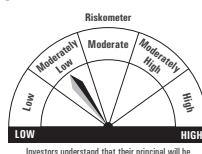
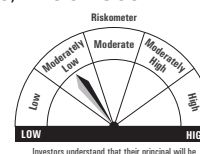


**NOTICE-CUM-ADDENDUM TO SCHEME INFORMATION DOCUMENT AND KEY INFORMATION MEMORANDUM OF AXIS BANKING DEBT FUND**

Axis Mutual Fund Trustee Company Limited, Trustee to Axis Mutual Fund ("the Fund") has decided to modify following provisions of Scheme Information Document ("SID") and Key Information Memorandum ("KIM") of Axis Banking Debt Fund, an open-ended debt scheme (the "Scheme") effective from November 29, 2016 as under:

Existing Provisions			Revised Provisions (Effective from November 29, 2016)		
<b>Name of the Scheme</b> Axis Banking Debt Fund, An Open-Ended Debt Scheme			<b>Name of the Scheme</b> Axis Banking & PSU Debt Fund, An Open-Ended Debt Scheme		
<b>Definition:</b> Public Sector Undertaking (PSU) - Not applicable			<b>Definition:</b> Following definition is inserted <b>Public Sector Undertaking (PSU)</b> - A Public Sector Undertaking (PSU) means a company in which more than fifty per cent of the paid-up share capital is held by either the Central Government, or by any State Government(s) or partly by the Central Government and partly by one or more State Governments and includes a company which is a subsidiary of a Government company as thus defined. and/or A PSU is a company in which the Central Government or one or more State Government(s) either singly or together, exercise control over management or exercise power to appoint majority of directors.		
<b>Risk factors associated with investments in PSUs &amp; PFIs</b> Not applicable			<b>Risk factors associated with investments in PSUs &amp; PFIs</b> Banks, PSUs and PFIs, may be subjected to additional risks as they are heavily regulated and affected by government policies, which may have impact on the credit profile of these issuers.		
<b>Product Labeling</b> This product is suitable for investors who are seeking* : ● Regular income over short to medium term. ● Investment in debt and money market instruments issued by banks.  * Investors should consult their financial advisors if in doubt about whether the product is suitable for them.			<b>Product Labeling</b> This product is suitable for investors who are seeking* : ● Regular income over short to medium term. ● Investment in debt and money market instruments issued by banks, PFIs & PSUs.  * Investors should consult their financial advisors if in doubt about whether the product is suitable for them.		
<b>Investment Objectives</b> To generate stable returns by investing predominantly in debt & money market instruments issued by banks.			<b>Investment Objectives</b> To generate stable returns by investing predominantly in debt & money market instruments issued by Banks, Public Sector Units (PSUs) & Public Financial Institutions (PFIs). The scheme shall endeavor to generate optimum returns with low credit risk.		
<b>Asset Allocation Pattern Table</b> Under normal circumstances the asset allocation pattern will be:			<b>Asset Allocation Pattern Table</b> Under normal circumstances the asset allocation pattern will be:		
<b>Instruments</b>	<b>Indicative Allocation (% of net assets)</b>	<b>Risk Profile (Low/Medium/High)</b>	<b>Instruments</b>	<b>Indicative Allocation (% of net assets)</b>	<b>Risk Profile (Low/Medium/High)</b>
Debt & Money Market Instruments issued by banks	80 - 100%	Low to Medium	Debt and Money Market Instruments issued by banks, Public Financial Institutions (PFIs) and Public Sector Undertakings (PSUs)	80 - 100%	Low to Medium
CBLO, Repo, T-Bills and Government Securities.*	0 - 20%	Low	Debt (including government securities) and Money Market Instruments * issued by entities other than Banks, PFIs and PSUs	0 - 20%	Low
*Includes Financial Institutions and units of debt and liquid mutual fund schemes. Investment in mutual fund units will be restricted to 10% of the net assets of the scheme. No investment will be made in instruments issued by NBFCs. The Scheme will not undertake repo transactions in corporate debt securities.			*Includes units of debt and liquid mutual fund schemes. Investment in mutual fund units will be restricted to 10% of the net assets of the Scheme. No investment will be made in instruments issued by NBFCs. The Scheme will not undertake repo transactions in corporate debt securities. The Scheme will not invest in derivatives and securitized debt.		
<b>Investment Strategies</b> (First three paragraphs) The scheme aims to generate stable returns by investing predominantly in Debt & Money market instruments issued by banks. The scheme endeavors to generate optimum returns with low credit risk. Investment in debt & money market instruments issued by banks, treasury bills & government securities is primarily with the intention of maintaining high credit quality & liquidity. At least 70% of the net assets of the scheme shall be invested in securities rated AAA/A1+ and equivalent. The scheme shall not invest in securities rated below AA- or equivalent. The investment team of the AMC will carry out rigorous in depth credit evaluation of the money market & debt instruments proposed to be invested in. The credit evaluation will essentially be a bottom up approach and include a study of the operating environment of the issuer, the past track record as well as the future prospects of the issuer and the short term/ long term financial health of the issuer.			<b>Investment Strategies</b> (First three paragraphs) The scheme aims to generate stable returns by investing predominantly in Debt & Money Market Instruments issued by Banks, Public Financial Institutions (PFIs) and Public Sector Undertakings (PSUs). The Scheme shall endeavor to generate optimum returns with low credit risk. Investment in Debt & Money Market Instruments issued by Banks, PFIs, PSUs, Treasury Bills & government securities is primarily with the intention of maintaining high credit quality & liquidity. At least 70% of the net assets of the Scheme shall be invested in securities rated AAA/A1+ /Sov and equivalent. The Scheme shall not invest in securities rated below AA- or equivalent. The investment team of the AMC will carry out rigorous in depth credit evaluation of the Debt & Money Market Instruments proposed to be invested in. The credit evaluation will essentially be a bottom up approach and include a study of the operating environment of the issuer, the past track record as well as the future prospects of the issuer and the short term/ long term financial health of the issuer.		
			<b>Definition to be included in Investment Strategies:</b> Public Sector Undertaking - A Public Sector Undertaking (PSU) means a company in which more than fifty per cent of the paid-up share capital is held by either the Central Government, or by any State Government(s) or partly by the Central Government and partly by one or more State Governments and includes a company which is a subsidiary of a Government company as thus defined. and/or A PSU is a company in which the Central Government or one or more State Government(s) either singly or together, exercise control over management or exercise power to appoint majority of directors.		

All other terms and conditions of the Scheme will remain unchanged.

The Board of Directors of Axis Asset Management Company Ltd. ("AMC") and Axis Mutual Fund Trustee Ltd. ("AMFT") have approved the proposal contained in this letter on April 18, 2016 and April 19, 2016 respectively. SEBI has also vide its letter dated August 29, 2016 provided it's no objection to the above changes in the SID & KIM of the Scheme.

The above changes (other than change in name and product labeling of the Scheme) in the SID & KIM of the Scheme are change in the fundamental attributes of the Scheme. Hence, in accordance with Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996, all the existing unit holders under the Scheme are given an option to exit the Scheme at the applicable Net Asset Value without any exit load on such redemption for a period of 30 days. The above change in the fundamental attributes of the Scheme is proposed to be effective from November 29, 2016.

Unit holders under the Scheme are being sent a detailed communication in this regard, through an appropriate mode of communication (post, courier, email, etc). For any further assistance/clarification, Unit holders may contact any of our Investor Service Centres.

**If a Unit holder has no objection to the above proposal, no action needs to be taken by him and it would be deemed that such Unit holder has consented to the above proposal.** However, in case the Unit holder does not agree to the same, he has the option to redeem/ switch-out units held by them under the Scheme by filling out the redemption/switch-out transaction slip and submitting the same to any of the Official Points of Acceptance/Investor Service Centres of Axis Mutual Fund ("Fund") or the Registrar and Transfer Agents of the Fund viz. Karvy Computershare Pvt. Ltd. between October 28, 2016 to November 28, 2016 (upto 3.00 p.m.). Alternatively, Unit holders may submit redemption/ switch-out request through other modes of redemption/ switch-out specified in SID of the Scheme. Unit holders are requested to note that the offer to exit is purely optional and not compulsory.  
Further, the option to exit the Scheme is available to all Unit holders except for Unit holders:

- Who have pledged their units, unless they procure release of their pledges before exercising their exit option.
- Whose units are marked under lien/injunction in accordance with the instructions of any Court of Law/Income Tax Authority/other Regulatory Authority unless they get the vacation order before exercising their exit option.

Existing Unit holders for the units held by them as on October 25, 2016 will be eligible for the exit without any exit load by redeeming the units. For any further assistance/clarification, Unit holders may contact any of our Investor Service Centres.

Redemption/switch-out transaction in the Scheme may entail tax consequences. In view of the same, Unit Holders are advised to consult his or her tax advisor before submitting the request.

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

**Place : Mumbai**  
**Date : October 24, 2016**  
**No. : 57/2016-17**

**Statutory Details:** Axis Mutual Fund has been established as a Trust under the Indian Trusts Act, 1882, sponsored by Axis Bank Ltd. (liability restricted to ₹ 1 Lakh). **Trustee:** Axis Mutual Fund Trustee Limited **Investment Manager:** Axis Asset Management Company Limited (the AMC) **Risk Factor:** The sponsor is not liable or responsible for any loss or shortfall resulting from the operation of the schemes. **Mutual Fund investments are subject to market risks, read all scheme related documents carefully.**

