

## Serial No: ED

FOR OFFICE USE ONLY	
In-House number as per K-BOLT	Date, Time and Number as per Time Stamping Machine

**AC** In case of JM Tax Gain Fund, the investor may claim tax exemption under Sec.80C of the IT Act based on the production of this acknowledgement till the statement of account is issued provided the payment instrument is encashed and the application and other documents are found to be in order.







## INSTRUCTIONS TO INVESTORS FOR FILLING UP THE APPLICATION FORM

1. Please read the Scheme Information Document containing the terms of offer. Your attention is particularly drawn to the sections on "Prevention of Money Laundering" and "Mutual Fund Identification Number". All applicants are deemed to have accepted the terms upon filling the application form and tendering the payment.
2. The application form is for Resident and Non Resident Indian (NRI) investors and should be completed in English in BLOCK Letters. Please (4) in the appropriate box, wherever boxes have been provided.
3. The Signature(s) may be in English or in any of the Indian languages specified in the Eighth Schedule of the Constitution of India. Thumb impressions must be attested by a Magistrate or a Notary Public or a Special Executive Officer under his/her official seal. Applications by minor(s) should be signed by their guardians. In case of HUF, the Karta should sign on behalf of the HUF. In case of other non-individual investors, authorized signatories should sign under their official seal and designation.
4. Application form incomplete in any respect or not accompanied by the requisite documents and/or Cheque or Demand Draft (DD) for the amount payable are liable to be rejected and the money paid will be refunded without any interest thereon. An application may be accepted or rejected at the sole and absolute discretion of the Trustee, without assigning any reason whatsoever. In case of inadvertent allotment, the AMC reserves the right to revert the transaction & refund the investment without any interest.
5. Investors are requested to indicate their choice of Plans / Sub-Plans/ Options. If no indication in the relevant box is given, the investment will be deemed to be for the default option. If the mode of payment of dividend is not indicated, the choice will be deemed to be reinvestment (if available). However, in case the dividend payable to any unitholder is below Rs. 100/-, then the same will be automatically reinvested.
6. Mode of Payment: • The Cheque/DD should be drawn in favour of the respective scheme for example in case of JM Equity Fund cheque should be drawn in favour of "JM Equity Fund" and crossed "Account Payee Only". The Cheque/ DD should be payable locally at the centre where the application is deposited. The Cheque / DD should be drawn on any Bank which is situated at and is a member / sub-member of the Bankers' Clearing House. Cheques / DDs drawn on a Bank not participating in the Clearing House will not be accepted. • The application form number should be mentioned on the reverse of the Cheque/DD that accompanies the application. • Investors residing in centres, where the JM Financial Mutual Fund does not have any collection arrangement, are authorized to make payment by DDs/RTGS/NEFT/Transfer. DD charges would be borne by the Asset Management Company (AMC) only in respect of investors having address in locations where the AMC does not have a branch / ISC (Investor Service Center) or other collection facilities subject to DD being payable and deposited at any of the collection centers of JM Financial Mutual Fund/ Registrar & Transfer Agent / Authorised Collection Banks ( during NFO ) subject to the following terms and conditions:  
Eligibility for DD charges is as under: A - The DD charges will be payable only for equity schemes during NFO and Post-NFO. B - The DD should be issued by the bank located in the place of address of the investor. C - DD charges as levied by State Bank of India would be treated as permissible DD charges. D - For individuals (For NFO and ongoing subscriptions) The permissible DD charges for individual investors are not restricted by the number of applications or the amount invested. E - For Non-individuals : i - During NFO: In respect of non-individual investors, during the NFO, the DD charges will be borne by the AMC as follows : 1- Only one application is eligible for benefit of DD charges. 2- Irrespective of the amount of investment, permissible DD charges will not exceed the permissible DD charges as per SBI rates and as calculated for an investment of Rs.10 lacs or actual investment whichever is lower, subject to SBI rates. 3- In case of multiple applications during the NFO period, the DD charges will be paid only for one of the applications having the highest investment amount subject to the above limit. ii - For ongoing subscriptions: 1- Only one application per business day per Scheme/Plan/Option is eligible for benefit of DD charges. 2- Irrespective of the amount of investment, permissible DD charges will not exceed the permissible DD charges as per SBI rates and as calculated for an investment of Rs.10 lacs or actual investment whichever is lower, subject to SBI rates. 3- In case of multiple applications in the same Scheme/Plan/Option, on a particular transaction day, the DD charges will be paid only for one of the applications having the highest investment amount subject to the above limits.  
The AMC will, in the normal course, not reimburse the DD charges. However, the AMC reserves the right to allot equivalent units upto the permissible DD charges by adding the same to the investment made by the investor, if so claimed by the investor in the application form subject to the provisions of the scheme i.e. in multiples of permissible units. In the event that the total investment including permissible DD charges is not sufficient to allot minimum number of units in the Scheme, the AMC reserves the right to refund without any interest the amount represented by the investment made excluding DD charges borne by investor. In the event of inadvertent allotment, the AMC reserves the right to revert & reprocess the transactions without DD charges or refund the investment amount without any interest. In case of DD charges being claimed, under tax saving schemes, investor may consult his/her Tax Consultant to determine the investment amount on which tax exemption can be availed. Note: Returned cheques will not be presented again for collection, and the accompanying application forms shall not be considered for allotment. In the normal course, stockinvests / outstation cheques / outstation drafts are liable to be rejected. However, if the AMC accepts valid application with outstation cheque/ demand draft not payable at par at a place where the application is received, closing NAV of the day on which outstation cheque/demand draft is credited shall be applicable.
7. For NRI Investors: Repatriable Basis: Payments by NRIs / FIs / Persons of Indian Origin (PIO) may be made by either inward remittances through normal banking channels or out of funds held in Non-Resident External Rupee Account (NRE)/ Foreign currency Non-Resident account (FCNR). In case Indian Rupee drafts are purchased abroad or from NRE/FCNR Account, an Account debit Certificate/Foreign Inward Remittance Certificate (FIRC) from the bank issuing the draft confirming the debit shall be enclosed. Non-repatriable Basis: Payments by NRIs/ FIs/Persons of Indian Origin (PIO) may be made either by inward remittances through normal banking channels or out of funds held in NRE/FCNR/ Non-Resident Ordinary Rupee Account (NRO). In case Indian Rupee drafts are purchased abroad or from NRE/FCNR Account, an Account debit Certificate/FIRC from the bank issuing the draft confirming the debit shall be enclosed. For Subscription made by NRE/FCNR/NRO Account cheque, the application form must be accompanied with photocopy of the cheque/FIRC/Account debit certificate from the bankers to avoid delay in payment of redemption/dividend proceeds.
8. Statutory Details: • As per SEBI Circular nos. IIMARP/ MF/CIR/07/826/98 dated April 15, 1998, and IMD/CIR/No. 6/4213/ 04 dated March 1, 2004, it is mandatory for applicants to mention their bank details in their applications for purchase or redemption of units. • In accordance with Circular dated April 27, 2007 issued by the Securities and Exchange Board of India ("SEBI"), Permanent Account Number ("PAN") issued by the Income Tax authorities will be used as the sole identification number for all investors (existing and prospective) transacting in the securities market, including mutual funds, irrespective of the amount of transaction, with effect from July 02, 2007. With effect from January 1, 2008 it is mandatory for all existing and prospective investors (including joint holders, guardians of minors, NRIs etc.) to enclose a verified copy of PAN proof along with the application for any transaction in the schemes of JM Financial Mutual Fund. However, submission of PAN copy has been exempted for Micro SIP investors.

The verification of the PAN from the original PAN card/ letter can be done by any of the following under his/her signature, rubber stamp and date

- any ARN holder if the PAN proof is self attested by Investor
- Bank Manager,
- notary,
- officials of JM Financial Mutual/ Investor Service Centres of Karvy Computershare Pvt. Ltd.

Investors transacting through approved Web Portals are also required to get their PAN verified by their Web Portals.

In case, the investor does not conform to the above requirement of submission of verified copy of PAN or produces original PAN proof for verification or the PAN details as per furnished verified copy of PAN proof does not match with the Website of Income Tax Deptt. as prescribed by SEBI, the AMC reserves the right to reject the application before allotment and refund the investment amount, without any interest.

In case of inadvertent allotment, the AMC reserves the right to refund the investment amount, without any interest.

With effect from 1st January, 2011, all investors who wish to make an investment in a mutual fund scheme will be required to complete the KYC process. This would also apply to new Systematic Investment Plan (SIP) registrations as well. Please refer Page no. 11 for KYC details

9. Documents required : In case of an application under Power of Attorney or by a Limited Company, Body Corporate, Registered Society, HUF, Trust or Partnership Firm, etc. the relevant Power of Attorney or the relevant resolution or authority to make the application as the case may be, or duly certified copy thereof, along with the Memorandum and Articles of Association / Bye-laws / HUF Deed / Trust Deed / Partnership Deed etc. must be lodged alongwith the application form. The copy of the KYC certificate must be lodged along with a application form.
10. Systematic Investment / Transfer / Withdrawal Plan (SIP/STP/SWP): Please refer the KIM for details.
11. Applicants should indicate their status/category by ticking the appropriate box. Applications without a tick in the 'Status/ Category' box will be considered as investment by 'Others' and applicable tax if any, will be deducted / payable.
12. Applicants should specify the mode of holding. In case of joint holders, the first named holder shall receive all the Account Statements, dividend/ redemption/refund warrants and any other correspondence sent from time to time. In case of more than one investor, where the mode of holding is not specified, it would be treated as joint holding.
13. Duly completed application forms alongwith the payment instrument may be submitted on any business day at any of the JM Financial MF Branches/ Karvy ISCs . The addresses of JM Financial MF ISCs / Karvy ISCs are provided in the Key Information Memorandum.
14. No receipt will be issued for the application money. The ISCs will stamp and return the acknowledgment slip in the application form, to acknowledge receipt of the application.
15. In case of investment(s) in the respective scheme(s) through switch-in(s) from any other scheme(s) of the fund, the proceeds thereof will be credited to the scheme as per current applicable service standards and NAVs allotted as per SEBI guidelines.
16. Mobile / E-mail Communication

Unitholders can obtain financial and non-financial information about their transactions eg. sale, purchase, dividend declarations, etc. through "SMS Alerts." This facility is offered free of cost to all unitholders whose mobile numbers are registered with Fund / who register themselves for the facility by writing to the Registrar and Transfer Agent, mentioning their folio numbers and mobile numbers. Account Statements / Annual Reports, etc. can be sent to each Unit holder by courier / post / e-mail. In case, an investor has provided his e-mail ID in the application form or any subsequent communication, in any of the folio(s) belonging to him/her, the Asset Management Company ("AMC") reserves the right to use such e-mail ID as a default mode of communication to the investor including sending of account statements for the new and existing investments for folio(s) / investor(s) concerned. However, the AMC or Registrar & Transfer Agent will, on receipt of specific request, endeavour to provide the physical account statement to the investor within 5 business days from the receipt of such request, in terms of SEBI circular No. IMD/ CIR/12/80083/2006 dated November 20, 2006, on a case to case basis. Unit holders who have provided the e-mail will be required to download and print the documents after receiving e-mail from the Mutual Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents / SMS alerts, the Unit holder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. In case of non-receipt of any such intimation of difficulty within 24 hours from receiving the e-mail / SMS alert, it will be regarded as receipt of e-mail / SMS alert by the Unit holder. It is deemed that the Unit holder is aware of all security risks including possible third party interception of SMS alert / e-mail and contents of the SMS alerts / documents becoming known to third parties. The monthly / quarterly factsheets shall be displayed at the website of the Mutual Fund. The Unit holders can request for a copy of the Newsletter/Fact Sheet by post / e-mail. The AMC would arrange to dispatch these documents to the Unit holder concerned.

17. Direct Credit Facility  
The AMC will credit the investor's account with redemption/ dividend proceeds if the bank mandate registered for the account is in any of the following banks with which the AMC has direct credit facility:  
1 - ABN Amro Bank 2 - AXIS Bank 3 - BNP Paribas Bank 4 - Citibank 5 - Deutsche Bank 6 - Development Credit Bank 7 - HDFC Bank 8 - HSBC Ltd. 9 - ICICI Bank 10 - IDBI Bank 11. Indusind Bank 12 - ING Vysya Bank 13 - Kotak Mahindra Bank 14 - Stanchart Bank & 15 - Yes Bank.  
The AMC may also effect the credit through ECS/RTGS/NEFT (wherever possible), for those cases, where direct credit facility is not possible subject to the availability of MICR/IFSC code and complete bank details, as and when for direct credit facility through ECS/RTGS/NEFT is started by the AMC.
18. NOMINATION

The nomination can be made only by individuals applying for / holding units on their own behalf singly or jointly. Non-individuals including Society, Trust, Body Corporate, Partnership Firm, Karta of Hindu Undivided Family, holder of Power of Attorney cannot nominate. Nomination shall not be allowed in a folio held on behalf of a minor. Nomination is mandatory for new folios/accounts opened by individual. Even those investors who do not wish to nominate must sign separately confirming their non-intention to nominate. • A minor can be nominated and in that event, the name and address of the guardian of the minor nominee shall be provided by the unitholder. Nomination can also be in favour of the Central Government, State Government, a local authority, any person designated by virtue of his office or a religious or charitable trust. • The Nominee shall not be a Trust, other than a Religious or Charitable Trust, Society, Body Corporate, Partnership Firm, Karta of a Hindu Undivided Family or a Power of Attorney holder. A Non-Resident Indian can be a Nominee subject to the Exchange Control Regulations of RBI, in force, from time to time. • Nomination in respect of the units stands rescinded upon the transfer of units. • Transfer of units in favour of a Nominee shall be valid discharge by the Asset Management Company against the legal heir. • The cancellation of nomination can be made only by those individuals who hold units on their own behalf singly or jointly and who made the original nomination. • On cancellation of the nomination, the nomination shall stand rescinded and the Asset Management Company shall not be under any obligation to transfer the units in favour of the Nominee.

The Multiple Nomination Facility has been provided to enable Unitholders to nominate more than one person, subject to a maximum of three, in whom the Units held by the Unitholder shall vest in the event of the demise of the Unitholder in the ratio as stipulated by investor/s. Accordingly, multiple nominees can be made per folio.

Existing and new investors can make a fresh nomination which will supersede all existing nominations in the folio by filing a fresh nomination form. Nomination is registered / modified / changed only at folio level and not at scheme / option / plan level. The Multiple Nomination Facility has been provided as under:

In case of multiple nominations, it is mandatory for unitholders to indicate the percentage allocation in favour of the nominees in the nomination forms/ requests letter in whole numbers such that it totals to 100%, so that the AMC can execute its obligations to the claimants in the unfortunate event of demise of unitholder/s. If the percentage allocation is not mentioned or is left blank, the AMC shall apply the default option of equal distribution among all the nominees as designated by the deceased Unitholder/s. In case of 3 nominees, where allocation is not defined,



the allocation by default will be 34%,33% and 33% respectively for each nominee in the sequential order.

#### 19. Transaction Charges

##### (i) First Time Mutual Fund Investor (across Mutual Funds):

**Transaction charge of Rs. 150/- for subscription of Rs. 10,000 and above will be deducted from the subscription amount and paid to the distributor/ agent of the first time investor and the balance shall be invested.**

##### (ii) Investor other than First Time Mutual Fund Investor:

**Transaction charge of Rs. 100/- per subscription of Rs. 10,000 and above will be deducted from the subscription amount and paid to the distributor/ agent of the investor and the balance shall be invested. Transaction charges (Rs. 150/- or Rs. 100/- as may be applicable) in case of investments through Systematic Investment Plan (SIP) shall be deducted only if the total commitment (i.e. amount per SIP installment x No. of installments) amounts to Rs. 10,000/- or more. The Transaction Charges shall be deducted in 4 installments. Investors may note that distributors have an option to opt in or opt out of charging the transaction charge.**

##### (iii) Transaction charges shall not be deducted for:

- (a) purchases /subscriptions for an amount less than Rs. 10,000/-;
- (b) transaction other than purchases/ subscriptions relating to new inflows, such as Switch, STP, etc.
- (c) purchases/ subscriptions made directly with the Fund (i.e. not through any distributor/agent).
- (d) Transactions, wherein the concerned distributor has not opted-in for transaction charges.
- (e) Transactions done for units held in demat form.

**It is also clarified that minimum investment criteria shall be monitored at the gross investment amount level (i.e. amount before deducting transaction charges).**

#### In terms of Best Practice Circular no. 20/2010-11 dated February 9, 2011, following provisions are applicable w.e.f. April 1, 2011:

1. "On Behalf of Minor" Accounts: Where the account/folio (account) is opened on behalf of a minor:
  - (a) The minor shall be the first and the sole holder in an account. There shall not be any joint accounts with minor as the first or joint holder.
  - (b) The Guardian in the folio on behalf of the minor should either be a natural guardian (i.e. father or mother) or a court appointed legal guardian. Information on the relationship/status of the guardian as father, mother or legal guardian should be provided to the AMC/ the Registrar of JM Financial Mutual Fund ("the Registrar"). If the documents mentioned in clause (c) below do not provide information evidencing the relationship of natural guardian to the minor, separate documents establishing the relationship should be provided. In case of court appointed legal guardian, supporting documentary evidence should be submitted.
  - (c) Date of birth of the minor along with photocopy of supporting documents as enumerated below shall be mandatory while opening the account on behalf of minor:
    1. Birth certificate of the minor, or
    2. School leaving certificate / Mark sheet issued by Higher Secondary Board of respective states, ICSE, CBSE etc., or
    3. Passport of the minor, or
    4. Any other suitable proof evidencing the date of birth of the minor.
2. Minor Attaining Majority – Status Change:
  - (a) Prior to minor attaining majority, the AMC/ Registrar will send advance notice to the registered correspondence address advising the guardian and the minor to submit an application form along with prescribed documents (as per (e) below) to change the status of the account to "major".
  - (b) The account shall be frozen for operation by the guardian on the day the minor attains the age of majority and no transactions shall be permitted till the documents for changing the status are received. However, the AMC will continue to process the existing standing instructions like SIP, STP, SWP registered prior to the minor attaining majority and send a intimation to that effect.
  - (c) In case of existing standing instructions including STP, SIP and SWP registered prior to the minor attaining majority, the AMC will send an advance notice to the registered correspondence address advising the guardian and the minor that the existing standing instructions will continue to be processed beyond the date of the minor attaining majority till the time a instruction from the major to terminate the standing instruction is received by the mutual fund along with the below mentioned documents:
    1. Services Request form, duly filled and containing details like name of major, folio numbers, etc.
    2. New Bank mandate where account changed from minor to major,
    3. Signature attestation of the major by a manager of a scheduled bank / Bank Certificate/ Letter,
    4. KYC acknowledgement of the major.The standing instruction shall be terminated within 30 days from the date of receiving the instruction.
  - (d) List of standard documents required to change the account status from minor to major:
    1. Services Request form, duly filled and containing details like name of major, folio numbers, etc.
    2. New Bank mandate where account has been changed from minor to major,
    3. Signature attestation of the major by a manager of a scheduled bank / Bank Certificate / Letter,
    4. KYC acknowledgement of the major.
  3. Change in Guardian: When there is a change in guardian either due to mutual consent or demise of existing guardian, following documents should be submitted to the AMC/ the Registrar prior to registering the new guardian:
    - (a) Request letter from the new guardian,
    - (b) No Objection Letter (NoC) or Consent Letter from existing guardian or Court Order for new guardian, in case the existing guardian is alive.
    - (c) Notarized copy or attested copy of the Death Certificate of the deceased guardian, where applicable. The attestation may also be done by a special executive magistrate, AMC authorised official or manager of a scheduled bank.
    - (d) The new guardian must be a natural guardian (i.e. father or mother) or a court appointed legal guardian.
      1. Information on the relationship/status of the guardian as father, mother or legal guardian should be specified in the application form.
      2. In case of natural guardian, a document evidencing the relationship if the same is not available as part of the documents submitted as per sub clause c of clause 1 of this notice – cum – addendum
      3. In case of court appointed legal guardian, supporting documentary evidence should be submitted.
    - (e) Bank attestation attesting the signature of the new guardian in a bank account of the minor where the new guardian is registered as the guardian.
    - (f) KYC of the new guardian.
    4. Nomination facility
      - (a) Nomination should be maintained at the folio or account level and should be applicable for investments in all schemes in the folio or account.

- (b) Where a folio has joint holders, all joint holders should sign the request for nomination/cancellation of nomination, even if the mode of holding is not "joint". Nomination form cannot be signed by Power of attorney (PoA) holders.
- (c) Every new nomination for a folio/account will overwrite the existing nomination.
- (d) Nomination shall be mandatory for new folios/accounts opened by individual especially with sole holding and no new folios/accounts for individuals in single holding will be opened without nomination.
  1. Even those investors who do not wish to nominate must sign separately confirming their non-intention to nominate.
- (e) Nomination will not allowed in a folio held on behalf of a minor.
5. Transmission: We have set out below the list of the documents required for transmission under various situations:
  - a. Transmission to surviving unit holders in case of death of one or more unitholders:
    1. Letter from surviving unitholders to the Fund / AMC / RTA requesting for transmission of units,
    2. Death Certificate in original or photocopy duly notarized or attested by gazette officer or a bank manager,
    3. Bank Account Details of the new first unit holder as per specified format along with attestation by a bank branch manager or cancelled cheque bearing the account details and account holders name.
    4. KYC of the surviving unit holders, if not already available.
  - b. Transmission to registered nominee/s in case of death of Sole or All unit holders:
    1. Letter from claimant nominee/s to the Fund / AMC / RTA requesting for transmission of units,
    2. Death Certificate/s in original or photocopy duly notarized or attested by gazette officer or a bank manager,
    3. Bank Account Details of the new first unit holder as per specified format along with attestation by a bank branch manager or cancelled cheque bearing the account details and account holders name.
    4. KYC of the claimant/s,
    5. If the transmission amount is Rs One Lakh or more:
      - a. Indemnity duly signed and executed by the nominee/s in the specified format.
  - c. Transmission to claimant/s, where nominee is not registered, in case of death of Sole or All unit holders:
    1. Letter from claimant/s to the Fund / AMC / RTA requesting for transmission of units,
    2. Death Certificate/s in original or photocopy duly notarized or attested by gazette officer or a bank manager,
    3. Bank Account Details of the new first unit holder as per specified format along with attestation by a bank branch manager or cancelled cheque bearing the account details and account holders name.
    4. KYC of the claimant/s,
    5. Indemnity Bond from legal heir/s as per specified format.
    6. Individual affidavits from legal heir/s as per specified format
    7. If the transmission amount is below Rs. One Lakh any appropriate document evidencing relationship of the claimant/s with the deceased unitholder/s.
    8. If the transmission amount is Rs One Lakh or more any one of the documents mentioned below:
      - a. Notarised copy of Probated Will, or
      - b. Legal Heir Certificate or Succession Certificate or Claimant's Certificate issued by a competent court, or
      - c. Letter of Administration, in case of Intestate Succession.
  - d. Transmission in case of HUF, due to death of Karta: HUF, being a Hindu Undivided Family, the property of the family is managed by the Karta and HUF does not come to an end in the event of death of the Karta. In such a case, the members of the HUF will appoint the new Karta who needs to submit following documents for transmission:
    1. Letter Requesting for change of Karta,
    2. Death Certificate in original or photocopy duly notarized or attested by gazette officer or a bank manager,
    3. Duly certified Bank certificate stating that the signature and details of new Karta have been appended in the bank account of the HUF as per specified format
    4. KYC of the new Karta and KYC of HUF, if not already available.
    5. Indemnity bond signed by all the surviving coparceners and new Karta as per specified format.
    6. In case of no surviving co-parceners and the transmission amount is Rs One Lakh or more OR where there is an objection from any surviving members of the HUF, transmission shall be effected only on the basis of any of the following mandatory documents:
      - a. Notarized copy of Settlement Deed, or
      - b. Notarized copy of Deed of Partition, or
      - c. Notarized copy of Decree of the relevant competent Court
  - e. Clarifications
    1. It is clarified that PAN card copy or another proof of identity of claimant/s is not required separately if KYC acknowledgement issued by CVL is made available.
    2. Where the units are to be transmitted to a claimant who is a minor, various documents like KYC, PAN, Bank details, indemnity should be of the guardian of the nominee.
  - f. Additional risk mitigation measures:

While the list of documents mentioned in sub-clauses a to d above shall be taken in all cases, the AMC/ the Registrar may seek additional documents if the amount involved in transmission exceeds Rs One Lakh on a case to case basis. The AMC/ the Registrar may also ask additional document depending on circumstances of each cases.



Please attach the scheme application form duly filled & signed



☐ **New Regular SIP:** First Installment of Regular SIP through a Cheque and subsequent investments via Electronic Clearing Services (ECS) (for all Banks in select cities only) / Direct Debit (for select Banks only) as per overleaf.

☐ **New Special SIP:** First & subsequent installments of Special SIP via ECS or Direct Debit. Application should be submitted at least 30 days before the 1st SIP installment.

☐ **Renewal/Continuation of existing SIP** only if last SIP installment as per current registration is not yet over (pls fill fresh details in following columns).

**Folio No. (for existing unitholders)**

Name of Sole/1st Applicant/Minor/Non-individual Mr./Ms./M/s.

[illegible]

Scheme :	JM	Plan :		Option	
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**SIP Installment Amount (Rs.)**      **Frequency** (please tick any one) : Monthly \* ☐ Quarterly ☐ (\* Default Frequency)

**SIP Period : Start :**

M	M	Y	Y	Y	Y
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**End :**

M	M	Y	Y	Y	Y
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 OR Perpetual(i.e. until it is cancelled) 

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**SIP Dates (Pl. ✓ any one):** ☐ 01st ☐ 05th ☐ 10th ☐ 15th ☐ 20th ☐ 25th of the month (**Note:** Minimum 30 days are required for 1st installment through auto debit to register and start)

*"The ARN holder has disclosed to me/us all the commissions (in the form of trail commission or any other mode), payable to him for the different competing Schemes of various Mutual Funds from amongst which the Scheme is being recommended to me/us".*

## The Branch Manager

Bank Name & : \_\_\_\_\_

**Address :** \_\_\_\_\_ **PIN Code**

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**Bank Account Number** :                  
**Account Type :** ☐ Savings ☐ Current ☐ NRE ☐ NRO ☐ FCNR

**9-digit MICR Code (Mandatory) :**

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 (At PAR MICR Code not valid for ECS - e.g MICR code starting and / or ending with 000)

<b>Mandatory Enclosures</b>	<input type="checkbox"/>	Blank Cancelled Cheque	<input type="checkbox"/>	Copy of Cheque
	<input type="checkbox"/>		<input type="checkbox"/>	

This is to inform you that I/we/the bank account holder/s have registered with JM Financial Mutual Fund through their authorised service provider for the RBI's Electronic Clearing Service (Debit Clearing)/Direct Debit Facility and that the payment towards the above investment in JM Financial Mutual Fund shall be made from my/our above mentioned account with above bank & branch. Further, I/we authorize the representative carrying this ECS/Direct Debit/Standing Instruction mandate to get the same verified and executed. I/We hereby authorize you to debit my/our account for making payment to JM Financial Mutual Fund through AUTO DEBIT (through Electronic Clearing Service / DIRECT DEBIT for collection of SIP payments.) as per the details furnished as above.

**For Auto Debit (Direct Debit) cases** – In case, the SIP is not considered as a valid SIP by the JM Financial AMC as per the provisions of the scheme at any point of time during the currency of SIP, I/we authorize them to cancel/stop my/our subsequent SIP installments. I/We, also authorize you to cancel my/our SIP mandate on receipt of such a request from JM Financial AMC to stop debiting my/our account for subsequent installments.

		Name/s & Signature/s in Order & mode of operation as per Bank's Records	Name /s & Signature/s in Order & mode of operation as per JM Financial Mutual Fund's records
First/Sole holder	Signature		
	Name		
Second Holder	Signature		
	Name		
Third Holder	Signature		
	Name		

Date: 

D	D	M	M	Y	Y	Y	Y
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Place: \_\_\_\_\_

[illegible]

<b>Folio No. of JM Financial Mutual Fund</b> <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	Certified that Signature of account holder(s) and the details of Bank Account are correct as per records
<b>Bank Account Number :</b> <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	<b>Signature of Authorised Bank Official with his Name, Official Seal &amp; Date</b>



# JM FINANCIAL MUTUAL FUND



**JM Financial Asset Management Pvt Limited**  
Corporate Office: 502, 5th Floor, Laxmi Towers,  
Bandra Kurla Complex, Mumbai – 400 051.

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## Form for Nomination / Change in Nomination

Folio no. :

☐ I / We \_\_\_\_\_ at present do not wish to register nominee/s against the above folio.

☐ I/We hereby nominate the under mentioned person(s) to receive the amount to my/our credit in the event of my/our death in proportion to the percentage(%) indicated against the Name(s) of the Nominee(s). I/We also understand that all payments and settlements made to such nominee(s) shall be a valid discharge by the AMC / Mutual Fund / Trustee.

### Nominee Details

No.	Name & Address of the Nominee /s (upto 3 Nos.)	Date of Birth (In case Nominee is minor)	Relationship with the first holder	Share (%) (in multiple of 1%)	Age of the Nominee
1					
2					
3					

Full Name of Guardian (in case of Minor)

Address of the Guardian

Signature of the Nominee /  
Guardian (in case of Minor):

Not Mandatory

Unit holder(s) Name & Signature

No.	Name	Signature
1		
2		
3		

Date :

Place :

### Instructions :

- The nomination can be made only by individuals applying for / holding units on their own behalf singly or jointly. Non-individuals including Society, Trust, Body Corporate, Partnership Firm, Karta of Hindu Undivided Family, holder of Power of Attorney cannot nominate. If the units are held jointly, all joint holders will have to sign the nomination form. Nomination shall not be allowed in a folio held on behalf of a minor.
- Submission of fresh nomination form if found in order will tantamount to cancellation of existing nomination.
- Nomination is registered / modified / changed only at folio level and not at scheme / option / plan level.
- The cancellation of nomination can be made only by those individuals who hold units on their own behalf singly or jointly and who made the original nomination.
- A minor can be nominated and in that event, the name and address of the guardian of the minor nominee shall be provided by the unitholder. Nomination can also be in favour of the Central Government, State Government, a local authority, any person designated by virtue of his office or a religious or charitable trust.
- The Nominee shall not be a Trust, Society, Body Corporate, Partnership Firm, Karta of Hindu Undivided Family or a Power of Attorney holder. A Non-Resident Indian can be a Nominee subject to the Exchange Control Regulations of RBI, in force, from time to time.
- Nomination in respect of the units stands rescinded upon the transfer of units.
- Transfer of units in favour of a Nominee shall be valid discharge by the Asset Management Company against the legal heir.
- On cancellation of the nomination, the nomination shall stand rescinded and the Asset Management Company shall not be under any obligation to transfer the units in favour of the Nominee.
- Investor/s has/have to furnish the ratio of entitlement for each nominee which would always be in multiples of 1%.
- In the event of investor not allocating in whole numbers, AMC may round off the ratio to the nearest whole number or take its own decision including applying the default option as mentioned below in point no 11.
- In the event of failure to furnish the percentage (%) allocation, the unit holding will be divided proportionately amongst all nominees on equal basis. However, in case of 3 nominees, the allocation by default will be 34%, 33% & 33% respectively for each nominee in the sequential order if the investor/s has/have failed to furnish the ratio.
- In case, the share of individual nominee claimant does not meet with the minimum investment criteria of the scheme concerned, the AMC will settle the claim by redeeming the units and making the paymet at the time of processing the transmission request.
- Nomination is mandatory for new folios/accounts opened by individual. Even those investors who do not wish to nominate must sign separately confirming their non-intention to nominate.



## TERMS, CONDITIONS AND INSTRUCTIONS

### FOR SYSTEMATIC INVESTMENT/TRANSFER/WITHDRAWAL PLANS

The existing and prospective Investor/s is/are advised to refer to the Scheme Information Document/s and Key Information Memorandum of the respective scheme(s) carefully before applying for the enrollment under the Systematic Plan/s.

The facilities under Systematic Plans are available to investors in all the open-ended schemes of JM Financial Mutual Fund except for STP/SWP from JM Tax Gains Fund during the initial lock-in period of 3 years. These facilities are subject to changes from time to time.

The Clause on "Minimum Investment Criteria" as specified in the Scheme Information Document of the respective scheme/plan/option/sub-options will not be applicable for investments made through the first installment of Systematic Investment/Transfer Plan. For example, the minimum investment amount for investment in JM Basic Fund is Rs.5,000/-. However, in case of investment through SIP/STP (Systematic Investment/Transfer Plan), an investor can invest with minimum installment amount of Rs.500/- on more per month or Rs. 3000/- or more per quarter or opt for Chhota STP for Rs 100/- so as to meet the Minimum Investment Amount over the opted period.

All applicants are deemed to have accepted the terms and conditions upon submitting the valid application form with other requisites for investment under Systematic Plans.

The terms & conditions for respective Systematic Plans are mentioned hereunder:

#### A. SYSTEMATIC INVESTMENT PLAN(SIP)

JM Financial Mutual Fund offers two types of Systematic Investment Plans i.e. Normal SIP and Micro SIP under Regular and Special SIP facilities on Monthly and Quarterly basis on any of the six SIP dates during any month i.e. 1st, 5th, 10th, 15th, 20th or 25th.

**I. Normal SIP:** Under normal SIP, the investor is required to furnish copy of KYC Acknowledgement & PAN Card in addition to other documents as mentioned hereunder in subsequent points.

**II. Micro SIP:** Under Micro SIP, the investor is exempted to furnish the copy of PAN Card provided his total contribution through Micro SIP (including all schemes/dates etc) does not exceed Rs. 50,000/- during any financial year or on a rolling period of 12 months. However, the investor is required to submit an attested copy of any of 13 identification documents mentioned in the Key Information Memorandum. This facility is available to individual investors including Minors & NRIs and Sole Proprietorship firms. PIOs, HUFs and other Non-individuals are not allowed.

**The minimum investment criteria will not be applicable in case any Micro SIP application is found to be invalid and the amount collected initially will remain in the folio. However, redemption will be permitted for the same.**

Other terms and conditions of Normal SIP remain unchanged and are applicable for Micro SIP investors as well.

Investment under SIP can be done through any of the following:

1. Regular SIP or 2. Special SIP

**Regular SIP:** An investor can opt Regular SIP and choose any of the following modes of payments:

#### a. Auto Debit Facility:

Based on the valid application submitted along with a payment instrument towards 1st installment of SIP, the investor will be registered and his SIP will start under Regular SIP facility. However, the contribution through Auto Debit Facility (through any of the following modes) will start from second installment onwards due to the fact that approx. 30 days' time is required for registration of Auto Debit Mandates with Investor's Bank across India. Such registrations are subject to the terms and conditions applicable for the date of submission of valid SIP application with required documents and payment instrument. For HDFC Bank Account Holders, there is a separate Standing Instructions Form, which needs to be submitted instead of normal Auto Debit Form.

- i. ECS Debit Facility: is available in all ECS locations of RBI and covers all banks participating in ECS clearing in those locations. Presently ECS debit facility is available in 87 locations as mentioned in point no. 3 below.
- ii. Direct Debit Facility is available with certain selected banks with which the AMC has made arrangements. At present, AMC has a tie-up with 4 Banks i.e. Axis Bank, ICICI Bank, IDBI Bank, and Standard Chartered Bank.
- iii. Standing Instructions Facility with HDFC Bank for HDFC Bank Account Holders only:

#### b. Post Dated Cheques:

An investor can subscribe to SIP facility in other than ECS locations/Direct Debit/Standing Instructions Bank by depositing Post-dated cheques for the opted period if his bank participates in the local clearing of the locations on which the cheques are drawn in any part of India where AMC has made arrangements. However, the first cheque/demand draft should be drawn & payable at the place where the application is being submitted. Presently, this facility is available in more than 400 locations across India in addition to locations covered through ECS facility.

**2. Special SIP:** In order to simplify the procedure, an investor may subscribe to SIP without even submitting the cheque/demand draft towards first installment as is required under Regular SIP. The first installment will also be debited through Auto Debit (ECS/Direct Debit) process. While all other terms and conditions of Regular SIP will be applicable for Special SIP as well except for the following changes:

- i. There is no need to submit cheque/demand draft towards 1st installment. The SIP account can be opened without any investment i.e. with Zero balance.
- ii. A minimum 30 days gap is required from the date of submission of valid application and required documents and the opted SIP date in order to enable the Registrar to complete the process of registration of mandate at their end and at the end of Banks.
- iii. The investment through Special SIP will be subject to the terms and conditions (including loads etc) as are applicable on the 1st SIP due date and not as applicable on the date of submission of documents.

**3. ECS locations:** Agra • Ahmedabad • Allahabad • Amritsar • Anand... Asansol • Aurangabad • Bangalore • Baroda • Bhavnagar... Belgum • Bhiwara • Bhopal • Bhubaneshwar • Bijapur • Bikaner • Burdwan • Calicut • Chandigarh • Chennai • Cochin • Coimbatore • Cuttack • Davangere • Dehradun • Delhi • Dhanbad • Durgapur • Erode • Gadga • Gangtok • Gorakhpur • Gulbarga • Guwahati • Gwalior • Hassan... Hubli • Hyderabad • Indore • Jabalpur • Jaipur • Jalandhar • Jammu • Jamnagar • Jamshedpur • Jodhpur • Kakinada • Kanpur • Kolhapur • Kolkata • Kota... Lucknow • Ludhiana • Madurai • Mandya • Mangalore • Mumbai • Mysore • Nagpur • Nasik • Nellore • Panaji • Patna • Pondicherry • Pune • Raichur • Raipur • Rajkot • Ranchi • Salem • Shimla • Shimoga • Siliguri • Solapur • Surat • Tirupati • Tirupur • Trichur • Trichy • Trivendrum • Tirunelveli... Tumkur... Udaipur • Udupi • Varanasi • Vijayawada (also covers Guntur, Tenali & Mangalagiri) • Vizag.

The prospective investor is advised to contact the Investor Service Centres (ISCs) managed by the offices of JM Financial Mutual Fund or Registrar M/s Kavya Computershare Pvt. Ltd for an updated status and for current list of Banks accepting Direct Debit mandates or for the list of cities where ECS facility is available.

**4.** The list of cities/banks for Auto Debit (through ECS/Direct Debit/Standing Instruction) as mentioned above may be modified/updated/changed/removed at any time in future, entirely at the discretion of JM Financial Mutual Fund without assigning any reason or prior notice to investors. In case of removal of any city/bank from the current list, the Auto SIP instructions for investors in such locations/banks will stand automatically discontinued without any prior notice.

**5.** A separate form is required for each SIP date/Scheme/Plan/Option/Sub-Option. Choice of multiple dates/Schemes/Plans/Options/Sub-options through single Form is not permitted. In case, an investor wishes to opt for multiple SIP dates/Schemes/Plans/Options/Sub-options in the same month, he may do so by submitting separate Scheme Application-cum-SIP Mandate Forms for each such SIP due dates/options with separate set of post dated cheques/ Auto Debit (ECS/Direct Debit/Standing Instructions) forms and Account Opening Cheque(s)/Demand Draft(s) for regular SIP. Any single application if received with multiple SIP choices will be summarily rejected and the amount of initial investment refunded without any interest, if the amount of the same is less than the minimum investment

limit fixed for particular Scheme/Plan/Option/sub-option. However, in case the investor is permitted to choose all the six permitted SIP dates through single form.

6. A Minimum of 30 days' time is required for the next installment of SIP through post-dated cheques/Auto Debit (ECS/Direct Debit/Standing Instructions) to take place after the initial application for each SIP date (if opted for multiple dates).
7. Under Regular SIP, the first investment has to be made through physical cheque/DD payable locally at the place of submission of the application. The first cheque/DD has to be of any valid date and not a post dated one on the date of submission. However, in case of remaining post-dated SIP cheques, from 2nd installment onwards, the cheques must contain the opted SIP dates for the entire remaining period out of the permissible SIP dates i.e. 1st, 5th, 10th, 15th, 20th or 25th of a month. Similarly, in case of SIP through Auto Debit (Direct Debit/ECS/Standing Instructions), the investor should choose any of the above mentioned six SIP dates. Similarly, the frequency of SIP (i.e. Monthly/Quarterly) needs to be specified clearly, failing which Monthly frequency will be taken as the default frequency.
8. The second SIP installment of the same opted SIP due date should not fall in the same calendar month.
9. The applicable NAV for all SIP installments under Liquid Funds will be of the day when the funds get cleared and are available to AMC for utilization. For non-liquid schemes, the date of submission of SIP request if the payment instrument is payable locally and in case of outstation payment instrument, the date of availability of funds for utilization by the AMC will be considered for the allotment of NAV in case the instrument is realised. Subsequently, the opted due dates will be considered for allotment of NAV, irrespective of the date of realization for SIP investments under Non-liquid scheme. In case of Special SIP, the opted SIP due date will be the 1st and subsequent SIP date if the SIP due date is after 30 days time of making initial application.
10. In case, any particular SIP due date falls on a non-business day or falls during a book closure period, the immediate next business day will be considered for the purpose of NAV application accordingly.
11. An investor will have to mandatorily abide by the following criteria with regard to Minimum Installment Amount and Minimum Number of Opted & completed installments for normal SIP.

Frequency	Amount per Installment (Rupees in whole Numbers) *	Minimum Mandatory Installments*
Monthly	Rs. 500 to Rs. 999 per month	12 or more out of which 10 installments must be effected
Monthly	Rs. 1000 or more per month	6 or more out of which 5 installments must be effected
Quarterly	Rs. 3000 or more per quarter	2 or more where atleast 2 installment must be effected

\*These conditions are to be fulfilled in addition to other conditions for each SIP cycle independently, failing which the respective SIP will be treated as invalid and will be subject to refund/auto redemption/revertal & reprocessing etc as per the discretion of the AMC. No two or more SIP cases will be clubbed to determine the fulfillment of Minimum Investment Criteria.

12. In order to be treated as a valid SIP application, minimum investment amount criteria as per the Scheme Information Document of the respective scheme e.g Rs. 5,000/- should be received by the AMC as per details mentioned in the above table during the opted period. However, the SIP will be treated as discontinued as per the discretion of the AMC if AMC does not get the funds for any 5 (five) consecutive SIP installments due to any reasons directly attributable to investor or his banker i.e. insufficiency of funds, instruments not drawn properly, payment stopped by investor or due to one time rejection with the reason like Bank Account Closed etc or minimum investment criteria is not met before the discontinuation due to the above or any other reasons, anytime during the opted period.
13. In the event of non-receipt of fund for the first investment/1st SIP installment itself due to dishonour of the cheque, the SIP will automatically be treated as discontinued ab-initio. \*The AMC has the discretion to convert regular SIP to Special SIP as per the conversion condition.
14. All SIP Installments including the first one i.e. initial investment are required to be of the same amount failing which the investment will not be treated as a valid SIP investment and will be subject to the terms and conditions of normal investments.
15. In the event of any of the installment amount being different, the AMC will treat all SIP installments as normal investments and these will be subject to normal load and other provision as applicable on the respective dates of investments. In order to treat such installments as normal investments, the AMC reserves the right to revert and reprocess all previous SIP installments besides discontinuation of SIP for future installments or alternatively the AMC may recover the exemptions/benefits directly from investor or by redeeming the equivalent units from the respective folio. In addition, the AMC will also charge exit load as applicable on the normal investment based on the dates of respective SIP installments. In the event of non-fulfillment of minimum subscription criteria due to non-fulfillment of the other conditions or discontinuation of the SIP on the request by the investor, the AMC reserves the right to redeem/refund with current valuation on the date of review by the AMC.
16. For Regular SIP, the 1st SIP cheque/DD will be considered as Account Opening cheque for existing and new investors. Besides Auto Debit Form/PDCs, the existing investor is required to submit the Common Application Form containing the existing folio number, opted Scheme/Plan/Option Name with opted SIP dates and amount. The remaining fields may only be filled if any updation/change is required.
17. To subscribe to SIP, an Investor has to submit the following documents:
  - i. Scheme Application cum SIP Registration Form
  - ii. Locally Payable Cheque/DD for Initial Investment cum 1st SIP Installment Amount subject to the minimum amount/number of installment as per above mentioned table for Regular SIP. The investor should write the SIP Form/Folio number / the first applicant's name on the reverse of the cheque/s accompanying the SIP Form. No need to submit any payment instrument towards first installment in case of Special SIP
  - iii. Post-dated cheques for remaining period drawn on any city in India OR
  - iv. Auto Debit (through ECS/Direct Debit) Registration cum Mandate Form OR
  - v. Standing Instructions Mandate by HDFC Bank Account Holders
  - vi. A photo copy of the cheque/cancelled cheque from the same account where future installments are to be debited if opted for SIP through Auto Debit (through ECS).
  - vii. Copy of KYC acknowledgement & PAN card (exempted for Micro SIP)
18. As per SEBI guidelines and as per Rule 114 (B) of Income Tax Rules, 1962, it is mandatory for every/all the joint investor/s to submit verified copy of his/her/their PAN Card for all investments irrespective of the amount involved including SIP while opening the SIP Account. Even NRI investor is also required to submit the same. However, for Micro SIP, the submission of PAN Card copy has been exempted.
19. If the investment is in the name of a minor, the verified copy of PAN Card of the minor or his father or mother or legal guardian, who represents the minor, should be submitted.
20. The investor will not hold JM Financial Asset Management Pvt Ltd., its Registrars and other service providers responsible, if the transaction is delayed or not effected or the investor's bank account is debited in advance or after the specific SIP date due to various cycles of ECS/Clearing.
21. The investor/s agree/s to abide by the terms and conditions of ECS facility of Reserve Bank of India (RBI) in case of SIP through ECS.

**Conversion of Regular SIP to Special SIP:** The AMC at its discretion may treat the investment made under Regular SIP (ECS/Direct Debit) as having been made under Special SIP if the 1st payment instrument bounces back as unpaid whereas payment for 2nd installment is received in the meantime. However, in such event, all the provisions of Special SIP will be applicable including load structure, as applicable on the date of 1st installment through Special SIP (i.e. 2nd installment through Regular SIP). Accordingly, the AMC will re-register the period of subscription through Special SIP, suitably.

**Renewal / Continuation of existing SIP:** In case, the existing SIP investor is willing to continue/extend his/her/their



existing SIP in the same plan of the same scheme for further period of 6 or more months, he/she/they may do so by:

**1. Auto Debit (ECS/Direct Debit):** Submitting a fresh Auto Debit (ECS/Direct Debit) Form before the expiry of last SIP due date to avoid break in SIP period and render it to be invalid (fresh Common Application Form is not required).

**2. Standing Instruction:** In case of HDFC Bank account holder by submitting a fresh Standing Instruction Form with Common Application Form and cheque towards first installment before the expiry of last SIP due date to avoid break in SIP period and render it to be invalid.

**3. Post Date Cheque:** Submitting the fresh set of PDCs with fresh signed Common Application Form by filling fresh SIP details and change if any.

#### Discontinuation of SIP

**For ECS/Direct Debit cases :** For discontinuation of SIP through ECS / Direct debit, the unitholder is required to intimate the AMC / Registrar at least 15 calendar days prior to the next installment for the respective due date. However, such SIP installment will remain live until the investor's banks confirms having noted the cancellation of debit instructions given by the investor under Direct Debit/Standing Instruction.

**For Standing Instruction of HDFC Bank cases:** The investors will have to fill up Standing Instruction Form with cancellation option and submit to AMC and/or register at least 15 calendar days prior to the next installment based on which the Registrar will take up the matter with HDFC Bank to register the cancellation request and to stop future SIP

**For Post Dated Cheques:** In case of physical post-dated cheques, the minimum notice period for discontinuation is 30 calendar days. On receipt of valid SIP cancellation request, However, the AMC/Registrar will try to discontinue the SIP for remaining period on best effort basis due to the time and process involved and the balance post dated cheques if any will be returned to the investor

**Termination of SIP:** In the event of not meeting any one or more of the above mentioned criteria, the SIP will stand terminated and the investor will be required to make a fresh SIP application if he is desirous of availing this facility in future also. The fresh application will be subject to the current terms and conditions of the respective scheme/plan/option.

#### B. SYSTEMATIC TRANSFER PLAN (STP) / SYSTEMATIC WITHDRAWAL PLAN (SWP)

(These facilities are available only for Open-ended (other than JM Tax Gain Fund) Schemes

- STP provides for transfer of specified amount from one scheme/plan/option in which the original investment is made to any other scheme/plan/option of JM Financial Mutual Fund, at the end of specified periodic interval viz.,
  - Daily (Chhota) STP/Combo SIP (on all business days) .
  - Weekly (i.e.1st, 8th, 15th & 22nd )
  - Fortnightly (i.e. 1st and 15th)
  - Monthly (1st, 5th , 10th, 15th , 20th and 25th ) or
  - Quarterly ( on 1st Business Day of the next month & subsequently on first of every quarter ) .
- SWP provides for
  - withdrawal of capital appreciation (Capital Appreciation Withdrawal (CAW)) over the opted period or
  - withdrawal of specific amount (Fixed Amount Withdrawal) (FAW) by redemption from a scheme at the end of a specific interval .

Under SWP, the frequency can be either

  - Monthly (1st, 5th , 10th, 15th , 20th and 25th ) or
  - Quarterly (i.e. 1st Business Day of every quarter after the start)
- In order to start the STP/SWP, the investor must have investment equivalent to or more than the Minimum Investment Amount (whichever is higher) in the scheme/plan/option concerned on the 1st opted STP/SWP date . However, the investor is not required to maintain the same balance after processing the 1st STP/SWP installment. The last installment may be equivalent to or less than the opted installment amount.
- Minimum amount for transfer and available dates for STP are as under :

Frequency	Amount per installment\$	Starting dates during any month	Minimum mandatory Installments (equal amount)	Minimum period required to start 1st STP/extend the STP after receiving the request	Revertal and Reprocess with load or recovery of load if following conditions are not met®
Daily (Chhota STP/ Combo SIP)	Rs. 100/- \$	Any business day	60	Min 15 calendar days	If 50 out of first 90 installments could not be effected
Weekly	Rs. 1000/-	1 <sup>st</sup> , 8 <sup>th</sup> , 15 <sup>th</sup> , 22 <sup>nd</sup> (after 22nd the next date will automatically be 1st of next month)	6	Min 15 calendar days	If five installments out of the first six installments could not be effected.*
Fortnightly	Rs. 1000/-	1 <sup>st</sup> and 15 <sup>th</sup>	6	As above	As above
Monthly	Rs. 1,000/-	1 <sup>st</sup> , 5 <sup>th</sup> 15 <sup>th</sup> & 25 <sup>th</sup>	6	As above	as above
Quarterly	Rs. 3,000/-	1 <sup>st</sup> Business Day of the next month subject to the minimum gap of 15 calendar days from the date of receipt of STP request and subsequently after every quarter from the start month.	2	As above	If the first two installments are not effected.*

\$ Further, in multiples of Re 1/- after the above minimum limit fixed for each STP installment as per the frequency opted or as per the features of respective schemes e.g. Daily STP under JM Tax Gain Fund with less than Rs. 500 is not possible since the minimum investment is Rs. 500/- and further in multiples of Rs. 500/- each being governed by Equity Linked Savings Scheme of Govt of India.

\* Or in the event of failure of two consecutive STP installments, the STP request will stand terminated and the investor will have to make a fresh application for availing of this facility subject to the current terms & conditions applicable for fresh STP cases."

- In the event of non-fulfillment of any of the criteria i.e. minimum subscription or minimum number of installments or failure etc, the AMC/Registrar will revert all the previous installments and reprocess with the same with loads as applicable on the respective due dates. Alternatively, the AMC may recover the amount of load waived/exemptions given for all installments directly from investor or by debit to his folio/s maintained with JM Financial Mutual Fund. In the event of non-fulfillment of minimum subscription criteria of the opted scheme, the AMC shall revert and refund by redeeming the outstanding units.

- For SWP, a minimum of 15 calendar days time is required to start. In case of Quarterly SWP, the subsequent quarterly SWP installment will fall due after completion of 3 months from the start date.
- In case, it is not possible for the AMC/Registrar to start the STP/SWP from the opted start date due to the insufficiency of time given by the investor, the AMC/Registrar will automatically process the first STP/SWP on the opted due date from the next month after the opted starting month e.g. In case investor applies for STP/SWP on 18th Aug 2009 for effecting 1st STP/SWP from 1st Sept , 2009, AMC/Registrar may process the same from 1st of Oct , 2009 due to insufficiency of time given. In such a case, the ending period will be extended automatically by another month.
- Minimum amount for withdrawal under SWP is fixed as under :
  - Fixed Amount Withdrawal (FAW) : Rs.1,000/- per month or Rs.3,000/- per quarter and Further in multiples of Re.1/- thereafter.
  - Capital Appreciation Withdrawal(CAW) Entire Capital Appreciation over the previous due date to current due date subject to a minimum of Rs. 100 under monthly option and Rs. 300/- under quarterly option
- In case the opted STP/SWP day falls on a non-business day, the next business day shall be deemed to be the transaction day for that month or quarter as the case may be.
- Each installment under STP/SWP cannot exceed the original investment amount divided by the number of installment chosen subject the fulfillment of minimum STP/SWP criteria for respective frequency. In case of multiple STP/SWP dates, the total number of installments will be taken into account while fixing up the maximum installment amount.

**JM Arbitrage Advantage Fund:** The due date for processing STP-out/SWP installment for these schemes is based on the 'interval period' every month i.e. the settlement date of Future and Options Market subject to the condition that such request is made by investor 15 days prior to the next settlement date to start the STP/SWP. In case of insufficiency of time, the AMC/Registrar will process the 1st STP/SWP on the settlement date after the next settlement. Subsequent installments will be processed on respective settlement dates after the starting settlement date .The due date for SWP/ STP installment under quarterly option will also be on the next settlement date subject to the condition that such request is made by investor 15 days prior to the next settlement date to start the STP/SWP. In case of insufficiency of time, the AMC/Registrar will process the 1st STP/SWP on the settlement date after the next settlement. Subsequent installments will be processed on settlement dates after a calendar from the start date and so on .

#### General :

- In case, the investor does not mention the name of Plan, Options, Sub-Options, AMC/Registrar will allot the units as per default Plans/Options/Sub-Options.
- JM Financial Asset Management Pvt. Ltd., its Registrars and other service providers shall not be responsible and liable for any damage/ compensation for any loss, damage, etc. incurred by the investor, in any manner. The investor assumes the entire risk of using this facility and takes full responsibility.



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## TERMS & CONDITIONS

### SIP payment through Standing Instruction to HDFC Bank Limited

1. Please read this Form in conjunction with the SIP Terms and Conditions mentioned on the reverse of the SIP Auto Debit (ECS/DD) Registration Form before applying.
2. This facility is offered only to the investors having bank accounts with HDFC Bank Limited.
3. Please submit the following documents atleast 30 days before the first SIP date through Standing Instruction, i. e. next installment.

#### For All New & Existing Investors

Separate Common Application Form for the respective Scheme(s)\*/Plan/Option

Separate Standing Instruction Facility Form for each application

First SIP Cheque along with each SIP application

\* included in the Key Information Memorandum

4. Standing Instruction Facility is available on a monthly / quarterly basis for any of these specified dates viz. 1st / 5th / 10th / 15th / 20th / 25th.
5. The first cheque should be drawn on any bank, which is situated at and is a member of the Bankers clearing house, located at the place where the application is submitted.
6. First SIP Cheque and subsequent SIP installments via Standing Instruction should be of the same amount. Please fill up the Standing Instructions Form for each opted SIP date/Scheme/Plan/Option/Sub-Option.
7. The investor agrees to abide by the terms and conditions of Standing Instruction Facility of HDFC Bank Limited.
8. Investor will not hold HDFC Bank Limited / JM Financial Mutual Fund / JM Financial Asset Management Private Limited / JM Financial Trustee Company Pvt. Ltd. / its registrars and other service providers responsible if the transaction is delayed or not effected or the investor bank account is debited in advance or after the specific SIP date due to local holidays or any other reason.
9. HDFC Bank Limited / JM Financial Mutual Fund / JM Financial Asset Management Private Limited / JM Financial Trustee Company Pvt. Ltd. / its registrars and other service providers shall not be responsible and liable for any damages / compensation for any loss, damage etc. incurred by the investor. The investor assumes the entire risk of using this facility and takes full responsibility.
10. HDFC Bank Limited / JM Financial Mutual Fund / JM Financial Asset Management Private Limited, reserves the right to reject any application without assigning any reason thereof.
11. The investor may please refer to the Key Information Memorandum / Scheme Information Document of respective Scheme(s) for Applicable NAV, Risk Factors, Load and other information.
12. The investor may choose to discontinue this facility by giving Thirty days notice prior to the next SIP due date by written notice to any of the JM Financial Mutual Fund Investor Service Centres managed by JM Financial Mutual Fund by ticking the appropriate box in printed overleaf and sign the same.

#### TERMS & CONDITIONS AND INSTRUCTIONS FOR SYSTEMATIC INVESTMENT PLANS

The existing and prospective Investor is advised to refer to the Scheme Information Document and Key Information Memorandum of the respective schemes carefully before applying for the enrollment under the Systematic Plan.

The Clause on "Minimum Amount of subscription" as specified in the Scheme Information Document of the respective scheme will not be applicable for investments made through the first installment of Systematic Investment/Transfer Plan. For example, the minimum investment amount for 1st investment in JM Basic Fund is Rs.5,000/-. However, in case of SIP, an investor can invest with minimum installment amount of Rs.1,000/- or Rs.500/- per month or Rs. 3000/- per quarter as per the following table so as to meet the Minimum Investment Amount over the opted period.

Amount per Installment (Rupees in whole Numbers) *	Minimum Mandatory Installments*
Rs. 500 to Rs. 999 per month (For Monthly Frequency)	12 or more out of which 10 installments must be effected
Rs. 1000 or more per month (For Monthly Frequency)	6 or more out of which 5 installments must be effected
Rs. 3000 or more per quarter (For Quarterly Frequency)	2 or more where atleast 2 installment must be effected

\*These conditions are to be fulfilled in addition to other conditions.

All applicants are deemed to have accepted the terms and conditions upon tendering the payment and submitting the application form for investment and Systematic Plan. The other terms & conditions for respective Systematic Plans are mentioned on the reverse page of SIP Auto Debit form. AMC will revert and reprocess the previous SIP instalments with load or recover the applicable load amount if any of the above mentioned conditions and other terms and conditions of SIP facility are not fulfilled. The AMC also reserves the right to stop or cancel and / or redeem outstanding units if the investor fails to comply with the SIP criteria including failure of two consecutive installments or minimum number of installments or minimum investment amount etc..

The investor/s by signing overleaf undertake/s to keep sufficient funds in the funding account on the date of execution of standing instruction. The investor/s declare/s that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, The investor/s would not hold the Mutual Fund or the Bank responsible if the date of debit to my/ our account happens to be a non business day as per the Mutual Fund, execution of the SIP will happen on the day of holiday and allotment of units will happen as per the Terms and Conditions listed in the Scheme Information Document of the Mutual Fund. HDFC Bank shall not be liable for, nor be in default by reason of, any failure or delay in completion of its obligations under this Agreement, where such failure or delay is caused, in whole or in part, by any acts of God, civil war, civil commotion, riot, strike, mutiny, revolution, fire, flood, fog, war, lightening, earthquake, change of Government policies, Unavailability of Bank's computer system, force majeure events, or any other cause of peril which is beyond HDFC Bank's reasonable control and which has the effect of preventing the performance of the contract by HDFC Bank. The investor/s acknowledge/s that no separate intimation will be received from HDFC Bank in case of non-execution of the instructions for any reasons whatsoever.





# Key Information Memorandum

## Offer of units for subscription at Net Asset Value (NAV) based prices

### OPEN-ENDED GROWTH SCHEMES

JM CORE 11 FUND

JM EQUITY FUND

JM MULTI STRATEGY FUND

### OPEN-ENDED SECTOR EQUITY SCHEMES

JM BASIC FUND

### OPEN-ENDED EQUITY LINKED SAVINGS SCHEME

JM TAX GAIN FUND

### OPEN-ENDED BALANCED SCHEME

JM BALANCED FUND

### OPEN-ENDED EQUITY ORIENTED INTERVAL FUND

JM ARBITRAGE ADVANTAGE FUND

### OPEN-ENDED LIQUID SCHEMES

JM FLOATER FUND - SHORT TERM PLAN

JM HIGH LIQUIDITY FUND

### OPEN-ENDED INCOME SCHEME

JM FLOATER FUND - LONG TERM PLAN

JM INCOME FUND

**JM MIP FUND** (An open-ended monthly income fund with no assured return)

**JM MONEY MANAGER FUND**

**JM SHORT TERM FUND**

### OPEN-ENDED GILT SCHEME

**JM G-SEC FUND**

**SPONSOR:** JM Financial Ltd. **TRUSTEE:** JM Financial Trustee Company Private Limited **REGISTRAR:** Karvy Computershare Private Limited.  
**INVESTMENT MANAGER:** JM Financial Asset Management Private Limited, 502, 5th Floor, A Wing, Laxmi Towers, Badra - Kurla Complex, Mumbai – 400 051.  
**Tel. :** (022) 6198 7777 **Fax :** (022) 2652 8388 **Website:** www.jmfinancialmf.com **E-mail:** investor@jmfinancial.in

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 Scheme Information Document (SID) available free of cost at any of the Investor Service Centres or distributors or from the website www.JMFinancialmf.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.**

The date of this Key Information Memorandum is April 27, 2012

## JM SCHEMES RECKONER

### MINIMUM CRITERIA FOR INVESTMENT & REDEMPTION

As mentioned in the reckoner table for normal transactions other than through SIP/STP. **Additional Purchase :** Rs. 1,000/- or any amount thereafter in all schemes except JM Tax Gain Fund. In case of JM Tax Gain Fund, additional purchase is in multiples of Rs. 500/- each. **Repurchase :** Minimum redemption from existing Unit Accounts for normal transactions other than through STP/SWP would be a) Rs. 500 and any amount thereafter OR b) 50 units or any number of units thereafter subject to keeping a minimum balance of 500 units or Rs. 5000/- whichever is less. c) for all the units in the folio for the respective plan if the available balance is less than Rs. 500/- or less than 50 units on the day of submission of valid redemption request.

**Reckoner and Default Options:** In case an investor fails to specify his preference of Plans/Sub- Plans/Options/Sub-Options, in the below mentioned schemes, the default Plans/Sub-Plans/Options/Sub-Options for purchase transactions would be as under

### EQUITY SCHEMES

		Currently available facilities								
Sr. no.	Schemes	Allotment Date	Min. investment amnt.	Options	Sub Options	Default Option	Default Sub Option	Exit Load @@@	Lock-in Periods @@@	Redemption Time#
1	JM - Arbitrage Advantage Fund	July 18, 2006	Rs. 5000/-	Dividend	Payout / Reinvestment	Growth	Reinvestment	0.50%	30 Days	T+3 (*) Business Days
				Growth						
2	JM Balanced Fund	April 1, 1995	Rs. 5000/-	Dividend	Payout / Reinvestment	Growth	Reinvestment	1.00%	365 Days	T+3 Business Days
				Growth						
3	JM Basic Fund	June 2, 1997	Rs. 5000/-	Dividend	Payout / Reinvestment	Growth	Reinvestment	1.00%	365 Days	T+3 Business Days
				Growth						
4	JM Core 11 Fund	March 5, 2008	Rs. 5000/-	Dividend	Payout / Reinvestment	Growth	Reinvestment	1.00%	365 Days	T+3 Business Days
				Growth						
5	JM Equity Fund	April 1, 1995	Rs. 5000/-	Dividend	Payout / Reinvestment	Growth	Reinvestment	1.00%	365 Days	T+3 Business Days
				Growth						
6	JM Multi Strategy Fund	September 23, 2008	Rs. 5000/-	Dividend	Payout / Reinvestment	Growth	Reinvestment	1.00%	365 Days	T+3 Business Days
				Growth						
7	JM Tax Gain Fund	March 31, 2008	Rs. 500/- or in multiples of Rs. 500/- each	Dividend	Payout	Growth	Payout	NIL	&&	T+3 Business Days
				Growth						

**&& JM Tax Gain Fund :-** The scheme falls in the ELSS category and is eligible for tax benefits under section 80C of Income Tax Act. There is a lock-in period of 3 years under the Scheme. # AMC would adhere to the aforesaid service standards for redemption payments on best efforts basis under normal circumstances subject to the overall 10 business days as stipulated by SEBI. **\*JM - Arbitrage Advantage Fund:** Redemption request can be submitted to the official point of acceptance on any business day till 3.00 pm. All redemption requests received till Friday (in case such Friday is a holiday then the last business day) of the week preceding the interval period, would be processed at the NAV of the Interval Period. The Interval period will be the settlement Thursday (the settlement day for derivatives segment in the NSE which is currently last Thursday of the month) or any day which is declared as the settlement day for Derivatives segment by the NSE.

### DEBT SCHEMES

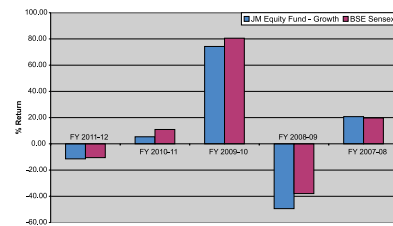
Sr. no.	Schemes	Currently available facilities				Default			Exit Load @%%	Lock-in Periods @%%	Redemption Time #					
		Min. invest-ment amt.	Plans	Options	Sub Options	Default Plan	Default Option	Default Sub Option								
1	JM Money Manager Fund	Rs. 5000/-	Regular Plan	Daily Dividend	Auto Reinvestment	Super Plus Plan	Daily Dividend	Auto Reinvestment	0.25%	45 Days	T+1 Business Days					
				Weekly Dividend												
				Fortnightly Dividend												
				Growth												
			Super Plan	Daily Dividend	Auto Reinvestment	Super Plus Plan	Daily Dividend	Auto Reinvestment	0.10%	30 Days						
				Weekly Dividend												
				Fortnightly Dividend												
				Growth												
			Super Plus Plan	Daily Dividend	Auto Reinvestment	Super Plus Plan	Daily Dividend	Auto Reinvestment	NIL	NIL						
				Weekly Dividend												
				Fortnightly Dividend												
				Growth												
2	JM Floater Fund - Short Term Plan	Rs. 5000/-		Daily Dividend	Reinvestment	-	Daily Dividend	Auto Reinvestment	NIL	NIL	T+1 Business Days					
3	JM G Sec Fund	Rs. 5000/-	Regular Plan	Dividend	Payout* / Reinvestment	-	Growth	Dividend Reinvestment	NIL	NIL	T+1 Business Days					
				Growth												
4	JM High Liquidity Fund	Rs. 5000/-	Regular Plan	Daily Dividend	Auto Reinvestment	If investment amt is < Rs. 1 crore then Regular; if investment amount is equal to or more than Rs. 1 crore but less than Rs. 5 crores then Institutional Plan. If investment amount is equal to or more than Rs. 5 crores then Super Institutional Plan	Daily Dividend	Auto Reinvestment	NIL	NIL	T+1 Business Days					
				Weekly Dividend	Payout* / Reinvestment											
				Quarterly Dividend												
				Growth												
		Rs. 1,00,00,000/-	Institutional Plan	Daily Dividend	Auto Reinvestment		Daily Dividend	Auto Reinvestment								
				Weekly Dividend	Payout* / Reinvestment											
				Growth												
Rs. 5,00,00,000/-	Super Institution- al Plan	Daily Dividend	Auto Reinvestment	Daily Dividend	Auto Reinvestment											
		Weekly Dividend	Payout* / Reinvestment													
		Growth														
5	JM Income Fund	Rs. 5000/-	-	Dividend	Payout* / Reinvestment		Growth	Dividend Reinvestment	1.00%	365 Days	T+1 Business Days					
				Growth												
6	JM Floater Fund - Long Term Plan	Rs. 5000/-	Regular Plan	Dividend	Payout*/ Reinvestment	Premium Plan	Daily Dividend	Auto Reinvestment	NIL	NIL	T+1 Business Days					
				Daily Dividend / Weekly Dividend	Auto Reinvestment											
				Growth												
			Premium Plan	Dividend	Payout* / Reinvestment		Daily Dividend	Auto Reinvestment								
				Daily Dividend / Weekly Dividend	Auto Reinvestment											
				Growth												
7	JM MIP Fund	Rs. 5,000/-	-	Monthly Dividend/ Quarterly Dividend/ Annual Dividend	Payout* / Reinvestment	-	Monthly Dividend	Payout*	0.50%	182 Days	T+2 Business Days					
				Growth												
8	JM Short Term Fund	Rs. 5000/-	Regular Plan	Dividend	Payout* / Reinvestment	If investment amt is < Rs. 1 lac then Regular, else Institutional	Growth	Dividend Reinvestment	0.25%	30 Days	T+1 Business Days					
				Daily Dividend	Reinvestment											
				Growth												
		Rs. 100000/-	Institutional Plan	Dividend	Payout* / Reinvestment							Daily Dividend	Reinvestment			
				Daily Dividend	Reinvestment											
				Growth												

# AMC would adhere to the aforesaid service standards for redemption payments on best efforts basis under normal circumstances subject to the overall 10 business days as stipulated by SEBI.

@@@ The exit load shown in the above table are applicable for allotment of units for investment made through fresh purchases/switch-in/shift-in or through respective SIP/STP/SWP Instalments out of the fresh registration effected during the period when above exit load rates are applicable. The exit load are subject to change at any time. Hence, all Investors are advised to check the current exit load from the nearest Investor Service Centers before investment. In case, the investor does not mention the name of Plan/Options/Sub-Options/or wherever there is an ambiguity in choice of Plan/Option/Sub-Option opted for, the AMC/Registrar will allot the units as per default Plans/Options/Sub-Options. In case, it is not possible to decide about the default Plans/Options/Sub-Options, then the application will be treated as invalid and summarily rejected. In case of purchase transactions, where there is a mismatch in the amounts on the Transaction Slip / Application Form and the payment instrument / credit received, the AMC may at its discretion allot the units for the lesser of the two amounts and refund / utilize the excess, if any, for any other transaction submitted by the same investor, subject to the fulfillment of other regulatory requirements for the fresh transaction.

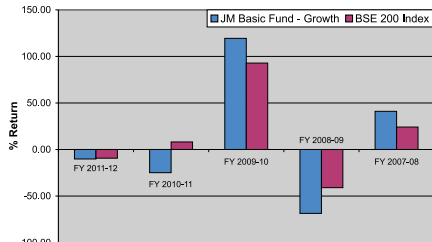
**Note:** Dividend shall be declared at the discretion of the Trustee subject to the availability of distributable profits as compiled in accordance with SEBI (Mutual Funds) Regulations, 1996. \*No dividend under Dividend Plan shall be distributed in cash even for those unitholders who have opted for payout where such dividend on a single payout is less than Rs.100/-. Consequently, such dividend (less than Rs.100/-) shall be compulsorily re-invested except under JM Tax Gain Fund as there is no dividend reinvestment option under the scheme.



HIGHLIGHTS OF THE SCHEME(S)																			
Name(s) of the Scheme(s)		JM Equity Fund				JM Multi Strategy Fund				JM Core 11 Fund									
Type of Scheme		An open-ended growth scheme				An open ended equity oriented scheme				An open ended equity oriented scheme									
Investment Objective		To provide optimum Capital growth and appreciation.  However, there can be no assurance that the investment objectives of the Scheme will be realized. The Scheme does not guarantee/indicate any returns.				To provide capital appreciation by investing in equity and equity related securities using a combination of strategies				To provide long-term growth by investing predominantly in a concentrated portfolio of equity / equity related instruments of companies.									
Investment Strategy		JM Equity Fund seeks to invest a substantial portion of its portfolio in equity and equity related instruments. Under normal circumstances, around 80% of the corpus shall be deployed in such securities and the balance in debt/ money market instruments. However, whenever the valuations of securities rise in a sharp manner, the AMC will take advantage of trading opportunities presented and in such a scenario, the Fund will have a high turnover rate.				The Scheme proposes to invest primarily in equities and equity related securities using a combination of strategies. Depending on the prevailing market conditions, the Scheme will either adopt the growth or value style of investing. During benign market conditions, the Scheme will act like an aggressive growth fund with a concentrated portfolio of say 25 – 30 stocks with a targeted portfolio beta of greater than 1 whereas in a bearish market the Scheme will have a low volatility conservative portfolio of larger number of stocks in the range of 40 to 60 stocks with a targeted portfolio beta of less than 1.				The Scheme will have a concentrated portfolio with not more than 11 stocks in the portfolio with each stock being invested to the extent of 9.09% of the NAV of the Scheme. The portfolio will be rebalanced on a fortnightly basis so as to prevent any one stock going above the targeted concentration range. To prevent stagnancy of the portfolio, the portfolio will be reviewed on a half yearly basis whereby some stocks would be replaced.									
Asset Allocation Pattern of the Scheme		Type of Instruments		Normal Allocation (% of net assets)		Risk Profile		Type of Instruments		Normal Allocation (% of net assets)		Risk Profile							
		Equity		80% to 100%		High		Equity & equity related instruments (including equity derivatives)**		65% to 100%		Medium to High							
		Debt, Money market and short term debt inst maturing within one year		0% to 20%		Low		Money market instruments / debt securities (including securitized debt* to the extent of 20%)		0% to 35%		Low to Medium							
		The notional value of derivatives shall not exceed the AUM of the scheme.						**The notional value of derivatives shall not exceed the AUM of the scheme. * excluding foreign securitized debt. The AMC intends to invest in derivative instruments in accordance with the SEBI Regulations, as and when opportunities arise in the derivatives markets. The investment in derivatives will be broadly in line with the investment objective of the Scheme.											
Risk Profile of the Scheme		Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment.				Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment.				Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment.									
Plans and Options		Dividend (Payout & Reinvestment option) & Growth				Dividend Plan (Payout & Reinvestment option) & Growth Plan				Dividend Plan (Payout & Reinvestment option) & Growth Plan									
Applicable NAV		Details are set out in subsequent pages.				Details are set out in subsequent pages.				Details are set out in subsequent pages.									
Minimum Application Amount / No. of Units		Refer JM SCHEMES RECKONER on page 1				Refer JM SCHEMES RECKONER on page 1				Refer JM SCHEMES RECKONER on page 1									
Dispatch of Repurchase / Redemption request		Details are set out in subsequent pages.				Details are set out in subsequent pages.				Details are set out in subsequent pages.									
Benchmark Index		BSE Sensex				BSE 500 Index				BSE Sensex									
Dividend Policy		Details are set out in subsequent pages.				Details are set out in subsequent pages.				Details are set out in subsequent pages.									
Name of the Fund Manager		Sanjay Chhabaria				Sanjay Chhabaria				Asit Bhandarkar									
Performance of the Scheme		Compounded annualized returns (%) of Growth option as on March 31, 2012.				Compounded annualized returns (%) of Growth option as on March 31, 2012.				Compounded annualized returns (%) of Growth option as on March 31, 2012.									
Compounded annualized returns		Returns		1 year		3 years		5 years		Since inception*									
		JM Equity Fund		(10.82)		18.16		(0.15)		7.21									
		BSE Sensex		(9.75)		22.05		5.89		10.35									
		* Date of inception = Date of allotment i.e. 01.04.1995 Note: Compounded Annualised Growth Returns (CAGR) for period 1 year or more, with reinvestment of dividends (if any). Past performance may or may not be sustained in future.																	
																			
Entry Load		NIL				NIL				NIL									
Exit Load		1.00% of NAV on all investment (including SIP/ STP/ SWP) transactions, if redeemed / switched-out within 365 days of transfer/ allotment of units in normal transactions/ allotment of units of respective installments in SIP/ STP/ SWP transactions.				1.00% of NAV on all investment (including SIP/ STP/ SWP) transactions, if redeemed / switched-out within 365 days of transfer/ allotment of units in normal transactions/ allotment of units of respective installments in SIP/ STP/ SWP transactions.				1.00% of NAV on all investment (including SIP/ STP/ SWP) transactions, if redeemed / switched-out within 365 days of transfer/ allotment of units in normal transactions/ allotment of units of respective installments in SIP/ STP/ SWP transactions.									
(ii) Recurring expenses [% of Net Assets]		First Rs.100 crores		Next Rs.300 crores		Next Rs. 300 crores		For the Balance Assets		First Rs. 100 Crores		Next Rs. 300 Crores		Next Rs. 300 Crores		For the Balance Assets			
		2.50%		2.25%		2.00%		1.75%		2.50%		2.25%		2.00%		1.75%			
		Actual Expenses for the period 1st April 2011 to 31st March 2012: 2.50%						Actual Expenses for the period 1st April 2011 to 31st March 2012 : 2.36%						Actual Expenses for the period 1st April 2011 to 31st March 2012 : 2.50%					
No. of Folios as on 31.03.2012		19034				105645				8242									
Quarterly Avg. AUM (In Crores) - Jan 12 to Mar 12		47.17				231.14				56.57									

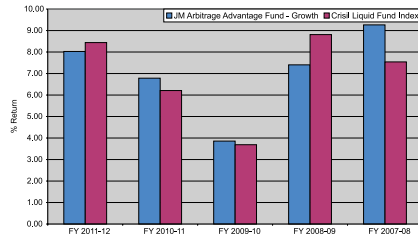
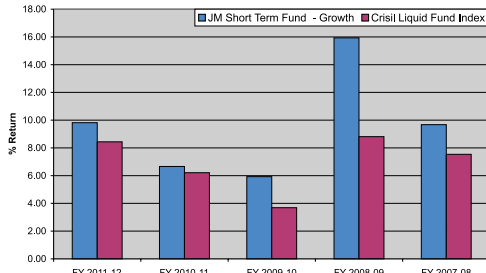
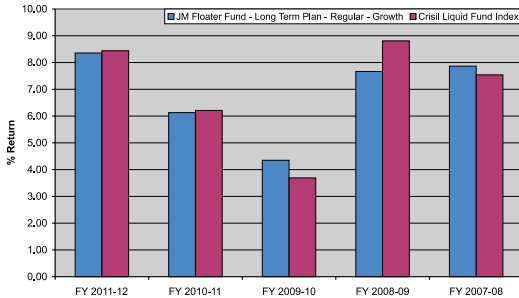
HIGHLIGHTS OF THE SCHEME(S)				
Name(s) of the Scheme(s)	JM Basic Fund			JM Tax Gain Fund
Type of Scheme	An open-ended sector scheme			An Open-Ended Equity Linked Savings Scheme
Investment Objective	To its Unitholders through judicious deployment of the corpus of the Scheme in sectors categorized under “basic industry” in the normal parlance and in context of the Indian economy, including but not limited to, energy, petrochemicals, oil & gas, power generation & distribution, electrical equipment suppliers, metals and building material. The fund would continue to remain open-ended with a sector focus.  However, there can be no assurance that the investment objectives of the Scheme will be realized. The Scheme does not guarantee/indicate any returns.			To generate long-term capital growth from a diversified and actively managed portfolio of equity and equity related securities and to enable investors a deduction from total income, as permitted under the Income Tax Act, 1961 from time to time.  However, there can be no assurance that the investment objectives of the Scheme will be realized. The Scheme does not guarantee/indicate any returns.
Investment Strategy	Under normal circumstances, the corpus would be invested in equities and equity type securities categorized under “basic industry” in the normal parlance and in context of the Indian economy, including but not limited to, energy, petrochemicals, oil & gas, power generation & distribution and electrical equipment suppliers, metals and building materials. The fund would continue to remain open-ended with a sector focus. Exposure of investment in individual scrip if part of the Sectoral Index shall not be restricted to 10% of NAV as Clause 10 of Seventh Schedule of SEBI Regulations has clarified that the limit of 10 percent shall not be applicable for investments in index fund or sector or industry specific scheme.			The Mutual Fund adopts a scientific approach to investments. Securities are selected for various funds by the fund managers based on a continuous study of trends in industries and companies, including management capabilities, global competitiveness, earning power, growth/ payout features and other relevant investment criteria, which would, inter-alia include evaluation of the outlook of the economy, exposure to various industries and geographical regions, evaluation of the intrinsic worth of specific opportunities such as primary market transactions, private placements etc.
Asset Allocation Pattern of the Scheme	Type of Instruments	Normal Allocation (% of net assets)	Risk Profile	Type of Instruments
	Equity & equity related instruments (including equity derivatives)	80% to 100%	High	Equity and Equity related instruments*
	Debt securities & Money market instruments	0% to 20%	Low	Money Market Instruments / Debt
	Securitised Debt	0% to 20%	Low	*In accordance with the ELSS notification of November, 2005, the Funds collected under the Scheme shall be invested in equities, cumulative convertible preference shares and fully convertible debentures and bonds of companies. Investment may also be made in partly convertible issues of debentures and bonds including those issued on rights basis subject to the condition that, as far as possible, the non-convertible portion of the debentures so acquired or subscribed, shall be disinvested within a period of twelve months. The scheme falls in the ELSS category and is eligible for Tax Benefits under section 80C of Income Tax Act, 1961.
Name(s) of the Scheme(s)	Type of Instruments	Normal Allocation (% of net assets)	Risk Profile	JM Balanced Fund
	Equity & Equity related instruments	65% to 75%	Medium to High	An Open-Ended Balanced Scheme
	Debt securities (including fixed income derivatives and securitized debt*) and money market instruments	25% to 35%	Low to Medium	To provide steady current income as well as long term growth of capital.  However, there can be no assurance that the investment objectives of the Scheme will be realized. The Scheme does not guarantee/indicate any returns.
The notional value of derivatives shall not exceed the AUM of the scheme.				
* Allocation in securitized debt will not exceed 10% of the net assets				



HIGHLIGHTS OF THE SCHEME(S)					
Name(s) of the Scheme(s)	JM Basic Fund	JM Tax Gain Fund	JM Balanced Fund		
Risk Profile of the Scheme	Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment.	Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment.	Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment.		
Plans and Options	Dividend Plan (Payout & Reinvestment option) & Growth Plan	Dividend Plan (Payout only) & Growth Plan	Dividend Plan (Payout & Reinvestment option) & Growth Plan		
Applicable NAV	Details are set out in subsequent pages.	Details are set out in subsequent pages.	Details are set out in subsequent pages.		
Minimum Application Amount / No. of Units	Refer JM SCHEMES RECKONER on page 1	Refer JM SCHEMES RECKONER on page 1	Refer JM SCHEMES RECKONER on page 1		
Dispatch of Repurchase / Redemption request	Details are set out in subsequent pages.	Details are set out in subsequent pages.	Details are set out in subsequent pages.		
Benchmark Index	w.e.f. November 1, 2010 , the benchmark index of JM Basic Fund has been changes to BSE 200 from BSE Basic Industries Index (Disclaimer Pls refer Pg no. 11.	BSE 500 Index	CRISIL Balanced Fund Index (CBFI)		
Dividend Policy	Details are set out in subsequent pages.	Details are set out in subsequent pages.	Details are set out in subsequent pages.		
Name of the Fund Manager	Asit Bhandarkar	Sanjay Chhabaria	Sanjay Chhabaria		
Performance of the Scheme Compounded annualized returns	Compounded annualized returns (%) of Growth option as on March 31, 2012.				
	Returns	1 year	3 years	5 years	Since Inception*
	Basic Growth Fund	(10.14)	15.18	(8.11)	16.71
	BSE BII**	(8.77)	24.38	6.74	12.71
	* Date of inception = Date of allotment i.e. 02.06.1997				
	**Benchmark Index has been changed from S&P CNX Petrochemical Index to BSE Basic Industries Index w.e.f. June 22,2005				
	Note: Compounded Annualised Growth Returns (CAGR) for period 1 year or more, with reinvestment of dividends (if any). Past performance may or may not be sustained in future.				
					
	Entry Load				
	NIL				
Exit Load	1.00% of NAV on all investment (including SIP/ STP/ SWP) transactions, if redeemed / switched-out within 365 days of transfer/ allotment of units in normal transactions/ allotment of units of respective installments in SIP/ STP/ SWP transactions.				
(ii) Recurring expenses [% of Net Assets]	Exit Load is NIL. The scheme falls in the ELSS category and is eligible for Tax Benefits under section 80C.				
	First Rs. 100 Crores	Next Rs. 300 Crores	Next Rs. 300 Crores	For the Balance Assets	
	2.50%	2.25%	2.00%	1.75%	
	Actual Expenses for the period 1st April 2011 to 31st March 2012 : 2.35%				
	Entry Load				
	NIL				
	Exit Load	1.00% of NAV on all investment (including SIP/ STP/ SWP) transactions, if redeemed / switched-out within 365 days of transfer/ allotment of units in normal transactions/ allotment of units of respective installments in SIP/ STP/ SWP transactions.			
	First Rs. 100 Crores	Next Rs. 300 Crores	Next Rs. 300 Crores	For the Balance Assets	
	2.50%	2.25%	2.00%	1.75%	
	Actual Expenses for the period 1st April 2011 to 31st March 2012 : 2.50%				
No. of Folios as on 31.03.2012	153652	31876	2968		
Quarterly Avg. AUM (In Crores) - Jan 12 to Mar 12	233.65	40.82	8.25		

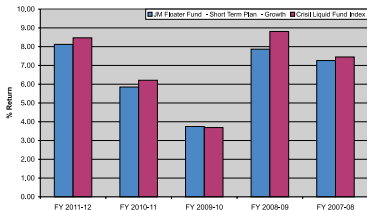
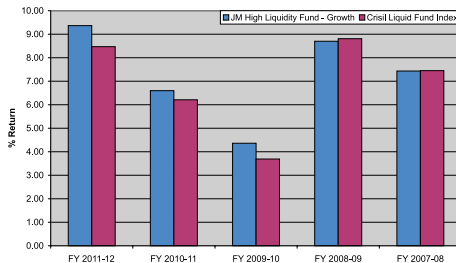
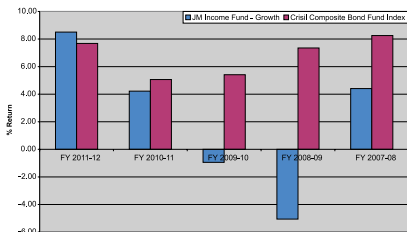
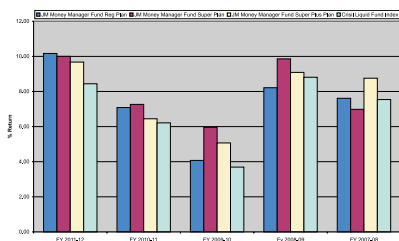
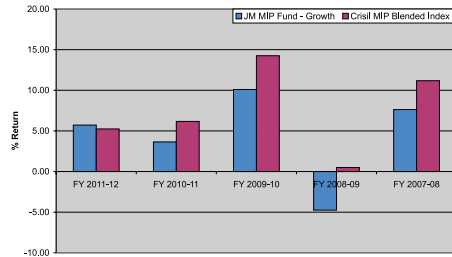
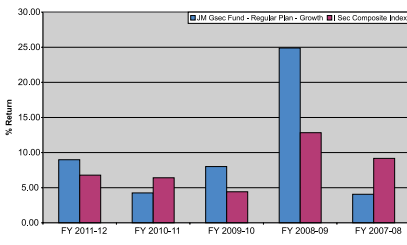
HIGHLIGHTS OF THE SCHEME(S)																																												
Name(s) of the Scheme(s)	JM Arbitrage Advantage Fund	JM Short Term Fund	JM Floater Fund - Long Term Plan																																									
Type of Scheme	An open-ended equity oriented interval scheme	An Open-Ended Income scheme	An open-ended income scheme																																									
Investment Objective	To generate income through arbitrage opportunities emerging out of mis-pricing between the cash market and the derivatives market and through deployment of surplus cash in fixed income instruments.  However, there can be no assurance that the investment objective of the scheme will be realized. The scheme does not guarantee/indicate any returns.	To generate regular returns and high level of liquidity with low risk strategy and capital appreciation / accretion through investment in debt instruments and related securities besides preservation of capital.  However, there can be no assurance that the investment objectives of the Scheme will be realized. The Scheme does not guarantee/indicate any returns.	To provide regular income and capital appreciation through investment in floating rate debt instruments, fixed rate debt instruments swapped for floating rate returns and also fixed rate instruments and money market instruments.  However, there can be no assurance that the investment objectives of the Scheme will be realized. The Scheme does not guarantee/indicate any returns.																																									
Investment Strategy	JM Financial Mutual Fund adopts a scientific approach to investments. Securities are selected for various funds by the fund managers based on a continuous study of trends in industries and companies, including management capabilities, global competitiveness, earning power, growth features and other relevant investment criteria. The Fund Manager would identify opportunities for mis-pricing and execute the deals simultaneously in both the markets. In terms of the SEBI guidelines the scheme shall not short sell in the cash market at all times. Due to mis—pricing between the cash and the underlying derivative security, the fund manager shall deploy investments in securities accordingly.	The investment focus of the scheme is to achieve the investment of the scheme through investments in a combination of debt and money market instruments having varied yields and maturity profile. The scheme is being positioned as a product having the essence of both debt and money market schemes. As such the product is being positioned as intervening product between the long-term debt scheme and short-term cash/liquid scheme. Further, the composition of maturity profile of the instruments may vary substantially from time to time depending upon the changes due to purchase and repurchase of units.	The Fund will seek to invest in quality debt and money market instruments. The fund aims to identify securities, which offer superior levels of yields at lower levels of risk. With the aim of controlling risks, rigorous in-depth credit evaluations of the securities proposed to be invested in will be carried out.																																									
Asset Allocation Pattern of the Scheme	<table><tr><th>Type of Instruments</th><th>Normal Allocation (% of net assets)</th><th>Risk Profile</th></tr><tr><td>Equity &amp; Equity related instruments</td><td>65% to 80%</td><td>Medium to High</td></tr><tr><td>Derivatives including stock futures and stock options #</td><td>65% to 80%</td><td>Medium to High</td></tr><tr><td>Money Market Instruments / Debt* / Fixed Income Derivatives</td><td>20% to 35%</td><td>Medium to High</td></tr></table> <p># The notional value exposure in derivatives securities would be reckoned for the purposes of the specified limits.</p> <p>*Including securitized debt upto a maximum of 30% of net assets of this scheme. Debt instruments will include Government securities, corporate debentures, bonds, promissory notes, money market instruments, pass-through obligations, asset backed securities / securitized debt and other possible similar instruments.</p> <p>In line with the provisions of the SEBI circular no. DNPD/Cir-29/2005 dated September 14, 2005 duly amended by circular no. DNPD/Cir-30/2006 dated January 20, 2006 by enumerating the guidelines for participation in Derivatives, the scheme shall execute transactions in the derivatives markets.</p> <p>The maximum derivative position will not exceed 80% of the portfolio (i.e. net assets including cash). The above limits shall be in line with the investment objective of the scheme.</p>	Type of Instruments	Normal Allocation (% of net assets)	Risk Profile	Equity & Equity related instruments	65% to 80%	Medium to High	Derivatives including stock futures and stock options #	65% to 80%	Medium to High	Money Market Instruments / Debt* / Fixed Income Derivatives	20% to 35%	Medium to High	<table><tr><th>Type of Instruments</th><th colspan="3">Proportion % of corpus</th><th>Risk Profile</th></tr><tr><td></td><th>Min</th><th>Likely</th><th>Max upto</th><td></td></tr><tr><td>Debt, Money Market Instruments with residual average maturity of equal to or less than 367 days</td><td>20</td><td>80</td><td>100</td><td>Low</td></tr><tr><td>Debt, Money Market Instruments with residual average maturity of equal to or more than 367 days*</td><td>-</td><td>20</td><td>100</td><td>Low to Medium</td></tr></table> <p>* Including securitized debt 0% - 70% of net assets of this scheme</p>	Type of Instruments	Proportion % of corpus			Risk Profile		Min	Likely	Max upto		Debt, Money Market Instruments with residual average maturity of equal to or less than 367 days	20	80	100	Low	Debt, Money Market Instruments with residual average maturity of equal to or more than 367 days*	-	20	100	Low to Medium	<table><tr><th>Type of Instruments</th><th>Normal Allocation (% of net assets)</th><th>Risk Profile</th></tr><tr><td>Debt</td><td>0% to 65%</td><td>Low to Medium</td></tr><tr><td>Money market and short term debt Inst. maturing within one year.</td><td>35% to 100%</td><td>Low to Medium</td></tr></table>	Type of Instruments	Normal Allocation (% of net assets)	Risk Profile	Debt	0% to 65%	Low to Medium	Money market and short term debt Inst. maturing within one year.	35% to 100%	Low to Medium
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Risk Profile of the Scheme	Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment.	Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment.	Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment.																																									
Plans and Options	Dividend Plan (Payout & Reinvestment option) & Growth Plan	Regular Plan with Fortnightly Dividend, Daily Dividend & Growth option, Institutional Plan with Fortnightly Dividend, Daily Dividend & Growth option	<b>Regular Plan &amp; Premium Plan:</b> Growth option, Dividend option, Daily Dividend option, Weekly Dividend option																																									
Applicable NAV	Details are set out in subsequent pages.	Details are set out in subsequent pages.	Details are set out in subsequent pages.																																									
Minimum Application Amount / No. of Units	Refer JM SCHEMES RECKONER on page 1	Refer JM SCHEMES RECKONER on page 1	Refer JM SCHEMES RECKONER on page 1																																									
Dispatch of Repurchase / Redemption request	Details are set out in subsequent pages.	Details are set out in subsequent pages.	Details are set out in subsequent pages.																																									
Benchmark Index	CRISIL Liquid Fund Index (CLFI)	CRISIL Liquid Fund Index (CLFI)	CRISIL Liquid Fund Index (CLFI)																																									



HIGHLIGHTS OF THE SCHEME(S)					
Name(s) of the Scheme(s)	JM Arbitrage Advantage Fund				
Dividend Frequency ^					
Dividend Policy	Details are set out in subsequent pages.				
Name of the Fund Manager	Chaitanya Choksi				
Performance of the Scheme Compounded annualized returns	Compounded annualized returns (%) of Growth option as on March 31, 2012.				
	Returns	1 Year	3 Years	5 Years	Since Inception*
	JM Arbitrage Advantage Fund	8.17	6.27	7.04	7.25
	CLFI	8.45	6.10	6.91	6.84
	* Date of inception = Date of allotment i.e. 18.07.2006 <b>Note:</b> Compounded Annualised Growth Returns (CAGR) for period 1 year or more, with reinvestment of dividends (if any). Past performance may or may not be sustained in future.				
					
Entry Load	NIL				
Exit Load	0.50% of NAV on all investments, if redeemed/switched-out within 30 days from the date of transfer/allotment of units in normal transactions/allotment of units of respective installments in SIP/STP/SWP transactions.				
(ii) Recurring expenses [% of Net Assets]	First Rs. 100 Crores	Next Rs. 300 Crores	Next Rs. 300 Crores	For the Balance Assets	
	2.50%	2.25%	2.00%	1.75%	
Actual Expenses for the period 1st April 2011 to 31st March 2012: 1.00%					
No. of Folios as on 31.03.2012	1274				
Quarterly Avg. AUM (In Crores) - Jan 12 to Mar 12	28.14				
JM Short Term Fund					
	Details are set out in subsequent pages.				
	Shalini Tibrewala & Girish Hisaria				
Performance of the Scheme Compounded annualized returns	Compounded annualized returns (%) of Growth option as on March 31, 2012.				
	Returns	1 Year	3 Years	5 Years	Since Inception*
	JM Short Term Fund	9.82	7.45	9.54	7.93
	CLFI	8.45	6.10	6.91	6.00
	* Date of inception = Date of allotment i.e. 24.06.2002 <b>Note:</b> Compounded Annualised Growth Returns (CAGR) for period 1 year or more, with reinvestment of dividends (if any). Past performance may or may not be sustained in future.				
					
Entry Load	NIL				
Exit Load	NIL				
(ii) Recurring expenses [% of Net Assets]	First Rs. 100 Crores	Next Rs. 300 Crores	Next Rs. 300 Crores	For the Balance Assets	
	2.25%	2.00%	1.75%	1.50%	
Actual Expenses for the period 1st April 2011 to 31st March 2012: Regular Plan: 1.04%, Institutional Plan: 0.77%					
No. of Folios as on 31.03.2012	771				
Quarterly Avg. AUM (In Crores) - Jan 12 to Mar 12	214.05				
JM Floater Fund - Long Term Plan					
	Regular Plan: Daily / Weekly. Premium Plan: Daily / Weekly.				
	Details are set out in subsequent pages.				
	Shalini Tibrewala				
Performance of the Scheme Compounded annualized returns	Compounded annualized returns (%) of Growth option as on March 31, 2012.				
	Returns	1 Year	3 Years	5 Years	Since Inception*
	JM Floater Fund - LTP	8.43	6.26	6.85	6.01
	CLFI	8.45	6.10	6.91	6.06
	* Date of inception = Date of allotment i.e. 25.06.2003 <b>Note:</b> Compounded Annualised Growth Returns (CAGR) for period 1 year or more, with reinvestment of dividends (if any). Past performance may or may not be sustained in future.				
					
Entry Load	NIL				
Exit Load	NIL				
(ii) Recurring expenses [% of Net Assets]	First Rs. 100 Crores	Next Rs. 300 Crores	Next Rs. 300 Crores	For the Balance Assets	
	2.25%	2.00%	1.75%	1.50%	
Actual Expenses for the period 1st April 2011 to 31st March 2012 : Regular Plan: 0.60%, Premium Plan: 0.50%					
No. of Folios as on 31.03.2012	95				
Quarterly Avg. AUM (In Crores) - Jan 12 to Mar 12	4.90				

HIGHLIGHTS OF THE SCHEME(S)						
Name(s) of the Scheme(s)	JM Floater Fund - Short Term Plan			JM High Liquidity Fund		JM Income Fund
Type of Scheme	An open-ended liquid scheme			An open-ended liquid scheme		An open-ended income scheme
Investment Objective	To provide regular income and capital appreciation through investment in floating rate debt instruments, fixed rate debt instruments swapped for floating rate returns and also fixed rate instruments and money market instruments.  However, there can be no assurance that the investment objectives of the Scheme will be realized. The Scheme does not guarantee/indicate any returns.			To provide income by way of dividend (dividend plans) and capital gains (growth plan) through investing in debt and money market instruments.  However, there can be no assurance that the investment objectives of the Scheme will be realized. The Scheme does not guarantee/indicate any returns.		To generate stable long term returns with low risk strategy and capital appreciation / accretion through investment in debt instruments and related securities besides preservation of capital.  However, there can be no assurance that the investment objectives of the Scheme will be realized. The Scheme does not guarantee/indicate any returns.
Investment Strategy	The Fund will seek to invest in quality debt and money market instruments. The fund aims to identify securities, which offer superior levels of yields at lower levels of risk. With the aim of controlling risks, rigorous in-depth credit evaluations of the securities proposed to be invested in will be carried out.			Securities will be selected by the fund manager based on a continuous study of the trends in the economy, liquidity and interest rates, management capabilities, credit rating and other relevant investment criteria.  A constant watch will be kept on various liquidity indicators in the economy, inflation rate movement, cash flows etc. so as to ascertain the expected changes in interest rates in the short/medium term and accordingly funds would be invested to optimize returns.  Being a cash management product, the primary aim of the fund will be to invest in securities which have superior liquidity. The Scheme will have an appropriate mix of money market securities and fixed income securities depending on the prevailing market outlook to generate reasonable return with low risk and high level of liquidity.		JM Income Fund will seek to invest in high quality debt and money market instruments. The fund aims to identify securities, which offer superior levels of yield at lower levels of risks. With the aim of controlling risks, rigorous in depth credit evaluation of the securities proposed to be invested in will be carried out by the investment team of the AMC. Rated Debt instruments in which the Scheme invests will be of investment grade as rated by a credit rating agency. The AMC will be guided by the ratings of Rating Agencies such as CRISIL, CARE, ICRA and Duff and Phelps Credit Rating India Limited or any other rating agencies that may be registered with SEBI from time to time. In case a debt instrument is not rated, necessary clearance of the Committee/ Board as per requirements of Regulations/Guidelines /Circulars will be obtained for such an investment.  The Scheme may also use various derivatives and hedging products from time to time, as would be available and permitted by SEBI, in an attempt to protect the value of the portfolio and enhance Unitholders’ interest.  The Scheme may invest in other debt Schemes managed by the AMC or in the debt Schemes of any other Mutual Funds, provided it is in conformity to the investment objectives of the Scheme and in terms of the prevailing Regulations. As per the Regulations, no investment management fees will be charged for such investments and the aggregate inter Scheme investment made by all Schemes of JM Financial Mutual Fund or in the Schemes under the management of other asset management companies shall not exceed 5% of the net asset value of JM Financial Mutual Fund.
Asset Allocation Pattern of the Scheme						
	Type of Instruments	Normal Allocation (% of net assets)	Risk Profile	Type of Instruments	Normal Allocation (% of net assets)	Risk Profile
	Floating rate debt securities / fixed rate debt securities swapped for floating rate returns	35% to 100%	Low to Medium	Debt	0% to 30%	Low
	Fixed rate debt securities (including securitized debt / money market securities*	0% to 65%	Low	Money Market & Short Term debt instruments maturing within one year	70% to 100%	Low
	*Exposure to Securitised Debt 0% - 70% of net assets of this scheme with low risk profile.					
Risk Profile of the Scheme	Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment.			Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment.		Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment.
Plans and Options	Short Term Plan with Daily Dividend Plan and Growth options.			Regular Plan with Daily Dividend, Weekly Dividend, Quarterly Dividend, Growth, & Bonus. Institutional Plan with Daily Dividend, Weekly Dividend, Growth. Super Institutional Plan with Daily Dividend, Weekly Dividend, Growth.		Dividend Plan (Payout & Reinvestment option), Growth Plan
Applicable NAV	Details are set out in subsequent pages.			Details are set out in subsequent pages.		Details are set out in subsequent pages.
Minimum Application Amount / No. of Units	Refer JM SCHEMES RECKONER on page 1			Refer JM SCHEMES RECKONER on page 1		Refer JM SCHEMES RECKONER on page 1
Dispatch of Repurchase / Redemption request	Details are set out in subsequent pages.			Details are set out in subsequent pages.		Details are set out in subsequent pages.
Benchmark Index	CRISIL Liquid Fund Index (CLFI)			CRISIL Liquid Fund Index (CLFI)		CRISIL Composite Bond Fund Index (CCBFI)
Dividend Frequency ^	Daily			Regular plan - Daily / Weekly / Quarterly, Institutional plan - Daily / Weekly, Super Institutional plan - Daily / Weekly		Quarterly
Dividend Policy	Details are set out in subsequent pages.			Details are set out in subsequent pages.		Details are set out in subsequent pages.
Name of the Fund Manager	Shalini Tibrewala			Shalini Tibrewala		Shalini Tibrewala & Girish Hisaria



Performance of the Scheme Compounded annualized returns	Compounded annualized returns (%) of Growth option as on March 31, 2012.				Compounded annualized returns (%) of Growth option as on March 31, 2012.				Compounded annualized returns (%) of Growth option as on March 31, 2012.																																																										
	Returns	1 year	3 years	5 years	Since Inception*	Returns	1 year	3 years	5 years	Since Inception*	Returns	1 year	3 years	5 years	Since Incep.*																																																				
	JM Floater Fund - STP	8.10	5.88	6.55	6.21	JM High Liquidity Fund	9.34	6.75	7.27	7.82	JM Income Fund	8.51	3.85	2.11	7.06																																																				
	CLFI	8.45	6.10	6.90	6.06	CLFI	8.45	6.10	6.90	N A	CCBFI	7.67	6.08	6.74	N A																																																				
	* Date of inception = Date of allotment i.e. 25.06.2003				* Date of inception = Date of allotment i.e. 31.12.1997				* Date of inception = Date of allotment i.e. 01.04.1995				Note: Compounded Annualised Growth Returns (CAGR) for period 1 year or more, with reinvestment of dividends (if any). Past performance may or may not be sustained in future.																																																						
																																																																			
Entry Load	NIL				NIL				NIL																																																										
Exit Load	NIL				NIL				1.00% of NAV on all investment (including fresh registration under SIP/ STP/ SWP) transactions, if redeemed/ switched-out within 365 days of transfer/allotment of units in normal transactions/ allotment of units of respective installments in SIP/ STP/ SWP transactions.																																																										
(ii) Recurring expenses [% of Net Assets]	First Rs. 100 Crores	Next Rs. 300 Crores	Next Rs. 300 Crores	For the Balance Assets	First Rs. 100 Crores	Next Rs. 300 Crores	Next Rs. 300 Crores	For the Balance Assets	First Rs. 100 Crores	Next Rs. 300 Crores	Next Rs. 300 Crores	For the Balance Assets																																																							
	2.25%	2.00%	1.75%	1.50%	2.25%	2.00%	1.75%	1.50%	2.25%	2.00%	1.75%	1.50%																																																							
Actual Expenses for the period 1st April 2011 to 31st March 2012: 0.25%					Actual Expenses for the period 1st April 2011 to 31st March 2012: Regular Plan:0.43%, Institutional Plan: 0.34%, Super Institutional Plan: 0.27%.					Actual Expenses for the period 1st April 2011 to 31st March 2012: 2.25%																																																									
No. of Folios as on 31.03.2012	196				1734				3251																																																										
Quarterly Avg. AUM (In Crores) - Jan 12 to Mar 12	21.17				3391.64				9.57																																																										
HIGHLIGHTS OF THE SCHEME(S)																																																																			
Name(s) of the Scheme(s)	JM Money Manager Fund				JM MIP Fund				JM G-Sec Fund																																																										
Type of Scheme	An open-ended Debt scheme				An open-ended monthly income fund with no assured return. Monthly Income is not assured and is subject to the availability of the distributable surplus.				An open-ended dedicated gilts scheme																																																										
Investment Objective	To generate stable long term returns with low risk strategy and capital appreciation/ accretion through investments in debt instruments and related securities besides preservation of capital  However, there can be no assurance that the investment objectives of the Scheme will be realized. The Scheme does not guarantee/indicate any returns.				To generate regular income, primarily through investments in fixed income securities so as to make monthly, quarterly and annual dividend distribution, declare bonus in the growth option. The Fund would also aim to achieve capital appreciation through investing a portion of its assets in equity and equity related securities.  However, there can be no assurance that the investment objectives of the Scheme will be realized. The Scheme does not guarantee/indicate any returns.				To provide ultimate level of safety to its unitholders through investments in sovereign securities issued by the Central and State Government.  However, there can be no assurance that the investment objectives of the Scheme will be realized. The Scheme does not guarantee/indicate any returns.																																																										
Investment Strategy	JM Financial Mutual Fund adopts a scientific approach to investments. Securities are selected for various funds by the fund managers based on a continuous study of trends in industries and companies, including management capabilities, global competitiveness, earning power, growth/ payout features and other relevant investment criteria, which would, inter alia, include evaluation of the outlook of the economy, exposure to various industries and geographical regions, evaluation of the intrinsic worth of specific opportunities such as primary market transactions, private placements, etc.				To achieve the investment objective, assets under the Scheme will be invested in wide range of fixed income and money market instruments. The Scheme may also invest a small part of its assets in equity/equity related instruments. Further the Scheme may also invest in financial derivatives such as options and futures & IRS that are permitted or may become permissible under SEBI/RBI Regulations. The proportion of assets to be so invested would be decided by the AMC at the appropriate time, and would be done in accordance with the relevant guidelines to be issued by SEBI/RBI and other authorities.				In line with the objective of JM G-Sec Fund, the investment strategy has been designed to ensure safety which is a paramount feature of investment in this fund with returns commensurate to investment in Government Securities.  The Investment Manager would endeavour to achieve an improved return than the returns traditionally expected from such an instrument by actively managing the portfolio. Further, by enlarging the basket of Government securities, the safety of the Fund as a whole will be elevated to the highest degree than what is normally associated with an individual security.																																																										
Asset Allocation Pattern of the Scheme	<table><tr><th>Type of Instruments</th><th>Normal Allocation (% of net assets)</th><th>Risk Profile</th></tr><tr><td>Debt Securities Money Market / Short term debt instruments</td><td>0% to 100%</td><td>Low</td></tr></table>				Type of Instruments	Normal Allocation (% of net assets)	Risk Profile	Debt Securities Money Market / Short term debt instruments	0% to 100%	Low	<table><tr><th>Type of Instruments</th><th>Normal Allocation (% of net assets)</th><th>Risk Profile</th></tr><tr><td>Equity and Equity related instruments</td><td>0% to 15%</td><td>Medium to High</td></tr><tr><td>Debt and Money Market securities</td><td>85% to 100%*</td><td>Low to Medium</td></tr></table> *Exposure to securitised debt 0% – 70% of net asset of this scheme with low risk profile.				Type of Instruments	Normal Allocation (% of net assets)	Risk Profile	Equity and Equity related instruments	0% to 15%	Medium to High	Debt and Money Market securities	85% to 100%*	Low to Medium	<table><tr><th>Type of Instruments</th><th>Normal Allocation (% of net assets)</th><th>Risk Profile</th></tr><tr><td>Government Securities / Treasury Bills</td><td>0% to 100%</td><td>Low to Medium</td></tr><tr><td>CBLO/REPO</td><td>0% to 100%</td><td>Low</td></tr></table> The gross notional exposure in derivatives shall not exceed the AuM of the Scheme.				Type of Instruments	Normal Allocation (% of net assets)	Risk Profile	Government Securities / Treasury Bills	0% to 100%	Low to Medium	CBLO/REPO	0% to 100%	Low																															
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Plans and Options	Regular Plan, Super Plan & Super Plus Plan with Daily Dividend, Weekly Dividend, Fortnightly Dividend & Growth options				Dividend Plan with Monthly, Quarterly and Annual options & Growth Plan				Regular Plan - Dividend, Growth.																																																										
Applicable NAV	Details are set out in subsequent pages.				Details are set out in subsequent pages.				Details are set out in subsequent pages.																																																										
Minimum Application Amount / No. of Units	Refer JM SCHEMES RECKONER on page 1				Refer JM SCHEMES RECKONER on page 1				Refer JM SCHEMES RECKONER on page 1																																																										
Dispatch of Repurchase / Redemption request	Details are set out in subsequent pages.				Details are set out in subsequent pages.				Details are set out in subsequent pages.																																																										
Benchmark Index	CRISIL Liquid Fund Index (CLFI)				CRISIL MIP Blended Index (CMIP In)				I-SEC Composite Index																																																										
Dividend Frequency ^	Daily / Weekly / Fortnightly (with compulsory reinvestment).				Monthly / Quarterly / Annual				-																																																										
Dividend Policy	Details are set out in subsequent pages.				Details are set out in subsequent pages.				Details are set out in subsequent pages.																																																										
Name of the Fund Manager	Shalini Tibrewala				Shalini Tibrewala				Shalini Tibrewala & Girish Hisaria																																																										
Performance of the Scheme Compounded annualized returns	Compounded annualized returns (%) of Growth option as on March 31, 2012. <table><tr><th>Returns</th><th>1 Year</th><th>3 Years</th><th>5 Years</th><th>Since Inception*</th></tr><tr><td>Regular Plan</td><td>10.16</td><td>7.08</td><td>7.42</td><td>7.42</td></tr><tr><td>Super Plan</td><td>10.00</td><td>7.73</td><td>8.00</td><td>7.97</td></tr><tr><td>Super Plus Plan</td><td>9.68</td><td>7.05</td><td>7.79</td><td>7.84</td></tr><tr><td>CLFI</td><td>8.45</td><td>6.10</td><td>6.91</td><td>6.89</td></tr></table> * Date of inception = Date of allotment i.e. 27.09.2006  Note: Simple Annualised Returns for period less than 1 year with reinvestment of dividends (if any). Past performance may or may not be sustained in future.				Returns	1 Year	3 Years	5 Years	Since Inception*	Regular Plan	10.16	7.08	7.42	7.42	Super Plan	10.00	7.73	8.00	7.97	Super Plus Plan	9.68	7.05	7.79	7.84	CLFI	8.45	6.10	6.91	6.89	Compounded annualized returns (%) of Growth option as on March 31, 2012. <table><tr><th>Returns</th><th>1 Year</th><th>3 Years</th><th>5 Years</th><th>Since Inception*</th></tr><tr><td>JM MIP Fund</td><td>5.95</td><td>6.53</td><td>4.33</td><td>5.78</td></tr><tr><td>CMIP In</td><td>5.36</td><td>8.58</td><td>7.35</td><td>7.48</td></tr></table> * Date of inception = Date of allotment i.e. 18.09.2003  Note: Compounded Annualised Growth Returns (CAGR) for period 1 year or more, with reinvestment of dividends (if any). Past performance may or may not be sustained in future.				Returns	1 Year	3 Years	5 Years	Since Inception*	JM MIP Fund	5.95	6.53	4.33	5.78	CMIP In	5.36	8.58	7.35	7.48	Compounded annualized returns (%) of Growth option as on March 31, 2012. <table><tr><th>Returns JM G-Sec Fund</th><th>1 Year</th><th>3 Years</th><th>5 Years</th><th>Since Incep.*</th></tr><tr><td>(Regular Plan)</td><td>8.98</td><td>7.02</td><td>9.78</td><td>10.24</td></tr><tr><td>ISEC Composite Index</td><td>6.76</td><td>5.83</td><td>7.88</td><td>N A</td></tr></table> * Date of inception = Date of allotment i.e. Regular - 29.09.1999; PF Plus Plan - 15.01.2004  Note: Compounded Annualised Growth Returns (CAGR) for period 1 year or more, with reinvestment of dividends (if any). Past performance may or may not be sustained in future.				Returns JM G-Sec Fund	1 Year	3 Years	5 Years	Since Incep.*	(Regular Plan)	8.98	7.02	9.78	10.24	ISEC Composite Index	6.76	5.83	7.88	N A
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Entry Load	NIL				NIL				NIL																																																										
Exit Load	JM Money Manager - Regular Plan: 0.25% of NAV on all investments, in case the investments are redeemed/switched-out within 45 days from the date of transfer/allotment of units in normal transactions/allotment of units of respective installments in SIP/STP/SWP transactions.  JM Money Manager - Super Plan: 0.10% of NAV on all investments, in case the investments are redeemed/switched-out within 30 days from the date of transfer/allotment of units in normal transactions/allotment of units of respective installments in SIP/STP/SWP transactions.  JM Money Manager - Super Plus Plan: NIL				0.50% of NAV on all investments in case the investments are redeemed/switched-out within 182 days of transfer /allotment of units in normal transactions/respective installments under SIP/STP transaction mode.				NIL																																																										
(ii) Recurring expenses [% of Net Assets]	First Rs. 100 Crores	Next Rs. 300 Crores	Next Rs. 300 Crores	For the Balance Assets	First Rs. 100 Crores	Next Rs. 300 Crores	Next Rs. 300 Crores	For the Balance Assets	First Rs. 100 Crores	Next Rs. 300 Crores	Next Rs. 300 Crores	For the Balance Assets																																																							
	2.25%	2.00%	1.75%	1.50%	2.25%	2.00%	1.75%	1.50%	2.25%	2.00%	1.75%	1.50%																																																							
Actual Expenses for the period 1st April 2011 to 31st March 2012 • Regular Plan - 0.48% • Super Plan - 0.35% • Super Plus Plan - 0.50%					Actual Expenses for the period 1st April 2011 to 31st March 2012: 2.25%					Actual Expenses for the period 1st April 2011 to 31st March 2012: 2.25%																																																									
No. of Folios as on 31.03.2012	3748				1254				417																																																										
Quarterly Avg. AUM (In Crores) - Jan 12 to Mar 12	Regular plan: 222.57, Super Plan: 283.02, Super Plus Plan: 792.16				5.67				48.75																																																										



- CHECKLIST
- Please ensure that your Application Form is
    - Complete in all respects & signed by all applicants.
    - Name, Address and Contact Details are mentioned in full.
    - Bank Account Details are entered completely and correctly.
    - Permanent Account Number (PAN) of all Applicants is mentioned for all investments and verified copy of PAN Card is submitted, if KYC Certificate is not submitted. Exempted in case of Micro SIP.
    - Appropriate Option / Sub-option is selected. If the Dividend Option is chosen, Dividend Payout or Re-investment is indicated.
    - If units are applied for jointly, Mode of Operation of account is indicated.
  - KYC Acknowledgement is submitted irrespective of the amount of investment.
  - Investment Cheque/Demand Draft is drawn in favour of respective scheme you wish to apply for, dated and signed.
  - Application Number is mentioned on the reverse of the Cheque/Demand Draft.
  - Documents, as applicable, are submitted along with the Application Form.

Accompanying documents								
Please submit the following documents ( <i>where applicable</i> ) with your application. All documents should be original / true copies certified by a Director/Trustee/Company/Secretary/Authorised Signatory in case of Non Individuals and by gazette officer/notarized in case Individuals (Resident, PIOs & NRI).								
Documents	Individual	Companies	Societies	Partnership Firms	Investments through POA	Trusts	NRI	PIO
Resolution/Authorisation to invest		✓	✓	✓		✓		✓
List of Authorised Signatories with Specimen signature(s)		✓	✓	✓	✓	✓		✓
Memorandum & Articles of Association		✓						
Trust Deed						✓		
Bye-laws			✓					
Partnership Deed				✓				
Overseas Auditors' Certificate								✓
Notarised Power of Attorney					✓			
Bank confirmation of source of funds/FIRC							✓	✓
Proof of Identity	✓						✓	✓
Proof of Address	✓	✓	✓	✓	✓	✓	✓	✓
PAN	✓	✓	✓	✓	✓	✓	✓	✓
KYC	✓	✓	✓	✓	✓	✓	✓	✓

RISK FACTORS (Equity)

Standard Risk Factors:

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the scheme invests fluctuates, the value of your investment in the scheme may go up or down
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the scheme.
- The names of the schemes do not in any manner indicate either the quality of the scheme or its future prospects and returns.
- The sponsor is not responsible or liable for any loss resulting from the operation of the scheme beyond the initial contribution of 1 Lac made by it towards setting up the Fund.
- The present scheme is not a guaranteed or assured return scheme.

Scheme Specific Risk Factors

- a) Risk related to Equity & Equity related securities
- Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments in equity and equity related securities. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances leading to delays in receipt of sale proceeds. The NAVs of the units of the Scheme can go up or down because of various factors that affect the capital markets in general. Macroeconomic factors like changes in tax rates, political uncertainties, changes in government regulations etc. and industry specific factors like competition, demand supply, etc. could impact the performance of the companies in which the Scheme invests.
- b) Exchange Risk
- The Scheme may also invest in ADRs / GDRs as permitted by Reserve Bank of India and Securities and Exchange Board of India. To the extent that some part of the assets of the Plans may be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by the changes in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of capital also may be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.
- c) Derivative Risks
- In the derivative markets there are risk factors and issues concerning the use of derivatives that investors should understand. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to manage the risks as a result of the failure of the counterparty to comply with the terms of the derivative contract. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives, credit risk where the danger is that of a counterparty failing to honour its commitment, liquidity risk where the danger is that the derivatives cannot be sold at prices that reflect the underlying assets, rates and indices and price risk where the market price may move in adverse fashion. Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the Fund Manager will be able to identify or execute such strategies. The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments and are given in more detail under the head.
- d) Interest Rate Risk
- As with all debt securities, changes in interest rates will affect the NAVs of the Scheme as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of long term securities generally fluctuate more in response to interest rate changes than of shorter-term securities. Interest rate movements in the Indian debt markets can be volatile leading to the possibility of large price movements up or down in debt and money market securities and thereby to possibly large movements in the NAV.
- e) Liquidity or Marketability Risk
- This refers to the ease at which a security can be sold at or near its true value. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is characteristic of the Indian fixed income market. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of some of these investments. Different segments of the Indian financial markets have different settlement periods, and such periods may be extended significantly by unforeseen circumstances. The length of time for settlement may affect the Scheme in the event it has to meet an inordinately large number of redemption or of restructuring of the Scheme's investment portfolio.
- f) Credit Risk
- Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e., will be unable to make timely principal and interest payments on the security). Because of this risk, debentures are sold at a yield spread above those offered on treasury securities which are sovereign obligations and generally considered to be free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the actual changes in the perceived level of credit risk as well as the actual event of default.
- g) Redemption Risk
- As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for redemption of Units may be significant in the event of an inordinately large number of redemption requests or a restructuring of the Scheme.
- h) Stock Lending
- In case the Scheme undertakes stock lending under the Regulations, it may, at times be exposed to counter party risk and other risks associated with the securities lending. Unitholders of the Scheme should note that there are risks inherent to securities lending, including the risk of failure of the other party, in this case the approved intermediary, to comply with the terms of the agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure can result in the possible loss of rights to the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary.
- i) Reinvestment Risk
- This risk refers to the interest rate levels at which cash flows received from the securities in the Scheme or from maturities in the Scheme are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows can be reinvested will fall.
- j) Investment exposure of the Fund with reference to Securitised Debt and risk factors specific to investments in Securitised papers
- The Fund will predominantly invest only in those securitisation issuances which have a rating of AA and above indicating the high level of safety from credit risk point of view at the time of making an investment. The Fund will not invest in foreign securitised debt. The Fund may invest in various type of securitisation issuances, including but not limited to Asset Backed Securitisation, Mortgage Backed Securitisation, Personal

Loan Backed Securitisation, Collateralized Loan Obligation / Collateralized Bond Obligation and so on.

The Fund will conduct an independent due diligence on the cash margins, collateralisation, guarantees and other credit enhancements and the portfolio characteristic of the securitisation to ensure that the issuance fits in to the overall objective of the investment in high investment grade offerings irrespective of underlying asset class.

Types of securitised debt vary and carry different levels and types of risks. Credit risk on securitised bonds depends upon the originator and varies depending on whether they are issued with recourse to originator or otherwise. Even within securitised debt, AAA rated securitised debt offers lesser risk of default than AA rated securitised debt. A structure with Recourse will have a lower credit risk than a structure without recourse.

Risk analysis on underlying asset classes in securitisation

Generally the following asset classes for securitisation are available in India :

- (a) Commercial Vehicles
- (b) Auto and Two wheeler pools
- (c) Mortgage pools (residential housing loans)
- (d) Personal Loan, credit card and other retail loans
- (e) Corporate loans/receivables

Underlying assets in securitised debt may assume different forms and the general types of receivables include auto finance, credit cards, home loans or any such receipts. Credit risks relating to these types of receivables depend upon various factors including macro economic factors of these industries and economies. Specific factors like nature and adequacy of property mortgaged against these borrowings, nature of loan agreement / mortgage deed in case of home loan, adequacy of documentation in case of auto finance and home loans, capacity of borrower to meet its obligation on borrowings in case of credit cards and intentions of the borrower influence the risks relating to the asset borrowings underlying the securitised debt.

Holders of the securitised assets may have low credit risk with diversified retail base on underlying assets especially when securitised assets are created by high credit rated tranches. Risk profiles of Planned Amortisation Class tranches (PAC), Principal Only Class Tranches (PO) and Interest Only class tranches (IO) will differ depending upon the interest rate movement and speed of prepayment.

In terms of specific risks attached to securitisation, each asset class would have different underlying risks, however, residential mortgages are supposed to be having lower default rates as an asset class. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Some of the asset classes such as personal loans, credit card receivables, etc., being unsecured credits in nature, may witness higher default rates. As regards corporate loans/receivables, depending upon the nature of the underlying security for the loan or the nature of the receivable the risks would correspondingly fluctuate. However, the credit enhancement stipulated by rating agencies for such asset class pools is typically much higher and hence their overall risks are comparable to other AAA rated asset classes. The rating agencies have an elaborate system of stipulating margins, over collateralisation and guarantees to bring risk limits in line with the other AA rated securities.

The risks associated with the underlying assets can be described as under :

Credit card receivables are unsecured. Automobile / vehicle loan receivables are usually secured by the underlying automobile / vehicle and sometimes by a guarantor. Mortgages are secured by the underlying property. Personal loans are usually unsecured. Corporate loans could be unsecured or secured by a charge on fixed assets / receivables of the company or a letter of comfort from the parent company or a guarantee from a bank / financial institution. As a rule of thumb, underlying assets which are secured by a physical asset / guarantor are perceived to be less risky than those which are unsecured. By virtue of this, the risk and therefore the yield in descending order of magnitude would be credit card receivables, personal loans, vehicle /automobile loans, mortgages and corporate loans assuming the same rating.

Some of the factors, which are typically analyzed for any pool are as follows :

**Size of the loan :** generally indicates the kind of assets financed with loans. Also indicates whether there is excessive reliance on very small ticket size, which may result in difficult and costly recoveries. To illustrate, the ticket size of housing loans is generally higher than that of personal loans. Hence in the construction of a housing loan asset pool for say Rs. 10,000,000/- it may be easier to construct a pool with just 10 housing loans of Rs. 1,000,000 each rather than to construct a pool of personal loans as the ticket size of personal loans may rarely exceed Rs. 500,000/- per individual. Also to take this illustration further, if one were to construct a pool of Rs. 10,000,000/- consisting of personal loans of Rs. 100,000/- each, the larger number of contracts (100 as against one of 10 housing loans of Rs. 10 lakh each) automatically diversifies the risk profile of the pool as compared to a housing loan based asset pool.

**Average original maturity of the pool :** indicates the original repayment period and whether the loan tenors are in line with industry averages and borrower's repayment capacity. To illustrate, in a car pool consisting of 60-month contracts, the original maturity and the residual maturity of the pool viz. number of remaining installments to be paid gives a better idea of the risk of default of the pool itself. If in a pool of 100 car loans having original maturity of 60 months, if more than 70% of the contracts have paid more than 50% of the installments and if no default has been observed in such contracts, this is a far superior portfolio than a similar car loan pool where 80% of the contracts have not even crossed 5 installments.

**Loan to Value ("LTV") Ratio :** Indicates how much % value of the asset is financed by borrower's own equity. The lower the LTV ratio, the better it is. This ratio stems from the principle that where the borrower's own contribution of the asset cost is high, the chances of default are lower. To illustrate for a vehicle costing Rs. 50 lakhs, if the borrower has himself contributed Rs. 40 lakhs and has taken only Rs. 10 lakhs as a loan, he is going to have lesser propensity to default as he would lose an asset worth Rs. 50 lakhs if he defaults in repaying an installment. This is as against a borrower who may meet only Rs. 5 lakhs out of his own equity for a vehicle costing Rs. 50 lakhs. Between the two scenarios given above, the latter would have higher risk of default than the former.

**Average seasoning of the pool :** Indicates whether borrowers have already displayed repayment discipline. To illustrate, in the case of a personal loan, if a pool of assets consists of those who have already repaid 80% of the installments without default, this certainly is a superior asset pool than the one where only 10% of the installments have been paid. In the former case, the portfolio has already demonstrated that the repayment discipline is far higher.

**Default rate distribution :** Indicates how much % of the pool and overall portfolio of the originator is current, how much is in 0-30 DPD (days past due), 30-60 DPD, 60-90 DPD and so on. The rationale here is very obvious - as against 0-30 DPD, the 60-90 DPD is certainly a higher risk category.

Unlike in plain vanilla instruments, in securitisation transactions, it is possible to work towards a target credit rating, which could be much higher than the originator's own credit rating. This is possible through a mechanism called "Credit enhancement" and is fulfilled by filtering the underlying asset classes and applying selection criteria, which further diminishes the risk inherent for a particular asset class. The purpose of credit enhancement is to ensure timely payment to the investors, if the actual collections from the pool of receivables for a given period are short of the contractual payouts on securitisation. Securitisation is normally a non-recourse instrument and therefore, the repayment on securitisation would have to come from the underlying assets and the credit enhancement. Therefore, the rating criteria centrally focuses on the quality of the underlying assets.

World over, the quality of credit ratings is measured by default rates and stability. An analysis of rating transition and default rates, witnessed in both international and domestic arena, clearly reveals that structured finance ratings have been characterized by far lower default and transition rates than that of plain vanilla debt ratings. Further, internationally, in case of structured finance ratings, not only are the default rates low but post default recovery is also high.

In the Indian scenario, also, more than 95% of issuances have been AAA rated issuances indicating the strength of the underlying assets as well as adequacy of credit enhancement.

Interest Rate Risk

The change in market interest rates – prepayments may not change the absolute amount of receivables for the investors, but may have an impact on the re-investment of the periodic cash flows that the investor receives in the securitised paper.

Limited liquidity & price risk

Presently, secondary market for securitised papers is not very liquid. There is no assurance that a deep secondary market will develop for such securities. This could limit the ability of the investor to resell them. Even if a secondary market develops and sales were to take place, these secondary transactions may be at a discount to the initial issue price due to changes in the interest rate structure.

Limited recourse, delinquency and credit risk

Securitised transactions are normally backed by pool of receivables and credit enhancement as stipulated by the rating agency, which differ from issue to issue. The credit enhancement stipulated represents a limited loss cover to the Investors. These certificates represent an undivided beneficial interest in the underlying receivables and there is no obligation of either the Issuer or the Seller or the originator, or the parent or any affiliate of the seller, issuer and originator. No financial recourse is available to the certificate holders against the investors' representative. Delinquencies and credit losses may cause depletion of the amount available under the credit enhancement and thereby the investor payouts may get affected if the amount available in the credit enhancement facility is not enough to cover the shortfall. On persistent default of an obligor to repay his obligation, the servicer may repossess and sell the underlying asset. However many factors may affect, delay or prevent the repossession of such asset or the length of time required to realize the sale proceeds on such sales. In addition, the price at which such asset may be sold may be lower than the amount due from that obligor.

Risks due to possible prepayments: Weighted Tenor / Yield

Asset securitisation is a process whereby commercial or consumer credits are packaged and sold in the form of financial instruments. Full prepayment of underlying loan contract may arise under any of the following circumstances :

- Obligor pays the receivable due from him at any time prior to the scheduled maturity date of that receivable; or
- Receivable is required to be repurchased by the seller consequent to its inability to rectify a material misrepresentation with respect to that receivable; or
- The servicer recognizing a contract as a defaulted contract and hence repossessing the underlying asset and selling the same; or
- In the event of prepayments, investors may be exposed to changes in tenor and yield.

Bankruptcy of the originator or seller

If originator becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that the sale from originator to Trust was not a sale then an investor could experience losses or delays in the payments due. All possible care is generally taken in structuring the transaction so as to minimize the risk of the sale to Trust not being construed as a "True Sale". Legal opinion is normally obtained to the effect that the assignment of Receivables to Trust in trust for and for the benefit of the Investors, as envisaged herein, would constitute a true sale.

Bankruptcy of the investor's agent

If an investor's agent becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that the recourse of investor's agent to the assets/ receivables is not in its capacity as agent/Trustee but in its personal capacity, then an investor could experience losses or delays in the payments due under the swap agreement. All possible care is normally taken in structuring the transaction and drafting the underlying documents so as to provide that the assets/receivables if and when held by investor's agent is held as agent and in Trust for the investors and shall not form part of the personal assets of investor's agent. Legal opinion is normally obtained to the effect that the investor's agent's recourse to assets/receivables is restricted in its capacity as agent and Trustee and not in its personal capacity.

Credit Rating of the Transaction / Certificate

The credit rating is not a recommendation to purchase, hold or sell the certificate in as much as the ratings do not comment on the market price of the certificate or its suitability to a particular investor.

There is no assurance by the rating agency either that the rating will remain at the same level for any given period of time or that the rating will not be lowered or withdrawn entirely by the rating agency.

Risk of Co-mingling

The servicers normally deposit all payments received from the obligors into the collection account. However, there could be a time gap between collection by a servicer and depositing the same into the collection account especially considering that some of the collections may be in the form of cash. In this interim period, collections from the Loan Agreements may not be segregated from other funds of the servicer. If the servicer fails to remit such funds due to investors, the investors may be exposed to a potential loss.

i) Risk specific to Sector Scheme (JM Basic Fund)

A Unitholder in JM Basic Fund should note that these Schemes are designed as Sectoral Scheme with the aim to invest only in the Sector specified in the Scheme Information Documents and as such the performance of the sector would have a direct bearing on the performance of Scheme Unitholders should also note that there might be concentration of investments in companies of the basic industries thereby carrying the risk of non-diversification. Therefore, the NAV of this Scheme would be dependent upon the performance and market price movement of such companies in the sector. Hence the movement in the NAV of this Scheme will be more volatile compared to the NAV of a scheme with more diversified portfolio.

The performance of JM Basic Fund is being benchmarked against BSE 200.

The investment universe of the Scheme(s) shall be those companies appearing in the selected benchmark indices. However, the exposure to any company shall be restricted at 10% of NAV or sector weightage at the time of investment. The Scheme(s) may also invest in the companies of sectors which are outside these indices/universe and such exposure per such company will be restricted to 10% of the NAV. However, such companies classified under the sector would be those which are publicly recognized under that sector and / or by agencies like AMFI/ NSE/ BSE. Investors may note that they cannot invest directly into the benchmark indices.

Tracking Error

Tracking errors are inherent in any sectoral / index fund and such errors may cause the Schemes to generate returns which are not in line with the performance of the BSE 200 or one or more securities covered by / included in the said customized indices and may arise from a variety of factors including but not limited to:

- i. Any delay in the purchase or sale of shares due to illiquidity in the market, settlement and realisation of sales proceeds, delay in registration of securities or in receipt and consequent reinvestment of dividends, etc.
- ii. The indices reflect the prices of securities at a point in time, which is the price at the close of business day on The Stock Exchange, Mumbai / National Stock Exchange. The Schemes however, may trade these securities at different points in time during the trading session and therefore the prices at which the Schemes trade may not be identical to the closing price of each scrip on that day on the BSE / NSE. In addition, the Schemes may opt to trade the same securities on different exchanges due to price or liquidity factors, which may also result in traded prices being at variance, from BSE / NSE closing prices.
- iii. BSE may drop existing securities that are represented in their respective indices or include new ones. In such an event, the Schemes will endeavor to reallocate its portfolio to mirror the changes. However, the reallocation process may not occur instantaneously and permit precise mirroring of the said customized indices during



- this period.

iv.

The potential of trades to fail may result in the Schemes not having acquired the security at the price necessary to mirror the indices.

v.

Transaction and other expenses, such as but not limited to brokerage, custody, trustee and asset management fees.

vi.

There will be times when the Schemes may not be able to acquire or sell the desired number of securities due to conditions prevailing in the securities market such as, but not restricted to : circuit filters, delisting of securities, liquidity and volatility in security prices.
- m)

Specific Risk Factors associated with investments in JM Tax Gain Fund

Apart from the risk factors mentioned above, the investors in JM Tax Gain Fund would face the following risks:

i.

The Scheme may not be able to invest in the suitable securities falling within its investment parameters leading the Scheme to hold short term deposits of scheduled commercial banks till the monies are deployed as per the investment objective of the Scheme or invest the same in other suitable securities leading to substantial reduction in the earning capability of the Scheme.

ii.

In the event of an inordinately large number of redemption requests, the Scheme may face an asset-liability mismatch requiring the investment manager to make a distress sale of the securities leading to realignment of the portfolio consequently resulting in investment in liquid instruments.

iii.

The tax benefits available to investors in accordance with the ELSS Guidelines may be withdrawn / changed in future from time to time as may be decided by the Central Board of Direct Taxes.
- n)

Specific Risk Factors associated with investments in JM Core 11 Fund

Apart from the risk factors mentioned above, the investors in JM Core 11 Fund should note that the Scheme is designed for investment in only 11 stocks at any point of time and as such the performance of these stocks would have a direct bearing on the performance of Scheme. Unitholders should also note that as there will be concentration of investments in only 11 stocks, the Scheme carries the risk of non-diversification. Therefore, the NAV of this Scheme would be dependent upon the performance and market price movement of such companies in the Scheme and will be more volatile compared to the NAV of a scheme with more diversified portfolio.

#### RISK MITIGATION MEASURES FOLLOWED:

Risk management is an integral part of the investment process. The AMC incorporates adequate safeguards for controlling risks in the portfolio construction process, which would be periodically evaluated. Online monitoring of various exposure limits are done by the Front Office System. The system incorporates all the investment restrictions as per SEBI guidelines and ‘soft’ warning alerts at appropriate levels for preemptive monitoring. The system also enables identifying & measuring the risk through various risk measurement tools and analyzes the same so as to act in a preventive manner. In addition to minimize the major risks for equity & debt schemes, the following steps are taken

**Market Risk / Volatility Risk** – Risk of adverse price movements in the portfolio

The overall volatility of the respective portfolios would be maintained in line with the objective of the scheme. The portfolio would be adequately diversified to mitigate volatility depending on its respective mandate. Volatility would be monitored on with respect to the benchmark and peer set.

**Concentration Risk** - Risk of undue concentration in single stock

The AMC has investment policy in place that ensures that the equity portfolios are reasonably diversified in line with the objective of the scheme. JM Core 11 fund will be an exception to the above since the fund invests only in 11 stocks. Hence its volatility and concentration risk will be higher. The investors of the respective schemes are apprised of the same.

The scheme may also use derivatives and other hedging instruments, as permitted, from time to time, in order to protect the value of the portfolio.

**Liquidity Risk** – Risk if liquidity impact of entering/exiting the underlying stocks in the portfolio.

Depending on the mandate of the respective equity schemes, some part of the scheme is invested in large cap stocks which are actively traded and thereby liquid. The fund manager may also keep some portion of the portfolio in debt and money market instruments and/or cash within the specified asset allocation framework for the purpose of meeting redemptions. The overall liquidity of the schemes are monitored periodically and necessary action taken on the portfolios if required. The debt/money market instruments that are invested by the fund also has a short term duration.

RISK FACTORS (Debt)
<p><b>Standard Risk Factors:</b></p> <ul style="list-style-type: none"> <li>Mutual funds and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the Fund will be achieved.</li> <li>Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.</li> <li>As the price / value / interest rates of the securities in which the scheme invests fluctuates, the value of your investment in the scheme may go up or down</li> <li>Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the scheme.</li> <li>The names of the schemes do not in any manner indicate either the quality of the scheme or its future prospects and returns.</li> <li>The sponsor is not responsible or liable for any loss resulting from the operation of the scheme beyond the initial contribution of 1 Lac made by it towards setting up the Fund.</li> <li>The scheme under this Scheme Information Document are not guaranteed or assured return schemes</li> </ul>

A Unitholder in JM Financial Mutual Fund’s Debt/ Liquid schemes should be aware of the risks generally associated with investments in the fixed income and money markets. Below are some of the common risks associated with investments in fixed income and money market securities. These risks include:

- a)

Derivative Risks

In the derivative markets there are risk factors and issues concerning the use of derivatives that investors should understand. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to manage the risks as a result of the failure of the counterparty to comply with the terms of the derivative contract. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives, credit risk where the danger is that of a counterparty failing to honour its commitment, liquidity risk where the danger is that the derivatives cannot be sold at prices that reflect the underlying assets, rates and indices and price risk where the market price may move in adverse fashion.

Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the Fund Manager will be able to identify or execute such strategies.

The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments and are set out in more detail under the head

POLICY AND SPECIAL CONSIDERATION ON INVESTMENT IN DERIVATIVES AND HEDGING PRODUCTS
- b)

Interest Rate Risk

As with all debt securities, changes in interest rates will affect the NAVs of the Scheme as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of long term securities generally fluctuate more in response to interest rate changes than of shorter-term securities. Interest rate movements in the Indian debt markets can be volatile leading to the possibility of large price movements up or down in debt and money market securities and thereby to possibly large movements in the NAV.
- c)

Liquidity or Marketability Risk

This refers to the ease at which a security can be sold at or near its true value. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is characteristic of the Indian fixed income market. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of some of these investments. Different segments of the Indian financial markets have different settlement periods, and such periods may be extended significantly by unforeseen circumstances. The length of time for settlement may affect the Scheme in the event it has to meet an inordinately large number of redemption or of restructuring of the Scheme’s investment portfolio.
- d)

Credit Risk

Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e., will be unable to make timely principal and interest payments on the security). Because of this risk, debentures are sold at a yield spread above those offered on treasury securities which are sovereign obligations and generally considered to be free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the actual changes in the perceived level of credit risk as well as the actual event of default.
- e)

Redemption Risk

As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for redemption of Units may be significant in the event of an inordinately large number of redemption requests or a restructuring of the Scheme.

- f)

Stock Lending

In case the Scheme undertakes stock lending under the Regulations, it may, at times be exposed to counter party risk and other risks associated with the securities lending. Unitholders of the Scheme should note that there are risks inherent to securities lending, including the risk of failure of the other party, in this case the approved intermediary, to comply with the terms of the agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure can result in the possible loss of rights to the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary.
- g)

Risks associated with Short Selling and Securities Lending -

The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of another party, in this case the approved intermediary, to comply with the terms of agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure to comply can result in the possible loss of rights in the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary.
- h)

Reinvestment Risk

This risk refers to the interest rate levels at which cash flows received from the securities in the Scheme or from maturities in the Scheme are reinvested. The additional income from reinvestment is the “interest on interest” component. The risk is that the rate at which interim cash flows can be reinvested will fall.
- i)

Investment exposure of the Fund with reference to Securitised Debt and risk factors specific to investments in Securitised papers

The Fund will predominantly invest only in those securitisation issuances which have a rating of AA and above indicating the high level of safety from credit risk point of view at the time of making an investment. The Fund will not invest in foreign securitised debt.

The Fund may invest in various type of securitisation issuances, including but not limited to Asset Backed Securitisation, Mortgage Backed Securitisation, Personal Loan Backed Securitisation, Collateralized Loan Obligation / Collateralized Bond Obligation and so on.

The Fund will conduct an independent due diligence on the cash margins, collateralisation, guarantees and other credit enhancements and the portfolio characteristic of the securitisation to ensure that the issuance fits in to the overall objective of the investment in high investment grade offerings irrespective of underlying asset class.

Types of securitised debt vary and carry different levels and types of risks. Credit risk on securitised bonds depends upon the originator and varies depending on whether they are issued with recourse to originator or otherwise. Even within securitised debt, AAA rated securitised debt offers lesser risk of default than AA rated securitised debt. A structure with Recourse will have a lower credit risk than a structure without recourse.

#### Risk analysis on underlying asset classes in securitisation

Generally the following asset classes for securitisation are available in India :

- (a)

Commercial Vehicles
- (b)

Auto and Two wheeler pools
- (c)

Mortgage pools (residential housing loans)
- (d)

Personal Loan, credit card and other retail loans
- (e)

Corporate loans/receivables

Underlying assets in securitised debt may assume different forms and the general types of receivables include auto finance, credit cards, home loans or any such receipts. Credit risks relating to these types of receivables depend upon various factors including macro economic factors of these industries and economies. Specific factors like nature and adequacy of property mortgaged against these borrowings, nature of loan agreement / mortgage deed in case of home loan, adequacy of documentation in case of auto finance and home loans, capacity of borrower to meet its obligation on borrowings in case of credit cards and intentions of the borrower influence the risks relating to the asset borrowings underlying the securitised debt.

Holders of the securitised assets may have low credit risk with diversified retail base on underlying assets especially when securitised assets are created by high credit rated tranches. Risk profiles of Planned Amortisation Class tranches (PAC), Principal Only Class Tranches (PO) and Interest Only class tranches (IO) will differ depending upon the interest rate movement and speed of prepayment.

In terms of specific risks attached to securitisation, each asset class would have different underlying risks, however, residential mortgages are supposed to be having lower default rates as an asset class. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Some of the asset classes such as personal loans, credit card receivables, etc., being unsecured credits in nature, may witness higher default rates. As regards corporate loans/receivables, depending upon the nature of the underlying security for the loan or the nature of the receivable the risks would correspondingly fluctuate. However, the credit enhancement stipulated by rating agencies for such asset class pools is typically much higher and hence their overall risks are comparable to other AAA rated asset classes. The rating agencies have an elaborate system of stipulating margins, over collateralisation and guarantees to bring risk limits in line with the other AA rated securities.

**The risks associated with the underlying assets can be described as under :**

Credit card receivables are unsecured. Automobile / vehicle loan receivables are usually secured by the underlying automobile / vehicle and sometimes by a guarantor. Mortgages are secured by the underlying property. Personal loans are usually unsecured. Corporate loans could be unsecured or secured by a charge on fixed assets / receivables of the company or a letter of comfort from the parent company or a guarantee from a bank / financial institution. As a rule of thumb, underlying assets which are secured by a physical asset / guarantor are perceived to be less risky than those which are unsecured. By virtue of this, the risk and therefore the yield in descending order of magnitude would be credit card receivables, personal loans, vehicle /automobile loans, mortgages and corporate loans assuming the same rating.

**Some of the factors, which are typically analyzed for any pool are as follows :**

Size of the loan : generally indicates the kind of assets financed with loans. Also indicates whether there is excessive reliance on very small ticket size, which may result in difficult and costly recoveries. To illustrate, the ticket size of housing loans is generally higher than that of personal loans. Hence in the construction of a housing loan asset pool for say Rs.10,000,000/- it may be easier to construct a pool with just 10 housing loans of Rs.1,000,000 each rather than to construct a pool of personal loans as the ticket size of personal loans may rarely exceed Rs.500,000/- per individual. Also to take this illustration further, if one were to construct a pool of Rs.10,000,000/- consisting of personal loans of Rs.100,000/- each, the larger number of contracts (100 as against one of 10 housing loans of Rs.10 lakh each) automatically diversifies the risk profile of the pool as compared to a housing loan based asset pool.

Average original maturity of the pool : indicates the original repayment period and whether the loan tenors are in line with industry averages and borrower’s repayment capacity. To illustrate, in a car pool consisting of 60-month contracts, the original maturity and the residual maturity of the pool viz. number of remaining installments to be paid gives a better idea of the risk of default of the pool itself. If in a pool of 100 car loans having original maturity of 60 months, if more than 70% of the contracts have paid more than 50% of the installments and if no default has been observed in such contracts, this is a far superior portfolio than a similar car loan pool where 80% of the contracts have not even crossed 5 installments.

Loan to Value (“LTV”) Ratio : Indicates how much % value of the asset is financed by borrower’s own equity. The lower the LTV ratio, the better it is. This ratio stems from the principle that where the borrower’s own contribution of the asset cost is high, the chances of default are lower. To illustrate for a vehicle costing Rs. 50 lakhs, if the borrower has himself contributed Rs. 40 lakhs and has taken only Rs.10 lakhs as a loan, he is going to have lesser propensity to default as he would lose an asset worth Rs. 50 lakhs if he defaults in repaying an installment. This is as against a borrower who may meet only Rs. 5 lakhs out of his own equity for a vehicle costing Rs. 50 lakhs. Between the two scenarios given above, the latter would have higher risk of default than the former.

Average seasoning of the pool : Indicates whether borrowers have already displayed repayment discipline. To illustrate, in the case of a personal loan, if a pool of assets consists of those who have already repaid 80% of the installments without default, this certainly is a superior asset pool than the one where only 10% of the installments have been paid. In the former case, the portfolio has already demonstrated that the repayment discipline is far higher.

Default rate distribution : Indicates how much % of the pool and overall portfolio of the originator is current, how much is in 0-30 DPD (days past due), 30-60 DPD, 60-90 DPD and so on. The rationale here is very obvious - as against 0-30 DPD, the 60-90 DPD is certainly a higher risk category.

Unlike in plain vanilla instruments, in securitisation transactions, it is possible to work towards a target credit rating, which could be much higher than the originator’s own credit rating. This is possible through a mechanism called “Credit enhancement” and is fulfilled by filtering the underlying asset classes and applying selection criteria, which further

diminishes the risk inherent for a particular asset class. The purpose of credit enhancement is to ensure timely payment to the investors, if the actual collections from the pool of receivables for a given period are short of the contractual payouts on securitisation. Securitisation is normally a non-recourse instrument and therefore, the repayment on securitisation would have to come from the underlying assets and the credit enhancement. Therefore, the rating criteria centrally focuses on the quality of the underlying assets.

World over, the quality of credit ratings is measured by default rates and stability. An analysis of rating transition and default rates, witnessed in both international and domestic arena, clearly reveals that structured finance ratings have been characterized by far lower default and transition rates than that of plain vanilla debt ratings. Further, internationally, in case of structured finance ratings, not only are the default rates low but post default recovery is also high.

In the Indian scenario, also, more than 95% of issuances have been AAA rated issuances indicating the strength of the underlying assets as well as adequacy of credit enhancement.

#### Interest Rate Risk

The change in market interest rates – prepayments may not change the absolute amount of receivables for the investors, but may have an impact on the re-investment of the periodic cash flows that the investor receives in the securitised paper.

#### Limited liquidity & price risk

Presently, secondary market for securitised papers is not very liquid. There is no assurance that a deep secondary market will develop for such securities. This could limit the ability of the investor to resell them. Even if a secondary market develops and sales were to take place, these secondary transactions may be at a discount to the initial issue price due to changes in the interest rate structure.

#### Limited recourse, delinquency and credit risk

Securitised transactions are normally backed by pool of receivables and credit enhancement as stipulated by the rating agency, which differ from issue to issue. The credit enhancement stipulated represents a limited loss cover to the Investors. These certificates represent an undivided beneficial interest in the underlying receivables and there is no obligation of either the Issuer or the Seller or the originator, or the parent or any affiliate of the seller, issuer and originator. No financial recourse is available to the certificate holders against the investors’ representative. Delinquencies and credit losses may cause depletion of the amount available under the credit enhancement and thereby the investor payouts may get affected if the amount available in the credit enhancement facility is not enough to cover the shortfall. On persistent default of an obligor to repay his obligation, the servicer may repossess and sell the underlying asset. However many factors may affect, delay or prevent the repossession of such asset or the length of time required to realize the sale proceeds on such sales. In addition, the price at which such asset may be sold may be lower than the amount due from that obligor.

#### Risks due to possible prepayments: Weighted Tenor / Yield

Asset securitisation is a process whereby commercial or consumer credits are packaged and sold in the form of financial instruments. Full prepayment of underlying loan contract may arise under any of the following circumstances :

- Obligor pays the receivable due from him at any time prior to the scheduled maturity date of that receivable; or
- Receivable is required to be repurchased by the seller consequent to its inability to rectify a material misrepresentation with respect to that receivable; or
- The servicer recognizing a contract as a defaulted contract and hence repossessing the underlying asset and selling the same; or
- In the event of prepayments, investors may be exposed to changes in tenor and yield.

#### Bankruptcy of the originator or seller

If originator becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that the sale from originator to Trust was not a sale then an investor could experience losses or delays in the payments due. All possible care is generally taken in structuring the transaction so as to minimize the risk of the sale to Trust not being construed as a “True Sale”. Legal opinion is normally obtained to the effect that the assignment of Receivables to Trust in trust for and for the benefit of the Investors, as envisaged herein, would constitute a true sale.

#### Bankruptcy of the investor’s agent

If an investor’s agent becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that the recourse of investor’s agent to the assets/ receivables is not in its capacity as agent/Trustee but in its personal capacity, then an investor could experience losses or delays in the payments due under the swap agreement. All possible care is normally taken in structuring the transaction and drafting the underlying documents so as to provide that the assets/receivables if and when held by investor’s agent is held as agent and in Trust for the investors and shall not form part of the personal assets of investor’s agent. Legal opinion is normally obtained to the effect that the investor’s agent’s recourse to assets/receivables is restricted in its capacity as agent and Trustee and not in its personal capacity.

#### Credit Rating of the Transaction / Certificate

The credit rating is not a recommendation to purchase, hold or sell the certificate in as much as the ratings do not comment on the market price of the certificate or its suitability to a particular investor.

There is no assurance by the rating agency either that the rating will remain at the same level for any given period of time or that the rating will not be lowered or withdrawn entirely by the rating agency.

#### Risk of Co-mingling

The servicers normally deposit all payments received from the obligors into the collection account. However, there could be a time gap between collection by a servicer and depositing the same into the collection account especially considering that some of the collections may be in the form of cash. In this interim period, collections from the Loan Agreements may not be segregated from other funds of the servicer. If the servicer fails to remit such funds due to investors, the investors may be exposed to a potential loss.

#### Specific Risk Factors associated with investments JM MIP Fund

##### Risk related to Equity & Equity related securities

A Unitholder in the Scheme which invests in equity and equity related instruments should be aware of the risks generally associated with investments in the equity and equity related securities. Below are some of the common risks associated with investments in equity and equity related securities.

As these Schemes propose to invest in equities and equity related instruments, they will be subjected to normal risks associated with equity markets.

NAV of these Schemes are linked to equity performance of the companies in which they invest.

Macroeconomic factors like changes in tax rates, political uncertainties, change in government regulations etc. and industry specific factors like competition, demand supply etc. could impact the performance of the companies in which the scheme invests.

Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments. The inability of the scheme(s) to make intended security purchases due to settlement problems could also cause the scheme(s) to miss certain investment opportunities.

The scheme(s) may also use various derivative and hedging products from time to time, as would be available and permitted by SEBI, in an attempt to protect the value of the portfolio and enhance unitholder’s interest.

#### RISK MITIGATION MEASURES FOLLOWED:

Risk management is an integral part of the investment process. The AMC incorporates adequate safeguards for controlling risks in the portfolio construction process, which would be periodically evaluated. Online monitoring of various exposure limits are done by the Front Office System. The system incorporates all the investment restrictions as per SEBI guidelines and ‘soft’ warning alerts at appropriate levels for preemptive monitoring. The system also enables identifying & measuring the risk through various risk measurement tools and analyzes the same so as to act in a preventive manner. In addition to minimize the major risks for equity & debt schemes, the following steps are taken.

**Credit Risk** – Risk of investing in unsustainable / weak companies

- In depth credit evaluation of the money market and debt instruments (other than GSecs) proposed to be invested in.
- Issuer wise and Industry wise exposure limits
- Independent rating of scheme portfolio by recognized rating agency.
- Defining the minimum rating grades at position and portfolio level

**Interest Rate Risk** – Risk of bond prices falling as aresult of rise in interest rates

- Active duration management
- Cap on Average Portfolio maturity depending upon the scheme objective and Strategy.

- Portfolio exposure spread over various maturities depending on the mandates of the respective schemes

**Liquidity Risk** – High impact cost at the time of buying/selling

- Focus on good quality paper having good liquidity in the market at the time of portfolio construction
- Asset-Liability management

The scheme may also use derivatives and other hedging instruments, as permitted, from time to time, in order to protect the value of the portfolio.



INFORMATION COMMON TO ALL SCHEMES

APPLICABLE NAV

A. EQUITY SCHEMES

FOR SUBSCRIPTION (PURCHASE)/SWITCH-IN:

In respect of valid applications received upto 3 p.m. by the Mutual Fund at any of its Investor Service Centers alongwith a local cheque or a demand draft payable at par at the place where the application is received, the closing NAV of the business day on which application is received shall be applicable.

In respect of valid applications received after 3 p.m. by the Mutual Fund alongwith a local cheque or a demand draft payable at par at the place where the application is received, the closing NAV of the next business day shall be applicable.

However, in respect of valid applications with outstation cheques/ demand drafts not payable at par at the place where the application is received, closing NAV of the business day on which cheque/demand draft is credited shall be applicable.

JM Arbitrage Advantage Fund : Purchase of units will be on all Business Days.

FOR REDEMPTION (SALE)/ SWITCH OUT:

At the applicable NAV subject to the deduction/ charge of exit loads as prescribed at the time of respective investments.

(i) For Equity schemes (other than JM Arbitrage Fund)

Redemption request can be submitted to the official point of acceptance on any business day till 3.00 pm. In respect of valid applications received upto 3 p.m. by the Mutual Fund, same day's closing NAV shall be applicable. In respect of valid applications received after 3 p.m. by the Mutual Fund, the closing NAV of the next business day shall be applicable.

It is clarified that the cut off timings will also be applicable to investments made through

“sweep” mode.

REDEMPTION/SWITCH OUT FROM JM TAX GAINS FUND

Redemption/Switch-out option under JM Tax Gains Fund will be available only after completion of lock-in period as per ELSS guidelines i.e 3 years.

(ii) JM Arbitrage Advantage Fund :

Redemption request can be submitted at the official point of acceptance on any business day till 3.00 pm. All Redemption request received till Friday of the week preceding the Interval Period (in case such Friday is a holiday then the last business day) would be processed at the NAV of the Interval Period.

The Interval period will be the settlement Thursday (the settlement day for derivatives segment in the NSE which is currently last Thursday of the month) or any day which is declared as the settlement day for Derivatives segment by the NSE.

REDEMPTION/SWITCH-OUT OF UNITS FROM JM ARBITRAGE ADVANTAGE FUND

For the purposes of redemptions/switch-outs, the Interval Period for JM Arbitrage Advantage Fund will be the settlement Thursday (the settlement day for derivatives segment in the NSE which is currently last Thursday of the month) or any day which is declared as the settlement day for Derivatives segment by the NSE. Redemption/Switch request can be submitted to the official point of acceptance on any Business Day till 3.00 pm. All Redemption/Switch-out requests received till the Friday of the week preceding the interval period would be processed at the NAV of the Interval Period.

Investors may note that once a request to redeem / switch-out either in number of units or in amount is submitted, the corresponding units held by the investor on the date of submission of redemption / switch-out are blocked. The investor cannot submit another redemption / switch-out request unless a fresh redemption / switch-out request for the revised redemption / switch-out of units / amount is submitted alongwith a letter for cancellation / withdrawal of the previous redemption / switch-out request, within the applicable prescribed time. In case of declaration of any benefits like dividend etc., after the investor has submitted the redemption / switch-out request but before the interval period, such accrual of dividend etc. will be on the unit balance outstanding in the investor's account (including the units that are blocked for redemption / switch-out and any fresh purchases / switch-ins) on the record date. However, only the units / amount initially sought to be redeemed will be given effect on the interval period and the accrued units (in case of dividend reinvestment etc.) / amount will not be redeemed. In such cases, automatic redemption by the Fund will not apply.

B. DEBT/ LIQUID SCHEMES

FOR SUBSCRIPTION (PURCHASE)/SWITCH-IN:

1. Liquid Schemes - JM High Liquidity Fund and JM Floater Fund – Short Term Plan:

- where the application is received upto 2.00 p.m. on a day and funds are sighted in the Scheme Account of the AMC before the cutoff time, the applicable NAV shall be the closing NAV of the day immediately preceding the day of receipt of application;
- where the application is received after 2.00 p.m. on a day and funds are sighted in the Scheme Account till the cut-off time of next business day , the applicable NAV shall be the closing NAV of the day immediately preceding the next business day; and
- irrespective of the time of receipt of application, where the funds are not sighted in the scheme account before the cutoff time, the applicable NAV shall be the closing NAV of the day immediately preceding the day on which the funds are sighted in the Scheme Account.

For allotment of units in respect of purchase of/switch in to JM High Liquidity Fund and JM Floater Fund – Short Term Plan, it shall be necessary that:

- Application is received before the applicable cut-off time.
- Funds for the entire amount of subscription/purchase as per the purchase application/ switch in request are credited to the bank account of JM High Liquidity Fund and JM Floater Fund – Short Term Plan before the cut-off time.

2. Debt Schemes - JM MIP Fund, JM Money Manager Fund, JM Floater Fund – Long Term Plan, JM Short Term Fund, JM Income Fund and JM G-Sec Fund, in respect of purchase of units for Rs. 1 crore or more:

For allotment of units in respect of purchase of/switch in to the aforementioned schemes/ plans, it shall be necessary that:

- Application is received before the applicable cut-off time i.e. 3.00 p.m.
- Funds for the entire amount of subscription/purchase as per the purchase application/ switch in request are credited to the bank account before the cut-off time.

3. Debt Schemes - JM MIP Fund, JM Money Manager Fund, JM Floater Fund – Long Term Plan, JM Short Term Fund, JM Income Fund and JM G-Sec Fund, in respect of purchase of units for less than Rs. 1 crore:

In respect of valid applications received upto 3 p.m. by the Mutual Fund at any of its Investor Service Centers along with a local cheque or a demand draft payable at par at the place where the application is received or through any other instrument e.g. RTGS/ NEFT/Direct Debit/Transfer cheque etc, the closing NAV of the business day on which application is received shall be applicable.

In respect of valid applications received after 3 p.m. by the Mutual Fund along with a local cheque or a demand draft payable at par at the place where the application is received or through other modes, the closing NAV of the next business day shall be applicable.

However, in respect of valid applications with outstation cheques/ demand drafts not payable at par at the place where the application is received, closing NAV of the business day on which cheque/demand draft is credited shall be applicable.

The aforesaid provisions are applicable for prospective transactions and shall also apply to existing as well as fresh SIP and STP transactions.

FOR REDEMPTION (SALE/ SWITCH OUT):

Debt Schemes:

Redemption/Switch-out request can be submitted to the official point of acceptance on any business day till 3.00 pm. In respect of valid applications received up to 3 p.m. by the Mutual Fund, same day's closing NAV shall be applicable. In respect of valid applications received after 3 p.m. by the Mutual Fund, the closing NAV of the next business day shall be applicable.

Liquid Schemes:

Redemption/Switch-out request can be submitted to the official point of acceptance on any business day till 3.00 pm. In respect of valid applications received up to 3 p.m. by the Mutual Fund, closing NAV of the day immediately preceding the next business day's NAV shall be applicable. In respect of valid applications received after 3 p.m. by the Mutual Fund, the closing NAV of the next business day shall be applicable.

JM Interval Fund – Quarterly Plan – 1

Redemption/Switch-out under the Plan is permitted only during the Stipulated Transaction Period (STP) of 3 days i.e. The redemption window opens 2 days prior to Internal date and on the interval date ( i.e. Stipulated Transaction date) upto 3.00pm. Any redemption/ switch-out request received during the Stipulated Transaction period from investors holding the units in physical mode will be processed on the Interval Date . Any request received prior to STP will be kept in abeyance for processing on the next Interval Date which is

91st day from the last Interval Date (i.e. STD) .

Redemption for investors holding units in Demat form is possible only through their DP for which they are required to submit Repurchase/Redemption Request Form (RRF) . For other details , investors may refer to procedure for Redemption for demat holders elsewhere in the CAF.

Switch-out for investors holding units in Demat is not permissible. Such investors will have to first get the dematerialised units converted into physical mode and then apply for switch-out if so desired.

DEFAULT REDEMPTION/SWICH-OUT/PURCHASE/SWITCH-IN

In case, an Investor fails to mention the complete name of the scheme upto plan/ sub-plan level while making request for redemption/ switch-out, the AMC reserves the right to redeem/ switch-out all/specified desired units/ value provided the investor is having holdings only in one scheme/plan/option and the folio number is clearly mentioned or if he maintains one folio. Otherwise, such incompletely filled requests would be summarily rejected without processing.

In case, an existing unitholder of a scheme makes an additional investment in an existing folio held by him, where the scheme name is clearly mentioned but the name of the Plan/Option is not specified, the AMC may, at its discretion, allot units in the Plan/ Option where he had made investment in the past i.e. such Plan/Option of the scheme will be treated as the default Plan/Option , in the absence of any specific written signed instructions/clarificatory letter from the unit holder/s concerned, received on the date of such investment. Such investments will also be subject to the load structure and lock-in of the respective default Plan/Option.

In case, the investor has not mentioned the plans/ sub-plans etc or has incompletely/ illegally mentioned the plans/sub-plans etc. in the purchase/redemption/switch request (specifically where he is having holdings in various plans/sub-plans etc.) of the particular scheme, the AMC will summarily reject such requests if the investor has not furnished any clarification in writing, duly signed, on the date of transaction itself, during normal office hours. However, in case of purchase, where there is a mismatch in the amount mentioned in the Purchase Application form/Transaction Slip and the payment instrument/ credit received, the AMC may at its discretion allot units for the lesser of the two amounts and refund/utilize excess, if any, for any other transaction submitted by the same investor' subject to the fulfillment of other regulatory requirements for the fresh transaction.

No request for redemption/switch out will be processed/effected unless the scheme from which redemption/switch out is sought to be effected, has received the funds.

In case, the investor does not specify the name of Plan/Option/Sub-Option/ or wherever there is any other ambiguity in choice of Plan/Option/Sub-option opted for, the AMC/its Registrar will allot units as per default Plans/options/sub-options. However, in case, it is not possible to decide about the default Plans/options/sub-options, then the application will be treated as invalid and summary rejected.

The AMC may accept corrective letter from investor in case of any mistake on the part of investor to put through the transaction if any such request is made on the date of transaction.

SYSTEMATIC PLANS

SYSTEMATIC PLANS ARE AVAILABLE TO THE INVESTORS THROUGH

Systematic Investment Plan ("SIP")/ Systematic Transfer Plan ("STP") and Systematic Withdrawal Plan ("SWP")

The Terms and conditions of the Systematic Investment Plan ("SIP")/ Systematic Transfer Plan ("STP") and Systematic Withdrawal Plan ("SWP") being offered in terms of the Scheme Information Document

All the terms and conditions (including the provisions of load structure & lock-in period) applicable on the date of registration i.e. date of initial investment will also be applicable for all future SIP/STP/SWP installments as well i.e. Registration concept except for Special SIP where the terms and conditions (including load & lock-in period) applicable on the date of first installment would be applicable for all future installments.

These facilities are available on the following days/dates

Facility	Daily	Weekly	Fortnightly	Monthly	Quarterly
SIP	Not available  (Please use option available in STP facility as under)	Not available	Not available	1st, 5th ,  10th, 15th ,  20th , & 25th	1st of month on quarterly basis
STP	Available through Chhota STP/Combo SIP	1st , 8th, 15th, & 22nd	1st & 15th		
SWP	Not Available	Not available	Not available		

An investor wishing to avail of the Systematic Investment Plan will have to mandatorily abide by the following conditions in order to be treated as a valid SIP

Systematic Investment Plan (SIP ) Minimum no. of installments & Frequency

Frequency	Amount Per Installment (Rs. in whole Numbers)	Minimum Mandatory Installments*
Monthly	Rs. 500 to Rs. 999 per month	12 or more out of which 10 installments must be effected
Monthly	Rs. 1000 or more per month	6 or more out of which 5 installments must be effected
Quarterly	Rs. 3000 or more per quarter	2 or more where atleast 1st 2 installments must be effected

\* The above conditions are to be fulfilled in addition to other conditions for each SIP cycle independently, failing which the respective SIP will be treated as invalid and will be subject to refund/auto redemption/revertal & reprocessing etc as per the discretion of the AMC. No two or more SIP cases will be clubbed to determine the fulfillment of Minimum Investment Criteria

Perpetual SIP/STP/SWP

An investor who does not want to opt for any specific period, may opt for Perpetual SIP/ STP/SWP i.e. without mentioning any fixed period for his SIP/STP/SWP. Perpetual SIP/ STP/SWP can be cancelled/discontinued only on the written request of the investor or on account of automatic discontinuation/cancellation in terms of provisions of the facility e.g. failure of 5 continuous installments for a particular SIP date as set out above or sufficient balance being unavailable in out-scheme in case of STP/SWP etc. AMC at its Discretion may also treat the SIP as discontinued if the minimum number of SIP investments as per the minimum Investment criteria are not completed within the stipulated time-frame and may refund the amount after redeeming the outstanding units at current NAV.

SYSTEMATIC PLANS

SYSTEMATIC INVESTMENT PLAN (SIP)

SIP facility is available to investors in all the open ended of JM Financial Mutual Fund. This facility is subject to changes from time to time.

Under this facility, by investing a fixed amount at regular interval, the Unitholders can take advantage of the benefits of Rupee Cost Averaging, at the same time investing a fixed amount regularly in a disciplined manner.

The Clause on "Minimum Amount of subscription" as specified in the Scheme Information Document of the respective scheme/plan will not be applicable for investments made through the first installment of Systematic Investment /Transfer Plan subject to the fulfillment of minimum investment criteria and minimum installment criteria, during the opted period through SIP/STP ( e.g.With atleast through 5 out of the first 6 installments and 10 out of the first 12 installments in case of monthly SIP and minimum of first two installments in case of quarterly SIP as the case may be) For example, the minimum investment amount for 1st investment in JM Basic Fund is Rs.5,000/-. However, in case of SIP, an investor can invest with minimum installment amount of Rs.1,000/-or Rs.500/- per month so as to meet the Minimum Investment Amount over the opted period. i.e. 6/12 months respectively. The similar condition would apply to STP as well.

The features and other terms & conditions SIP are as under:

JM Financial Mutual Fund offers two types of Systematic Investment Plans i.e. Normal SIP and Micro SIP on Monthly and Quarterly basis on any of the six SIP dates during any month i.e. 1st, 5th, 10th, 15th, 20th or 25th.

- Normal SIP:** Under normal SIP, the investor is required to furnish copy of KYC Acknowledgement & PAN Card in addition to other documents as mentioned hereunder in subsequent points.
- Micro SIP:** Under Micro SIP, the investor is exempted to furnish the copy of PAN Card provided his total contribution through Micro SIP (including all schemes/dates etc) does not exceed Rs. 50,000/- during any financial year or on a rolling period of 12 months. However, the investor is required to submit an attested copy of any of 13 identification documents mentioned in the Key Information Memorandum. This facility is available to individual investors including Minors & NRIs and Sole Proprietorship firms.. Other categories including PIOs, HUFs, non-individuals etc are not eligible ..

Micro SIP investors have to be KYC compliant (through SEBI appointed KRA) and should attach KYC form, proof of identity , address etc alongwith purchase application and cheque. Please refer to para on KYC process.

The minimum investment criteria will not be applicable in case any Micro SIP application is found to be invalid and the amount collected initially will remain in the folio. However, redemption will be permitted for the same based on the request by investor on the normal transaction slip.

Other terms and conditions of normal SIP remain unchanged and are applicable for Micro SIP investors as well.

Investment under SIP (i.e. Normal SIP or Micro SIP) can be done through Regular SIP or Special SIP

1. Regular SIP

In case of Regular SIP, the investor will have to attach a cheque/ Demand Draft towards initial investment i.e. first installment. An investor can opt for Regular SIP and choose Auto debit (ECS/Direct Debit/Standing Instructions or post dated cheques as the mode of payments for subsequent installments.

2. Special SIP Facility

As an Investor-friendly measure and in order to simplify the procedure, an investor may subscribe to SIP without even submitting the cheque/demand draft towards initial investment i.e. first installment as is required under Regular SIP. The first installment will also be debited through Auto Debit (through ECS/Direct Debit/ Standing Instructions) process. While all other terms and conditions of Regular SIP will be applicable for Special SIP as well except for the following changes:

- No Cheque is required for initial investment i.e. first installment. Hence, it will work like Zero balance account of any Bank.
- The allotment of units for first SIP installment will be made on the next opted SIP due date out of the 6 SIP Dates (1st, 5th, 10th, 15th , 20th, 25th of every month) opted by the investor , which would atleast be 30 days after the submission of valid application form and other required documents, i.e. when his account will be debited for the first time.
- The investment through Special SIP will be subject to the terms and conditions (including loads etc) as are applicable to the Regular SIP on the 1st SIP due (debit) date when his account will be debited for the first time and not as applicable on the date of submission of valid SIP application with other required documents.

Modes of payment for SIP:

a. Auto Debit Facility:

To avail of the facility of Auto Debit (through ECS or Direct Debit or Standing Instructions) for Regular SIP from the second SIP installment onwards and from 1st installment for Special SIP, the applicant is required to give standing instructions addressed to his bankers in the prescribed form to debit his bank accounts on the opted due dates of SIP chosen by him and credit the installment amount to the Bank Account of JM Financial Mutual Fund directly or through any of the service providers appointed by the AMC. The contribution through Auto Debit Facility (through any of the following modes) will start from 1st/2nd installment onwards in case of Special & Regular SIP respectively as approx. 30 days' time is required for registration of Auto Debit Mandates with Investors' Banks across India. **For HDFC Bank Account Holders, there is a separate Standing Instructions Form, which needs to be submitted instead of normal Auto Debit Form.**

- Auto Debit (Through ECS Debit) Facility:** It is available in RBI's all ECS locations (current and future) and covers all banks participating in the respective ECS clearing locations.
- Auto Debit (Through Direct Debit) Facility:** It is available with certain selected banks with which the AMC has made arrangements. At present, AMC has a tie-up with 4 Banks i.e. ICICI Bank, IDBI Bank, Axis Bank and Standard Chartered Bank.

The Investors may contact the nearest ISC for current list of Banks accepting Direct Debit mandates or for the list of cities where ECS facility is available. The list of cities/banks for Auto Debit (through ECS/Direct Debit) may be modified/updated/ changed/ removed at any time in future, entirely at the discretion of JM Financial Asset Management Pvt Ltd without assigning any reason. In case of removal of any city/bank from the current list, the Auto SIP instructions for investors in such locations/ banks will stand automatically discontinued. JM Financial Asset Management Pvt Ltd., its Registrars and other service providers will not be responsible, if the transaction is delayed or not effected or the investor's bank account is debited in advance or after the specific SIP date due to various cycles of ECS/Clearing because of any reason.

iii. Auto Debit (Through Standing Instructions) Facility For HDFC Bank Account Holders:

This facility is available for those investors who maintain their Bank Account with any branch of HDFC Bank in India. Such investors are required to fill up a separate Standing Instructions Form meant for HDFC Bank Account holders only.

b. Post Dated Cheques:

An investor can subscribe to SIP facility in other than ECS locations/Direct Debit with above mentioned Banks/ Standing Instructions facility of HDFC Bank by depositing Post-dated cheques for the opted period if his bank participates in the local clearing of the locations on which the cheques are drawn in any part of India where AMC has made arrangements. However, the first cheque/demand draft should be drawn & payable at the place where the application is being accepted. Presently this facility is available in more than 400 locations across India in addition to locations covered through ECS facility.

In the event of any merger/ acquisition/ closure of Banks, the investor will be required to replace the remaining post dated cheques with the cheques drawn on any other existing Bank.

Daily (Chhotta) STP

In order to enable the investors to avail of the benefit of the daily volatility in the stock markets, a Daily STP (Chhotta STP) facility is available to investors. An investor may opt for Daily STP of Rs. 1 00/- or in multiples of any amount in full rupee terms, on every Business Day against his other live investment made in lump sum or through getting inflows through SIP.

Other terms and conditions with respect to SIP transactions:

Investors may choose any one of the following six SIP dates: 1st, 5th, 10th, 15th, 20th or 25th of the month subject to other Terms & Conditions.

Investor is required to make separate application for different opted dates except in case of choosing All the six SIP due dates in one go or in case of Combo SIP.

- The list of cities/banks for Auto Debit (through ECS/Direct Debit/Standing Instruction) as mentioned above may be modified/updated/ changed/removed at any time in future, entirely at the discretion of JM Financial Mutual Fund without assigning any reason. Appropriate prior notice will be provided to the investors in case of any such deletion in the list of cities/ banks. In case of removal of any city/bank from the current list, the Auto SIP instructions for investors in such locations/ banks will stand automatically discontinued. The AMC, its Registrars and other service providers will not be responsible, if the transaction is delayed or not effected or the investor's bank account is debited in advance or after the specific SIP date due to various cycles of ECS/Clearing, due to any reason.
- A separate set of complete application form (including separate KYC/PAN/Cheque etc) with required documents is required to be submitted for each SIP date (except for Combo SIP)/Scheme/Plan/Option/Sub-Option . While the choice of multiple dates through single Form is not permitted, the investor is free to choose all the six SIP dates through single form . Any single application if received with multiple choices will be summarily rejected and the amount of initial investment refunded without any interest, if the amount of the same is less than the minimum investment limit fixed for particular Scheme/Plan/Option/Sub-option. In case, the amount invested is equivalent or more than the amount required for meeting the minimum investment criteria, through 1st installment, the same would be construed as a normal investment in the scheme and shall be redeemed only on the basis of the redemption request made by the investor.
- A Minimum of 30 days' time is required for the next installment of SIP through post –dated cheques/Auto Debit (ECS/Direct Debit/ Standing Instructions) to take place after the initial application for each set of separate SIP date (if opted for multiple dates other than All SIP dates through single form).
- Under Regular SIP, the first investment has to be made through physical cheque/DD payable locally at the place of submission of the application. The first cheque/DD has to be of any valid date and not a post dated one on the date of submission. However, in case of remaining post-dated SIP cheques, from 2nd installment onwards, the cheques must contain the opted SIP dates for the entire remaining period out of the permissible SIP dates i.e. 1st, 5th, 10th, 15th, 20th or 25th of a month. Similarly, in case of SIP through Auto Debit (Direct Debit/ECS/Standing Instructions), the investor should choose any of the above mentioned six SIP dates. Likewise, the frequency



of SIP (i.e. Monthly/Quarterly) needs to be specified clearly, failing which Monthly frequency will be taken as the default frequency.

- The second SIP installment (except in case of Combo SIP ) of the same opted SIP due date should not fall in the same calendar month.
- In case, any particular SIP due date falls on a non-business day or falls during a book closure period, the immediate next business day will be considered for the purpose of NAV application accordingly irrespective of the date of debit into investor's bank account.
- The applicable NAV for first investment through SIP under Liquid Funds shall be the closing NAV of the day immediately preceding the day when the application is time-stamped upto 2.00 p.m. on a business day and the funds are sighted into the scheme's bank account upto the cut-off time ( i.e. 2 p.m. ). In case of subsequent SIP installments, the applications will be deemed to have been received before the cut-off time for the purpose of SEBI's requirement on cut-off time. However, NAV for subsequent SIP installments under Liquid Funds would be based on the time of receipt of funds into scheme's bank account before the cut-off time as per SEBI requirements.

In case of SIP under debt schemes in respect of purchase of units for Rs. 1 crore or more, the cut off time of 3.00 pm will applicable for the purpose of time-stamping/ deemed time-stamping and receipt of funds into scheme's bank account.

For SIP installments in other than Liquid fund and installments for Rs. 1 crore or more per installment in case of debt schemes, the application shall be considered to have been received on the opted due date before the cut off time of the respective scheme for the purpose of application of NAV.

- The Investment cum SIP Enrolment Form complete in all respects may be submitted at any of the ISCs (Investor Service Centers) of JM Financial Mutual Fund or Karvy Computershare Pvt. Ltd. In case of SIP through Auto Debit (i.e. through Direct Debit in selected banks or through ECS in selected cities or through Standing Instructions for the HDFC Bank account holders), an additional form known as the SIP Auto Debit Registration cum Mandate Form (through ECS/Direct Debit) and Standing Instruction form in case of HDFC is also required to be submitted at the time of opting for SIP.
- To subscribe to investment through SIP, an Investor has to submit the following documents:
  - Scheme Application cum SIP Registration Form
  - Auto Debit (through ECS/Direct Debit) Registration cum Mandate Form OR
  - Auto Debit (through Standing Instructions) Mandate by HDFC Bank Account Holders
  - Post-dated cheques for remaining period, drawn on any city in India in case of Non-Auto Debit SIP
  - Copy of KYC acknowledgement irrespective of amount of investment/SIP Installment
  - Copy of PAN (exempted for micro SIP investors)
  - A photo copy of the cheque/cancelled cheque from the same account where future installments are to be debited if opted for SIP through Auto Debit (through ECS under Regular & Special SIP) for MICR/IFSC code verification.
  - Locally Payable Cheque/DD for Initial Investment cum 1st SIP Installment Amount (NOT REQUIRED FOR SPECIAL SIP CASES) subject to the minimum amount/number of installment as per above mentioned table for Regular SIP.

The investor should write the SIP Form/Folio number / the first applicant's name on the reverse of the cheque/s accompanying the SIP Form. No need to submit any payment instrument towards initial investment/first installment in case of Special SIP

#### CONVERSION OF REGULAR SIP TO SPECIAL SIP

The AMC at its discretion can treat the investment made under Regular SIP as having been made under Special SIP if the 1st payment instrument bounces back as unpaid whereas payment for 2nd installment is received in the meantime. However, in such event, all the provisions of Special SIP will be applicable including load structure as applicable on the date of 1st installment through Special SIP (i.e. 2nd installment through Regular SIP). Accordingly the AMC/its Registrar will re-register the period of subscription through Special SIP by postponement suitably.

#### MICRO SYSTEMATIC INVESTMENT PLANS (MICRO SIPS)

- According to SEBI's letter dated June 19, 2009 to AMFI, investment in Micro Systematic Investment Plans (Micro SIPS) up to Rs.50000/- per year per investor shall be exempted from the requirement of PAN subject to other operational guidelines.
- Any investment through Systematic Investment Plans (SIPs) by investors where aggregate of installments in a rolling 12 months period or in a financial year i.e April to March, which does not exceed Rs 50,000/- will be treated as Micro SIP for above purpose. Micro SIP will be subject to common KYC process through KRA (e.g. M/s CVL etc). This exemption will be applicable ONLY to investments by individuals (including NRIs but not PIOs), Minors and Sole proprietary firms. HUFs and other categories will not be eligible for Micro SIPs. The exemption is applicable to joint holders also.
- In case of first Micro SIP Installment is processed (as the cheque may be banked), and the application is found to be defective, the Micro SIP registration will cease for future installments. No refund to be made for the units already allotted. However, redemptions will be allowed based on the submission of normal prescribed Redemption Transaction Slip.
- The Minimum Investment criteria and the minimum remaining balance criteria will not be applicable in for Micro SIP investors.
- RTA back-office will reject a Micro SIP application where it is found that the registration of the application will result in the aggregate of Micro SIP installments in a financial year exceeding Rs 50,000 or where there are deficiencies in supporting documents.
- Rejected application will be sent back to the investor with a deficiency memo.
- In case, the first Micro SIP installment is processed (as the cheque may be banked), and the application is found to be defective, the Micro SIP registration will be ceased for future installments. No refunds to be made for the units already allotted. Investor will be sent a communication to this effect. However, redemptions shall be allowed.

#### Valid SIP application

An investor wishing to avail of the Systematic Investment Plan will have to mandatorily abide by the following conditions in order to be treated as a valid SIP.

- Initial Investment Amount may not be equal to subsequent SIP Installments (Excluding Special SIP), provided the Minimum Investment criteria of the scheme/plan is met through the Initial Investment itself. However, all subsequent SIP Installments must be of the same Amount. The load structure & lock-in conditions for the Initial Investment & subsequent SIP will be as per the rates/terms applicable on the date of Initial Investment i.e the Registration Date in case of Regular SIP and 1st installment in case of Special SIP
- In the event of any of the installment amount being different, the AMC will treat all SIP installments as normal investments and these will be subject to normal load and other provision as applicable on the respective dates of investments. In order to treat such installments as normal investments, the AMC reserves the right to revert and reprocess all previous SIP installments besides discontinuation of SIP for future installments or alternatively the AMC may recover the exemptions/benefits directly from investor or by redeeming the equivalent units from the respective folio.  
In addition, the AMC will also charge exit load as applicable on the normal investment based on the dates of respective SIP installments. In the event of non-fulfillment of minimum subscription criteria due to non-fulfillment of the other conditions or discontinuation of the SIP on the request by the investor, the AMC reserves the right to redeem/refund with current valuation on the date of review by the AMC.
- Investor is required to ensure that five consecutive SIP installments should not fail due to the reasons attributable to him or his banker. However, in case of any rejection by local clearing house/RBI citing reasons like 'Account closed ' or 'non-existent account' or any such other similar reasons, the SIP for future period will be treated as cancelled/discontinued after first such rejection itself, at the discretion of the AMC.
- In the event of non-receipt of funds for the first investment/1st SIP installment itself due to dishonour of the cheque, the SIP will automatically be treated as discontinued ab-initio and amount for subsequent installment will be refunded, if it is not possible to convert the Regular SIP to Special SIP as per the provisions of the Special SIP.
- In order to be treated as a valid SIP application, minimum investment amount criteria as per the Scheme Information Document of the respective scheme e.g Rs. 5,000/- should be received by the AMC as per details mentioned in the above table during the opted period.
- The Clause on "Minimum Investment Criteria" as specified in the Scheme Information

Document of the respective scheme/plan/option/sub-options will not be applicable for investments made through the first/single installment of Systematic Investment /Transfer Plan . For example, the minimum investment amount for investment in JM Basic Fund is Rs.5,000/-. However, in case of investment through SIP/STP (Systematic Investment/Transfer Plan), an investor can invest with minimum installment amount of Rs.500/- or more per month or Rs. 3000/- or more per quarter so as to meet the Minimum Investment Amount over the opted period.

- The cheque/s should be drawn in favour of the scheme/plan chosen (e.g. "JM Equity Fund") and crossed "A/C Payee Only" and payable locally and drawn on any bank, which is situated at and is a member of the Bankers Clearing House located at the place where the SIP application is submitted. In case of outstation cheques, if accepted by the AMC, the AMC shall credit the unit holder's account with the number of units at the applicable sale price on the day when clear funds are received by the Mutual Fund.
- Returned / Dis-honoured cheques/ECS/Direct Credit failures will not be presented again for realization for reasons attributable to the investor/s.
- The investor/s agree/s to abide by the terms and conditions of ECS facility of Reserve Bank of India (RBI) in case of SIP through ECS.
- Please refer to para on Third Party Payment and Transaction charges elsewhere in this Key Information Memorandum

#### Termination of SIP

In the event of not meeting any one or more of the above mentioned criteria, the SIP will stand terminated and the investor will be required to make a fresh SIP application if he is desirous of availing this facility in future also . The fresh application will be subject to the current terms and conditions of the respective scheme/plan/option.

#### Discontinuation of Systematic Investment Plan ("SIP"):

##### i. For Electronic Clearing Services (ECS) cases :

For discontinuation of SIP through ECS debit, the cancellation/discontinuation request signed by the unitholder/s should reach the AMC/Registrar at least 15 Calendar days prior to the due date for next SIP installment, failing which the discontinuation request will be considered from the subsequent SIP installment onwards.

##### ii. For Direct Debit cases / Standing Instruction of HDFC Bank cases :

For discontinuation of SIP through Direct debit/Standing Instructions of HDFC Bank, the cancellation/discontinuation request signed by the unitholder/s should reach the AMC / Registrar at least 30 Calendar days prior to the due date of the next installment, failing which the same will be considered from the subsequent SIP installment onwards. In view of the time required by respective banks to complete the process of cancellation, the units towards such SIP installments will continue to be allotted for the subsequent two installments after the receipt of cancellation/ discontinuation request or until the respective banks confirm having noted the cancellation of debit instructions, whichever is earlier. Thereafter, the SIP will be automatically discontinued for allotment of units for future instalments. Any credit received thereafter from the Bank towards the subsequent installments will be kept in abeyance for refund to unitholders at the earliest, without any interest/ accruals/benefits or without allotting the units .

##### iii. For Post Dated Cheques:

In case of physical post-dated cheques, the minimum notice period for cancellation / discontinuation is 30 calendar days. However, the units will continue to be allotted till the happening of earlier of the following:

- till the cancellation is recorded and confirmed by the co-ordinating bank of the AMC and the balance unpaid post-dated cheques are retrieved from the Bank, for return to the unitholder; or
- till 2 SIP installments, after the receipt of request for discontinuation/cancellation of future SIP Installments.

Any amount received after the above will be refunded to the investor without any interest/ accruals/benefits or without allotting the units.

In the event of non fulfillment of the criteria specified for a valid SIP application, the AMC reserves the right to revert all the previous allotments and re-allot the units afresh with applicable loads (in case of applications for SIP transactions routed through a broker/ agent/distributor) as applicable on the respective due dates by treating them as normal investments. In addition, the AMC may also recover the amount of load waived/exemptions given for all allotments directly from the investor or by debit to his folios maintained with JM Financial Mutual Fund. The reversal and reprocessing of units in the above case would be subject to the investor meeting the minimum subscription amount (after deduction of permissible DD charges). In case, an investor is unable to meet the minimum subscription criteria due to non fulfillment of the other conditions or discontinuation of the SIP on request by the investor, the AMC reserves the right to redeem/refund with current valuation on the date of review by the AMC.

#### Corporate SIP : Systematic Investment Plan for Corporate Employees

Corporate employees may opt for the Systematic Investment Plan available to them. In this case, the concerned employer is required to forward to the AMC the Scheme application cum SIP registration mandate form of the corporate employee who desires to invest in the Scheme. The application amount for the corporate employees would also be forwarded by the employer on specific request from the concerned employee. The concerned employee has to authorize the employer to deduct the application amount from his salary and remit the same to the Fund at regular intervals to ensure receipt of funds by the AMC on or before the next due date. Other terms and condition of respective SIP and Schemes will be applicable.

#### Facility of re-registration under Systematic Investment Plan ("SIP")

In terms of SEBI circular No. SEBI/IMD/CIR no. 4/ 168230/09 dated June 30, 2009, no entry load is to be charged for investments into the schemes. Pursuant to the above, all existing SIP investors of JM Financial Mutual Fund ("the Fund") may if desired request for re-registering their existing SIP for the remaining installments, without any entry load, by making a request on a prescribed form containing the requisite undertaking. However, the other existing terms and conditions (including broker code, exit load applicability for respective installments etc. as prevailing at the time of original registration of the SIP, shall remain unchanged for the re-registered SIP.

**Conversion of Regular SIP to Special SIP:** The AMC at its discretion may treat the investment made under Regular SIP (ECS/Direct Debit/Standing Instructions) as having been made under Special SIP if the 1st payment instrument bounces back as unpaid whereas the payment for 2nd installment is received in the meantime. However, in such event , all the provisions of Special SIP will be applicable including load structure, as applicable on the date of 1st installment through Special SIP (i.e. 2nd instalment through Regular SIP). Accordingly, the AMC will re-register the period of subscription through Special SIP suitably.

**Renewal/Continuation of existing SIP :** In case, the existing SIP investor is willing to continue/extend his/her/their existing SIP in the same plan of the same for further period of 6 or more months, he/she/they may do by :

- Auto Debit (ECS/Direct Debit) :** Submitting a fresh Auto Debit (ECS/Direct Debit ) Form before the expiry of last SIP due date to avoid break in SIP period and render it to be invalid (fresh Common Application Form is not required)
- Standing Instructions :** In case of HDFC Bank Account Holder submitting a fresh Standing Instructions Form with Common Application Form and cheque towards first instalment before the expiry of the last due date to avoid break in SIP period and render it to be invalid
- Post Dated Cheque :** Submitting the fresh set of PDCs with fresh signed Common Application Form by filling fresh SIP details and change if any.

For Renewal/Continuation of SIP, the terms and conditions with regard to Lock- in period, Load etc. as on the 1st Installment, after the expiry of the last installment of the Existing SIP, will be applicable

#### Systematic Transfer Plan ("STP") / Systematic Withdrawal Plan ("SWP")

##### These facilities have been explained in detail below.

STP provides for transfer of specified amount from one scheme/plan/option in which the original investment is made to any other scheme/plan/option of JM Financial Mutual Fund, at the end of specified periodic interval viz., either daily, weekly, fortnightly, monthly or quarterly.

#### Combo SIP/Chhota STP

Under Combo SIP investors may Daily Transfer Rs. 1 00/- or in multiples of any amount in full rupee terms to an Opted Scheme, per Business Day, as under.

- Out of Normal Investment:** An investor against his existing or fresh lump sum investment may opt for this facility through daily STP where a transfer of Rs. 1 00 or any amount thereafter (in full rupee terms) on every Business Day will be effected by the AMC/its Registrar automatically during the opted period or till the out-scheme/ plan/option is able to transfer funds , whichever is earlier made any of the Open-ended Schemes/ Plans/ Options

- Out of SIP Investment :** An investor may choose to avail of this facility against his existing/fresh SIP Account in any of the open-ended schemes/plan/option where transfer of Rs. 100/- or in multiples of any amount (in full rupee terms) through daily STP would be effected per Business Day. Through this mechanism of regular inflow & outflow, the investor may invest higher amount through SIP on any of the six SIP dates and avail the benefit of daily volatility of market through daily STP with smaller amounts for better risk-adjusted return.

The Investor is required to meet the minimum Investment amount of the Plan within 90 days of the 1st Chhotta STP/ 1st Combo SIP due date.

In case of non – fulfillment of Minimum Investment Criteria of the Scheme/Plan under Daily STP & Combo SIP facility within 90 days of the 1st Chhotta STP/1st Combo SIP date, the AMC may, at its discretion redeem the allotted units at current NAV and remit the proceeds any time after the completion of specified period of 90 days, if not already redeemed by the investor. In an out-going scheme folio, the Investor can also make investment through SIP or through Additional investment to meet the minimum Investment criteria of the Scheme/ Plan concerned in order to avoid automatic redemption by the AMC.

Investors may choose any one of the six dates i.e.: 1st, 5th, 10th, 15th, 20th or 25th of the month for their STP and SWP transactions. In case of Chhota STP, the choice of daily option is automatic.

**Under SWP,** the Unit holders shall have an option to predetermine the withdrawal from the scheme. SWP facility is available on 1st, 5th, 10th, 15th, 20th and 25th of the month under monthly and 1st Business Day of the next month for quarterly SWP, subject to the minimum gap of 15 calendar days to start SWP . Subsequent quarterly SWP will fall due after completion of 3 months from the start date.

Under the SWP facility, investors may choose between

#### Fixed Amount Withdrawal (FAW):

Under this option the investor will have the facility to automate withdrawal of a fixed amount from the scheme at Monthly / Quarterly intervals on the opted due date.

#### Capital Appreciation Withdrawal (CAW):

Under Capital Appreciation Withdrawal facility, the investors will have the option to indicate automatic withdrawal of capital appreciation at varying time intervals over previous period, on monthly or quarterly basis.

Example: Mr. X has invested Rs. 10,000 in the Scheme and instructs the AMC for CAW withdrawal on monthly basis. If his investment turns to be Rs. 10,100 at the end of first month the appreciated Rs. 100 would be automatically withdrawn from the Scheme.

In order to start the STP/SWP, the investor must have a minimum investment of Rs. 5,000/- or above or as per the minimum investment subscription amount (whichever is higher) applicable for the respective scheme/plan/option on the 1st opted STP/SWP date. However, the investor is not required to maintain the same balance after processing the 1st STP/SWP installment. The last installment may be equivalent to or less than the opted installment amount.

#### Systematic Transfer Plan (STP) - The minimum amount for transfer and available dates for STP are as under :

Frequency	Amount per installment\$	Starting date during any month	Minimum mandatory installments (equal amount)	Minimum period required to start 1st STP/ extend the STP after receiving the request	Revertal and Reprocess with load or recovery of load if following conditions are not met@
Daily @@ (Chhotta STP / Combo SIP	Rs. 100	Any day subject to the time required to complete the registration process	60	Minimum 15 Calendar days	If 50 installments within 90 days of start of 1st STP could not be effected
Weekly	Rs. 1000/-	1st, 8th, 15th, 22nd (after 22nd the next date will automatically be the 1st of next month)	6	Minimum 15 calendar days	If five instalments out of the first six instalments could not be effected. *
Fortnightly	Rs. 1000/-	1st and 15th	6	As above	As above
Monthly	Rs. 1000/-	1st, 5th, 10th, 15th, 20th and 25th	6	As above	As above
Quarterly	Rs. 3000/-	1st Business Day of the next month subject to the minimum gap of 15 calendar days from the date of receipt of STP request and subsequently after every quarter from the start month.	2	As above	If first two installments are not effected *

\$ Further, in multiples of Re 1/- after the above minimum limit fixed for each STP installment as per the frequency opted or as per the features of respective schemes eg. under JM Tax Gain Fund , the minimum investment is Rs. 500/- and further in multiples of Rs. 500/- each.

@@ Not permitted under JM Tax Gain Fund being subject to ELSS guidelines.

@ In case 5 out of the first 6 installments in monthly / weekly / fortnightly and first two in case of quarterly option are effected, the STP's will be treated as valid and there will be no reversal and reprocess with recovery of load.

\* Or In the event of failure of two consecutive STP installments, the STP request will stand terminated and the investor will have to make a fresh application for availing of this facility subject to the current term & conditions applicable for fresh STP cases. This condition will, however, not be applicable in case of CAW where the condition of minimum STP instalments could not be met due to the capital appreciation amount being less than Rs. 100 in case of monthly option and Rs. 300 in case of quarterly option.

An investor will have to opt for minimum 6 installments or in multiples of 6 installments i.e 6,12,18,24,30 installments respectively for his STP requests in case of weekly/ fortnightly/ monthly plan and for minimum of 2 installments or in multiples of 2 installments in case he opts for the quarterly plan

It is clarified that these 6 installments pertain to a given application for a specified opted date, for a specific option/ sub-option Separate application is required for each option/ sub-option for respective due date(s).

In case, it is not possible for the AMC/Registrar to start the STP/SWP from the opted start date due to the insufficiency of time given by the investor , the AMC/Registrar will automatically process the first STP/SWP on the opted date from the next cycle/month after the opted starting cycle/month e.g. In case investor applies for STP/SWP on 1 8th Jan 2012 for effecting 1st STP/SWP from 1 st February, 2012, AMC/Registrar may process the same from 1 st of March, 2012 in case of monthly option. In such a case, the ending period will be extended automatically by another month.

#### Minimum amount for withdrawal under SWP is fixed as under :

- Fixed Amount Withdrawal (FAW) : Rs.1,000/- per month or Rs.3,000/- per quarter and further in multiples of Re.1/- thereafter.
- Capital Appreciation Withdrawal(CAW) Entire Capital Appreciation over the previous due date to current due date subject to a minimum of Rs. 100 under monthly option and Rs. 300/- under quarterly option

In case, the opted STP/SWP day falls on a non-business day, the next business day shall be deemed to be the transaction day for that month or quarter as the case may be.

Each installment under STP/SWP cannot exceed the live investment amount on the registration date of STP/SWP divided by the number of installment chosen subject to the fulfillment of minimum STP/SWP criteria for respective frequency. In case of multiple STP/SWP dates, the total number of installments for all opted dates will be taken into account while fixing up the maximum installment amount.



#### Discontinuation/Termination of STP/SWP

For discontinuation of STP/ SWP, the unitholder is required to intimate the AMC/ Registrar at least 15 Calendar Days prior to the next installment for the respective due date. On such request, STP/ SWP will be terminated and the transfer/ withdrawal instructions given by the investor will be treated as cancelled.

Further, in case of non-fulfilment of any other terms and conditions, the STP/SWP will be treated as cancelled/discontinued/terminated as per the discretion of the AMC.

In case investor is not sent CAS, the Fund shall dispatch the Statement of Accounts to the unit holders under SIP/STP/SWP once every quarter ending March, June, September and December within 10 business days after the respective quarter. However, the first account statement under SIP/ STP/ SWP shall be issued within 10 business days of the initial investment. However, if investor is sent CAS on monthly basis, quarterly account statement shall not be dispatched to him.

However, in case of specific request received from investors, the Fund/Registrar will provide the account statement to the investors within 5 business days from the receipt of such request without any charges. Further, soft copy of the account statement shall be mailed to the investors under SIP/STP/SWP to their e-mail address on a monthly basis, if email id is furnished in the folio concerned.

An investor cannot simultaneously participate in an SIP and SWP in the same scheme. This facility is also not available for investments under lock-in or encumbrances. All withdrawals under SWP including FAW & CAW options shall be considered as redemption with no further specific request or documentation requiring to be submitted by the unit holders. On the respective date of processing the SWP request, a revised account statement showing the amount withdrawn under SWP together with balance units (post accounting the SWP) in their account shall be mailed to the unit holders.

All operational instructions of SWP including FAW & CAW options shall be in Rupees and not in Units.

In case, the outstanding balance in out-scheme/plan/option falls below the prescribed minimum balance (based on applicable NAV) due to redemptions or SWP, the AMC reserves the right to discontinue the SWP facility and / or close an investor's account if the investor fails to invest sufficient funds to bring the value of the account to the prescribed minimum (based on applicable NAV) after a written intimation in this regard is sent to the Unit holder.

In case of SIP/ STP transactions, the minimum number of mandatory installments pertain to a given application for a specified opted date/ specific option/ specific sub-option. Separate application is required for each option/ sub-option for respective due date(s).

In the event of not meeting any one or more of the above mentioned criteria, the STP/ SWP will stand terminated and the investor will be required to make a fresh application if he is desirous of availing this facility in future also. The fresh application will be subject to the current terms and conditions of the respective scheme/plan/option on the date of fresh registration.

#### STP/SWP in JM Arbitrage Advantage Fund

The due date for processing STP/SWP installment for these schemes is based on the 'interval period' every month i.e. the settlement date of Futures and Options Market subject to the condition that such request is made by the investor 15 days prior to the next settlement date to start the STP/SWP. In case of shortfall of notice period, the AMC/ Registrar will process the 1st STP/SWP on the settlement date after the next settlement. Subsequent installments will be processed on respective settlement dates after the start date.

The due date for SWP/STP installment under quarterly option will also be on the next settlement date subject to the condition that such request is made by the investor 15 days prior to the next settlement date to start the STP/SWP. In case of shortfall of notice period, the AMC/ Registrar will process the 1st STP/SWP on the settlement date after the next settlement. Subsequent installments will be processed on settlement dates after a calendar month from the start date and so on.

All applicants are deemed to have accepted the terms and conditions upon submitting the valid application form with other requisites for investment under Systematic Plans.

The AMC reserves the right to change the terms of this facility from time to time.

#### Default Option for all SIP/STP-out/SWP

In case, the Investor fails to mention the start date or end date under the SIP/STP-out/SWP, the first of the subsequent month , after completing 30 days from the date of registration, will be considered as the default SIP/STP-out/SWP date and the same would be treated to have been opted on perpetual basis.

In case of JM Arbitrage Fund, the above will be linked to next possible Interval date due to Settlement Date of Future & Options Market i.e last Thursday of the month in normal conditions.

**Switching Options** (In case of JM Tax Gain Fund this option will be available only after completion of lock-in period)

Unitholders under the Scheme have the option to switch part or all of their unit holdings in the Scheme to another Scheme established by the Fund, or within the Scheme from one Plan to another, which is available for investment at that time. This option will be useful to Unitholders who wish to alter the allocation of their investment among the Scheme/ Plan(s)/Options of the Fund in order to meet their changed investment needs.

The switch will be effected by way of a redemption of Units from the Scheme/Plan/ Option and a reinvestment of the redemption proceeds in the opted Scheme/Plan/Option of the other Scheme and accordingly, to be effective, the switch must comply with the redemption rules of the Scheme and the issue rules of the other scheme (for e.g. as to the minimum number of Units that may be redeemed or issued, applicable load, etc). The price at which the Units will be switched out of the Scheme/Plan/Option will be based on the Repurchase Price, and the proceeds will be invested in the opted Plan/ Option of the target Scheme at the prevailing terms and sale price for units in that scheme/plan/option. The switch - out from one scheme to another scheme (i.e. requiring change in portfolio) will be effective only after the switch - out scheme has received the funds in the in-scheme. Accordingly, the applicability of NAV will be dependant on the SEBI guidelines.

Investors will not have to bear exit load for inter and intra equity switches except in case of (i) switches by SIP/STP investors within 24 months (for cases registered from 4.1.2008 up to 2.10.2008) and with in 12 months (for cases registered upto 3.1.2008) of respective SIP/STP installments (ii) switches by STP investors (for cases registered from 3.10.2008) within 24 months of respective STP installments (iii) switches by SIP investors (for cases registered from 3.10.2008) within 12 months of respective SIP installments (iv) switches to/from JM Arbitrage Advantage Fund to any equity schemes.

Subject to necessary approvals (if any) from the Regulatory authorities and any other approval as applicable, tax deduction at source, if any, will be effected at the appropriate rate in case of a switching by NRIs/FIIs and the balance amount would be utilized to exchange units to the other Scheme.

All cheques and bank drafts accompanying the application form should contain the application form number on its reverse.

#### DISCLOSURE OF BANK MANDATE AND PERMANENT ACCOUNT NUMBER

As per the directive issued by SEBI vide their letter IIMARP/MF/CIR/07/826/98 dated April 15, 1998, and SEBI/IMD/CIR No. 6/4213/04 dated March 1, 2004 it is mandatory for applicants to mention their bank account numbers in their applications for purchase or redemption of Units. This is to prevent fraudulent encashment of dividend/redemption / refund cheques.

#### REFUSAL TO ACCEPT FRESH PURCHASES

In case, it is observed that there are consecutive instances of cheque dishonour by the same unitholder/ investor due to the reasons attributable to such unitholder/ investor, the AMC reserves the right, not to accept fresh purchase application(s) from such unit holder/ investor in the future.

#### DESPATCH OF REPURCHASE OR DIVIDEND PROCEEDS:

The redemption or repurchase proceeds shall be dispatched/remitted to the unit holders within 10 business days from the date of redemption or repurchase.

The dividend warrants shall be dispatched/remitted to the unit holders within 30 days of the date of declaration of the dividend. The Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of delay (presently @ 15% per annum).

#### DIVIDEND POLICY

DIVIDENDS SHALL BE DECLARED AT THE DISCRETION OF THE TRUSTEE SUBJECT TO AVAILABILITY OF DISTRIBUTABLE SURPLUS.

Dividends if declared will be paid to the Unit holders appearing in the Register of Unit holder on the Record Date. In case the Record Date falls on a non Business Day, the immediately following Business Day shall be the Record Date.

An investor of record for the purpose of dividend is an investor who is a Unitholder as of the date when dividend is declared. The Fund does not guarantee or assure declaration or payment of dividend. Although, the Trustee has the intention to declare dividend under the dividend options, such declaration of dividend, if any, is subject to the Scheme's performance and the availability of distributable surplus in the Scheme at the time of

declaration of such dividend. Under the Growth option, the earnings will be retained and reflected in the NAV and not distributed.

On payment of dividend and dividend distribution tax (if and as applicable), the NAV will stand reduced by the amount of dividend and dividend tax paid.

No dividend under Dividend Plan shall be distributed in cash even for those unitholders who have opted for payout where such dividend on a single payout is less than Rs. 100/-. Consequently, such dividend (less than Rs. 100/-) shall be compulsorily re-invested except in schemes where Dividend Reinvestment option is not available e.g. JM Tax Gain Fund.

#### RESTRICTION ON ACCEPTANCE OF THIRD PARTY PAYMENTS

Any application accompanied with third party payment for subscription to units of Scheme(s) is liable for rejection without any recourse to the applicant or investor.

It is clarified that Third Party Payment would mean a payment is from a bank account other than that of the beneficiary investor. In case of payments received from a bank account which is jointly held, the first holder of the mutual fund subscription has to be one of the joint holders of the bank account, from which such payment is made.

Exceptions to Third Party Payments

Subject to the submission of requisite documentation and declarations, the following third party payments will be accepted by the AMC / Mutual Fund.

- Payment by Parents/Grand-Parents/related persons on behalf of a minor in consideration of natural love and affection or as gift for a value not exceeding Rs.50,000/- (each regular purchase or per SIP instalment). However this restriction will not be applicable for payment made by a guardian whose name is registered in the records of Mutual Fund in that folio.
- Payment by Employer on behalf of employee under Systematic Investment Plans or lump sum / one-time subscription, through Payroll deductions. Asset management companies should exercise extra due diligence in terms of ensuring the authenticity of such arrangements from a fraud prevention and KYC perspective.
- Custodian on behalf of an FII or a Client.

Investments made through the exceptional cases mentioned above, are required to comply with the following.

- Mandatory KYC Acknowledgement Letter of the Investor as well as of the person making the payment i.e. the third party should accompany the application form.
- Declaration from the Investor and the person making the payment i.e. the third party, giving the details of the bank account from which the payment is made and the relationship with the beneficiary.

Important Note: The declarations mentioned above should accompany each purchase application.

In order to enable verification of the source of funds the investors are required to ensure the following requirements while subscribing to the units of the Schemes of the Mutual Fund:

- At the time of his / her / their purchase, investors to provide the details of his / her / their pay-in bank account (i.e. account from which a subscription payment is made) and his / her / their pay-out bank account (i.e. account into which redemption / dividend proceeds are to be paid).
- In case, an investor has multiple accounts, the investor to register them with the AMC in accordance with the procedure set out in para II below.
- The investor to submit any one of the following documents to establish that the payment is made from the bank account of the first unit holder:
  - Cancelled cheque leaf depicting name of the first unit holder or
  - In case, name of the first holder / applicants is not printed on payment cheque, a cancelled cheque and copy of Bank Pass Book / Bank Statement or
  - A Certificate, in original, on letter head from the banker certifying that the investor maintains a bank account with the bank and mentioning the details like bank account number and branch address.
- If the subscription is settled with pre-funded instruments such as Pay Order, Demand Draft, Banker's cheque, etc., investors to provide a Certificate from the Issuing banker stating the Account holder's name and the Account number which has been debited for issue of the pre-funded instrument. The bank account number mentioned in the certificate must be the account which is registered with the Fund or the first named applicant / investor should be one of the holders of the said bank account.

Note: A pre-funded instrument issued by the Bank against Cash shall not be accepted by the AMC / Mutual Fund for investments of Rs. 50,000/- or more. This also should be accompanied by a certificate from the banker giving name, address and PAN (if available) of the person who has requested for the demand draft.
- If payment is made by RTGS, NEFT, ECS, bank transfer, etc., investors should submit a copy of the instruction to the bank stating the account number debited along with the purchase application. An investor must attach a Certificate, in original, on letter head from the banker certifying account holder's name and account number which has been debited for issue of the instruments. The bank account number mentioned in the certificate must be the account which is registered with the Fund or the first named applicant / investor should be one of the holders of the said bank account.
- In case, the payment is made by online transfer of funds, the copy of transfer confirmation, showing the details of date of payment, debit and credit accounts and amount of transfer, is attached.

In case, the details and additional documents, where necessary, as mentioned above are not submitted with each subscription application, the application will be deemed to be through a "Third Party" payment and is liable to be rejected without any recourse to the applicant / investor. In case, the funds are transferred to the mutual fund prior to rejection of the subscription, additional documents / details with respect to the investor and the payment may be sought prior to initiating a refund.

#### SAFE MODE OF WRITING CHEQUE:

To avoid fraud and misuse of payment instruments, investors are advised to make the payment instrument (cheque, demand draft, pay order, etc) favouring

"XYZ Scheme A/c First Investor name" or

"XYZ Scheme A/c Permanent Account Number" or

"XYZ Scheme A/c Folio number".

#### Clarifications pertaining to Third Party Payments:

- As an exception to the Third Party Payments, JM Financial Asset Management Private Limited (The "AMC") is open to accept payments made by the employer on behalf of the employee, provided valid supporting documents are submitted.
- If subscription to the units in one or more of the schemes of JMF MF is made by the investor vide Demand Draft (DD), subject to the debit in his/her account, any one of the following documents submitted will be considered as valid by JMF MF:
  - A Bank Manager's Certificate will be considered as proof, provided the details of Account Holder's Name, Bank Account Number and PAN, as per bank records, is provided.
  - An Acknowledgement from the bank specifying the debit details, bank account details and name of the investor as an account holder.
  - A copy of the Passbook/Bank Statement for proof of debit transaction for the issue of DD.
- If subscription to the units in one or more schemes of JMF MF is made by the investor vide DD, provided it is issued against cash, then a Banker's Certificate, mentioning the details of the Issuance of DD along with the Investor's Name, Bank Account Number and PAN as per Bank records, if available, must be submitted. Provided in both the above cases i.e. Point No. 2 and 3, the Bank Account Number of the investor must be the same as the bank account mandate registered with JM Financial Mutual Fund or the bank details mentioned in the application form.

#### REGISTRATION OF MULTIPLE BANK ACCOUNTS

To mitigate the risk related to simultaneous change of bank mandate and redemption on multiple occasions, the Mutual Fund has introduced the facility to register "Multiple Bank Accounts". Individuals and HUFs can register up to five (5) bank accounts and non individuals can register up to ten (10) bank accounts in a folio and is applicable for all schemes in that folio.

Please contact the nearest Investor Service Centre (ISC) of the Mutual Fund/ the Registrar of the Mutual Fund viz M/s Karvy Computershare Pvt. Ltd. or visit our website [www.jmfinancialmf.com](http://www.jmfinancialmf.com) for the Multiple Bank Accounts Registration Form ("Registration Form").

For registration of multiple bank accounts, the investors can submit any one of the following documents along with Part A of the registration form. In case, a copy of any document has been submitted, investor should bring the original to the ISC of the Mutual Fund / the Registrar for verification:

- Cancelled cheque leaf, or
- Bank Statement / Pass Book Page with account number, account holders' name and

address.

The registered bank accounts mentioned above will be used to identify subscriptions payments and any one of the registered bank accounts can be used towards redemption or dividend payments. In case, any of the registered bank accounts is closed / altered, instructions to delete / alter it should be intimated by using the designated form which can be downloaded from our website mentioned above. Requests received on a plain paper are liable to be rejected. The bank accounts will be registered or any subsequent addition / change / deletion in the registered bank accounts would be effected within a period of 10 calendar days, subject to the documents being in order. The process of validation would include notifying the investor about the request made for registration of new bank account, through letter, email, sms, phone etc. as may be deemed appropriate. In case a redemption request is received before the change of bank details have been validated and registered, the redemption request would be the currently registered (old) bank account.

**Registration of a Default Bank Account:** Part B of the Registration Form may be used by the unit holders to specify any one bank account out of the registered multiple bank accounts, as the 'Default Bank Account', for the credit of redemption and dividend proceeds. The Default Bank Account will be used for payments of redemption requests in case no other registered bank account or a non-registered bank account is specified in the redemption request for receiving redemption proceeds.

In case, the 'Default Bank Account' is not specified, the Mutual Fund shall treat the following as default bank accounts.

- In case of existing investors, the existing bank mandate, till the investor gives a separate request to change the same to any of other registered bank accounts.
- In case of new investors, the bank account mentioned on the purchase application form, used for opening the folio, till the investor gives a separate request to change the same to any of other registered bank account.

**Deletion of Registered Bank Accounts:** Part C of the Registration Form can be used by the investors to delete a registered bank account. Investor will not be allowed to delete a default bank account unless he/she registers another registered account as a default account.

Kindly note that effective November 15, 2010, redemption payments will be sent only to a bank account that is already registered and validated in the folio at the time of redemption transaction processing.

Consequent to introduction of "Multiple Bank Accounts Facility", the existing facility of redemption requests accompanied with request for change of bank mandate will not be processed simultaneously. The two requests will be handled and executed separately for all existing and new customers, irrespective of customer category.

In case, the unit holder(s) provide a new and unregistered bank mandate with a redemption request (with or without necessary supporting documents) such bank account will not be considered for payment of redemption proceeds and redemption proceeds will be sent to existing registered bank account only.

#### TAX & LEGAL INFORMATION

##### A. Taxation on investing in Mutual Funds

##### TAX BENEFITS

The following tax benefits are available to investors and the Fund under the present taxation laws. The information set forth below is based on the advice of the Fund's tax advisor and is included for general information purposes only. The information set forth below reflects the law and practice as of date of this Offer Document. Investors/ Unit holders should be aware that the relevant fiscal rules or their interpretation may change. There is a possibility that the tax position prevailing at the time of an investment in the Scheme can change thereafter. Mutual Fund will pay / deduct taxes as per tax law applicable on relevant date. The investor will not have any recourse in case of additional tax liability imposed due to changes in the tax structure in the future.

It may be noted that investors/ unitholders are responsible to pay their own taxes. Investors/ unitholders should consult their own tax adviser with respect to the tax applicable to them for participation in the scheme.

##### i. TAX BENEFITS TO THE MUTUAL FUND

JM Financial Mutual Fund is a Mutual Fund registered with the Securities and Exchange Board of India and hence the entire income of the Fund will be exempt from income-tax in accordance with the provisions of Section 10(23D) of the Income-tax Act, 1961 (the Act). The Fund is entitled to receive all income without any deduction of tax at source under the provisions of Section 196(iv), of the Act.

On income distribution, if any, made by the Fund, to its unitholders of a Debt Fund, income distribution tax will be payable under Section 115R of the Act at the following rates:

- At 25 percent (plus applicable surcharge and an additional surcharge by way of Education Cess of 2 percent and Secondary and Higher Education Cess of 1 percent on the amount of tax plus surcharge) on income distributed to Individuals or a HUF's by a Money Market Mutual Fund and a Liquid Fund.
- At 30 percent (plus applicable surcharge and an additional surcharge by way of Education Cess of 2 percent and Secondary and Higher Education Cess of 1 percent on the amount of tax plus surcharge) on income distributed to any other person by a Money Market Mutual Fund and a Liquid Fund.
- At 12.5 percent (plus applicable surcharge and an additional surcharge by way of Education Cess of 2 percent and Secondary and Higher Education Cess of 1 percent on the amount of tax plus surcharge) on income distributed to individuals and HUFs by a fund other than a money market mutual fund or a liquid fund and
- At 30 percent (plus applicable surcharge and an additional surcharge by way of Education Cess of 2 percent and Secondary and Higher Education Cess of 1 percent on the amount of tax plus surcharge) on income distributed by other funds to persons other than individuals and HUFs, for instance, corporates.

An equity oriented fund is not required to pay any Income Distribution Tax u/s 115R of the Act.

##### ii. TAX BENEFITS TO THE UNITHOLDERS

**INCOME TAX:** As per Section 10(35) of the Act, any income other than capital gain received in respect of units of a mutual fund specified under Section 10(23D) will be exempt from income-tax in the hands of the unitholders.

##### A. LONG TERM CAPITAL GAINS TAX ON TRANSFER OF UNITS OF OTHER THAN EQUITY ORIENTED FUND:

Long-term capital gains on sale of units of Mutual Funds other than equity oriented funds are not exempt from income tax under Section 10(38) of the Act in the hands of unit holders. While computing the gains, in some cases, the benefit of indexation of cost of acquisition is available. In some cases, the investor has the option to pay tax on indexed gains or unindexed gains whichever is more beneficial. The provisions for taxation of long-term capital gains for different categories of assessee are explained hereunder:

Category of Investor	Rate at which tax is payable (see note 1 below)	Whether benefit of indexation of cost is available?
Resident unitholders	20% (see note 2 below) Or 10% provided the long term capital gains are computed without substituting indexed cost in place of cost of acquisition	Yes
Foreign Companies	20% (see note 3 below)	No
Non-resident Indians	20%	No (see note 4 below)
Overseas Financial Organisations (Section 115AB) and Foreign Institutional Investors (115AD)	10%	No

##### NOTES:

- In case of companies, if income exceeds Rs. 1 crore, then the tax payable would be increased by a surcharge (5% in case of domestic companies and 2% in case of foreign companies). In all cases, the tax payable (as increased by surcharge in case of companies referred to above) would be further increased by Education Cess (2%) and Secondary & Higher Education Cess (1%).
- In the case of Resident Individuals and HUFs, where taxable income as reduced by long term capital gains is below the exemption limit, the long term capital gains will be reduced to the extent of the shortfall and only the balance long term capital gains will be charged at the flat rate of 20% and Education Cess and Secondary and Higher Education Cess.
- It may be possible for foreign companies to opt for computation of long term capital gains as per Section 112, which provides for 10% tax on long term capital gains computed without indexation of cost. However, this issue is not free from doubt as there have been several judicial and appellate decisions where it has been held



that a non resident is not entitled to the benefit of paying tax at 10% on unindexed gains.

4. For non-resident Indians, under Section 115E of the Act, long-term capital gains would be calculated without indexation of cost of acquisition. However, such units should have been acquired or purchased with or subscribed to in convertible foreign exchange. It may be possible for non-resident Indians to opt for computation of long term capital gains as per Section 112, which provides for 10% tax on long term capital gains computed without indexation of cost. In such case, the non-resident Indian would have to forego all the benefits of concessional rate of tax available to non-resident Indians under Chapter XII-A of the Act. However, this issue is not free from doubt as there have been several judicial and appellate decisions where it has been held that a non resident is not entitled to the benefit of paying tax at 10% on unindexed gains.

#### Exemption from Long Term capital gain:

Under Section 54EC of the Act and subject to the conditions specified therein, taxable capital gains, arising on transfer of a long term capital asset, shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer subject to an upper limit of Rs. 50 lakhs per year per tax payer. Under Section 54F of the Act and subject to the conditions specified therein, in the case of an individual or a HUF, capital gains (subject to the exemption of long-term capital gains provided for in section 10(38) of the Act, discussed elsewhere in this Statement) arising on transfer of a long term capital asset (not being a residential house) are not chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period in a residential house. If part of such net consideration is invested within the prescribed period in a residential house, then such gains would not be chargeable to tax on a proportionate basis. For this purpose, net consideration means full value of the consideration received or accruing as a result of the transfer of the capital asset as reduced by any expenditure incurred wholly and exclusively in connection with such transfer.

#### B. SHORT TERM CAPITAL GAINS ON TRANSFER OF UNITS OF OTHER THAN EQUITY ORIENTED FUND:

Short term capital gains in respect of units held for a period of not more than 12 months is added to the total income of the tax payer.

Total income including short-term capital gains is chargeable to tax as per the relevant slab rates. However, in case of Foreign Institutional Investors and domestic companies, short term capital gain will be chargeable to tax at the flat rate of 30% plus applicable surcharge and education cess and secondary and higher education cess. In case of foreign companies, the tax rate would be 40%. In case of companies, the tax would be further increased by a surcharge (5% in case of domestic companies and 2% in case of foreign companies). In all cases, the tax payable (as increased by surcharge in case of companies referred to above) would be further increased by Education Cess (2%) and Secondary & Higher Education Cess (1%).

#### C. LONG TERM CAPITAL GAINS TAX ON TRANSFER OF UNITS OF EQUITY ORIENTED FUNDS

Under Section 10(38) of the Act, long term capital gains arising on sale of units of equity oriented funds are exempt from income tax in the hands of Unit holders, provided STT is charged on such sale by the Mutual Fund.

#### D. SHORT TERM CAPITAL GAINS ON TRANSFER OF UNITS OF EQUITY ORIENTED FUNDS

Section 111A of the Act provides that short-term capital gains arising on sale of units of equity oriented funds are chargeable to income tax at a concessional rate of 15% plus applicable surcharge, education cess and secondary and higher education cess as applicable, provided STT is charged on such sale by the Mutual Fund. Further, Section 48 provides that no deduction shall be allowed in respect of STT paid for the purpose of computing Capital Gains.

#### E. CAPITAL LOSSES:

Losses under the head "Capital Gains" cannot be set off against income under any other head. Further within the head "Capital Gains", long term capital losses cannot be adjusted against short term capital gains. However, short term capital losses can be adjusted against long term capital gains. Long term capital loss arising on transfer of units of an equity oriented fund on which STT is paid, cannot be set-off against any other capital gains. Consequently, such loss shall lapse in the year in which it is incurred.

Unabsorbed short-term capital loss can be carried forward and set off against the income under the head Capital Gains in subsequent eight assessment years.

According to Section 94(7) of the Income Tax Act, if any person buys or acquires units within a period of three months prior to the record date fixed for declaration of dividend or distribution of income and sells or transfers the same within a period of nine months from such record date, then losses arising from such sale to the extent of income received or receivable on such units, which are exempt under the Income Tax Act, will be ignored for the purpose of computing his income chargeable to tax.

Further, Sub-section (8) of Section 94 provides that, where additional units have been issued to any person without any payment, on the basis of existing units held by such person then the loss on sale of original units shall be ignored for the purpose of computing income chargeable to tax, if the original units were acquired within three months prior to the record date fixed for receipt of additional units and sold within nine months from such record date. However, the loss so ignored shall be considered as cost of acquisition of such additional units held on the date of sale by such person.

#### TAX DEDUCTION AT SOURCE

##### FROM INCOME IN RESPECT OF UNITS:

Since income distributed by mutual funds is not taxable in the hands of the unit holders, there is no requirement of withholding any tax at source from such income distributed by mutual funds.

##### FROM CAPITAL GAINS ON TRANSFER OF UNITS OF OTHER THAN EQUITY ORIENTED FUND

(a) In respect of Resident Unit holders:

As per section 194K, no tax is required to be deducted at source on capital gains arising to any resident Unit holder. In this connection, reference may also be made to circular no. 715 dated August 8, 1995 issued by the Central Board for Direct Taxes (CBDT).

(b) In respect of Non- Resident Unit holders:

As per the provisions of Section 195 of the Act, tax is required to be deducted at source from the redemption proceeds paid to investors. Under Section 195 of the Act, tax shall be deducted at source in respect of capital gains as under:

Category of Investor	Rate at which tax is deductible on short term capital gains (see note 1 below)	Rate at which tax is deductible on long term capital gains (see note 1 below)
Foreign companies	40%	20%
FIs	NIL	NIL
Overseas Financial Organisation	30%	10%
Other non-residents	30%	20%

#### NOTE:

- In case of companies, if income exceeds Rs. 1 crore, then the tax payable would be increased by a surcharge (5% in case of domestic companies and 2% in case of foreign companies. In all cases, the tax payable (as increased by surcharge in case of companies referred to above) would be further increased by Education Cess (2%) and Secondary & Higher Education Cess (1%).

As per circular no. 728 dated October 1995 by CBDT, in the case of a remittance to a country with which a Double Taxation Avoidance Agreement (DTAA) is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in DTAA whichever is more beneficial to the assessee.

However, where the unit holder, resident or non-resident, does not furnish its PAN to the mutual fund, then tax will be withheld at the rate of 20% even if the DTAA or the Act provide for a lower rate.

##### FROM CAPITAL GAINS ON TRANSFER OF UNITS OF EQUITY ORIENTED FUND

(a) In respect of Resident Unit holders :

No tax is required to be deducted at source on capital gains arising to any resident Unit holder (under section 194K) vide circular no. 715 dated August 8, 1995 issued by the Central Board for Direct Taxes (CBDT).

(b) In respect of Non- Resident Unit holders:

As per the provisions of Section 195 of the Act, tax is required to be deducted at source from the redemption proceeds paid to investors. This withholding is in addition to and independent of the securities transaction tax payable, if any, by the investor. Under Section 195 of the I.T. Act, tax shall be deducted at source in respect of capital gains as under:

Category of Investor	Rate at which tax is deductible on short term capital gains (see note 1 below)	Rate at which tax is deductible on long term capital gains (see note 1 below)
Foreign companies	15%	NIL
FIs	NIL	NIL
Other non-residents	15%	NIL

#### NOTE:

- In case of companies, if income exceeds Rs. 1 crore, then the tax payable would be increased by a surcharge (5% in case of domestic companies and 2% in case of foreign companies. In all cases, the tax payable (as increased by surcharge in case of companies referred to above) would be further increased by Education Cess (2%) and Secondary & Higher Education Cess (1%).

As per circular no. 728 dated October 1995 by CBDT, in the case of a remittance to a country with which a Double Taxation Avoidance Agreement (DTAA) is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in DTAA whichever is more beneficial to the assessee.

However, with effect from 1st April, 2010, where the unit holder, resident or non-resident, does not furnish its PAN to the mutual fund, then tax will be withheld at the rate of 20% even if the DTAA or the Act provides for a lower rate,

#### SECURITIES TRANSACTION TAX

##### IN RESPECT OF UNITS OF OTHER THAN EQUITY ORIENTED FUNDS

Securities Transaction Tax ("STT") is not applicable on transactions of purchase or sale of units of a non equity oriented mutual fund.

##### IN RESPECT OF UNITS OF EQUITY ORIENTED FUNDS

STT is applicable on transactions of purchase or sale of units of an equity oriented fund entered into on a recognized stock exchange or on sale of units of an equity oriented fund to the Fund. The STT rates as applicable are given in the following table:

Taxable Securities Transaction	Rates	Payable by
Delivery based purchase of an Equity Share in Company or Unit of an Equity Oriented Fund	0.125% (reduced to 0.10% w.e.f. 1st July, 2012)	Purchaser
Delivery based sale of an Equity Share in Company or Unit of an Equity Oriented Fund.	0.125% (reduced to 0.10% w.e.f. 1st July, 2012)	Seller
Sale of a unit of an equity oriented fund, where the transaction of such sale is entered into in a recognised stock exchange and the contract for the sale of such unit is settled otherwise than by the actual delivery or transfer of such unit.	0.025%	Seller
Sale of unit of an equity oriented fund to the Mutual Fund itself.	0.25%	Seller

The Fund is responsible for collecting the STT from every person who sells the Unit to it at the rate mentioned above. The STT collected by the Fund during any month will have to be deposited with the Central Government by the seventh day of the month immediately following the said month.

#### INVESTMENTS BY CHARITABLE AND RELIGIOUS TRUSTS

Units of a Fund Scheme referred to in section 10(23D) of the Act constitute an eligible avenue for investment by charitable or religious trusts per rule 17C of the Income Tax Rules, 1962, read with clause (xii) of sub-section (5) of Section 11 of the Income Tax Act, 1961.

#### WEALTH TAX

Units held under the Schemes of the Fund are not treated as assets as defined under Section 2(ea) of the Wealth Tax Act, 1957 and therefore would not be liable to wealth tax.

#### GIFT TAX

The Gift-tax Act, 1958, has ceased to apply to gifts made on or after 1 October 1998. Gift of units purchased under the Scheme would therefore be exempt from Gift Tax. However if any Individual or an Hindu Undivided Family receives a gift of units of any mutual fund whose market value exceeds Rs. 50,000/- and such gift is received from a person other than relative as defined in section 56 of the Act, then the value of such gift would be considered as the income of the recipient and would be added to the normal income of such person for income tax purpose.

**PERMANANT ACCOUNT NUMBER** In accordance with Circular dated April 27, 2007 issued by the Securities and Exchange Board of India ("SEBI"), Permanent Account Number ("PAN") issued by the Income Tax authorities will be used as the sole identification number for all investors (existing and prospective) transacting in the securities market, including mutual funds, irrespective of the amount of transaction, (except for Micro SIP) with effect from July 02, 2007.

As per SEBI guidelines and as per Rule 114 (B) of Income Tax Rules, 1962, it is mandatory for every/all the joint investor/s to submit verified copy of his/her/their PAN Card for all investments irrespective of the amount involved including SIP while opening the SIP Account. Even NRI investor is also required to submit the same.

If the investment is in the name of a minor, the verified copy of PAN Card of the minor or his father or mother or legal guardian, who represents the minor, should be submitted.

With effect from January 1,2008 , it is mandatory for all existing and prospective investors (including joint holders, guardians of minors, NRIs etc) to enclose a verified copy of PAN proof along with the application for any transaction in the schemes of JM Financial Mutual Fund.

The verification of the PAN from the original PAN card/ letter can be done by any of the following under his/her signature, rubber stamp and date

- any ARN holder if the PAN proof is self attested by Investor

- Bank Manager,
- notary,
- officials of JM Financial Mutual/ Investor Service Centres of Karvy Computershare Pvt. Ltd.

Investors transacting through approved Web Portals are also required to get their PAN verified by their Web Portals.

**In case, the investor does not conform to the above requirement of submission of verified copy of PAN or produces original PAN proof for verification or the PAN details as per furnished verified copy of PAN proof does not match with the Website of Income Tax Deptt. as prescribed by SEBI, the AMC/its Registrar reserves the right to reject the application before allotment and refund the investment amount, without any interest.**

In case of inadvertent allotment, the AMC reserves the right to revert the transaction & refund the investment amount, without any interest.

**Micro SIP** : The mandatory requirement of submitting a copy of PAN card has been dispensed with in case of Micro SIP (Pls refer to para on Micro SIP for more details).

#### DAILY NET ASSET VALUE (NAV) PUBLICATION

The NAV of the schemes will be declared on all Business Days and may be published in 2 newspapers. NAVs can also be viewed on [www.JMFinancialmf.com](http://www.JMFinancialmf.com) and [www.amfiindia.com](http://www.amfiindia.com). Investors may also contact any of the Investor Service Centres of JM Financial Mutual Fund

#### FOR INVESTOR GRIEVANCES PLEASE CONTACT

##### HEAD - CLIENT SERVICES

##### JM FINANCIAL ASSET MANAGEMENT PRIVATE LTD

502, 5th Floor, A Wing, Laxmi Towers, Bandra Kurla Complex, Mumbai – 400 051. Tel. No.: (022) 6198 7777 Fax Nos.: (022) 2652 8388; Email: [investor@jmfinancial.in](mailto:investor@jmfinancial.in)

##### REGISTRAR: KARVY COMPUTERSHARE PRIVATE LTD

Karvy Plaza, H. No. 8-2-596, Avenue 4 Street No. 1, Banjara Hills, Hyderabad - 500 034 . Tel. No.: 040 - 2331 2454 / 2332 0251 / 751 • Fax No.: 040 - 2331 1968. E-mail: [services\\_jmf@karvy.com](mailto:services_jmf@karvy.com)

#### UNIT HOLDER'S INFORMATION:

##### Accounts Statements

Pursuant to Regulation 36 of SEBI (Mutual Funds) Regulations, 1996 and amendments thereto, read with SEBI circular No. Cir/ IMD/ DF/16/ 2011 dated September 8, 2011, the investor whose transaction\*\* has been accepted by the AMC on or after October 1, 2011 shall receive the following:

- On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted by way of email and/ or SMS within 5

Business Days from the date of receipt of transaction request to the e-mail address and/or mobile number registered by the investor.

- Thereafter, a Consolidated Account Statement ("CAS") ^ for each calendar month to those Unit holder(s) in whose folio(s) transaction (s)\*\* has/have taken place during the month. shall be sent by ordinary post / or e-mail (in case e-mail address is provided by the investor) on or before 10th of the succeeding month. The CAS shall be sent to the mailing address/ email available in the folio where the customer has last transacted (including non financial transaction).

^ Consolidated Account Statement (CAS) shall contain details relating to all the transactions\*\* carried out by the investor across all schemes of all mutual funds during the month and holding at the end of the month including transaction charges paid to the distributor.

\*\*The word 'transaction' shall include purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan and bonus transactions.

- For the purpose of sending CAS, common investors across mutual funds shall be identified by their Permanent Account Number (PAN). The CAS shall not be sent to the Unit holders for the folio(s) not updated with PAN details.

For folios without a valid PAN, the AMC may send account statements on a monthly basis. The Unit holders are therefore requested to ensure that the folio(s) are updated with their PAN.

- In case of a specific request received from the Unit holders, the AMC will dispatch the account statement to the investors within 5 Business Days from the receipt of such request.

- In the event the account has more than one registered holder, the first named Unit holder shall receive the CAS/ account statement.

- Consolidation shall be done only for folios in which the unit holders and the order of holding in terms of first, second and third is similar. In case of folios pertaining to minors, the guardian's PAN shall be used for consolidation.

Further, the CAS detailing holding across all schemes of all mutual funds at the end of every six months (i.e. September/ March), shall be sent by ordinary post / e-mail (in case e-mail address is provided by the investor), on or before 10th day of succeeding month, unless a specific request is made to receive in physical, to all such Unit holders in whose folios no transaction has taken place during that period.

In case of investment though New Fund offers ("NFOs"), investors will receive the allotment confirmation from the AMC within the stipulated time.

The statement of holding of the beneficiary account holder for units held in demat will be sent by the respective Depository Participants ("DPs") periodically.

#### Half yearly Portfolio:

The mutual fund shall publish a complete statement of the scheme portfolio and the unaudited financial results, within one month from the close of each half year (i.e. 31st March and 30th September), by way of an advertisement at least, in one National English daily and one regional newspaper in the language of the region where the head office of the mutual fund is located.

The mutual fund may opt to send the portfolio to all unit holders in lieu of the advertisement. These shall also be displayed on website of the Fund, i.e. [www.JMFinancialmf.com](http://www.JMFinancialmf.com).

#### Half Yearly Financial Results:

The mutual fund and Asset Management Company shall before the expiry of one month from the close of each half year that is on 31st March and on 30th September, publish its unaudited financial results in one national English daily newspaper and in a regional newspaper published in the language of the region where the Head Office of the mutual fund is situated.

#### Annual Report:

Scheme wise Annual Report or an abridged summary thereof shall be sent to all unitholders within four months from the date of closure of the relevant accounts year i.e. 31st March each year.

Pursuant to SEBI Circular No. Cir/ IMD/ DF/ 16/ 2011 dated September 8, 2011, the following provision with respect to sending annual report of scheme(s) of the Mutual Fund or abridged annual report will be applicable. The scheme wise annual report or an abridged summary hereinafter shall be sent by the AMC as under:

- by email to the unitholders whose e-mail address is available with the AMC
- in physical form to the unitholders whose email address is not available with the AMC and/ or to those unitholders who have opted/ requested for the same.

The physical copy of the schemewise annual report or abridged summary shall be made available to the investors at the registered office of the AMC. A link of the scheme annual report or abridged summary shall be displayed prominently on the website of the Mutual Fund.

#### PREVENTION OF MONEY LAUNDERING & KNOW YOUR CUSTOMER

In terms of the Prevention of Money Laundering Act, 2002, the Rules issued there under and the guidelines / circulars issued by SEBI regarding the Anti Money Laundering ("AML Laws"), all intermediaries, including Mutual Funds, have to formulate and implement a client identification programme, verification of identity and address, financial status, occupation and such other personal information.

With effect from January 1, 2011, it is mandatory in case of all the investors(Individual/Non-Individuals) to be KYC Compliant, irrespective of the amount of investment.

The Power Of Attorney holders (in case of investments through a PoA Holder) and joint account holders (in case of investments in joint names) will also have to be KYC compliant.

#### SPECIAL CASE:

Joint Holders: Joint holders (including first, second and third if any, are required) to be individually KYC compliant before they can invest with any Mutual Fund. e.g. in case of three joint holders, all holders need to be KYC compliant and copies of each holder's KYC Acknowledgement must be attached to the investment application form with any Mutual Fund.

Minors: In case of investments in respect of a Minor, the Guardian should be KYC compliant and attach his KYC Acknowledgement while investing in the name of the minor. The Minor, upon attaining majority, should immediately apply for KYC compliance in his/her own capacity and intimate the concerned Mutual Fund(s) with all the folio details, in order to be able to transact further in his/her own capacity.

Power of Attorney (PoA) Holder: Investors desirous of investing through a PoA must note that the KYC compliance requirements are mandatory for both the PoA issuer (i.e. Investor) and the Attorney (i.e. the holder of PoA), both of whom should be KYC compliant in their independent capacity and attach their respective KYC Acknowledgements while investing.

For transmission (In case of death of the unit holder): If the deceased is the sole applicant, the claimant should submit his/her KYC Acknowledgement along with the request and other relevant documents to effect the transmission in his/her favour.

#### KYC PROCESS

Pursuant to SEBI Circular No. MIRSD/ Cir-26/ 2011 dated December 23, 2011, SEBI (KYC Registration Agency)

Regulations, 2011 and SEBI Circular No. MIRSD/SE/Cir-21/2011 dated October 5, 2011, in-order to implement uniform KYC norms and eliminate duplication of KYC across SEBI registered intermediaries in the securities market, KYC registration is centralized through KYC Registration Agencies (KRA) registered with SEBI. Thus each investor has to undergo KYC process only once in the securities market and the details would be shared with other intermediaries.

- New investors are requested to use the revised common KYC Application Form with specified documents as set out in the form and carry out the KYC process including In-Person Verification (IPV) with any SEBI registered intermediaries including mutual funds. The revised common KYC Application Forms are also available on our website [www.jmfinancialmf.com](http://www.jmfinancialmf.com).
- The Mutual Fund shall perform the initial KYC of its new investors and may undertake enhanced KYC measures commensurate with the risk profile of its investors. The Mutual Fund shall upload the details of the investors on the system of the KYC Registration Agency (KRA). KRA shall send a letter to the investor within 10 working days of the receipt of the initial/updated KYC documents from the Mutual Fund, confirming the details thereof.
- It is mandatory for intermediaries including mutual funds to carry out In-Person Verification (IPV) of its new investors from the Effective Date. The IPV carried out by any SEBI registered intermediary can be relied upon by the Mutual Fund. The AMC or NISM/AMFI certified distributors who are KYD compliant are authorized to undertake the IPV for Mutual Fund investors. Further, in case of any applications received directly (i.e. without being routed through the distributors) from the investors, the Mutual Fund may rely upon the IPV (on the KYC Application Form) performed by scheduled commercial banks.
- Once the investor has done KYC as per the revised process with a SEBI registered intermediary, the investor need not undergo the same process again with another intermediary including mutual funds. However, the Mutual Fund reserves the right to carry out fresh KYC of the investor.
- The AMC reserves the right to reject application forms for transactions in units of the Mutual Fund not accompanied by letter/ acknowledgement issued by KRA. The KYC compliance status will be validated with the records of the KRA before allotting units.



- 6 Existing KYC compliant investors of the Mutual Fund, who have completed the KYC process prior to January 01, 2012, can continue to invest as per the practice prevalent prior to the effective date. However it will not be applicable for investments in securities market. These investors, if they wish to deal with any SEBI registered intermediary other than mutual funds, will have to follow the new KYC procedure.

Note: The above change in relation to KYC process will be effective from January 01, 2012 ("Effective Date") and shall

be applicable in respect of all investment applications ( including MICRO SIP ) by new investors made on or after the Effective Date.

All investors (Individuals or Non Individuals) who wish to make an investment in a mutual fund scheme through purchase or switch via a Lumpsum amount or via a Systematic Plan (SIP/STP) ( including MICRO SIP ) will be required to complete the KYC process. This one-time verification is valid for transactions across all mutual funds. Submission of KYC acknowledgement is mandatory for the following :

- All unit holders ( including joint holders ) i.e. Resident & Non resident Individuals
- All Non Individual unit holders
- HUF and its Karta
- Guardian of Minor
- Power of Attorney holder
- Financial Institutions to whom the units of Mutual Fund are pledged.
- PAN Exempted cases ( provided sufficient documentary evidence in support of such claims is submitted ) :
- In case of transactions undertaken on behalf of Central Government and/or State Government and by officials appointed by Courts e.g. Official liquidator, Court receiver etc .
- Investors residing in the state of Sikkim
- UN entities/multilateral agencies exempt from paying taxes/filing tax returns in India
- MICRO SIP

Point of Service (POS) of the intermediaries will accept KYC Application Forms along with the necessary documents as set out in the KYC form (including originals if the copies are not attested) verify documents, conduct In-Person Verification (IPV) and provide the KYC Acknowledgement (across the counter on a best effort basis). KYC application and necessary documents as set out in the form should be submitted along-with Financial Transactions to any branch of the AMC. The KYC form after completion of IPV process can also be submitted to the Investor Service Centre of Registrar & Transfer Agent along-with Financial Transactions.

- Individual ( including NRI / PIO ) & Non Individual investors will have to produce Proof of identity, Proof of Address and other mandatory documents as set out in the KYC Application Form.
- NRIs/PIOs, in addition to the certified true copy of the passport will also be required to furnish certified true copy of the overseas address and permanent address. If any of the documents (including attestations/ certifications) towards proof of identity or address is in a foreign language, they have to be translated to English for submission. The documents can be attested, by the Consulate office or overseas branches of scheduled commercial banks registered in India. A PIO, in addition, will also be required to submit a certified true copy of the PIO Card.

The documents submitted as per the above process by the investor to the Point of Service of the Intermediaries would be forwarded to the KRA. The KRA on receipt of documents from Intermediaries would send a confirmation to investors.

Once the investor has completed the KYC process as per the revised guidelines with a SEBI registered intermediary from any KRA, the investor need not undergo the same process again with another intermediary including Mutual Funds. However, the Mutual Fund reserves the right to carry out fresh KYC of the investor. The investor needs to produce a copy of the confirmation letter received from KRA when investing for the first time with a Mutual Fund for fresh investments or additional purchases in an existing folio as per the aforesaid requirements or till his KYC status is updated successfully as per the new revised KYC norms.

Existing KYC compliant investors of the Mutual Fund, who have completed the KYC process prior to January 01, 2012, can continue to invest in Mutual Fund schemes as per the current practice i.e. by submitting along with their Financial Transaction the KYC acknowledgement issued prior to January 01, 2012 by CVL on behalf of all Mutual Funds. However it will not be applicable for investments in other securities markets. These investors, in case they wish to deal with any SEBI registered intermediary other than mutual funds, will have to follow the new KYC procedure.

An existing investor can inform the Mutual Fund to update the KYC Acknowledgement against all the folios/accounts held by him with the respective Mutual Fund. However, each of the holders in these folios/accounts should be KYC Compliant. Applications Forms / Transaction Slips not accompanied by KYC Acknowledgement / Confirmation letter are liable to be rejected by the Mutual Fund and no transactions, other than redemption, will be permitted. Investors are advised to complete KYC process through KRA at the earliest.

Further, in order to ensure that the unitholder receives all communications, including redemption requests, at the new address, investors are also advised to forward any request for change of address only to same POS/ intermediaries sufficiently in advance of any transaction with the Fund House. Investors holding erstwhile MIN/ KYC Compliance Acknowledgement and who have since changed their address with Karvy are requested to approach POS / KRA and complete the process stated above. Kindly note that the Mutual Fund, the AMC or the Trustees shall not be liable in case the investor does not follow the above procedure for change of address or the earlier address continues to be in the Registrar's database. AMC or its Registrar will update change of address requests of KYC compliant investors based on the data provided by KRA and will not be responsible for non-updation if not received sufficiently in advance of any transaction.

Investors are advised to approach the same POS/ intermediaries from where the KYC acknowledgement was issued in case they wish to rectify any data entry mistake by POS/ KRA.

For details on documents to be submitted pls refer to the revised KYC forms available this site, AMFI website ( www.amfiindia.com ) or on website of any SEBI registered KRAs.

## GENERAL PROVISIONS REGARDING LOAD

### 1. Intra & Inter Equity Switches:

No exit load for inter and intra equity switches except in case of (i) switches by SIP/STP investors within 24 months (for cases registered from 4.1.2008 up to 2.10.2008) and within 12 months (for cases registered upto 3.1.2008) of respective SIP/STP installments (ii) switches by STP investors (for cases registered w.e.f. 3.10.2008) within 24 months of respective STP installments (iii) switches by SIP investors (for cases registered w.e.f. 3.10.2008) within 12 months of respective SIP installments (iv) switches to / from JM Arbitrage Advantage Fund to any equity schemes.

It is clarified that applicable exit load, if any, will be charged for redemptions/ switch outs of the scheme (i.e. at portfolio level) before the completion of the stipulated load/lock-in period. The stipulated load/lock-in period will be reckoned from the date of allotment of units for a particular transaction in the scheme (i.e. at portfolio level) till the date of redemption/ switch out from that scheme, irrespective of the number of intra-scheme switches by the investor between the aforementioned two dates (e.g switches between plans/sub-plans/options/sub-options within the scheme having the same portfolio). However, Government levies eg. STT (wherever applicable) will continue to be deducted for every intra-scheme switch-out /redemption transactions.

### 2. No entry load:

In accordance with the requirements specified by the SEBI circular no. SEBI/IMD/CIR No.4/1 68230/09 dated June 30, 2009, no entry load will be charged for purchase / additional purchase / switch-in accepted by the Fund with effect from August 1, 2009. Similarly, no entry load will be charged with respect to applications for registrations under Systematic Investment Plan/ Systematic Transfer Plan / accepted by the Fund with effect from August 1, 2009.

The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder (AMFI registered Distributor) directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder

**3. No Load on Bonus Unit and Units allotted on Re-investment of Dividend:** Pursuant to SEBI vide circular SEBI/IMD/CIR No. 14/120784/08 dated March 18, 2008 the AMC shall not charge entry as well as exit load on Bonus units and on units allotted on Re-investment of Dividend.

### 4. Exit Load/Contingent Deferred Sales Charge ("CDSC")

With effect from August 1, 2009, exit load/ CDSC (if any) up to 1% of the redemption value charged to the Unitholder by the Fund on redemption of units shall be retained by each of the Schemes in a separate account and will be utilized for payment of commissions to

the ARN Holder and to meet other marketing and selling expenses.

Any amount in excess of 1% of the redemption value charged to the Unitholder as exit load/ CDSC shall be credited to the respective Scheme immediately.

### 5. Change in the load structure

The Trustee reserves the right to modify/alter the load structure and may decide to charge an exit load or a combination of exit loads (i.e. slabs of load based on tenure of holding) on the Units with prospective effect, subject to the maximum limits as prescribed under the SEBI Regulations. At the time of changing the load structure, the AMC shall take the following steps:

a) The addendum detailing the changes shall be attached to Scheme Information Documents and Key Information Memoranda. The addendum will be circulated to all the distributors so that the same can be attached to all Scheme Information Documents and Key Information Memoranda already in stock. The addendum shall also be sent alongwith the newsletter sent to the Unitholders immediately after the changes.

b) Arrangements shall be made to display the changes/modifications in the Scheme Information Document in the form of a notice in all the JM ISCs' and distributors' offices.

c) The introduction of the exit load alongwith the details shall be stamped in the acknowledgement slip issued to the investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such load.

d) The Fund shall arrange to display a notice in the JM ISCs at least 1 (one) day before the change of the then prevalent load structure.

**The investor is requested to check the prevailing load structure of the scheme before investing.**

## TRANSACTION CHARGES

(i) First Time Mutual Fund Investor (across Mutual Funds):

Transaction charge of Rs. 150/- for subscription of Rs. 10,000 and above will be deducted from the subscription amount and paid to the distributor/ agent of the first time investor and the balance shall be invested.

(ii) Investor other than First Time Mutual Fund Investor:

Transaction charge of Rs. 100/- per subscription of Rs. 10,000 and above will be deducted from the subscription amount and paid to the distributor/ agent of the investor and the balance shall be invested. Transaction charges (Rs. 150/- or Rs. 100/- as may be applicable) in case of investments through Systematic Investment Plan (SIP) shall be deducted only if the total commitment (i.e. amount per SIP installment x No. of installments) amounts to Rs. 10,000/- or more. The Transaction Charges shall be deducted in 4 installments.

Investors may note that distributors have an option to opt in or opt out of charging the transaction charge.

(iii) Transaction charges shall not be deducted for:

(a) purchases/subscriptions for an amount less than Rs. 10,000/-;

(b) transaction other than purchases/ subscriptions relating to new inflows, such as Switch, STP, etc.

(c) purchases/ subscriptions made directly with the Fund (i.e. not through any distributor/agent).

(d) Transactions, wherein the concerned distributor has not opted-in for transaction charges.

(e) Transactions done for units held in demat form.

It is also clarified that minimum investment criteria shall be monitored at the gross investment amount level (i.e. amount before deducting transaction charges).

## HOLDING OF UNITS IN DEMAT FORM

### Option to hold Units in dematerialized (demat) form :

Pursuant to SEBI Circular no. CIR/IMD/DF/9/2011 dated May 19, 2011, an option to subscribe to the units of open ended, close ended, Interval schemes in dematerialized (demat) form shall be provided to the investors effective October 1,2011. Consequently, the Unit holders under the Scheme(s)/ Plan(s) shall have an option to subscribe/ hold the Units in demat form in accordance with the provisions laid under the respective Scheme(s)/ Plan(s) and in terms of the guidelines/ procedural requirements as laid by the Depositories (NSDL/ CDSL) from time to time. In case, the Unit holder desires to hold the Units in a Dematerialized /Rematerialized form at a later date, the request for conversion of units held in physical form into Demat (electronic) form or vice-versa should be submitted along with a Demat/ Remat Request Form to their DPs. Provisions with respect to transaction in units held in Demat mode:

(i) Units held in demat form will be transferable subject to the provisions laid under the respective Scheme(s)/Plan(s) and in accordance with provisions of Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as may be amended from time to time.

(ii) An existing investor who wants to redeem units held in his demat account has to approach his depository participant (DP) directly.

(iii) Switch/ STP/SWP transactions will not be permitted for Demat cases till the same is converted into physical form.

(iv) It is also clarified that provision of minimum investment/ balance/ redemption amount shall not be applicable for transactions done in demat mode, post initial allotment of units in demat mode. However subscription done in demat mode, directly through the Mutual Fund, shall be subject to minimum investment criteria.

It is clarified that demat facility is available for all schemes of the Mutual Fund except for subscription through micro SIPs and for daily dividend, weekly dividend and fortnightly dividend Plans / Options. With effect from January 1, 2012, investors would also have an option of holding the units in demat form for SIP. However, the units will be allotted, based on the applicable NAV as per the SID and will be credited to investors' demat account on weekly basis upon realization of funds. For example, units will be credited to investors' demat account every Monday, for realization status received from Monday to Friday in the previous week.

## MINOR ACCOUNT

In terms of Best Practice Circular no. 20/2010-11 dated February 9, 2011, following provisions are applicable w.e.f. April 1, 2011:

1. "On Behalf of Minor" Accounts: Where the account/folio (account) is opened on behalf of a minor:

(a) The minor shall be the first and the sole holder in an account. There shall not be any joint accounts with minor as the first or joint holder.

(b) The Guardian in the folio on behalf of the minor should either be a natural guardian (i.e. father or mother) or a court appointed legal guardian. Information on the relationship/status of the guardian as father, mother or legal guardian should be provided to the AMC/the Registrar of JM Financial Mutual Fund ("the Registrar"). If the documents mentioned in clause (c) below do not provide information evidencing the relationship of natural guardian to the minor, separate documents establishing the relationship should be provided. In case of court appointed legal guardian, supporting documentary evidence should be submitted.

(c) Date of birth of the minor along with photocopy of supporting documents as enumerated below shall be mandatory while opening the account on behalf of minor:

1. Birth certificate of the minor, or
2. School leaving certificate / Mark sheet issued by Higher Secondary Board of respective states, ICSE, CBSE etc., or
3. Passport of the minor, or
4. Any other suitable proof evidencing the date of birth of the minor.

2. Minor Attaining Majority – Status Change:

(a) Prior to minor attaining majority, the AMC/ Registrar will send advance notice to the registered correspondence address advising the guardian and the minor to submit an application form along with prescribed documents (as per (e) below) to change the status of the account to "major".

(b) The account shall be frozen for operation by the guardian on the day the minor attains the age of majority and no transactions shall be permitted till the documents for changing the staus are received. However, the AMC will continue to process the existing standing instructions like SIP, STP, SWP registered prior to the minor

attaining majority and send a intimation to that effect.

(c) In case of existing standing instructions including STP, SIP and SWP registered prior to the minor attaining majority, the AMC will send an advance notice to the registered correspondence address advising the guardian and the minor that the existing standing instructions will continue to be processed beyond the date of the minor attaining majority till the time a instruction from the major to terminate the standing instruction is received by the mutual fund along with the below mentioned documents:

1. Services Request form, duly filled and containing details like name of major, folio numbers, etc.
2. New Bank mandate where account changed from minor to major,
3. Signature attestation of the major by a manager of a scheduled bank / Bank Certificate/ Letter,
4. KYC acknowledgement of the major.

The standing instruction shall be terminated within 30 days from the date of receiving the instruction.

(d) List of standard documents required to change the account status from minor to major:

1. Services Request form, duly filled and containing details like name of major, folio numbers, etc.
2. New Bank mandate where account has been changed from minor to major,
3. Signature attestation of the major by a manager of a scheduled bank / Bank Certificate / Letter,
4. KYC acknowledgement of the major.

## NOMINATION FACILITY

In terms of Best Practice Circular no. 20/2010-11 dated February 9, 2011, following provisions are applicable w.e.f. April 1, 2011:

(a) Nomination should be maintained at the folio or account level and should be applicable for investments in all schemes in the folio or account.

(b) Where a folio has joint holders, all joint holders should sign the request for nomination/ cancellation of nomination, even if the mode of holding is not "joint". Nomination form cannot be signed by Power of attorney (PoA) holders.

(c) Every new nomination for a folio/account will overwrite the existing nomination.

(d) Nomination shall be mandatory for new folios/accounts opened by individual especially with sole holding and no new folios/accounts for individuals in single holding will be opened without nomination.

1. Even those investors who do not wish to nominate must sign separately confirming their non-intention to nominate.

(e) Nomination will not allowed in a folio held on behalf of a minor.

## ASBA FACILITY

Additional mode of payment through Applications Supported by Blocked Amount (hereinafter referred to as "ASBA") in Mutual Funds for investing in New Fund offer (NFO).

In terms of SEBI circulars No. SEBI/IMD/CIR No 18 / 198647 /2010 and Cir / IMD / DF / 6 / 2010 dated March 15, 2010 and July 28, 2010 respectively, the Mutual Fund will extend ASBA facility to NFO of the Mutual Fund.

Investors will be provided ASBA facility for all NFOs launched on or after October 01, 2010. ASBA means "Application Supported by Blocked Amount". ASBA is an application containing an authorization to block the application money in the bank account, for applying during the NFO. An ASBA investor shall submit an ASBA physically or electronically through the internet banking system to the Self Certified Syndicate Bank (SCSB) with whom the bank account to be blocked, is maintained. Self Certified Syndicate Bank has the same meaning as given to it in clause (zi) of sub-regulation (1) of regulation 2 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. SCSB is a bank which is recognized as a bank capable of providing ASBA services to its customers. Names of such banks would appear on the website of SEBI.

The SCSB shall then block the application money in the bank account specified in the ASBA, on the basis of an authorization to this effect given by the account holder. The application money shall remain blocked in the bank account till the allotment of the issue or till withdrawal/ rejection of the application, as the case may be. ASBA facility will be available to all categories of investors and will co-exist with the existing process, wherein cheques/ demand drafts are used as a mode of payment.



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## JM Financial Asset Management Private Limited

**Corporate Office: 502, 5th Floor, A - Wing, Laxmi Towers, Bandra Kurla Complex, Mumbai – 400 051.**

• **Tel. No -(022) 06198 7777 . • Fax No.:(022) 2652 8388• Email: investor@jmfinancial.in • Website: www.jmfinancialmf.com**

**For further details please contact any of our offices:**

**BRANCHES/INVESTOR SERVICE CENTERS :** • **AHMEDABAD:** 201, SAMEDH complex, Next to Associated Petrol Pump, C. G. Road, Panchvati, Ahmedabad - 380 006. Tel.: (079) 26426620 / 26426630. • **BANGALORE:** 203, 2nd floor, City Centre, Off MG road, Church Street, Bangalore 560 001 Tel.: (080) 42914221/4242. • **CHANDIGARH :** B-4 Basement, SCO 22, Sector 33 D, Chandigarh - 160020 Tel: (0172) 4346431/4646431 (operational w.e.f. March 5, 2012) • **CHENNAI:** 2nd Floor, Ruby Regency, Dinrose Estate, Opposite to Tarapore Towers, (Behind HP Petrol Pump) Old No. 69, Anna Salai, Chennai - 600 002. Tel.: (044) 42976767, Fax: (044) 28513026. • **COIMBATORE:** Door No. 196/17, First Floor, Aiswarya Commercial Centre, Thiruvenkatasamy Road, R S Puram, Coimbatore 641 002. Tel.: (0422) 4367375. • **HYDERABAD:** ABK OLBEE Plaza, 8-2-618/8 & 9, 4th Floor, 403, Road No. 1, Banjara Hills, Hyderabad 500 034. Tel.: (040) 66664436 / 66780752. • **INDORE:** 129, City Centre, 570 M. G. Road, Opp. High Court, Indore - 452001. Tel.: (0731) 2533344. • **JAIPUR:** 447, 4th Floor, Ganapati Plaza, MI Road, Jaipur - 302 001. Tel.: (0141) 4002188 / 99. • **KANPUR:** Office No. 512, 5th Floor, Kan Chambers, 14/113 Civil Lines, Kanpur - 208 001, (U.P.) Tel.: (0512) 3914577, 3022754, 3022755. • **KOLKATA:** 6, Little Russell Street, 8th Floor, Kankaria Estate, Kolkata - 700 071. Tel.: (033) 40062957 - 62/65/66/67. • **LUCKNOW:** Room No.101, 1st Floor, Sky Hi, 5-Park Road, Lucknow - 226 001. Tel.: (0522) 4026636/7. • **LUDHIANA:** Office No. 308, SCO 18, Opp. Stock Exchange, Feroze Gandhi Market, Ludhiana - 141 001. Tel.: (0161) 5054519 / 5054520. • **MUMBAI (Andheri):** Asha House, 28, 2nd Floor, Suren Road, Off Western Express Highway, Andheri (E), Mumbai - 400 093. Tel.: (022) 61987777 • **MUMBAI (Nariman Point):** 51, Maker Chambers III, Nariman Point Mumbai – 400021. Tel: 022- 61987777 Tel.: (022) 61987777. • **NAGPUR:** 204, Khullar Chambers, Above Bank of Baroda, Munje Chowk, Sita Buldi, Nagpur - 440 012. Tel.: (0712) 6500171 / 72. • **NASIK:** Lower Ground 14, Suyojit Sankul, Behind HDFC Bank, Sharanpur Road, Nasik - 422 002. Tel.: (0253) 3012824. • **NEW DELHI (MAIN):** 818-819, 8th floor, Ambadeep Building, 14 K G Marg, Connaught Place, New Delhi - 110 001. Tel.: (011) 43616160. • **NOIDA:** 505, 5th floor, Ocean Complex, Plot No.6, Sector 18, Noida 201 301. Tel.: (0120) 4271915 / 4271916 • **PUNE:** Office # 304 & 305, 4th Floor, “Amit Shreephal” Ghole Road, 1187/25 Shivajinagar, Next to Federal Bank, Pune- 411005. Tel: (020) 30266021/22/23. • **RAJKOT:** 208, Star Chambers, 2nd Floor, Harihar Chowk, Rajkot - 360 001. Tel.:(0281) 2231303. • **SURAT:** 1ST Floor, C 110, International Trade Centre (ITC), Majuragate, Ring Road, Surat-395002 . Tel.: (0261) 6533056. • **VADODARA:** 407, 4th Floor, Siddarth Complex, Alkapuri, R C Dutt Road, Vadodara - 390 005. Tel.: (0265)6626474 / 2350453.

**Agra:** Kavy Computershare Private Limited, Deepak Wasan Plaza, Behind Holiday Inn, Opp Megdoot Furnitures, Sanjay Place, Agra -282002 (U.P) Tel.: 9369918603. **Ahmedabad:** Kavy Computershare Private Limited, 201, Shail Building, Opp : Madhusudhan House Nr. Navrang-pura Telephone Exchange; Navrangpura, Ahmedabad - 380 006. Tel.: 079-26402967/26400527/26407541/32997508. **Ajmer:** Kavy Computershare Private Limited, 1-2, II Floor, Ajmer Tower, Kutchary Road, Ajmer - 305 001 Tel.: 0145-2628055/5120725/2628065. **Allahabad:** Kavy Computershare Private Limited, RSA Towers, 2nd Floor, Above Sony TV Showroom, 57, S P Marg, Civil Lines, Allahabad - 211001. Tel.: 9369918605. **Ambala:** Kavy Computershare Private Limited, 6349, Nicholson Road, Adjacent Kos Hospital, Ambala Cantt, Ambala - 133001. Tel.: 9315017301. **Amritsar:** Kavy Computershare Private Limited, 72-A, Taylor’S Road, Aga Heritage Gandhi Ground, Amritsar - 143 001. Tel.: 0183-5053802/5053804. **Anand:** Kavy Computershare Private Limited, F-6, Chitrangana Complex, Opp: Motikaka Chaw!; V V Nagar, Anand - 388 001. Tel.: 02692 - 248980/248873. **Asansol:** Kavy Computershare Private Limited, Hotal Ashok, 2nd Floor 18, G T Road, Asansol - 713 301. Tel.: 0341-2221248/2314624/2314624. **Aurangabad:** Kavy Computershare Private Limited, Ramkunj, Railway Station Road, Near Osman-pura Circle, Aurangabad-431005. Tel.: 0240-2343414/2363517/09665066552/09604396113. **Balasore:** Kavy Computershare Private Limited, M S Das Street, Gopalgao, Balasore - 756001.Tel.: 06782-260503/265492/329233/265496. **Bangalore:** Kavy Computershare Private Limited, No : 51/25, 1 St Floor, Surya Building, Ratna Avenue, Richmond Road, Bangalore - 560 025. Tel.: 080 - 32008452/25320085/41233439. **Bareilly:** Kavy Computershare Private Limited, 1st Floor, 165, Civil Lines, Opp.Hotel Bareilly Palace, Near Rly Station Road, Bareilly - 243 001. Tel.: 9369918607. **Baroda:** Kavy Computershare Private Limited, SB-4&5, Mangaldeep Complex, Opposite Mesonic Hall, Productivity Road, Alkapuri, Vadodara - 390007. Tel.: 0265 - 6640870/6640871. **Belgaum:** Kavy Computershare Private Limited, CTS No 3939/ A2 A1, Above Raymonds Show Room, Beside Harsha Appliances, Club Road, Belgaum - 590001. Tel: 0831- 2402544/2402722/2402880. **Bellary:** Kavy Computershare Private Limited, No.1 Khb Colony, Gandhinagar, Bellary - 583101. Tel.: 08392-254750/254531. **Berhampur (OR):** Kavy Computershare Private Limited, Ramlingam Tank Road, Berhampur-760002. Tel.: 0680 - 2208006/3205010/2202833/2202810/3205010. **Bhagalpur:** Kavy Computershare Private Limited, 2nd Floor, Chandralok Complex, Ghantaghar, Radha Rani Sinha Road, Bhagalpur - 812001. Tel.: 9386256100. **Bharuch:** Kavy Computershare Private Limited, 147-148, Aditya Complex, Near Kasak Circle, Bharuch - 392 002. Tel.: 02642-2225022. **Bhavnagar:** Kavy Computershare Private Limited, Surabhi Mall, 301, 3rd Floor, Waghawadi Road, Bhavnagar - 364001. Tel.: 0278 - 2567005/6. **Bhilai:** Kavy Computershare Private Limited, Shop No-1,First Floor, Plot NO-1, Old Sada Office Block, Commercial Complex, Near HDFC ATM, Nehru Nagar- East Post - BHILAI Pin - 490020. Tel.: 0788-2295329 / 32. **Bhopal:** Kavy Computershare Private Limited, Kay Busniss Centre, 133, Zone I, M P Nagar, Bhopal-462011 Tel.: 0755-4092706/4092708. Bhubaneswar: Kavy Computershare Private Limited, Plot No- 104/105(P), Jaydev Vihar, Besides Hotel Pal Heights, Bhubaneswar-751013. Tel.: 0674-6534585/2547531/2360334/2360335/25 47532. **Bokaro:** Kavy Computershare Private Limited, B-1, 1St Floor, Near Sona Chandi Jewellers, City Centre, Sector - 4, Bokaro Steel City - 827 004. Tel.: 06542 - 233331/32/30. **Burdwan:** Kavy Computershare Private Limited, 63 G T Road, Birhata, Halder Complex, 1St Floor, Burdwan - 713101. Tel.: 0342- 2550219/2550840/2550801. **Calicut:** Kavy Computershare Private Limited, Sowbhagya Shopping Complex, Areyadathupalam, Mavoro Road, Calicut - 673 004. Tel.: 0495-4022480/2742105. Sudeesh Mobile: +91 9846046903/2742107. **Chandigarh:** Kavy Computershare Private Limited, Sco-371-372; First Floor; Above Hdfc Bank; Sector 35B, Chandigarh - 160 022 Tel.: 0172-4342618/4342619/4342620/4342621/4342600/9876279282. **Cochin:** Kavy Computershare Private Limited, Building Nos.39 Ali Arcade ,1st floor, Near At-lantis Junction, Kizhvana Road, Panampili Nagar, Cochin-682 036. Emakulum District Tel.: 0484-40106224/4027672/4027672/4010273 **Coimbatore:** Kavy Computershare Private Limited, 29/1, 2 ND Floor,Chinthamani Nagar Opp To Indian Overseas Bank Nsr Road,Saibaba Colony Coimbatore- 641011. Tel.: 0422-4384770/4353216. **Cuttack :** Kavy Computershare Private Limited, Dargha Bazar, Opp. Dargha Bazar Police Station, Buxibazar, Cuttack - 753001. Tel.: 0671-2513906/ 9238102118. **Davangere:** Kavy Computershare Private Limited, # 15/9, Sobagu Complex, 1St Floor, 2Nd Main Road, P J Extension, Davangere : 577002. Tel.: 08192 - 258713/258711. **Dehradun:** Kavy Computershare Private Limited, Kaulagarh Road, Near Sirmour Marg Above Reliance Webworld Dehradun - 248 001. Tel.: 9369918608. **Dhanbad:** Kavy Computershare Private Limited, 208, New Market, 2Nd Floor, Katras Road, Bank More, Dhanbad - 826001. Tel.: 0326 - 6452027/6452026 UTI. **Dharwad:** Kavy Computershare Private Limited, G7 & 8, Sri Banashankari Avenue Ramnagar, Opp Nttfb Road Dhanward - 580 001. Tel.: 0836-2744207. **Durgapur:** Kavy Computershare Private Limited, MWAV-16 Bengal Ambuja 2ndFloor, City Centre Durgapur- 713216. Tel.: 0343 -6512111. **Erode:** Kavy Computershare Private Limited, No. 4,KMY Salai, Veerappan Traders Complex, Opp : Erode Bus Stand , Sathy Road, Erode - 638 003. Tel.: 0424-4021212. **Faridabad:** Kavy Computershare Private Limited, A-2B, 1st Floor, Nehru Ground, Neelam Bata Road, Nit, Faridabad - 121 001. Tel.: 9310448851. **Ghaziabad:** Kavy Computershare Private Limited, 1st Floor, C-7, Lohia Nagar, Ghaziabad - 201001. Tel.: 9310448804. **Gorakhpur:** Kavy Computershare Private Limited, Above V.I.P. House Adjacent A.D. Girls Inter College, Bank Road Gorakpur - 273 001. Tel.: 9369918610. **Gulbarga:** Kavy Computershare Private Limited, CTS No. 2913, First Floor,Asian Tower Next To Hotel Aditya,Jagat Station Main Road Gulbarga : 585105. Tel.: 08472-310040. **Guntur:** Kavy Computershare Private Limited, Door No : 6- 10-18 , Sai House, 10 / 1 , Arundelpet , Guntur - 522 002. Tel.: 0863-2339094. **Gurgaon:** Kavy Computershare Private Limited, Shop No. 18, Ground Floor, Sector - 14, Opp. AKD Tower, Near Huda Office, Gurgaon - 122001. Tel.: 9310448806. **Guwahati:** Kavy Computershare Private Limited, 54 Sagarika Bhawan R G Baruah Road,(AIDC Bus Stop) Guwahati 781024. Tel.: 0361 - 2203324. **Gwalior:** Kavy Computershare Private Limited, Shindi Ki Chawani, Nadi Gate Pul, MLB Road, Gwalior - 474 001. Tel.: 9300004262. **Hissar:** Kavy Computershare Private Limited, Sco 71, 1st Floor, Red Square Market, Hissar - 125001. Tel.: 9315017303. **Hubli:** Kavy Computershare Private Limited, 22 & 23 , 3rd Floor Eurecka Junction, T B Road Hubli - 580029. Tel.: 0836-2252444/9740666024. **Hyderabad:** Kavy Computershare Private Limited, 8-2-596 Karvy Plaza, Avenue 4, Street No.1 ,Banjara Hills, Hyderabad - 500 034. Tel.: 040 - 23312454/44677075/7076/7077. **Indore:** Kavy Computershare Private Limited, G - 7, Royal Ratan Building M. G. Road, Opp. Kotak Mahindra Bank. Indore - 452010. Tel.: 0731- 4266828. **Jaipur:** Kavy Computershare Private Limited, S-16 A, 3Rd Floor Land Mark, Opposite Jaipur Club Mahavir Marg, C- Scheme Jaipur - 302 001. Tel.: 0141-2379761/2375039/2363321. **Jalandhar:** Kavy Computershare Private Limited, Lower Ground Floor Office No : 3, Arora Prime Tower, Plot No : 28, G T Road Jalandhar - 144 004. Tel.: 0181-4634410/01/12/15. **Jalgaon:** Kavy Computershare Private Limited, 148 Navi Peth, Opp. Vijaya Bank Near Bharat Dudhalay , Jalgaon Jalgaon - 425 001. Tel.: 0257-2226761 Ext: 133, 9665066523/9665066522. **Jammu:** Kavy Computershare Private Limited, 29 D/C, Near Service Selection Commission Office Gandhi Nagar Jammu - 180004. Tel.: 9205044668/9906296948. **Jamnagar:** Kavy Computershare Private Limited, 108 Madhav Plaza Opp SBI Bank , Near Lal Bangalow Jamnagar - 361001. Tel.: 0288-2558887/2556420/2556260. **Jamshedpur:** Kavy Computershare Private Limited, Kanchan Tower, 3Rd Floor, Chhaganlal Dayajli @ Sons 3-S B Shop Area, (Near Traffic Signal) Main Road, Bistupur, Jamshedpur - 831 001. Tel.: 0657-2487045/2487020. **Jhansi:** Kavy Computershare Private Limited, 371/01, Narayan Plaza, Gwalior Road, Near Jeevan Shah Chauraha, Jhansi - 284 001. Tel.: 9369918614. **Jodhpur:** Kavy Computershare Private Limited, 203, Modi Arcade; Chupasni Road Jodhpur - 342 001. Tel.: 0291-2638479/5103046. **Jorhat :** Kavy Computershare Private Limited, New Medical Store Complex, 3Rd Floor, A T Road, Opp. Chowk Bazar, Jorhat - 785001. Tel.: 0376 - 2301923. **Kanpur:** Kavy Computershare Private Limited, 15/46, Ground Floor, Opp: Muir Mills, Civil Lines, Kanpur - 208001. Tel.: 9369918615. **Karakudi:** Kavy Computershare Private Limited, Gopi Arcade 100 Feet Road, Karakudi - 630 001. Tel.: 04565-237192/237192. **Karnal:** Kavy Computershare Private Limited, Sco 26, Kunjpura Road Nehru Place Karnal-132001. Tel.: 0184-2251527 / 525 / 526. **Karur:** Kavy Computershare Private Limited, No.6, Old No.1304 Thiru-Vi-Ka Road , Near G.R.Kalyan Mahal Karur - 639 001. Tel.: 04324-248871/92/93/94/326048. **Kharagpur:** Kavy Computershare Private Limited, Malancha Road Beside Uti Bank Kharagpur-721304. Tel.: 03222-242512/253380/242507/9679755405. **Kolhapur:** Kavy Computershare Private Limited, 605/1/4 E Ward, Near Sultane Chambers, Shahupuri 2nd Lane Kolhapur 416001. Tel.: 0231- 2653656. **Kolkata:** Kavy Computershare Private Limited, 166A, Rashbehari Avenue, 2nd Floor Near Adi Dhakerhwari Bastralaya OPP- Fortis Hospital Kolkata-700029. Tel.: 033-64444177/64444176/24659267/ 63. **Kota:** Kavy Computershare Private Limited, H.No. 29, First Floor, Near Lala Lajpat Rai Circle Shopping Centre, Kota - 324007. Tel.: 0744-5100962/2365144/46. **Kottayam** Kavy Computershare Private Limited, 1St Floor , Csi Ascension Church Complex , Kottayam - 686 001. Tel.: 0481-2300868/2302420/21. **Lucknow:** Kavy Computershare Private Limited, Usha Sadan, 24, Prem Nagar, Ashok Marg, Lucknow - 226001. Tel.: 9369918600/ 0522-2236819/2236820/28. **Ludhiana:** Kavy Computershare Private Limited, SCO - 136 , First Floor Above Airtel Show Room,Feroze Gandhi Market Ludhiana - 141001. Tel.: 0161-4648747/ 4680021. **Madurai:** Kavy Computershare Private Limited, Rakesh Towers, 30-C, Bye Pass Road Ist Floor, Opp Nagappa Motors, Madurai - 625010. Tel.: 0452- 2605856. **Malda:** Kavy Computershare Private Limited, Sahistuli Under Ward No-6, English Bazar Municipality, No-1 Govt Colony Malda - 732101. Tel.: 03512-223190/223193/223763. **Mangalore:** Kavy Computershare Private Limited, Ground Floor, Mahendra Arcade Kodial Bail Mangalore - 575 003. Tel.: 0824-2496289. **Margoa:** Kavy Computershare Private Limited, 2Nd Floor, Dalal Commercial Complex, Opp: Hari Mandir, Pajifond, Margao-Goa -403601. Tel.: 0832-2734656/2731822/2731824. **Meerut:** Kavy Computershare Private Limited, 1St Floor, Medi Centre Complex, Opp. Icici Bank, Hapur Road Meerut - 250 002. Tel.: 9369918619. **Moradabad:** Kavy Computershare Private Limited, Om Arcade, Parker Road, Above Syndicate Bank, Tari Khana Chowk, Moradabad - 244 001. Tel.: 9369918620. **Mumbai:** Kavy Computershare Private Limited, Office number: 01/04 24/B, Raja Bahadur Compound Ambalal Doshi Marg, Behind Bombay Stock Exchange,Fort Mumbai - 400001. Tel.: 022-66235353/66235454. **Muzaffarpur:** Kavy Computershare Private Limited, 1St Floor, Uma Market, Near Thana Gumti, Motijiheel, Muzaffarpur, Bihar - 842001. Tel.: 9386256101. **Mysore:** Kavy Computershare Private Limited, L - 350 , Silver Tower , Clock Tower, Ashoka Road Mysore - 570 001. Tel.: 0821 - 2438006/2441524/2441520. **Nagpur:** Kavy Computershare Private Limited, Plot No.2/1, House No. 102/1, Mangaldeep Apartment, Mata Mandir Road, Opp. Khandelwal Jewellers, Dharampeth, Nagpur - 440 010. Tel.: 0712-2533040 **Nasik:** Kavy Computershare Private Limited, S-12, Second Floor, Suyojit Sankul, Sharanpur Road Nasik - 422 002. Tel.: 0253-6611395. **Navsari:** Kavy Computershare Private Limited, 1St Floor, Chinmay Arcade Opp. Sattapir, Tower Road, Navsari - 396 445. Tel.: 02637-280367. **New Delhi:** Kavy Computershare Pvt Ltd 305, 3rd Floor New Delhi House, Bara Khamba Road Connaught Place New Delhi-110 001. Tel.: 011- 43681700. **Noida:** Kavy Computershare Private Limited, 307 Jaipuria Plaza;D 68 A, 2nd Floor Opp Delhi Public School, Sector 26 Noida - 201301. Tel.: 9310448805. **Panipat:** Kavy Computershare Private Limited, 1St Floor, Krishna Tower, Near Hdfc Bank, Opp. Railway Road, G T Road, Panipat - 132103. Tel.: 9315017304. **Panjim:** Kavy Computershare Private Limited, City Business Centre,Coeelho Pereira Building Room Nos.18,19 & 20 Dada Vaidya Road Panjim - 403001. Tel.: 0832 - 2426871/73. **Patiala:** Kavy Computershare Private Limited, Sco 27 D, Chhoti Baradari Patiala - 147 001. Tel.: 0175-5004349/5051726/27/28. **Patna:** Kavy Computershare Private Limited, 3A, 3rd floor, Anand Tower Beside Chankya Cinema Hall; Exhibition Road Patna - 800001. Tel.: 0612-6453098. **Pondicherry:** Kavy Computershare Private Limited, First Floor No.7, Thiayagaraja Street Pondicherry - 605 001. Tel.: 0413 - 4210640/2220640/4210640. **Pune:** Kavy Computershare Private Limited, Shop No. 16, 17 & 18, Ground Floor, Sreenath Plaza, Dyaneshtar Paduka Chowk, F C Road, Pune - 411004. Tel.: 020-25533795/25532783/25533592. **Raipur:** Kavy Computershare Private Limited, Room No. TF 31, 3 RD FLOOR, Millennium Plaza Behind Indian Coffee House, G E Road, Raipur - 492 001. Tel.: 0771-6450194/4039320. **Rajahmundry:** Kavy Computershare Private Limited, Dr.No: 6-1-4 , first floor Rangachary street,Tnagar Rajahmundry-533101. Tel.: 0883-2432076/2434468/2434468 / 69 / 70. **Rajkot:** Kavy Computershare Private Limited, 104, Siddhi Vinayak Complex Dr Yagnik Road, Opp Ramkrishna Ashram Rajkot - 360 001. Tel.: 9601288416. **Ranchi:** Kavy Computershare Private Limited, Room No. 307, 3rd Floor, Commerce Towers, Beside Mahabir Towers Main Road Ranchi - 834 001. Tel.: 0651-2331320/2330394/2330386. **Rohtak:** Kavy Computershare Private Limited, 1St Floor, Ashoka Plaza, Delhi Road, Rohtak - 124001. Tel.: 9315017305. **Rourkela:** Kavy Computershare Private Limited, 1St Floor, Sandhu Complex, Kanchery Road, Udit Nagar, Rourkela - 769 012. Tel.: 0661-2500005/09040510831. **Saharanpur:** Kavy Computershare Private Limited, 18 Mission Market, Court Road, Saharanpur - 247001 Uttar Pradesh. Tel.: 9369918622. **Salem:** Kavy Computershare Private Limited, Door No: 40 Brindavan Road Near Perumal Koil,Fairlands Salem-636016. Tel.: 0427-4020300/4020300. **Shillong:** Kavy Computershare Private Limited, Mani Bhawan, Thana Road, Lower Police Bazar Shillong - 793 001. Tel.: 0364 - 2506106. **Shimla:** Kavy Computershare Private Limited, Triveni Building By Pas Chowk; Khallini Shimla - 171 002. Tel.: 9318644501. **Shimoga:** Kavy Computershare Private Limited, Uday Ravi Complex, LLR Road Durgi Gudi Shimoga - 577201. Tel.: 08182-322577/227485. **Silchar:** Kavy Computershare Private Limited, 1St Floor, Chowchakra Complex, N N Dutta Road, Premtala Silchar - 788001. Tel.: 03842-260334/261229/261714. **Siliguri:** Kavy Computershare Private Limited, Nanak Complex, Near Church Road, Sevoke Road, Siliguri - 734001. Tel.: 0353-2522579/2526399. **Surat:** Kavy Computershare Private Limited, G-6 Empire State Building, Near Parag House,Udhna Darwaja Ring Road Surat-395002. Tel.: 0261-3042170. **Tirunelveli:** Kavy Computershare Private Limited, Jeney Building, 55/18, S N Road Near Arvind Eye Hospital Tirunelveli - 627 001. Tel.: 0462-2335135-38/2335194. **Tirupathi:** Kavy Computershare Private Limited, Plot No.16 (south part),First Floor R C Road Tirupati - 517502. Tel.: 0877 2252426. **Tirupur:** Kavy Computershare Private Limited, First Floor, 224 A, S Selvakumar Departmental Stores, Ist Floor, Kamaraj Road, Opp To Cotton Market Complex Tirupur - 641 604. Tel.: 0421-2214221. **Trichur:** Kavy Computershare Private Limited, 2'Nd Floor, Brother'S Complex, Near Dhana Laxmi Bank Head Office, Naikkanal Junction Trichur - 680 001. Tel.: 0487-3246231/3246239/232248.Trichy: Kavy Computershare Private Limited, Sri krishna Arcade 1St Floor; 60 Thennur High Road Trichy - 620 017. Tel: 0431 - 4020227-226/2793799. **Trivandrum:** Kavy Computershare Private Limited, 2nd Floor, Akshaya Towers, Above Jetairways, Sasthamangalam Trivandrum - 695 010. Tel.: 0471-2725728/991/989/990. **Udaipur:** Kavy Computershare Private Limited, 201-202, Madhav Chambers, Opp. G.P.O, Chetak Circle, Madhuban, Udaipur-313001. Tel.: 0294-2429370/ 0294-5101601/5101602/5101603. **Valsad:** Kavy Computershare Private Limited, Shop No 2, Phiroza Corner Opp Next Showroom; Tithal Road Valsad - 396001. Tel.: 02632-258481/326902. **Vapi:** Kavy Computershare Private Limited, Shop No 5, Phikhaji Residency Opp Dcb Bank, Vapi Silvassa Road Vapi - 396195. Tel.: 9228012909. **Varanasi:** Kavy Computershare Private Limited, D-64/132,KA 1st Floor, Anant Complex, Sibra, Varanasi - 221 010. Tel.: 9369918625. **Vijayawada:** Kavy Computershare Private Limited, 39-10-7 Opp : Municipal Water Tank Labbigpet Vijayawada - 520 010. Tel.: 0866 2475126/2495200/400. **Visakhapatnam:** Kavy Computershare Private Limited, 47-14-5/1 Eswar Paradise Dwaraka Nagar; Main Road Visakhapatnam - 530 016. Tel.: 0891 - 2714125 / 2734244. **Warangal:** Kavy Computershare Private Limited, 5-6-95, 1st floor, opp: B.Ed collage, Lashkar Bazar, Chandra Complex, Hanmakonda, Warangal - 506001. Tel.: 0870-2501664/ 9848572020. **Yamuna nagar:** Kavy Computershare Private Limited, Jagdhari Road, Above Uco Bank, Near D.A.V. Grils College Yamuna Nagar-135 001. Tel.: 9315017306.

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