTY500 VALUE 50 INDEX FUND	An open ended scheme replicating/ tracking the NIFTY500 VALUE 50 Index
Equity	Axis ELSS Tax Saver Fund	An open ended scheme with attributes in accordance with Equity Linked Saving Scheme, 2005 notified by Ministry of Finance.
	Axis Business Cycles Fund	An open ended equity scheme investing in business cycles based investing theme.
	AXIS Consumption Fund	An open ended equity scheme investing in consumption theme**.**
	Axis India Manufacturing Fund	An open-ended equity scheme investing in India manufacturing theme.
	Axis Innovation Fund	An open ended equity scheme investing in innovation theme.
	Axis Momentum Fund	An open-ended equity scheme investing in the momentum theme.
	Axis Services Opportunities Fund	An open ended equity scheme investing in services theme.
Debt	• Axis Floater Fund	An open ended debt scheme predominantly investing in floating rate instruments (including fixed rate instruments converted to floating rate exposures using swaps/derivatives)

Category	Scheme Names	Type of Scheme
	• Axis Long Duration Fund • Axis Short Duration Fund • Axis Strategic Bond Fund • Axis Treasury Advantage Fund • Axis Ultra Short Duration Fund	References to Page Nos for Macaulay Duration below the Type of scheme, if any shall stand deleted.
Hybrid	• Axis Balanced Advantage Fund	An open ended dynamic asset allocation fund investing in debt and equity instruments only.
	• Axis Arbitrage Fund	An open ended scheme investing in arbitrage opportunities. No investment in InvITs is permitted.

C. Allocation to Overseas Securities in Market cap based schemes:

As per SEBI FAQs, market-cap-based equity funds can invest in Overseas securities including Overseas mutual funds/Overseas ETFs in residual portion of asset allocation. Accordingly, the **(%) of allocation to Overseas Securities in the residual portion of the following schemes** shall be as under:

Scheme Name	**Current Allocation to Overseas Securities (%)**	**Revised Allocation to Overseas Securities (%)**
Axis Large & Mid Cap Fund	Upto 35%	Upto 30%
Axis Flexi Cap Fund	Upto 50%	Upto 35%
Axis Small Cap Fund	Upto 50%	Upto 35%
Axis Large Cap Fund	Upto 50%	Upto 20%
Axis Midcap Fund	Upto 50%	Upto 35%

D. The Investment Objective for the following Scheme(s) shall be aligned as under:

Category	**Scheme Name**	**Revised Investment Objective**
Hybrid	Axis Balanced Advantage Fund	To achieve the dual objective of capital appreciation by investing in a portfolio of equity related instruments and generating income through investments in debt and money market instruments. It also aims to manage risk through active asset allocation. There is no assurance that the investment objective of the Scheme will be achieved.
	Axis Arbitrage Fund	To generate income through investments predominantly in low volatility absolute return strategies that take advantage of opportunities in the cash and the derivative segments of the equity markets including the arbitrage opportunities available within the derivative segment, by using other derivative based strategies.

		There is no assurance that the investment objective of the Scheme will be achieved. The Scheme does not assure or guarantee any returns.
	Axis Aggressive Hybrid Fund	To generate long term capital appreciation by investing predominantly in Equity and Equity related Instruments along with current income through limited investments in debt Instruments and money market instruments. There is no assurance that the investment objective of the Scheme will be achieved.
Debt	Axis Ultra Short to Short Term Fund	An open ended debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 6 months to 12 months. A relatively high interest rate risk and moderate credit risk.

E. Change in category Name – Debt Schemes

Existing Category Name	**Revised Category Name**
Low Duration	Ultra Short to Short Term Fund
Medium Duration Fund	Medium Term Fund
Dynamic Bond	Dynamic Term Fund
Floater Fund	Floating Interest Rates Fund
Long Duration Fund	Long Term Fund
Ultra Short Duration Fund	Ultra Short Term fund
Short Duration Fund	Short Term Fund
Banking and PSU Fund	Banking and PSU Debt Fund
ELSS	ELSS- Tax Saver Fund

F. Change in Scheme Name(s)

Existing Scheme Name(s)	**Revised Scheme Name(s)**
Axis ELSS Tax Saver Fund	Axis ELSS- Tax Saver Fund
Axis Banking & PSU Debt Fund	Axis Banking and PSU Debt Fund

G. Periodic Disclosure

The "section – III and sub-section B. Periodic Disclosure" stand modified to include the following:

Sr. No.	**Category**	**Monthly Overlap Disclosure**
1.	Equity	The AMC shall disclose category wise portfolio overlap levels i.e. equity scheme vs other equity schemes, debt scheme vs other debt schemes and hybrid vs other hybrid schemes on its website on a Monthly basis as per the methodology prescribed by SEBI from time to time.
2.	Debt	
3.	Hybrid	

The relevant sections of SID/ KIM of the Scheme(s) shall stand modified in accordance with the above and any changes incidental thereto.

F. Risk Factors
The following risk factors stand inserted in the relevant sections of Scheme Information Document as applicable.

Risk factors related to Silver / Gold ETFs
• The NAV of Silver / Gold ETFs is related to the value of Silver / Gold held by the Silver / Gold ETF. The value (price) of Silver / Gold may fluctuate for several reasons and all such fluctuations will result in changes in the NAV of Silver / Gold ETFs. The factors that may affect the price of Silver / Gold, among other things, include demand and supply for Silver / Gold in India and in the global market, Indian and foreign exchange rates, interest rates, inflation trends, trading in Silver / Gold as commodity, legal restrictions on the movement/trade of Silver / Gold that may be imposed by RBI, Government of India or countries that supply or purchase Silver / Gold to/from India, trends and restrictions on import/export of Silver / Gold jewellery in and out of India, etc.

• Listing of the units of the Silver / Gold ETFs does not necessarily guarantee their liquidity and there can be no assurance that an active secondary market for the units will develop or be maintained. Consequently, the ETF may quote below its face value / NAV. The market price of the Units of the ETF, like any other listed security, is largely dependent on two factors, viz., (1) the intrinsic value of the Unit (or NAV), and (2) demand and supply of Units in the market. Sizeable demand or supply of the Units in the Exchange may lead to market price of the Units to quote at premium or discount to NAV. To that extent the return from the Scheme shall differ from the return on Silver / Gold.
India does not have an Exchange for trading physical gold/Silver. Therefore, the underlying gold ETF may have to buy or sell gold/silver from the open market, which may lead to counter party risks for trading and settlement.

•The underlying gold ETF / silver ETFs have to sell gold/silver only to bullion bankers/traders who are authorized to buy the commodity.
Though there are adequate number of players (commercial or bullion bankers) to whom the underlying gold ETF /Silver ETF can sell gold/silver, it may have to resort to distress sale of these commodities if there is no or low demand for gold to meet its cash needs of redemption or expenses

Risk Factors Associated with Investments in Exchange Traded Commodity Derivatives
An exchange traded commodity derivative is a derivative instrument that mimics the price movements of an underlying commodity, allowing an investor exposure to the commodity without physical purchase.
• **Liquidity Risk:** While ETCDs that are listed on an exchange carry lower liquidity risk, the ability to sell these contracts is limited by the overall trading volume on the exchanges. The liquidity of the Schemes' investments is inherently restricted by trading volumes of the ETCD contracts in which it invests. Additionally, change in margin requirements or intervention by government agencies to reduce overall volatility in the underlying commodity could lead to adverse impact on the liquidity of the ETCD.
• **Price risk:** ETCDs are leveraged instruments hence, a small price movement in the underlying security could have a large impact on their value. Also, the market for ETCDs is nascent in India hence, arbitrages can occur between the price of the physical commodity and the ETCD, due to a variety of reasons such as technical issues and volatile movement in the price of the physical good. This can result in mispricing and improper valuation of investment decisions as it can be difficult to ascertain the amount of the arbitrage.

• **Settlement risk:** ETCDs can be settled either through the exchange or physically. The inability to sell ETCDs held in the Schemes' portfolio in the exchanges due to the extraneous factors may impact liquidity and would result in losses, at times, in case of adverse price movement. Wherein the underlying commodity is physically delivered in order to settle the derivative contract, such settlement could get impacted due to various issues, such as logistics, Government policy for trading in such commodities.

Risk associated with Investments in InvITs

- **Price-Risk or Interest-Rate Risk:** InvITs run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates.
- **Credit Risk:** In simple terms this risk means that the issuer of a debenture/ bond or a money market instrument may default on interest payment or even in paying back the principal amount on maturity.

InvITs are likely to have volatile cash flows as the repayment dates would not necessarily be pre scheduled.

- **Liquidity or Marketability Risk:** This refers to the ease with which a security can be sold at or near to its valuation yield-to-maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. As these products are new to the market they are likely to be exposed to liquidity risk.

- **Reinvestment Risk:** Investments in InvITs may carry reinvestment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.

- **Risk of lower than expected distributions:** The distributions by the InvIT will be based on the net cash flows available for distribution. The amount of cash available for distribution principally depends upon the amount of cash that the InvITs receives as dividends or the interest and principal payments from portfolio assets.

The above changes will be effective from August 26, 2026.

All other terms and conditions of the SID & KIM of the Schemes remain unchanged.

for **Axis Asset Management Company Limited**
(CIN - U65991MH2009PLC189558)
(Investment Manager to Axis Mutual Fund)
Sd/-
Gop Kumar Bhaskaran
Managing Director & Chief Executive Officer

Place: Mumbai
Date: August 25, 2026

No.: 61/2026-27

The Sponsor - Axis Bank Ltd. is not liable or responsible for any loss or shortfall resulting from the operation of the scheme.

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.