ANGEL ONE MUTUAL FUND

INTRA DAY BORROWING POLICY

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INTRA DAY BORROWING POLICY

1. INTRODUCTION

The Intra Day Borrowing policy of Angel One Mutual Fund (“**Mutual Fund**”) provides an overview of the rules and guidelines which will be followed for availing and utilization of intraday borrowing by the schemes of the Mutual Fund.

2. POLICY OBJECTIVE

The objective of this policy document is as below:

- To list down the purpose for which intraday borrowing will be availed.
- To list down the eligible credits against which intraday amount can be borrowed.
- Ensure appropriate controls with respect to scheme wise segregation and ring fencing while availing the intraday facility.

3. REGULATORY FRAMEWORK

As per Regulation 42 (2) of SEBI (Mutual Funds) Regulations, 2026 (“**SEBI MF Regulations**”), the limit of 20% of net assets of the scheme which the scheme is allowed to borrow towards payment of redemption or interest or Income Distribution cum Capital withdrawal (“**IDCW**”) proceeds to investors, is not applicable for intraday borrowings subject to conditions specified by SEBI.

In reference to the above regulation, SEBI has vide circular no. HO/(92)2026-IMD-POD-2/I/16006/2026 dated July 10, 2026 (“**SEBI Circular dated July 10, 2026**”) prescribed the conditions applicable for intraday borrowing by Mutual Funds.

4. PURPOSE OF INTRA DAY BORROWING

Intraday borrowing arises from inherent timing mismatches in the ecosystem across asset classes where redemption / IDCW payouts, purchase obligation, Mark to Market (“**MTM**”) obligations, foreign exchange settlements and borrowing repayment are remitted / settled by morning and the sale proceeds / maturity proceeds are received through the day. To bridge the above intraday timing mismatch of inflow and outflow of funds, the Mutual Fund has entered into a formal intraday borrowing arrangement with its bank/s.

In line with the SEBI Circular dated July 10, 2026 as referred above, listed below are the purposes for which the schemes of the Mutual Fund may avail the intraday borrowing facility: -

- All unitholder pay-outs such as redemptions, IDCW pay-outs, interest etc.
- Pay-in with respect to investments made by the scheme.
- MTM obligations and foreign exchange settlements.

- Repayment of existing borrowings.

5. LIMIT OF INTRA DAY BORROWING

The amount of intraday borrowings on any day will not exceed:

- the guaranteed receivables due on the same day from Reserve Bank of India, Clearing Corporations, subscription received in scheme bank accounts and any other due credits received in scheme bank accounts.
- Non-guaranteed receivables sighted during the day such as maturity proceeds and / or secondary market settlement from Non- Convertible Debentures, Commercial Paper, Credit Default Swap, Over the Counter swaps etc. and to be received by the scheme by end of the day.
- Intraday borrowing in addition to the above two points may be availed by the AMC solely for the purpose of meeting redemption and other pay-out to the unitholders as specified under Regulation 42(1) of the SEBI MF Regulations.

6. OVERNIGHT CONVERSION LIMITS

Any intraday borrowing that cannot be extinguished by end of the business day will be treated as overnight borrowing. Any conversion from intraday to overnight borrowing will comply with the limits and purposes as allowed under Regulation 42(1) of the SEBI MF Regulations.

7. COST OF BORROWING

Cost, if any, incurred towards availing of intraday borrowing, will be borne by Angel One Asset Management Company Limited ("**Angel One AMC**") and will not be charged to the schemes of the Mutual Fund. Any loss or cost incurred, on account of any unforeseen event or delay in receiving the funds from receivables as mentioned at para 5 of this policy, will be borne by Angel One AMC and will not be charged to the schemes.

8. MONITORING AND APPROVAL MECHANISM

Operations team will, on a daily basis, prepare an intraday borrowing report identifying expected outflows and inflows and determine the intraday borrowing requirement at scheme level.

There will be a maker checker mechanism for the preparation of the intraday borrowing report and the same shall be maintained for future reference.

Operations team shall through the day monitor the flow of funds and ensure extinguishment of intraday position before end of day.

Any residual borrowing converted to overnight borrowing shall be flagged, recorded, and reported to the Chief Operating Officer, Chief Financial Officer, Chief Risk Officer and Chief Compliance Officer of Angel One AMC on the same day.

Angel One AMC shall ensure compliance of clauses 6 and 7 of the Fourth Schedule of the SEBI MF Regulations and para 17.7 of the SEBI Master Circular dated March 20, 2026.

9. SEGREGATION AND RING FENCING

While availing intraday borrowing facility, Angel One AMC will ensure that the assets, liabilities, bank accounts and securities accounts of each scheme are segregated and ring-fenced.

10. POLICY REVIEW AND UPDATION

The policy will be reviewed annually. The policy may also be updated on a need basis where a change in regulatory or business environment warrants an immediate update to ensure its relevance. A change in process or inclusion of new process or systems may also warrant a revision in policy other than the review date.

On an annual basis, the updated policy will be placed before the Board of Directors of Angel One AMC and Angel One Trustee Limited for their respective approvals.

Updated versions of the policy will be circulated to the relevant stakeholders of Angel One AMC once approved. The updated policy will also be uploaded on the website of Angel One AMC.