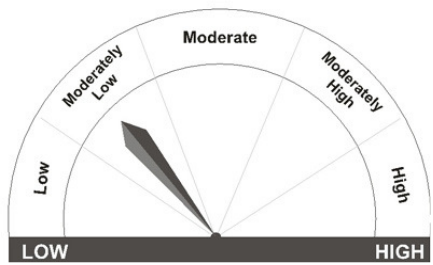


KEY INFORMATION MEMORANDUM

**ESCORTS SHORT TERM DEBT FUND
(AN OPEN ENDED INCOME SCHEME)**

Continuous offer for Units at NAV based prices

This product is suitable for investors who are seeking*:	Riskometer
<ul style="list-style-type: none"> • To provide income distribution and/ or medium to long-term capital gains • To invest predominantly in equity/ equity related instruments of the companies in the Power/ Energy Sector and/ or Debt/ Money Market Instruments. 	 <p>Investors understand that their principal will be at moderately low risk.</p>

*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

Name of Mutual Fund : ESCORTS MUTUAL FUND

**Name of Asset Management Company : ESCORTS ASSET MANAGEMENT LTD.
CIN : U74899DL1995PLC074265**

**Name of Trustee Company : ESCORTS INVESTMENT TRUST LTD.
CIN : U74899DL1995PLC074262**

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, associate transactions etc. investors should, before investment, refer to the Offer Document available free of cost at any of the Investor Service Centres or distributors or from the website www.escortsmutual.com.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, 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 **June 23, 2017**.

ESCORTS SHORT TERM DEBT FUND

Investment Objective	To generate regular income through investment in a portfolio comprising substantially of Floating Rate Debt Securities (including floating rate securitised debt, Money Market Instruments and Fixed Rate Debt Instruments swapped for floating rate returns). The scheme shall also invest in Fixed rate debt Securities (including fixed rate securitised debt, Money Market Instruments and Floating Rate Debt Instruments swapped for fixed returns).	
Asset Allocation Pattern of the scheme	Types of Instruments	Normal Allocation (% of Net Assets)
	Floating Rate Debt Securities (including floating rate securitised debt, Money Market Instruments and Fixed Rate Debt Instruments swapped for floating rate returns)	65 – 100
	Fixed rate debt Securities (including fixed rate securitised debt, Money Market Instruments and Floating Rate Debt Instruments swapped for fixed returns)	0 – 35
Investment Strategy of the Scheme	The scheme proposes to invest in various floating rate debt / money market instruments, fixed rate debt / money market instruments swapped for floating rate returns, fixed rate securities and money market instruments.	
Risk Profile of the Scheme	<p>Scheme specific risk factors are summarized below:</p> <ol style="list-style-type: none"> 1. The liquidity of the scheme’s debt investments may be restricted by trading volumes and settlement periods. 2. The debt securities are subject to risk of an issuers’ inability to meet principal and interest payments on its debt obligations and market perception of the creditworthiness of the issuer. 3. Debt securities may also be subject to price volatility due to factors such as changes in interest rates and levels of market liquidity. 4. At times, due to non-availability of appropriate debt securities, the Scheme may not be able to invest the available funds in the manner desired by it immediately. 5. The inability to sell the money market or debt securities held in the Scheme’s portfolio due to the absence of a well developed and liquid secondary market for such securities may result, at times, in losses to the Scheme, in case of a subsequent decline in the value of such securities. 	
	<ol style="list-style-type: none"> 6. To the extent the Scheme’s investment are in floating rate debt instruments or fixed debt instruments swapped for floating rate returns, it will be affected by : Interest rate movement (Basis Risk) - Coupon rates on floating rate securities are reset periodically in line with the benchmark index movement. Normally, the interest rate risk inherent in a floating rate instrument is limited compared to a fixed rate instrument. Changes in the prevailing level of interest rates will likely affect the value of the Scheme’s holdings until the next reset date and thus the value of the Schemes Units. The value of securities held by the Scheme generally will vary inversely with changes in prevailing interest rates. The fund could be exposed to interest rate risk (i) to the extent of time gap in resetting of the benchmark rates, and (ii) to the extent the benchmark index fails to capture interest rate changes appropriately; Spread Movement (Spread Risk) - Though the basis (i.e. benchmark) gets readjusted on a regular basis, the spread (i.e. markup) over benchmark remains constant. This can result in some volatility to the holding period return of the floating rate instrument. 	

ESCORTS SHORT TERM DEBT FUND

Risk Mitigation	Risk & Description specific to Debt	Risk mitigants / management strategy																																				
	<u>Default Risk</u>	This shall be arrested by investing in papers which have high safety. Further this risk is minimal in case of securities issued by central / state government/.																																				
	<u>Liquidity Risk</u>	This shall be avoided by keeping away from investment in thinly traded securities or securities with lower volumes.																																				
<p>Plans and Options</p>	<p>The investor can opt for the following:</p> <p>A. Regular Plan (For applications routed through Distributors):</p> <ol style="list-style-type: none"> 1. Growth (Capital Appreciation) 2. Dividend (Regular Income) <p>B. Direct Plan (For applications not routed through Distributors):</p> <ol style="list-style-type: none"> 1. Growth (Capital Appreciation) 2. Dividend (Regular Income) <ul style="list-style-type: none"> • Default Options In case the investor does not select suitable alternative, defaults applicable shall be as follows: Default Plan - Direct Default Option – Growth Default Dividend Payout Option – Re-invest <p>Investors are requested to note the following scenarios for the applicability of “Direct Plan (application not routed through distributor) or Regular Plan (application routed through distributor)” for valid applications received under the scheme:</p> <table border="1" data-bbox="613 1104 1370 1476"> <thead> <tr> <th data-bbox="613 1104 740 1226">Scenario</th> <th data-bbox="740 1104 971 1226">Broker Code mentioned by the investor</th> <th data-bbox="971 1104 1185 1226">Plan mentioned by the investor</th> <th data-bbox="1185 1104 1370 1226">Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td data-bbox="613 1226 740 1260">1</td> <td data-bbox="740 1226 971 1260">Not mentioned</td> <td data-bbox="971 1226 1185 1260">Not mentioned</td> <td data-bbox="1185 1226 1370 1260">Direct Plan</td> </tr> <tr> <td data-bbox="613 1260 740 1293">2</td> <td data-bbox="740 1260 971 1293">Not mentioned</td> <td data-bbox="971 1260 1185 1293">Direct</td> <td data-bbox="1185 1260 1370 1293">Direct Plan</td> </tr> <tr> <td data-bbox="613 1293 740 1327">3</td> <td data-bbox="740 1293 971 1327">Not mentioned</td> <td data-bbox="971 1293 1185 1327">Regular</td> <td data-bbox="1185 1293 1370 1327">Direct Plan</td> </tr> <tr> <td data-bbox="613 1327 740 1360">4</td> <td data-bbox="740 1327 971 1360">Mentioned</td> <td data-bbox="971 1327 1185 1360">Direct</td> <td data-bbox="1185 1327 1370 1360">Direct Plan</td> </tr> <tr> <td data-bbox="613 1360 740 1394">5</td> <td data-bbox="740 1360 971 1394">Direct</td> <td data-bbox="971 1360 1185 1394">Not mentioned</td> <td data-bbox="1185 1360 1370 1394">Direct Plan</td> </tr> <tr> <td data-bbox="613 1394 740 1428">6</td> <td data-bbox="740 1394 971 1428">Direct</td> <td data-bbox="971 1394 1185 1428">Regular</td> <td data-bbox="1185 1394 1370 1428">Direct Plan</td> </tr> <tr> <td data-bbox="613 1428 740 1461">7</td> <td data-bbox="740 1428 971 1461">Mentioned</td> <td data-bbox="971 1428 1185 1461">Regular</td> <td data-bbox="1185 1428 1370 1461">Regular</td> </tr> <tr> <td data-bbox="613 1461 740 1476">8</td> <td data-bbox="740 1461 971 1476">Mentioned</td> <td data-bbox="971 1461 1185 1476">Not mentioned</td> <td data-bbox="1185 1461 1370 1476">Regular</td> </tr> </tbody> </table>		Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured	1	Not mentioned	Not mentioned	Direct Plan	2	Not mentioned	Direct	Direct Plan	3	Not mentioned	Regular	Direct Plan	4	Mentioned	Direct	Direct Plan	5	Direct	Not mentioned	Direct Plan	6	Direct	Regular	Direct Plan	7	Mentioned	Regular	Regular	8	Mentioned	Not mentioned	Regular
Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured																																			
1	Not mentioned	Not mentioned	Direct Plan																																			
2	Not mentioned	Direct	Direct Plan																																			
3	Not mentioned	Regular	Direct Plan																																			
4	Mentioned	Direct	Direct Plan																																			
5	Direct	Not mentioned	Direct Plan																																			
6	Direct	Regular	Direct Plan																																			
7	Mentioned	Regular	Regular																																			
8	Mentioned	Not mentioned	Regular																																			

ESCORTS SHORT TERM DEBT FUND

Applicable NAV (after the scheme opens for repurchase and sale)	For Investment a. where the application is received upto 3.00 P.M. with a local cheque or demand draft payable at par at the place where it is received – closing NAV of the day of receipt of application. b. where the application is received after 3.00 P.M. with a local cheque or demand draft payable at par at the place where it is received – closing NAV of the next business day. c. where the application is received with an outstation cheque or demand draft which is not payable at the place where it is received – closing NAV of the day on which the cheque or demand draft is credited. For application amount equal to or more than Rs. 2 lakh, irrespective of the time of receipt of such application, closing NAV of the day on which the funds are available for utilization shall be applicable.		For Redemption a. where the application is received upto 3.00 P.M. – closing NAV of the day of receipt of application. b. where the application is received after 3.00 P.M. – closing NAV of the next business day.																						
Minimum Application Amount/ Number of Units	Purchase Rs. 1,000/-	Additional Purchase Rs. 1,000/- and in multiples of Rs. 1/- thereafter.	Repurchase Rs. 1,000/-																						
Despatch of Repurchase (Redemption) Request	Within 10 working days of the receipt of the redemption request at the authorised centre of Escorts Mutual Fund.																								
Benchmark Index	CRISIL Liquid Fund Index																								
Dividend Policy	The Trustee may decide and declare dividend at such rates, as it deems fit, subject to availability of distributable surplus (based on realised profits), from time to time.																								
Fund Manager	Name	Tenure for scheme management																							
	Ms. Pushpa Rai – Debt	Since February 2017																							
	Mr. Sanjeev Sharma – Equity	Since February 2017																							
Top 10 holdings of scheme Portfolio	<table border="1"> <thead> <tr> <th data-bbox="605 1392 1157 1455">Security Name</th> <th data-bbox="1157 1392 1360 1455">Weightage (%)</th> </tr> </thead> <tbody> <tr> <td data-bbox="605 1455 1157 1486">6.05% GOI 2019</td> <td data-bbox="1157 1455 1360 1486">16.80</td> </tr> <tr> <td data-bbox="605 1486 1157 1518">APL Apollo Tubes Ltd</td> <td data-bbox="1157 1486 1360 1518">10.13</td> </tr> <tr> <td data-bbox="605 1518 1157 1549">Dalmia Bharat Sugar & Industries Ltd</td> <td data-bbox="1157 1518 1360 1549">9.46</td> </tr> <tr> <td data-bbox="605 1549 1157 1581">Adani Enterprises Ltd</td> <td data-bbox="1157 1549 1360 1581">8.73</td> </tr> <tr> <td data-bbox="605 1581 1157 1612">9.50% Reliance Home Fin.Ltd.</td> <td data-bbox="1157 1581 1360 1612">8.38</td> </tr> <tr> <td data-bbox="605 1612 1157 1644">Indraprastha Medical Corporation Ltd.</td> <td data-bbox="1157 1612 1360 1644">8.10</td> </tr> <tr> <td data-bbox="605 1644 1157 1675">11.52% India Infoline Housing Fin.Ltd.</td> <td data-bbox="1157 1644 1360 1675">7.46</td> </tr> <tr> <td data-bbox="605 1675 1157 1707">Himadri Speciality Chemical Ltd</td> <td data-bbox="1157 1675 1360 1707">6.75</td> </tr> <tr> <td data-bbox="605 1707 1157 1738">Inox Wind Ltd.</td> <td data-bbox="1157 1707 1360 1738">6.74</td> </tr> <tr> <td data-bbox="605 1738 1157 1764">9.30% Blue Dart Express</td> <td data-bbox="1157 1738 1360 1764">2.50</td> </tr> </tbody> </table>			Security Name	Weightage (%)	6.05% GOI 2019	16.80	APL Apollo Tubes Ltd	10.13	Dalmia Bharat Sugar & Industries Ltd	9.46	Adani Enterprises Ltd	8.73	9.50% Reliance Home Fin.Ltd.	8.38	Indraprastha Medical Corporation Ltd.	8.10	11.52% India Infoline Housing Fin.Ltd.	7.46	Himadri Speciality Chemical Ltd	6.75	Inox Wind Ltd.	6.74	9.30% Blue Dart Express	2.50
Security Name	Weightage (%)																								
6.05% GOI 2019	16.80																								
APL Apollo Tubes Ltd	10.13																								
Dalmia Bharat Sugar & Industries Ltd	9.46																								
Adani Enterprises Ltd	8.73																								
9.50% Reliance Home Fin.Ltd.	8.38																								
Indraprastha Medical Corporation Ltd.	8.10																								
11.52% India Infoline Housing Fin.Ltd.	7.46																								
Himadri Speciality Chemical Ltd	6.75																								
Inox Wind Ltd.	6.74																								
9.30% Blue Dart Express	2.50																								

ESCORTS SHORT TERM DEBT FUND

Fund allocation towards various sectors	<table border="1"> <thead> <tr> <th>Sector</th> <th>Allocation (%)</th> </tr> </thead> <tbody> <tr> <td>Sovereign</td> <td>16.80</td> </tr> <tr> <td>HFC</td> <td>15.84</td> </tr> <tr> <td>Services</td> <td>11.24</td> </tr> <tr> <td>Metals</td> <td>10.13</td> </tr> <tr> <td>Consumer Goods</td> <td>9.46</td> </tr> <tr> <td>Healthcare Services</td> <td>8.10</td> </tr> <tr> <td>Chemicals</td> <td>6.75</td> </tr> <tr> <td>Industrial Manufacturing</td> <td>6.74</td> </tr> </tbody> </table>	Sector	Allocation (%)	Sovereign	16.80	HFC	15.84	Services	11.24	Metals	10.13	Consumer Goods	9.46	Healthcare Services	8.10	Chemicals	6.75	Industrial Manufacturing	6.74
	Sector	Allocation (%)																	
	Sovereign	16.80																	
	HFC	15.84																	
	Services	11.24																	
	Metals	10.13																	
	Consumer Goods	9.46																	
	Healthcare Services	8.10																	
	Chemicals	6.75																	
Industrial Manufacturing	6.74																		

Website link for latest monthly Portfolio	http://www.escortsmutual.com/downloads.aspx?Cat=Portfolio																		
Portfolio turnover ratio	Portfolio Turnover Ratio as on 31.03.2017 : Not Applicable for Debt Schemes																		
Performance of the scheme	<div style="text-align: center;"> <p>ESTDF V/s Crisil Liquid Fund Index</p> <table border="1"> <thead> <tr> <th>Period</th> <th>Escorts Short Term Debt Fund (%)</th> <th>Crisil Liquid Fund Index (%)</th> </tr> </thead> <tbody> <tr> <td>Last 6 months</td> <td>3.57%</td> <td>3.29%</td> </tr> <tr> <td>Last 1 year</td> <td>7.75%</td> <td>7.11%</td> </tr> <tr> <td>Last 3 years</td> <td>9.35%</td> <td>8.05%</td> </tr> <tr> <td>Last 5 years</td> <td>9.60%</td> <td>8.37%</td> </tr> <tr> <td>Since Inception</td> <td>8.59%</td> <td>7.48%</td> </tr> </tbody> </table> </div> <p> No. of folios (as on 31.03.2016) - 237 Assets under Management (as on 31.03.2016) – Rs. 7.02 Crores </p>	Period	Escorts Short Term Debt Fund (%)	Crisil Liquid Fund Index (%)	Last 6 months	3.57%	3.29%	Last 1 year	7.75%	7.11%	Last 3 years	9.35%	8.05%	Last 5 years	9.60%	8.37%	Since Inception	8.59%	7.48%
Period	Escorts Short Term Debt Fund (%)	Crisil Liquid Fund Index (%)																	
Last 6 months	3.57%	3.29%																	
Last 1 year	7.75%	7.11%																	
Last 3 years	9.35%	8.05%																	
Last 5 years	9.60%	8.37%																	
Since Inception	8.59%	7.48%																	
Expenses of the Scheme	Continuous Offer																		
(i) Load Structure	Entry load : Nil Exit load : Nil Actual expenses for the previous financial year 2016-17 (unaudited) : Rs. 0.059 Crores																		
(ii) Recurring expenses	First Rs. 100 crores : 2.25% Next Rs. 300 crores : 2.00% Next Rs. 300 crores : 1.75% Balance : 1.50%																		
Tax treatment for the Investors (Unitholders)	Investors are advised to refer to the details in the Statement of Additional Information and also independently refer to his tax advisor.																		

ESCORTS SHORT TERM DEBT FUND

<p>Daily Net Asset Value (NAV) Publication</p>	<p>The NAV will be declared on all business days and will be published in 2 newspapers. NAV can also be viewed on www.escortsmutual.com and www.amfiindia.com</p>	
<p>For Grievances Investor contact please</p>	<p>Escorts Asset Management Ltd. Administrative Office :</p> <p>For Demat Units</p>	<p>Escorts Mutual Fund 404 – 1A, World Trade Centre, Babar Road, New Delhi – 110001. Ph No. – 011-43587500, 43587510 Fax – 011-43587515 www.escortsmutual.com help@escortsmutual.com</p> <p>M/s Skyline Financial Services Pvt. Ltd. D-153A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi 110 020. Tel : 64732681 to 64732688 Fax : 30857562 www.skylinerta.com viren@skylinerta.com</p>
<p>Unitholders' Information</p>	<p>Accounts Statements Each Unitholder will receive an Account Statement each time additional purchases or redemptions of Units are made, or distributions in respect of Units are declared and paid.</p> <p>For normal transactions (other than SIP) during ongoing sales and repurchase:</p> <ul style="list-style-type: none"> • The AMC shall issue to the investor whose application (other than SIP) has been accepted, an account statement specifying the number of units allotted (state the service standard for the same) • For those unitholders who have provided an e-mail address, the AMC will send the account statement by e-mail. • The unitholder may request for a physical account statement by writing/calling the AMC/ISC/R&T. <p>For SIP transactions:</p> <ul style="list-style-type: none"> • Account Statement for SIP will be despatched once every quarter ending March, June, September and December within 10 working days of the end of the respective quarter. • A soft copy of the Account Statement shall be mailed to the investors under SIP to their e-mail address on a monthly basis, if so mandated. • However, the first Account Statement under SIP shall be issued within 10 working days of the initial investment/transfer. • In case of specific request received from investors, Mutual Funds shall provide the account statement (SIP) to the investors within 5 working days from the receipt of such request without any charges. <p>Applicable to Investors who opt to hold Units in Non-Demat Form</p> <ul style="list-style-type: none"> - The AMC shall send an allotment confirmation specifying the units allotted by way of email and/or SMS within 5 Business Days of receipt of valid application/transaction 	

	<p>to the Unit holders registered e-mail address and/or mobile number.</p> <ul style="list-style-type: none"> - A consolidated account statement for each calendar month to the Unit holder(s) in whose folio(s) transaction(s) has/have taken place during the month on or before 10th of the succeeding month shall be sent by mail or e-mail. - In the event the account has more than one registered holder, the first named Unit holder shall receive the CAS/ account statement. - The transactions viz. purchase, redemption, switch, dividend payout, etc., carried out by the Unit holders shall be reflected in the CAS on the basis of Permanent Account Number (PAN). - The CAS shall not be received by the Unit holders for the folio(s) not updated with PAN details. The Unit holders are therefore requested to ensure that the folio(s) are updated with their PAN. - The Unit holder may request for a physical account statement by writing to/calling the AMC/ISC/RTA. The Mutual Fund/ AMC shall despatch an account statement within 5 Business Days from the date of the receipt of request from the Unit holder. <p>Half-Yearly Consolidated Account Statement:</p> <ul style="list-style-type: none"> - A consolidated account statement detailing holding across all schemes at the end of every six months (i.e. September/ March), on or before 10th day of succeeding month, to all such Unitholders holding units in non-demat form in whose folios no transaction has taken place during that period shall be sent by mail/email. - The half yearly consolidated account statement will be sent by e-mail to the Unit holders whose email address is registered with the Fund, unless a specific request is made to receive in physical. <p>Pursuant to SEBI circular SEBI/HO/IMD/DF2/CIR/P/2016/89 dated September 20, 2016, the following points have been incorporated to increase the transparency of information to the investors:</p> <ul style="list-style-type: none"> (a) Each CAS issued to the investors shall also provide the total purchase value / cost of investment in each scheme. (b) Further, CAS issued for the half-year (ended September/ March) shall also provide: <ul style="list-style-type: none"> (i) 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.
--	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

ESCORTS SHORT TERM DEBT FUND

	<p>(ii) The scheme's average Total Expense Ratio (in percentage terms) for the half-year period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in.</p> <p>(c) 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. Any circular/clarification issued by SEBI in this regard will automatically become applicable and shall be incorporated in the SID/SAI/KIM wherever applicable.</p> <p>Applicable to Investors who opt to hold Units in Demat Form The AMC shall send an allotment confirmation specifying the units allotted by way of email and/or SMS within 5 Business Days of receipt of valid application/transaction to the Unit holders registered e-mail address and/or mobile number. The statement of holding of the beneficiary account holder for units held in demat will be sent by the respective DPs periodically.</p>
--	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------