

FUND SELECTION & SUITABILITY POLICY

Investor Information & Compliance

STEP 1 – RISK PROFILING

Every investor completes the Risk Profiling Questionnaire before any recommendation. The questionnaire covers age, income commitment, goal provisioning, return expectation, investment horizon, preferred asset mix, loss tolerance, investment temperament and income stability. Responses are scored and the investor is placed in one of five risk categories: Conservative, Balanced, Moderate Aggressive, Aggressive or Very Aggressive. A copy of the scored profile is shared with the investor.

STEP 2 – SUITABILITY MAPPING

Recommendations are restricted to scheme categories mapped to the investor's risk category and investment horizon in the Suitability Matrix below.

Risk category	Up to 1 year	1 to 3 years	3 to 5 years	5 years and more
Conservative	Overnight, Liquid, Money Market	Ultra Short / Low / Short Duration, Banking & PSU, Corporate Bond	Short Duration, Corporate Bond, Conservative Hybrid	Conservative Hybrid, Equity Savings, DAAF
Balanced	Overnight, Liquid, Money Market, Arbitrage	Short Duration, Corporate Bond, Equity Savings	Conservative Hybrid, Equity Savings, Balanced Advantage	Balanced Advantage, Multi Asset Allocation, Aggressive Hybrid
Moderate Aggressive	Liquid, Money Market, Arbitrage	Equity Savings, Balanced Advantage, Multi Asset Allocation	Aggressive Hybrid, Large Cap, Large Cap Index / ETF	Large Cap, Flexi Cap, Large & Mid Cap, Gold Fund of Funds
Aggressive	Liquid, Money Market, Arbitrage	Balanced Advantage, Multi Asset, Aggressive Hybrid	Large Cap, Flexi Cap, Large & Mid Cap, Multi Cap, ELSS	Flexi Cap, Multi Cap, Value / Contra, Focused, Mid Cap, ELSS, Small Cap
Very Aggressive	Liquid, Money Market, Arbitrage	Aggressive Hybrid, Multi Asset, Large Cap	Flexi Cap, Multi Cap, Large & Mid Cap, Mid Cap, ELSS, Small Cap	Mid Cap, Small Cap, Sectoral / Thematic, International Fund of Funds

STEP 3 – RECOMMENDATION AND RECORDS

Each recommendation records the goal, horizon, risk category and the schemes suggested. Illustrations, where used, assume a maximum CAGR of 12% p.a. as per AMFI Best Practices Guidelines. Discussions on risk and suitability are logged.

STEP 4 – UNSUITABILITY

Where an investor chooses a scheme outside the mapped categories, a written unsuitability communication is issued stating the mismatch, and the investor's signed acknowledgement is obtained before execution.

STEP 5 – REVIEW

Portfolios and risk profiles are reviewed annually and as and when required by the investor, and on any material change in the investor's circumstances.