

## KEY INFORMATION MEMORANDUM

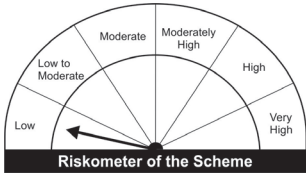
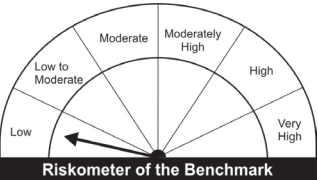
# JM OVERNIGHT FUND (An Open Ended debt Scheme investing in overnight securities). A relatively low interest rate risk and relatively low credit risk.

Continuous offer for Units at NAV based prices.

<b>SPONSOR</b>	:	JM Financial Limited
<b>TRUSTEE</b>	:	JM Financial Trustee Company Private Limited Registered Office: 141, Maker Chambers III, Nariman Point, Mumbai 400 021. CIN: U65991MH1994PTC078880.
<b>REGISTRAR</b>	:	KFin Technologies Limited
<b>INVESTMENT MANAGER</b>	:	JM Financial Asset Management Limited (Formerly known as JM Financial Asset Management Private Ltd.), Corporate Office: Office B, 8th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400025. CIN: U65991MH1994PLC078879 • Tel. No -(022) 6198 7777. • Fax No.:(022) 6198 7704 • Email: investor@jmfl.com • Website: www.jmfinancialmf.com
<b>REGISTERED OFFICE</b>	:	7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400025. • Tel.: (022) 6198 7777 • Fax: (022) 6198 7704

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) and Statement of Additional Information (SAI) 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 25, 2022.

This product is suitable for investors who are seeking*	Riskometer	
<ul style="list-style-type: none"> <li>• Short Term Savings.</li> <li>• Reasonable returns commensurate with low risk and providing a high level of liquidity.</li> </ul> <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	 <p><b>Riskometer of the Scheme</b> Investors understand that their principal will be at low risk</p>	 <p><b>Riskometer of the Benchmark</b> Investors understand that their principal will be at low risk</p>

Potential Risk Class			
Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)	<b>AI</b>		
Moderate (Class II)			
Relatively High Class (Class III)			

### 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. **Repurchase:** There is no minimum and maximum limit on the amount/units which can be redeemed/switched-out. The investor is free to redeem any or all units outstanding in his/her/their folio.

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

Scheme	Min. investment amt.#	Additional investment Amount#	Currently available facilities			Default Plan	Default Option	Default Sub Option
			Plan	Options	Sub Options			
JM Overnight Fund	Rs. 5000/- and in multiples of any amount thereafter	Rs. 1000/- and in multiples of any amount thereafter	Regular	Daily IDCW	Reinvestment	Direct	Daily IDCW	Reinvestment
				Weekly IDCW	Reinvestment/Payout <sup>\$\$</sup>			
				Growth				
			(Direct)	Daily IDCW	Reinvestment		Daily IDCW	Reinvestment
				Weekly IDCW	Reinvestment/Payout <sup>\$\$</sup>			
				Growth				

# The minimum investment /additional investment amount/redemption amount clause shall not be applicable in the case of investments by designated employees pursuant to SEBI Circular SEBI/HO/IMD/IMD-I/DOF5/P/CIR/2021/55 dated April 28, 2021 and circulars/clarifications issued thereunder.

The above clause shall be read with all clause(s) related to minimum investment/additional investment amount/redemption amount mentioned elsewhere in this document.

Under these options, the Trustees of the Fund reserve the right to declare Income Distribution cum Capital Withdrawal (income distribution) /IDCW in the respective Income Distribution cum Capital Withdrawal (income distribution) /IDCW options of the Scheme, subject to availability of distributable surplus. IDCW payout will be lower to the extent of statutory levies, as applicable.

\$\$ No Income Distribution cum Capital Withdrawal under Income Distribution cum Capital Withdrawal /IDCW option shall be distributed in cash even for those unit holders opted for payout where such Income Distribution cum Capital Withdrawal on a single payout is less than Rs. 100/-. Consequently, such

Income Distribution cum Capital Withdrawal (less than Rs.100/-) shall be compulsorily re-invested.

The investment will be treated as if made under "Direct Plan" if an Investor fails to mention the word "Regular" in the full Scheme name on the Transaction Slip and also does not mention the ARN Code of the Distributor & Employee Unique Identification Number (EUIIN) of the employee/ relationship manager/ sales person of the distributor interacting with the investor clearly thereon. Similarly, the investment will be treated to have been made under "Direct" Plan if the word "Direct" is used in the Scheme name or elsewhere on the Transaction Slip indicating the intention of the Investor for investment under Direct Plan irrespective of the ARN Code of the Distributor or EUIIN mentioned thereon.

In case, the investor applies for Payout of Income Distribution cum Capital Withdrawal, the weekly Payout of Income Distribution cum Capital Withdrawal would be the default option.

The Trustees to JM Financial Mutual Fund reserves the right to change/modify the above provisions at a later date.

It is clarified that the minimum investment is applicable at the respective Options/ Sub-options level i.e. Growth and Income Distribution cum Capital Withdrawal .

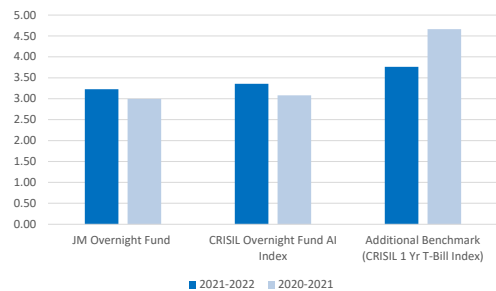
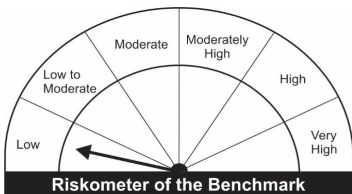
In case, the investor does not mention the name of the Plan/ Option/ Sub-option/or wherever there is an ambiguity in choice of Plan/ Option/ Sub-option opted for purchase/ switch application(s), the AMC/ Registrar may allot the units as per default Plans/ Options/ Sub- options, if no clarification letter is provided by the investor on the transaction date by EOD. However, in case of purchase application, the AMC/ Registrar at its discretion may allot the units based on the Plan/ Option/ Sub-option appearing on the payment instrument.

In case, there is complete ambiguity regarding the default Plans/ Options/ Sub-options, the application will be treated as invalid and will be summarily rejected.

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 redemption payout may be deferred in line with the settlement cycle/s of the stock market and/or money market in case of intervening Bank holiday/s in Mumbai.

Note: Income Distribution cum Capital Withdrawal shall be declared at the discretion of the Trustee subject to the availability of distributable surplus as compiled in accordance with SEBI (Mutual Funds) Regulations, 1996.

<b>Name of the Scheme</b>	JM Overnight Fund												
<b>Scheme Code Allocated by NSDL</b>	JMFI/O/D/ONF/19/11/0012												
<b>Type of Scheme</b>	An Open-Ended Debt Scheme investing in overnight securities. A relatively low interest rate risk and relatively low credit risk.												
<b>Category of the Scheme</b>	Overnight Fund												
<b>Investment Objective</b>	The Scheme aims to provide reasonable returns commensurate with low risk and providing a high level of liquidity, through investments made primarily in overnight securities having maturity of 1 business day. Investors are required to read all the scheme related information set out in this document carefully and also note that there can be no assurance that the investment objectives of the Scheme will be realized. The Scheme does not guarantee/ indicate any returns												
<b>Investment Strategy</b>	<p>The Scheme aims to identify securities which offer optimal level of yields/returns, considering risk-reward ratio. An appropriate mix of cash and money market securities will be used to achieve this. The Scheme will invest in Debt and money market securities getting matured on next business day. Money Market securities include cash and cash equivalents.</p> <p>The AMC may consider the ratings of such Rating Agencies as approved by SEBI to carry out the functioning of rating agencies. In addition, the investment team of the AMC will study the macro economic conditions, including the political, economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis to attempt to predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same.</p> <p>The Scheme may undertake repo transactions in corporate debt securities in accordance with the directions issued by RBI and SEBI from time to time. Such investment shall be made subject to the guidelines which may be prescribed.</p>												
<b>Asset Allocation Pattern of the Scheme</b>	<p>Under normal circumstances the Investment Pattern of the Scheme will be as follows.</p> <table border="1"> <thead> <tr> <th rowspan="2">Instruments</th> <th colspan="2">Indicative Allocations (% of total assets)</th> <th rowspan="2">Risk Profile</th> </tr> <tr> <th>Min</th> <th>Max</th> </tr> </thead> <tbody> <tr> <td>Overnight securities or money market instruments* maturing on or before the next business day</td> <td>0</td> <td>100</td> <td>Low</td> </tr> </tbody> </table> <p>The above limits shall be in line with the investment objective of the Scheme.</p> <p>*instruments with residual maturity not greater than 1 business day, including money market instruments<sup>^</sup>, TREPSS/ reverse repo, debt instruments<sup>^^</sup>, including floating rate instruments, with overnight maturity.</p> <p><sup>^</sup> Commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bill and any other like instruments as specified by the Reserve Bank of India from time to time.</p> <p><sup>^^</sup>Debt instruments would include all debt securities issued by entities such as banks, companies, public sector undertakings, municipal corporations, body corporates, central government securities, state development loans and UDAY bonds, recapitalization bonds, municipal bonds and G-Sec repos and any other instruments as permitted by regulators from time to time. \$or similar instruments as may be permitted by RBI/SEBI.</p> <p>The cumulative gross exposure through equity, debt, derivative positions (including commodity and fixed income derivatives), repo transactions and credit default swaps in corporate debt securities, Real Estate Investment Trusts (REITs), Infrastructure Investment Trusts (InvITs), other permitted securities/assets and such other securities/assets as may be permitted by the Board from time to time should not exceed 100% of the net assets of the scheme.</p> <p>The Scheme shall not invest in Foreign Securities. In the event of any deviation from the asset allocation stated above, the Fund Manager shall rebalance the portfolio within 7 business days from the date of such deviation. If owing to adverse market conditions or with the view to protect the interest of the investors, the fund manager is not able to rebalance the asset allocation within the above mentioned period of 7 business days, the same shall be reported to the Investment Executive Committee and reasons for the same shall be recorded in writing.</p> <p>It may be noted that no prior intimation/indication would be given to investors when the composition/asset allocation pattern under the Scheme undergo changes within the permitted band as indicated above or for changes due to defensive positioning of the portfolio with a view to protect the interest of the unit holders on a temporary basis.</p>			Instruments	Indicative Allocations (% of total assets)		Risk Profile	Min	Max	Overnight securities or money market instruments* maturing on or before the next business day	0	100	Low
Instruments	Indicative Allocations (% of total assets)		Risk Profile										
	Min	Max											
Overnight securities or money market instruments* maturing on or before the next business day	0	100	Low										


	The Scheme can deploy, not exceeding 5% of the net assets of the Scheme, in Government securities and/or Treasury bills with a residual maturity of upto 30 days for the purpose of placing the same as margin and collateral for certain transactions. This investment in Government Securities and/or Treasury bills with a residual maturity of upto 30 days will be in partial modification to SEBI circular no. SEBI/HO/ IMD/ DF3/CIR /P/2017/114 dated October 6, 2017 and the asset allocation of the Scheme which will specify the requirement relating to investment by the Scheme in overnight securities having maturity of 1 business day. For further details, kindly refer SID.																																																																
<b>Risk Profile of the Scheme</b>	Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment.																																																																
<b>Plans and Options</b>	Regular Plan: Daily IDCW (Reinvestment of Income Distribution cum Capital Withdrawal Option), Weekly IDCW (Reinvestment of Income Distribution cum Capital Withdrawal Option/Payout of Income Distribution cum Capital Withdrawal Option), Growth. Direct Plan : Daily IDCW (Reinvestment of Income Distribution cum Capital Withdrawal Option), Weekly IDCW (Reinvestment of Income Distribution cum Capital Withdrawal Option/Payout of Income Distribution cum Capital Withdrawal Option), Growth.																																																																
<b>Applicable NAV</b>	Details are set out in subsequent pages.																																																																
<b>Minimum Application Amount / No. of Units</b>	Refer MINIMUM CRITERIA FOR INVESTMENT & REDEMPTION on page 1																																																																
<b>Dispatch of Repurchase / Redemption request</b>	Details are set out in subsequent pages.																																																																
<b>Benchmark Index</b>	CRISIL Overnight Fund AI Index In accordance with SEBI Circular No. SEBI/HO/MD/DF3/CIR/P/2018/04 dated January 4, 2018, benchmarking of performance of the Scheme of the Fund will be on basis of Total Return Index ("TRI").																																																																
<b>Income Distribution cum Capital Withdrawal Policy</b>	Details are set out in subsequent pages.																																																																
<b>Name of the Fund Manager</b>	Primary Fund Manager – Ms. Shalini Tibrewala - (Managing this Scheme since December 2019 and hence managing this scheme since more than 2 years) Secondary Fund Manager – Ms. Naghma Khoja - (Managing this Scheme since April 05, 2022)																																																																
<b>Performance of the Scheme Compounded annualized returns</b>	Compounded annualized returns (%) of Growth option as on March 31, 2022. <table border="1"> <thead> <tr> <th>Regular Plan</th> <th>7 Days</th> <th>15 Days</th> <th>1 month</th> <th>1 yr</th> <th>3 yrs</th> <th>5 yrs</th> <th>Since Allotment*</th> </tr> </thead> <tbody> <tr> <td>Growth</td> <td>3.18</td> <td>3.29</td> <td>3.24</td> <td>3.23</td> <td>NA</td> <td>NA</td> <td>3.31</td> </tr> <tr> <td>CRISIL Overnight Fund AI Index</td> <td>3.38</td> <td>3.44</td> <td>3.41</td> <td>3.36</td> <td>NA</td> <td>NA</td> <td>3.41</td> </tr> <tr> <td>Additional Benchmark (CRISIL 1 Yr T-Bill Index)</td> <td>5.55</td> <td>5.71</td> <td>5.65</td> <td>3.76</td> <td>NA</td> <td>NA</td> <td>4.63</td> </tr> </tbody> </table> <p>* Date of inception = Date of allotment i.e. 04.12.2019</p> <table border="1"> <thead> <tr> <th>Direct Plan</th> <th>7 Days</th> <th>15 Days</th> <th>1 month</th> <th>1 yr</th> <th>3 yrs</th> <th>5 yrs</th> <th>Since Allotment*</th> </tr> </thead> <tbody> <tr> <td>Growth</td> <td>3.25</td> <td>3.36</td> <td>3.32</td> <td>3.30</td> <td>NA</td> <td>NA</td> <td>3.38</td> </tr> <tr> <td>CRISIL Overnight Fund AI Index</td> <td>3.38</td> <td>3.44</td> <td>3.41</td> <td>3.36</td> <td>NA</td> <td>NA</td> <td>3.41</td> </tr> <tr> <td>Additional Benchmark (CRISIL 1 Yr T-Bill Index)</td> <td>5.55</td> <td>5.71</td> <td>5.65</td> <td>3.76</td> <td>NA</td> <td>NA</td> <td>4.63</td> </tr> </tbody> </table> <p>* Date of allotment = 04.12.2019</p> <p>Note: Compounded Annualised Growth Returns (CAGR) for period 1 year or more, with reinvestment of Income Distribution cum Capital Withdrawal s (if any). Past performance may or may not be sustained in future.</p>  <p>Riskometer of Benchmark CRISIL Overnight Fund AI Index</p>  <p><b>Investors understand that their principal will be at low risk</b></p>	Regular Plan	7 Days	15 Days	1 month	1 yr	3 yrs	5 yrs	Since Allotment*	Growth	3.18	3.29	3.24	3.23	NA	NA	3.31	CRISIL Overnight Fund AI Index	3.38	3.44	3.41	3.36	NA	NA	3.41	Additional Benchmark (CRISIL 1 Yr T-Bill Index)	5.55	5.71	5.65	3.76	NA	NA	4.63	Direct Plan	7 Days	15 Days	1 month	1 yr	3 yrs	5 yrs	Since Allotment*	Growth	3.25	3.36	3.32	3.30	NA	NA	3.38	CRISIL Overnight Fund AI Index	3.38	3.44	3.41	3.36	NA	NA	3.41	Additional Benchmark (CRISIL 1 Yr T-Bill Index)	5.55	5.71	5.65	3.76	NA	NA	4.63
Regular Plan	7 Days	15 Days	1 month	1 yr	3 yrs	5 yrs	Since Allotment*																																																										
Growth	3.18	3.29	3.24	3.23	NA	NA	3.31																																																										
CRISIL Overnight Fund AI Index	3.38	3.44	3.41	3.36	NA	NA	3.41																																																										
Additional Benchmark (CRISIL 1 Yr T-Bill Index)	5.55	5.71	5.65	3.76	NA	NA	4.63																																																										
Direct Plan	7 Days	15 Days	1 month	1 yr	3 yrs	5 yrs	Since Allotment*																																																										
Growth	3.25	3.36	3.32	3.30	NA	NA	3.38																																																										
CRISIL Overnight Fund AI Index	3.38	3.44	3.41	3.36	NA	NA	3.41																																																										
Additional Benchmark (CRISIL 1 Yr T-Bill Index)	5.55	5.71	5.65	3.76	NA	NA	4.63																																																										
<b>Entry Load</b>	NIL																																																																
<b>Exit Load^</b>	NIL																																																																

<b>Recurring expenses [% of Net Assets]</b>	Actual Expenses for the period 1st April 2021 to 31st March 2022: Regular: 0.13%, Direct: 0.06%
<b>No. of Folios as on 31.03.2022</b>	11577
<b>Quarterly Avg. AUM (Rs. In Cr.) - Jan, 22 to Mar, 22</b>	360.77
<b>Portfolio Turnover Ratio</b>	NA

**Sector Allocation as on March 31, 2022:**

Sector	% to NAV
Cash & Others	100.00
<b>Total</b>	<b>100.00</b>

**Scheme's Portfolio holdings as on March 31, 2022:**

Particular	Weightage To Nav %	INDUSTRY ALLOCATION
TREPS & others*	100.00	
<b>Total Assets</b>	<b>100.00</b>	Cash & Others  100.00%

Investors can view the scheme's latest monthly portfolio holding on the website of the fund i.e. [www.jmfinancialmf.com](http://www.jmfinancialmf.com).

**Note:** The returns of the schemes are calculated on the basis of the NAVs declared as on the last business day.

Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc and no commission for distribution of Units will be paid / charged under Direct Plan.

The 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 and inter-scheme redemption / switch-out transactions.

The extant provisions of applicability of load on redemptions/ switches from one Scheme to another will continue to be applicable.

In accordance with SEBI Circular No. CIR/IMD/DF/24/2012 dated November 19, 2012, SEBI Circular No. SEBI/HO/IMD/DF2/CIR/P/2016/35 dated February 15, 2016, SEBI Circular No. SEBI/HO/IMD/DF2/CIR/P/2016/68 dated August 10, 2016, & SEBI Circular No. SEBI/HO/IMD/DF2/CIR/P/2017/14 dated February 22, 2017, & SEBI Circular No. SEBI/HO/IMD/DF2/CIR /P/2019 /104 dated October 01, 2019, total exposure of debt schemes of mutual funds in a particular sector (excluding investments in Bank CDs, TREPS, G-Secs, TBills, short term deposits of scheduled commercial banks and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the scheme;

Provided that an additional exposure to financial services sector (over and above the limit of 20%) not exceeding 10% of the net assets of the scheme shall be allowed only by way of increase in exposure to Housing Finance Companies (HFCs);.

Further, an additional exposure of 5% of the net assets of the scheme shall be allowed for investments in securitized debt instruments based on retail housing loan portfolio and/or affordable housing loan portfolio.

Provided further that the additional exposure to such securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NHB) and the total investment/ exposure in HFCs shall not exceed 20% of the net assets of the scheme.

**Recurring Expenses:**

As per the Regulations, the maximum recurring expenses excluding issue or redemption expenses, whether initially borne by the Fund or by the AMC but including investment management and advisory fee that can be charged to the Scheme shall be subject to a percentage limit of daily net assets as in the table below.

Particulars	JM Overnight Fund (% p.a. of net assets)
Investment Management and Advisory Fees	Upto 2.00
Trustee Fees	
Audit Fees	
Custodian Fees	
Registrar & Transfer Agent Fees	
Marketing & Selling Expenses including Agents Commission	
Cost related to investor communications	
Cost of fund transfer from location to location	
Cost of providing account statements and Income Distribution cum Capital Withdrawal redemption cheques and warrants	
Costs of statutory Advertisements	
Cost towards investor education & awareness (at least 2 bps)	
Brokerage & transaction cost over and above 12 bps for cash market trades	
Goods and Services Tax on expenses other than investment and advisory fees	
Goods and Services Tax on brokerage and transaction cost	
Other Expenses*	
Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and (6) (a)	Upto 2.00
Additional expenses under Regulation 52(6A)(c)	Upto 0.05@
Additional expenses for gross new inflows from specified cities* (more specifically elaborated below)	Upto 0.30
The aforesaid does not include Goods and Services Tax on investment management and advisory fees. The same is more specifically elaborated below.	

@ In terms of SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2018/15 dated February 2, 2018, in case exit load is not levied, the AMC shall not charge the

additional expenses.

\*As permitted under the Regulation 52 of SEBI (MF) Regulations, 1996 and pursuant to SEBI circulars no. CIR/IMD/DF/21/2012 dated September 13, 2012, SEBI/HO/IMD/DF2/CIR/P/2018/16 dated February 02, 2018, SEBI/HO/IMD/DF2/CIR/P/2018/137 dated October 22, 2018, SEBI (Mutual Funds) Second Amendment Regulations, 2012 and SEBI (Mutual Funds) (Fourth Amendment) Regulations 2018.

Name of the Scheme	TER Limits
JM Overnight Fund	<ol style="list-style-type: none"><li>i. 2.00% on the first Rs. 500 crores of the daily net assets.</li><li>ii. 1.75% on the next Rs. 250 crores of the daily net assets.</li><li>iii. 1.50% on the next Rs. 1,250 crores of the daily net assets.</li><li>iv. 1.35% on the next Rs. 3,000 crores of the daily net assets.</li><li>v. 1.25% on the next Rs. 5,000 crores of the daily net assets.</li><li>vi. Total expense ratio reduction of 0.05% for every increase of Rs. 5,000 crores of daily net assets or part thereof, on the next Rs. 40,000 crores of the daily net assets</li><li>vii. 0.80% on balance of the assets.</li></ol>

Subject to the overall ongoing fees and expenses which would be charged to the Scheme not exceeding the limit laid down under Regulation 52(6) [as reproduced above], the AMC will charge to the Scheme the Government levies in the form of any charges or applicable taxes including applicable surcharge either presently payable or which may be imposed in future. Wef 1st July 2017, the Government has imposed Goods and Service Tax of 18% on Management and Trustee Fees.

In addition to the limits as specified in Regulation 52(6) of SEBI Regulations, the following costs or expenses can be charged to the schemes of the Mutual Fund:

1. Additionally expenses not exceeding of 0.30% of daily net assets, if the new inflows from retail investors from such cities as specified by SEBI from time to time are at least (i) 30% of gross new inflows in the scheme, or (ii) 15% of the average assets under management (year to date) of the scheme, whichever is higher. Provided that if inflows from retail Investors from such cities are less than the higher of (i) or (ii) above, such expenses on the daily net assets of the Scheme shall be charged on a proportionate basis. Provided further that the expenses charged under this provision shall be utilized for sales, marketing and distribution expenses incurred for bringing inflows from retail investors from such cities. Provided further that the amount incurred as expense on account of inflows from such cities shall be credited back to the scheme in case the said inflows are redeemed within a period of one year from the date of investment.

The brokerage and transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment shall not exceed 0.12% in case of cash market transactions.

2. Any payment towards brokerage and transaction cost, over and above the said 0.12% for cash market transactions may be charged to the Scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996.

Goods & Service tax on investment and advisory fees will be charged to the Scheme in addition to the maximum limit of TER as per Regulation 52 of the Regulations.

Goods & Service tax on other than investment and advisory fees, if any, shall be borne by the Scheme within the maximum limit of TER, as per Regulation 52 of the Regulations.

Goods & Service tax on exit load, if any, shall be paid out of the exit load proceeds and exit load net of Goods & Service tax, if any, shall be credited back to the scheme.

The AMC shall annually set apart 2 basis points on daily net assets within the maximum limit of TER as per Regulation 52 of the Regulations, for investor education and awareness initiatives.

Further, as and when permitted by SEBI, the AMC may charge a higher fee for that part of the assets which are invested overseas. However, revision in fee charged shall be within the SEBI Regulations at all times.

Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc and no commission for distribution of Units will be paid / charged under Direct Plan.

For the actual current expenses being charged, the investor should refer to the website of the fund.

The AMC would update the current expense ratios on the website of the fund at least three working days prior to the effective date of change.

Further, the Actual Expense ratio will also be disclosed by the AMC at Fund's website which can be accessed at link [www.jmfinancialmf.com/Downloads/Other Disclosures](http://www.jmfinancialmf.com/Downloads/Other%20Disclosures).

#### **LEVY OF STAMP DUTY ON ALLOTMENT\***

Mutual fund units issued against Purchase transactions (whether through lump-sum investments or SIP or STP or switchins or reinvestment under IDCW Option) would be subject to levy of stamp duty @ 0.005% of the amount invested. The rate and levy of stamp duty may vary as amended from time to time.

\* Pursuant to Notification No. S.O. 4419(E) dated December 10, 2019 issued by Department of Revenue, Ministry of Finance, Government of India, read with Part I of Chapter IV of Notification dated February 21, 2019 issued by Legislative Department, Ministry of Law and Justice, Government of India on the Finance Act, 2019, and subsequent Notification dated March 30, 2020 issued by Department of Revenue, Ministry of Finance, Government of India.

The stamp duty will be deducted from the net investment amount i.e. gross investment amount less any other deduction like transaction charge. Units will be created only for the balance amount i.e. net investment amount as reduced by the stamp duty. The stamp duty will be computed at the rate of 0.005% on an inclusive method basis as illustrated below:

For instance: If the investment amount is Rs. 100,100 and the transaction charge is Rs. 100, the stamp duty will be calculated as follows:  $((\text{Investment Amount} - \text{Transaction Charge}) / 100.005) * 0.005 = \text{Rs. } 5$ . If the applicable Net Asset Value (NAV) is Rs. 10 per unit, then units allotted will be calculated as follows:  $(\text{Investment Amount} - \text{Transaction Charge} - \text{Stamp Duty}) / \text{Applicable NAV} = 9,999.50$  units.



<b>CHECKLIST</b>
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.
Completely filled and signed FATCA/UBO form of all the applicants
Appropriate Option / Sub-option is selected. If the Income Distribution cum Capital Withdrawal Option is chosen, Payout of Income Distribution cum Capital Withdrawal or Re-investment of Income Distribution cum Capital Withdrawal is indicated.
If units are applied for jointly, Mode of Operation of account is indicated.
KYC Acknowledgement issued by the KRA/ C KYC acknowledgement is submitted irrespective of the amount of investment.
Please mention KIN No if C KYC compliant
Please mention the LEI number ( for corporate investors)
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 (where applicable) 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	LLP	Investments through POA	Trusts	QFI <sup>^</sup>	NRI <sup>*</sup>	FPI <sup>^</sup>	FIs <sup>*^</sup>	PIO <sup>*</sup>	OCI <sup>*</sup>
Resolution/Authorisation to invest		✓	✓	✓			✓	✓		✓	✓		
List of Authorised Signatories with Specimen signature(s)		✓	✓	✓		✓	✓	✓		✓	✓		
Certificate of Incorporation		✓			✓			✓					
Memorandum & Articles of Association		✓						✓					
Trust Deed							✓						
Bye-laws			✓										
Partnership Deed / LLP				✓	✓								
Overseas Auditors' Certificate										✓	✓		
Notarised Power of Attorney						✓							
Bank confirmation of source of funds/FIRC									✓	✓	✓	✓	✓
Proof of Identity	✓								✓			✓	✓
Proof of Address	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
PAN	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
KYC Acknowledgement issued by the KRA	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
FATCA / UBO	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
OCI Certificate													✓

\* Self attested copy of Tax Residency Certificate issued by the country where Double Taxation Avoidance Treaty is signed, should be submitted along with the application and subsequently renewed regularly before the expiry of its validity.

<sup>^</sup> Copy of SEBI Registration Certificate.

#### A. RISK FACTORS

##### Standard Risk Factors:

- 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.
- 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 schemes.
- The names of the schemes does 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 scheme under this Scheme Information Document is not guaranteed or assured return schemes.
- Investors may note that AMC/Fund Manager's investment decisions may not be always profitable as the actual market movement may be at variance with the anticipated trend. The inability of the Scheme to make intended securities purchases due to settlement problems could cause the Scheme to miss certain investment opportunities. By the same rationale, the inability to sell securities held in the Scheme's portfolio due to the absence of a well developed and liquid secondary market for debt securities would result, at times, in potential losses to the Scheme, in case of a subsequent decline in the value of securities held in the Scheme's portfolio.

A Unitholder in JM Financial Mutual Fund's scheme - JM Overnight Fund 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) 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.

##### b) 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.

**c) 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.

**d) Price Risk**

Government securities where a fixed return is offered run price-risk like any other fixed income security. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates. The new level of interest rate is determined by the rates at which government raises new money and/or the price levels at which the market is already dealing in existing securities. The price-risk is not unique to Government Securities. It exists for all fixed income securities. However, Government Securities are unique in the sense that their credit risk generally remains zero. Therefore, their prices are influenced only by movement in interest rates in the financial system.

**e) Reinvestment Risk:**

This risk refers to the interest rate levels at which cash flows received from the securities 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 may be lower than that originally assumed.

**f) Rating Migration Risk:**

Fixed income securities are exposed to rating migration risk, which could impact the price on account of change in the credit rating. For example: One notch downgrade of a AAA rated issuer to AA+ will have an adverse impact on the price of the security and vice-versa for an upgrade of a AA+ issuer.

**g) Risks associated with investing in Tri Party Repo through CCIL (TREPS)**

The mutual fund is a member of securities segment and Tri-party Repo trade settlement of the Clearing Corporation of India (CCIL). All transactions of the mutual fund in government securities and in Tri-party Repo trades are settled centrally through the infrastructure and settlement systems provided by CCIL; thus reducing the settlement and counterparty risks considerably for transactions in the said segments.

CCIL maintains prefunded resources in all the clearing segments to cover potential losses arising from the default member. In the event of a clearing member failing to honour his settlement obligations, the default Fund is utilized to complete the settlement. The sequence in which the above resources are used is known as the "Default Waterfall".

As per the waterfall mechanism, after the defaulter's margins and the defaulter's contribution to the default fund have been appropriated, CCIL's contribution is used to meet the losses. Post utilization of CCIL's contribution if there is a residual loss, it is appropriated from the default fund contributions of the non-defaulting members.

Thus the scheme is subject to risk of the initial margin and default fund contribution being invoked in the event of failure of any settlement obligations. In addition, the fund contribution is allowed to be used to meet the residual loss in case of default by the other clearing member (the defaulting member).

However, it may be noted that a member shall have the right to submit resignation from the membership of the Security segment if it has taken a loss through replenishment of its contribution to the default fund for the segments and a loss threshold as notified have been reached. The maximum contribution of a member towards replenishment of its contribution to the default fund in the 7 days (30 days in case of securities segment) period immediately after the afore-mentioned loss threshold having been reached shall not exceed 5 times of its contribution to the Default Fund based on the last re-computation of the Default Fund or specified amount, whichever is lower.

Further, it may be noted that, CCIL periodically prescribes a list of securities eligible for contributions as collateral by members. Presently, all Central Government securities and Treasury bills are accepted as collateral by CCIL. The risk factors may undergo change in case the CCIL notifies securities other than Government of India securities as eligible for contribution as collateral.

**h) Risks associated with transaction in Units through stock exchange(s):**

In respect of transaction in Units of the Scheme through BSE and/ or NSE, allotment and redemption of Units on any Business Day will depend upon the order processing / settlement by BSE and / or NSE and their respective clearing corporations on which the Fund has no control.

**i) Risk associated with Repo Transactions:**

The Scheme may be exposed to counter party risk in case of repo lending transactions in the event of the counterparty failing to honor the repurchase agreement. However in repo transactions, the collateral may be sold and a loss is realized only if the sale price is less than the repo amount. The risk is further mitigated through over-collateralization (the value of the collateral being more than the repo amount).

**j) Risks associated with Repo Transactions in Corporate Debt Securities :**

The Scheme may be exposed to counter party risk in case of repo transactions in the event of the counterparty failing to honour the repurchase agreement. However in repo transactions, the collateral may be sold and a loss is realized only if the sale price is less than the repo amount. The risk may be further mitigated through over-collateralization (the value of the collateral being more than the repo amount). Further, the liquidation of underlying securities in case of counterparty default would depend on liquidity of the securities and market conditions at that time. It is endeavoured to mitigate the risk by following an appropriate counterparty selection process, which include their credit profile evaluation and over-collateralization to cushion the impact of market risk on sale of underlying security.

**k) Some of the other risks of investing in debt and money market securities are:**

- Different types of fixed income securities in which the Scheme would invest as given in the Scheme Information Document carry different levels and types of risk. Accordingly, the Scheme risk may increase or decrease depending upon its investment pattern. e.g. corporate bonds carry a higher level of risk than Government securities. Further even among corporate bonds, bonds, which are AAA rated, are comparatively less risky than bonds, which are AA rated.
- The AMC may, considering the overall level of risk of the portfolio, invest in lower rated / unrated securities offering higher yields as well as zero coupon securities that offer attractive yields. This may increase the absolute level of risk of the portfolio.
- As zero coupon securities does not provide periodic interest payments to the holder of the security, these securities are more sensitive to changes in interest rates. Therefore, the interest rate risk of zero coupon securities is higher. The AMC may choose to invest in zero coupon securities that offer attractive yields. This may increase the risk of the portfolio.
- Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options to the investor, including a put option. The AMC may choose to invest in unlisted securities that offer attractive yields. This may increase the risk of the portfolio.
- The Scheme at times may receive large number of redemption requests, leading to an asset-liability mismatch and therefore, requiring the investment manager to make a distress sale of the securities leading to realignment of the portfolio and consequently resulting in investment in lower yield instruments.
- Scheme performance may differ from the benchmark index to the extent of the investments held in the debt segment, as per the investment pattern indicated under normal circumstances.
- Investment in unrated instruments may involve a risk of default or decline in market value higher than rated instruments due to adverse economic and issuer-specific developments. Such investments display increased price sensitivity to changing interest rates and to a deteriorating economic environment. The market values for unrated investments tends to be more volatile and such securities tend to be less liquid than rated debt securities
- Changes in government policy in general and changes in tax benefits applicable to Mutual Funds may impact the returns to investors in the Schemes.
- The inability of the Scheme to make intended securities purchases due to settlement problems could cause the Scheme to miss certain investment opportunities. By the same rationale, the inability to sell securities held in the Scheme portfolio due to the extraneous factors that may impact liquidity would result, at times, in potential losses to the Scheme, in case of a subsequent decline in the value of securities held in the Scheme portfolio.

**l) Risks associated with segregated portfolio:**

- Unit holders holding units of segregated portfolio may not be able to liquidate their holdings till recovery of money from the issuer.
- Security in the segregated portfolio may not realize any value.
- Listing of any units of segregated portfolio in recognized stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units in the stock market. Further, trading price of units on the stock market may be significantly lower than the prevailing NAV.
- The trading price of units on the stock exchange may be significantly lower than the prevailing Net Asset Value (NAV) of the segregated portfolio.

**RISK FACTORS ASSOCIATED WITH PROCESSING OF TRANSACTION THROUGH STOCK EXCHANGE MECHANISM:**

The trading mechanism introduced by the stock exchange(s) is configured to accept and process transactions for mutual fund units in both Physical and Demat Form. The allotment and/or redemption of Units through NSE and/or BSE, on any Business Day will depend upon the modalities of processing viz. collection of application form, KYC documentation, order processing/ settlement, etc. upon which the Fund has no control. Moreover, transactions conducted through the stock exchange mechanism shall be governed by the operating guidelines and directives issued by respective recognized stock exchange(s).

**ADDITIONAL RISK FACTORS**

**1) INVESTMENT EXPOSURE OF THE FUND WITH REFERENCE TO SECURITISED DEBT AND RISK FACTORS SPECIFIC TO INVESTMENTS IN SECURITISED PAPERS**

The Fund may 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**

Securitized 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 associate 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.

#### **Risks due to possible prepayments and Charge Offs**

In the event of prepayments, investors may be exposed to changes in tenor and yield. Also, any Charge Offs would result in the reduction in the tenor of the Pass Through Certificates (PTCs).

#### **Bankruptcy of the Swap Bank**

If the Swap Bank, becomes subject to bankruptcy proceedings then an Investor could experience losses or delays in the payments due under the Interest Rate Swap Agreement.

### **2) RISKS ASSOCIATED WITH REPO TRANSACTIONS IN CORPORATE DEBT SECURITIES :**

The Scheme may be exposed to counter party risk in case of repo lending transactions in the event of the counterparty failing to honour the repurchase agreement. However in repo transactions, the collateral may be sold and a loss is realized only if the sale price is less than the repo amount. The risk may be further mitigated through over-collateralization (the value of the collateral being more than the repo amount). Further, the liquidation of underlying securities in case of counterparty default would depend on liquidity of the securities and market conditions at that time. It is endeavoured to mitigate the risk by following an appropriate counterparty selection process, which include their credit profile evaluation and over-collateralization to cushion the impact of market risk on sale of underlying security.

### **3) RISK FACTORS WITH RESPECT TO IMPERFECT HEDGING USING INTEREST RATE FUTURES**

An Interest Rate Futures is an agreement to buy or sell a debt instrument at a specified future date at a price that is fixed today. Interest Rate Futures are Exchange traded. These future contracts are cash settled.

1. Perfect Hedging means hedging the underlying using IRF contract of same underlying.
2. Imperfect hedging means the underlying being hedged and the IRF contract has correlation of closing prices of more than 90%.

#### **In case of imperfect hedging, the portfolio can be a mix of:**

- 1) Corporate Bonds and Government securities or
- 2) Only Corporate debt securities or
- 3) Only government securities with different maturities

**Basis Risk:** The risk arises when the price movements in derivative instrument used to hedge the underlying assets does not match the price movements of the underlying assets being hedged. Such difference may potentially amplify the gains or losses, thus adding risk to the position.

**Price Risk:** The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

**Risk of mismatch between the instruments:** The risk arises if there is a mismatch between the prices movements in derivative instrument used to hedge, compared to the price movement of the underlying assets being hedged. For example when IRF which has government security as underlying is used, to hedge a portfolio that contains corporate debt securities.

**Correlation weakening and consequent risk of regulatory breach:** SEBI Regulation mandates minimum correlation criterion of 0.9 (calculated on a 90 day basis) between the portfolio being hedged and the derivative instrument used for hedging. In cases where the correlation falls below 0.9, a rebalancing period of 5 working days has been permitted. Inability to satisfy this requirement to restore the correlation level to the stipulated level, within the stipulated period, due to difficulties in rebalancing would lead to a lapse of the exemption in gross exposure computation. The entire derivative exposure would then need to be included in gross exposure, which may result in gross exposure in excess of 100% of net asset value.

#### Illustration for Imperfect Hedging

##### Scenario 1 and 2

Assumption: Portfolio whose duration is 3 years, is being hedged with an IRF whose underlying securities duration is 10 years

Portfolio Duration: 3 year

Market Value of Portfolio: Rs 100 cr

Imperfect Hedging cannot exceed 20% of Portfolio

Maximum extent of short position that may be taken in IRFs is as per below mentioned formula:

Portfolio (security) Modified Duration \* Market Value of Portfolio (security) / (Futures Modified Duration \* Futures Price/PAR)

Consider that we choose to hedge 20% of portfolio

$(3 * (0.2 * 100)) / (10 * 100/100) = \text{Rs } 6 \text{ cr}$

So we must Sell Rs 6 cr of IRF with underlying duration of 10 years to hedge Rs 20 cr of Portfolio with duration of 3 years.

##### Scenario 1

If the yield curve moves in a way that the 3 year moves up by 10 bps and the 10 year moves up by 5bps, which means that the short end has moved up more than the long end

Amount of Security in Portfolio (LONG): Rs 20cr

If yields move up buy 10 bps then the price of the security with a modified duration of 3 years will move down by;

Formula: (Yield movement \* Duration) \* Portfolio Value

$((0.001 * 3) * 20,00,00,000) = -6,00,000$

Underlying IRF (SHORT): Rs 6crs

If yields move up buy 5bps then the price of the security with a duration of 10 years will move down by;

Formula: (Yield movement \* Duration) \* Portfolio Value

$(-0.0005 * 10) * 6,00,00,000 = 3,00,000$

Since we have sold the IRF, this movement is positive and hence the total loss will be reduced to:

$-6,00,000 + 3,00,000 = -3,00,000$

Due to IRF, the overall impact on the portfolio due to interest rate movement has been reduced.

##### Scenario 2

If the yield curve moves in a way that the 3 year does not move and the 10 year moves down by 5 bps, which means that the yield curve has flattened.

If yield does not move then the price of the security with a duration of 3 years will remain flat:

Formula: (Yield movement \* Duration) \* Portfolio Value

$(0 * 3) * 20,00,00,000 = 0$

Underlying IRF (SHORT): Rs 6cr

If yields moves down by 5bps then the price of the security with a duration of 10 years will move up by;

$(0.0005 * 10) * 6,00,00,000 = 3,00,000$

In this scenario, the imperfect hedge created on the portfolio would create a loss on the total position.

The fund will use derivatives instruments for the purpose hedging or portfolio rebalancing or for any other stock and / or index derivative strategies as allowed under the SEBI regulations.

#### 4. SOME OF THE OTHER RISKS OF INVESTING IN DEBT AND MONEY MARKET SECURITIES ARE:

- Different types of fixed income securities in which the Scheme would invest as given in the Scheme Information Document carry different levels and types of risk. Accordingly, the Scheme risk may increase or decrease depending upon its investment pattern. e.g. corporate bonds carry a higher level of risk than Government securities. Further even among corporate bonds, bonds, which are AAA rated, are comparatively less risky than bonds, which are AA rated.

- The AMC may, considering the overall level of risk of the portfolio, invest in lower rated / unrated securities offering higher yields as well as zero coupon securities that offer attractive yields. This may increase the absolute level of risk of the portfolio.
- As zero coupon securities does not provide periodic interest payments to the holder of the security, these securities are more sensitive to changes in interest rates. Therefore, the interest rate risk of zero coupon securities is higher. The AMC may choose to invest in zero coupon securities that offer attractive yields. This may increase the risk of the portfolio.
- Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options to the investor, including a put option. The AMC may choose to invest in unlisted securities that offer attractive yields. This may increase the risk of the portfolio.
- The Scheme at times may receive large number of redemption requests, leading to an asset-liability mismatch and therefore, requiring the investment manager to make a distress sale of the securities leading to realignment of the portfolio and consequently resulting in investment in lower yield instruments.
- Scheme performance may differ from the benchmark index to the extent of the investments held in the debt segment, as per the investment pattern indicated under normal circumstances.
- Investment in unrated instruments may involve a risk of default or decline in market value higher than rated instruments due to adverse economic and issuer-specific developments. Such investments display increased price sensitivity to changing interest rates and to a deteriorating economic environment. The market values for unrated investments tends to be more volatile and such securities tend to be less liquid than rated debt securities
- Changes in government policy in general and changes in tax benefits applicable to Mutual Funds may impact the returns to investors in the Schemes.

#### 5. RISK FACTORS ASSOCIATED WITH SECURITIES LENDING

As with other modes of extensions of credit, 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. The AMC will adhere to strict limits should it engage in Stock Lending.

- a. Not more than 25% of the net assets of the Scheme can generally be deployed in Stock Lending.
- b. Not more than 5% of the net assets of the Scheme can generally be deployed in Stock Lending to any single counter party. The Fund may not be able to sell such lent out securities and this can lead to temporary illiquidity.

#### 6. RISK FACTORS ASSOCIATED WITH REITS AND INVITS:

- **Price Risk:** Securities/Instruments of REITs and InvITs are volatile and prone to price fluctuations on a daily basis owing to market movements. The extent of fall or rise in the prices is a fluctuation in general market conditions, factors and forces affecting capital market, Real Estate and Infrastructure sectors, level of interest rates, trading volumes, settlement periods and transfer procedures.
- **Interest Rate Risk:** Securities/Instruments of REITs and InvITs run interest rate risk. Generally, when interest rates rise, prices of units fall and when interest rates drop, such prices increase.
- **Credit Risk:** Credit risk means that the issuer of a REIT/InvIT security / instrument may default on interest payment or even on paying back the principal amount on maturity. Securities / Instruments of REITs and InvITs are likely to have volatile cash flows as the repayment dates would not necessarily be pre scheduled.
- **Liquidity Risk:** This refers to the ease with which securities/instruments of REITs/InvITs can be sold. There is no assurance that an active secondary market will develop or be maintained. Hence there would be time when trading in the units could be infrequent. The subsequent valuation of illiquid units may reflect a discount from the market price of comparable securities/instruments for which a liquid market exists. As these products are new to the market they are likely to be exposed to liquidity risk.
- **Reinvestment Risk:** Investments in securities/instruments of REITs and InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or Income Distribution cum Capital Withdrawal pay-outs, etc. Consequently, the proceeds may get

invested in assets providing lower returns.

- **Legal and Regulatory Risk:** The regulatory framework governing investments in securities/instruments of REITs and InvITs comprises a relatively new set of regulations and is therefore untested, interpretation and enforcement by regulators and courts involves uncertainties. Presently, it is difficult to forecast as to how any new laws, regulations or standards or future amendments will affect the issuers of REITs/InvITs and the sector as a whole. Furthermore, no assurance can be given that the regulatory system will not change in a way that will impair the ability of the Issuers to comply with the regulations, conduct the business, compete effectively or make distributions.

#### **Techniques Risk:**

The Scheme may use techniques (including derivatives, futures and options, warrants, etc.) and instruments that may be permitted and/or that may become permissible under SEBI/RBI Regulations and/or Regulations and/or statutory modification or re-enactment thereof for efficient portfolio management and to attempt to hedge or reduce the risk of such fluctuation. However, these techniques and instruments, if imperfectly used, have the risk of the scheme incurring losses due to mismatches particularly in a volatile market. The Fund's ability to use these techniques may be limited by market conditions, regulatory limits and tax considerations (if any). The use of these techniques is dependent on the ability to predict movements in the prices of securities being hedged and movements in interest rates. There exists an imperfect correlation between the hedging instruments and the securities or market sectors being hedged. Besides, the fact that skills needed to use these instruments are different from those needed to select the Fund's/ Scheme's securities. There is a possible absence of a liquid market for any particular instrument at any particular time even though the futures and options may be bought and sold on an organized stock exchange. The use of these techniques involves possible impediments to effective portfolio management or the ability to meet repurchase/redemption requests or other short-term obligations because of the percentage of the Scheme's assets segregated to cover its obligations.

#### **Liquidity and Settlement Risks:**

The liquidity of the Scheme's investments may be inherently restricted by trading volumes, transfer procedures and settlement periods. From time to time, the Scheme will invest in certain securities of certain companies, industries, sectors etc. based on certain investment parameters as adopted internally by AMC. While at all times the Trustees and the AMC will endeavor that excessive holding/investment in certain securities of industries, sectors, etc. by the Scheme be avoided, the assets invested by the Scheme in certain securities of industries, sectors, etc. may acquire a substantial portion of the Scheme's investment portfolio and collectively may constitute a risk associated with non-diversification and thus could affect the value of investments. The Scheme may have difficulty in disposing of certain securities because the security may be unlisted, due to greater price fluctuations there may be a thin trading market, different settlement periods and transfer procedures for a particular security at any given time. Settlement, if accomplished through physical delivery of stock certificates, is labour and paper intensive and may affect the liquidity. It should be noted that the Fund bears the risk of purchasing fraudulent or tainted papers. The secondary market for money market/debt securities does exist, but is generally not as liquid as the secondary market for other securities. Reduced liquidity in the secondary market may have an adverse impact on market price and the Scheme's ability to dispose of particular securities, when necessary, to meet the Scheme's liquidity needs or in response to a specific economic event, such as the deterioration in the creditworthiness of the issuer, etc. or during restructuring of the Scheme's investment portfolio. Furthermore, from time to time, the AMC, the Custodian, the Registrar, any Associate, any distributor, dealer, any company, corporate body, trust, any scheme/Mutual Fund managed by the AMC or by any other AMC may invest in the Scheme. While at all times the Trustees and the AMC will endeavor that excessive holding of Units in the Scheme among a few unit holders is avoided, however, the amounts invested by these aforesaid persons may acquire a substantial portion of the Scheme's outstanding Units and collectively may constitute a majority unit holder in the Scheme. Accordingly, redemption of Units held by such persons may have an adverse impact on the value of the redemption and may impact the ability of the unit holders to redeem their respective Units.

#### **B. RISK MITIGATION MEASURES FOLLOWED:**

Risk management is an integral part of the investment process. In line with SEBI Circular No. SEBI/HO/IMD/DF2/CIR/P/2016/42 dated March 18, 2016 and SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2019/104 dated October 01, 2019, the AMC has incorporated 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:

1. The AMC may also implement certain internal control procedures / risk & exposure limits etc., which may be varied from time to time.
2. **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 objectives of the schemes. The portfolio would be adequately diversified to mitigate volatility depending on its respective mandate. Volatility would be monitored with respect to the benchmark and peer set.

3. **Liquidity Risk** – Risk if liquidity impact of entering/exiting the underlying stocks in the portfolio. The fund manager may 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.

#### **Special Products / facilities available**

##### **A. Direct Plan**

In accordance with Para D titled "Separate Option for direct investments" under Circular No. CIR/IMD/DF/21/2012 dated September 13, 2012 issued by Securities and Exchange Board of India (SEBI), JM Financial Trustee Company Private Limited, (the "Trustee" to the Mutual Fund), has introduced a separate plan for direct investments (i.e. investments not routed through an AMFI Registration Number (ARN) Holder ("Distributor") (hereinafter referred to as "Direct Plan") as under:

Direct Plan is only for investors who purchase/subscribe units in the Scheme directly with the Fund and is not available for investors who route their investments through a Distributor.

Plans / Options / Sub-options: All Plans / Options / Sub-Options being offered under the Scheme ("Regular Plan") will also be available for subscription under the Direct Plan. Thus, there shall be 2 Plans available for subscription under the Scheme viz., Regular Plan and Direct Plan. Portfolio of the Scheme under the Regular Plan and Direct Plan will be common.

The provisions pertaining to Minimum Subscription Criteria, Load and Additional Purchases will be applicable at Scheme (Portfolio) Level.

**Scheme characteristics:** Scheme characteristics such as Investment Objective, Asset Allocation Pattern, Investment Strategy, risk factors, facilities offered and terms and conditions including load structure will be the same for the Regular Plan and the Direct Plan, except that:

No exit load shall be charged for any switch of investments between Regular Plan and Direct Plan within the same Scheme. The 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)

The extant provisions of applicability of load on redemptions/ switches from one Scheme to another will continue to be applicable.

Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc and no commission for distribution of Units will be paid / charged under Direct Plan.

##### **Applicable NAV and allotment of units:**

The provisions of applicability of NAV and allotment of units will be same for Regular and Direct plan.

**Eligible investors / modes for applying:** All categories of investors (whether existing or new Unitholders), as permitted under the SID of the Scheme, are eligible to subscribe under Direct Plan. Investments under Direct Plan can be made through various modes offered by the Mutual Fund for investing directly with the Fund and all other Platform(s) where investors' applications for subscription of units are routed through SEBI registered Investment Advisors.

##### **How to apply:**

- a. Investors subscribing under Direct Plan of the Scheme will have to indicate "Direct Plan" against the Scheme name in the application form/ transaction slip e.g. "JM Overnight Fund (Direct)".

However, in the event of the Investor having failed to mention the plan clearly, the following Default Plan will be captured for the investment



under the scheme.

- b. Investors may also indicate "Direct" in the ARN column of the application form/ transaction slip. However, in case Distributor/ Sub- broker code is mentioned in the application form, but "Direct Plan" is indicated against the Scheme name or in any other place or in any manner whatsoever in the Application Form/ transaction slip, the Distributor/ Sub-broker code will be ignored and the application will be processed under Direct Plan.
- c. Further, where application is received for Regular Plan without Distributor code or "Direct" is mentioned in the ARN Column, the application will be processed under the Direct Plan.

Redemption requests: Where Units under the Scheme are held under both Regular and Direct Plans and the redemption / Switch request pertains to the Direct Plan, the same must clearly be mentioned on the request (along with the folio number).

In the event of the investor not clearly mentioning the name of the Plan (Regular or Direct)/ Option/ Sub-option/or wherever there is an ambiguity in choice of Plan (Regular or Direct)/ Option/ Sub-option opted for in the request for redemption/switch-out of all/specified amount/ units, in the absence of clarificatory letter from the investor on the day of the transaction, the AMC/ Registrar reserves the right to process the redemption/switch out request from the Regular Plan or Direct Plan if such redemption request can be processed in totality. In such case, the redemption will first be effected from the Regular Plan.

E.g. If an investor has investment of Rs. 5 lakh in an Regular Plan and Rs. 10 lakh in the Direct Plan and a redemption request is received from him for redemption of Rs. 2 lakh without indicating which Plan the redemption is to be effected from, the AMC/ Registrar will effect the redemption from the Regular Plan. In the same example, if the redemption request was for Rs. 7 lakh, the redemption would be effected from the Direct Plan.

However, in case it is not possible to effect the redemption from any one of the Plans in totality i.e. either from the Regular or from the Direct Plan, such redemption request will be treated as void ab-initio and rejected.

E.g. If the redemption request in the above example is for Rs. 12 lakh, the AMC / Registrar will summarily reject the redemption request. Where units are held under any one i.e. under Regular or Direct Plan, the redemption will be processed from such Plan.

Tax consequences: Switch / redemption may entail tax consequences. Investors should refer to the tax paras set out elsewhere in the document as well as consult their professional tax advisor before initiating such requests.

## B. Exchange Platforms:

SEBI vide its Circular No. SEBI/IMD/CIR No. 11/183204/2209 dated November 13, 2009 had facilitated transactions in Mutual Fund schemes through the stock exchanges infrastructure. Also, vide Circular No. CIR/IMD/DF/17/2010 dated November 09, 2010, SEBI had permitted routing of Mutual Fund transactions through the clearing members of the registered stock exchanges and Depository Participants of registered Depositories. In view of this and in order to increase the network and enhance the level of service to the investors of JM Financial Mutual Fund, the Boards of JM Financial Asset Management Limited (the "AMC") and JM Financial Trustee Company Private Limited (the "Trustees") decided to offer an alternate platform to facilitate purchase (subscription) and redemption (repurchase) of units of all the eligible schemes of the Fund. This facility is offered in terms of the aforesaid SEBI circular and the guidelines issued by National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE) in this regard.

**Following are the exchange platforms through which investors can subscribe/redeem the units of certain schemes:**

- Mutual Fund Service System (MFSS) introduced by NSE.
  - NSE Mutual Fund Platform II (NMF- II)
  - BSE Stock Exchange Platform (BSE StAR MF) introduced by BSE.
- 1. Features of the MFSS introduced by NSE:**
- MFSS is an online order collection system provided by NSE to its eligible members for placing subscription or redemption orders on the MFSS, based on orders received from the investors.
  - MFSS has been designed to provide a confirmation slip of the order(s) entered, which would be deemed to be the time of receipt of application for the purpose of determining the applicability of NAV.
  - MFSS facility shall be subject to such operating guidelines as may be issued by NSE from time to time.
- 2. Features of the BSE StAR MF introduced by BSE:**
- The trading member of BSE can facilitate investors to subscribe and redeem the mutual fund units using their existing network and order collection mechanism provided by BSE.
  - The transactions carried out on the BSE platform shall be subject to

such guidelines as may be issued by BSE and also SEBI (Mutual Funds) Regulations, 1996 and circulars/guidelines issued thereunder from time to time.

Basic points to be noted by the investors:

### i) Who can avail of this facility and is it available for all modes / options of investment?:

- This facility is available for purchase (subscription) and redemption (repurchase) of units of the eligible schemes, to the existing and new investors. The list of schemes is subject to change from time to time.
- This facility is available only to Corporate investors, individuals, HUF and Minors acting through a guardian, who are Resident in India.
- This facility is available for investment by NRIs, subject to submission of Foreign Inward Remittance Certificate (FIRC) to the intermediaries/ Market participants involved in the transactions(s) for onward transmission to the Registrar M/s KFin Technologies Ltd / JM Financial Mutual Fund through BSE StAR MF platform (BSE StAR MF). However, this facility is not available to Non Resident Indians/ Persons of Indian origin / Overseas Citizen of India from USA, Canada and other Persons / entities / foreign citizens etc. mentioned in the Scheme Information Document (SID) under "Who cannot invest" in "UNITS and OFFER".
- This facility is not available to Societies/Trusts/Overseas Corporate Bodies (OCBs)/Partnership Firms, etc.
- Reinvestment of Income Distribution cum Capital Withdrawal Option/ IDCW (Reinvestment) shall not be available to investors for transacting through stock exchange in demat form.
- This facility is not available for switching of units or facilities like SWP/ STP.

### ii) Whom should the investor approach for transacting in units of the eligible schemes of the Mutual Fund?:

The investor has to approach a trading member of NSE, BSE who is registered with Association of Mutual Funds in India (AMFI) as Mutual Fund Advisors and who is empanelled as a distributor with the AMC and also registered with NSE and BSE as Participants ("AMFI certified stock exchange brokers") for MFSS and BSE StAR Platform.

### 3. Features of the NSE Mutual Fund Platform II (NMF- II)

The Scheme will also be available on the other platform of NSE known as NSE Mutual Fund Platform II (NMF- II) for the following financial and all the types of non- financial transactions through demat and/or non demat mode:

- Fresh Purchase ( FP)
- Additional Purchases (AP)
- Redemptions
- Switch transactions (Units held in the non-demat mode)
- Systematic Investment Plan (SIP)
- Systematic Withdrawal Plan (SWP)
- Systematic Transfer Plan (STP) (Units held in the non- demat mode)
- New Fund Purchase ( NFO)

For Switch/ SWP/ STP etc., the investor can place request with the same Mutual Fund Distributor through whom the respective units were purchased earlier.

The facility provided by NSE Mutual Fund Platform (NMF II) can be availed by:

- Resident Investors (RIs)
- Non-Resident Investors (NRIs).
- Hindu undivided Family (HUFs).
- Person of Indian Origin ( PIO)

For investment by the NRI Investor through NSE, the Foreign Inward Remittance Certificate (FIRC) is mandatory at the time of each investment.

Investment can be made through valid ARN Holder (i.e. AMFI registered distributor) or through Registered Investment Advisors (RIA) holding valid SEBI registration number.

For investors who can not avail the above facility kindly refer to "Who cannot invest" under "New Fund Offer" in "Units and Offer" in SID.

**Transactions by Distributors in the Scheme of the Fund on behalf of their clients through the Stock Exchange mechanism:**

SEBI vide its Circulars No. CIR/MRD/DSA/32/2013 dated October 4, 2013 and CIR/MRD/ DSA/33/2014 dated December 9, 2014, has permitted Mutual Fund Distributors (MF Distributors) to use National Stock Exchange (NSE) and Bombay Stock Exchange (BSE), recognized stock exchange infrastructure for transacting units directly from Mutual Fund/ Asset Management Companies on behalf of their clients.



Pursuant to the above, the following guidelines shall be applicable for transactions executed in the Schemes of the Fund through MF Distributors via the Stock Exchange Mechanism offered by BSE:

1. MF Distributor registered with Association of Mutual Funds in India (AMFI) and who has been permitted by Bombay Stock Exchange ("the Exchange"), will be eligible to use "BSE StAR MF" platform to purchase/redeem/switch units of the eligible Scheme, on behalf of their clients, directly from the Fund through online - non-demat mode and/ or demat mode. The BSE platform is currently also available for Systematic Investment Plans (SIPs). The platform will accept Systematic Transfer Plan (STP) and Systematic Withdrawal Plan (SWP) as and when it is started by BSE.
2. MF distributors shall not handle pay - out/pay - in of funds as well as units on behalf of the investor/ AMC. 'Pay - in' will be directly received from the investor's account by Indian Clearing Corporation Limited (ICCL) of BSE, in its name through any of the payment modes i.e. Cheque/ Demand Draft (DD), RTGS/NEFT, Netbanking, OTM (One Time NACH Debit Mandate) or any other mode of authorized Banking Channels. The 'Pay- out' will be directly made to the investor by the Registrar/AMC, for non-demat mode. For demat mode, the pay-out for redemption will be directly made to the ICCL
3. i) Purchase of units in Demat mode: In case of purchase in demat mode, the units will be credited into the ICCL account for onward transfer to the investor's account.  
ii) Purchase of units in Non – Demat Mode: In case of non- demat mode, the Registrar will intimate the allotment details to the investor directly by emailing/issuing the physical statement of accounts or through the monthly Consolidated Account Statement (CAS).  
iii) Redemption of units in Demat mode: In case of redemption in demat mode, the investor has to approach his/her/their MF Distributor / Depository Participant (DP) registered with BSE platform and submit the Redemption Request Form (RRF) / Delivery Instruction Slip (DIS). The DP in turn will intimate the Exchange and the exchange shall intimate the RTA for further processing of the redemption request.  
iv) Redemption of units in Non - Demat mode: In case of non- demat mode, the redemption order will be placed on BSE platform and BSE shall communicate the same to the RTA for redemption proceeds.
4. Switch transaction requests can be placed for units which are held in demat as well as in non-demat mode on BSE platform\*.
5. In case of payment of redemption proceeds by the Fund/its Registrar to ICCL, the same shall be treated as valid discharge for the Fund/JM Financial Asset Management Limited ("JMF AMC") of its obligation of payment of redemption proceeds to the investor. For purchase of units in demat mode, crediting units into the Clearing Corporation's account shall discharge the Fund/JMF AMC of its obligation to allot units to the investor.
6. In case of Payout of Income Distribution cum Capital Withdrawal Option /IDCW (Payout)/ Reinvestment of Income Distribution cum Capital Withdrawal Option /IDCW (Reinvestment) of units for demat and non-demat cases, the RTA shall process the same and remit/credit directly into the investor's/beneficiary's accounts.
7. The investors are requested to note that the allotment of NAV will be based on the time stamping of transaction and receipt of Funds into the account of the respective schemes of the AMC from the Clearing Corporation within the overall guidelines of SEBI on the matter. Payment to the Clearing Corporation will not entitle the investor for the NAV until the same is transferred into the AMC's scheme account by the ICCL, before the cut – off time, including all purchase cases of JM Overnight Fund irrespective of the amount. The redemption request shall be accepted by the Exchange upto the cutoff time i.e. 3 p.m. (or such other timings as prescribed by SEBI from time to time) only, failing which the request shall be rejected/processed with the NAV applicable for the next permissible day.
8. The Exchange shall act as the Point of Acceptance only for the purpose of time – stamping of the transaction and reporting thereof but not for collection of funds from the investor and transfer to the AMC.
9. The Mutual Fund Distributors are permitted to handle the transactions of only their clients, through the above platform.
10. The facility of transacting in the Fund's Scheme through BSE StAR MF Platform is available through the BSE, subject to such operating guidelines, terms and conditions as may be prescribed by BSE/ SEBI and JMF AMC from time to time.

For transacting units on the BSE platform, the registration of the mobile no. and/or email id of the investor is compulsory.

Currently, BSE does not provide the facility of non-financial transactions. However, BSE is hereby authorised to accept the same as and when they start this facility.

All the authorised offices of BSE and BSE STAR MF platform shall be

considered as the Official Points of Acceptance (OPA) of the Fund in accordance with SEBI Circular No. SEBI/IMD/CIR No.11/78450/06 dated October 11, 2006 and conditions stipulated in SEBI Circular dated November 13, 2009.

\* The switch process note for demat mode is available on the website of the Fund

#### **Option for holding the units:**

- Units shall be allotted in physical form or dematerialised form as per the request of the investor.
- Investors have an option to hold the units in physical or dematerialized form.
- International Security Identification Number (ISIN) in respect of each plans/options of the Scheme has been created and admitted in the National Securities Depository Ltd. ("NSDL") and Central Depository Services (India) Ltd. ("CDSL").

Investors will have to comply with Know Your Customer (KYC) norms as prescribed by BSE/ NSE/ CDSL/ NSDL and the Fund to participate in this facility.

The Fund will not be in a position to accept any request for transactions or service requests in respect of units bought under this facility in demat mode.

Investors should get in touch with Investor Service Centres (ISCs) of the Fund for further details.

For any complaints or grievances against the Eligible Stock Broker with respect to the transactions done through the stock exchange infrastructure, the investor should contact either the concerned Eligible Stock Broker or the investor grievance cell of the respective stock exchange.

The Trustee of the Fund reserves the right to change/modify the features of this facility or discontinue this facility at a later date.

#### **Option for holding the units:**

Units shall be allotted in physical or dematerialised form as per the request of the investor. However, the demat facility will be started for the Fund at a later date once the Fund sorts out logistic issues for the transfer of Demat Units.

International Security Identification Number (ISIN) in respect of each plans/options of the aforesaid schemes have been created and admitted in the National Securities Depository Ltd. ("NSDL") and Central Depository Services (India) Ltd. ("CDSL").

Kindly refer SAI for other Details.

#### **Purchase of units on Exchange Platforms:**

##### **a) Physical Form:**

- The investor who chooses the physical mode is required to submit all requisite documents along with the purchase application (subject to applicable limits prescribed by BSE/NSE) to the Participants.
- The Participants shall verify the application and documents for mandatory details and KYC compliance.
- After completion of the verification, the purchase order will be entered in the Stock Exchange system and an order confirmation slip will be issued to investor.
- The investor will transfer the funds to the Participants.
- Allotment details will be provided by the Participants to the investor.

##### **b) Dematerialised form:**

- The investors who intend to deal in depository mode are required to have a demat account with CDSL/NSDL.
- The investor who chooses the depository mode is required to place an order for purchase of units (subject to applicable limits prescribed by BSE/NSE) with the Participants.
- The investor should provide their depository account details to the Participants.
- The purchase order will be entered in the Stock Exchange system and an order confirmation slip will be issued to investor.
- The investor will transfer the funds to the Participants.
- Allotment details will be provided by the Participants to the investor.

#### **Redemption of units on Exchange Platform:**

##### **a) Physical Form:**

- The investor who chooses the physical mode is required to submit all requisite documents along with the redemption application (subject to applicable limits prescribed by BSE/NSE) to the Participants.
- The redemption order will be entered in the Stock Exchange system and an order confirmation slip will be issued to investor. Redemption orders would be created either in terms of amount or quantity.

- The redemption proceeds will be credited to the bank account of the investor, as per the bank account details recorded with the Fund.

#### b) Dematerialised form:

- The investors who intend to deal in depository mode are required to have a demat account with CDSL/ NSDL and units converted from physical mode to demat mode prior to placing of redemption order.
- The investor who chooses the depository mode is required to place an order for redemption (subject to applicable limits prescribed by BSE/ NSE) with the Participants. The investors should provide their Depository Participant with Depository Instruction Slip with relevant units to be credited to Clearing Corporation pool account.
- The redemption order will be entered in the system and an order confirmation slip will be issued to investor. Redemption orders would be created in terms of units without any minimum limit and not in terms of amount.
- The redemption proceeds will be credited to the bank account of the investor, as per the bank account details recorded with the Depository Participant.

Investors shall receive redemption amount (if units are redeemed) and units (if units are purchased) through broker/clearing member's pool account. The Fund/AMC would pay proceeds to the broker/clearing member (in case of redemption) and broker/clearing member in turn to the respective investor and similarly units shall be credited by AMC/ Fund into broker/clearing member's pool account (in case of purchase) and broker/clearing member in turn to the respective investor's demat account.

Payment of redemption proceeds to the broker/clearing members by AMC/Fund shall discharge AMC/Fund of its obligation of payment to individual investor. Similarly, in case of purchase of units, crediting units into broker/clearing member pool account shall discharge AMC/Fund of its obligation to allot units to individual investor.

Applications for purchase/redemption of units which are incomplete/ invalid are liable to be rejected.

In case of units held in demat form, the redemption request can be given only in number of units and subject to the provision pertaining to minimum repurchase amount.

Separate folios will be allotted for units held in physical and demat mode. In case of non-financial requests/applications such as change of address, change of bank details, etc. investors should approach Investor Service Centres (ISCs) of the Fund if units are held in physical mode and the respective Depository Participant(s) if units are held in demat mode. In case of KYC compliant investors, the non- financial requests/ applications shall be submitted by the investors to their respective KYC Registration Agencies (KRAs).

#### C. Facilitating transactions in the Scheme of the Fund through MF Utilities India Private Limited.

JM Financial Asset Management Limited (AMC) has entered into an Agreement with M/s. MF Utilities India Private Limited (MFUI), for the usage of MF Utilities- (MFU) platform - a shared services initiative of various Asset Management Companies, which acts as a transaction aggregator for transacting in multiple Schemes of various Mutual Funds with a single form/ request and a single payment instrument w.e.f. February 01, 2019.

Investors are requested to note that, MFUI will allot a Common Account Number (CAN), a single reference number for all investments in the Mutual Fund industry, for transacting in multiple schemes of various Mutual Funds through MFU platform and to map existing folios there-with, if any. Investors can create a CAN by submitting the CAN Registration Form (CRF) and necessary documents at the authorised MFUI Points of Service (POS). Additionally, the investor can create CAN online by furnishing the relevant information on the website of MFUI.

The AMC and /or its Registrar and Transfer Agent (RTA) shall provide necessary details to MFUI as may be needed for providing the required services to investors/distributors through MFU platform. The investors are requested to visit the websites of MFUI or the AMC to download the relevant forms. Subscriptions with cheque favouring "MFU Escrow Account" and all other financial & non-financial transactions pertaining to Schemes of JM Financial Mutual Fund (JMFMF) can be done through MFU physically by submitting the documents at any of the existing and new authorized POS of MFUI as displayed on the website of MFUI. Alternatively, the investor may effect financial and permissible non-financial transactions through their website [www.mfuonline.com](http://www.mfuonline.com) or their Mobile App "goMF".

The MFUI website [www.mfuonline.com](http://www.mfuonline.com), Mobile App "goMF" and authorised MFUI POS hosted and updated on [www.mfuindia.com](http://www.mfuindia.com) from time to time will be considered as the Official Points of Acceptance for transactions (OPAT) of the AMC. The online transaction portal of MFUI

i.e. [www.mfuonline.com](http://www.mfuonline.com), their Mobile App "goMF" and the POS of MFUI will be in addition to the existing OPAT of the AMC.

Applicability of NAV shall be based on time stamping of transaction at MFUI POS/ online and transfer / sighting of funds into the Bank Account of JMFMF before the applicable cut-off timing as stipulated by SEBI. The uniform cut-off time as stipulated by Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 from time to time and as mentioned in the Scheme Information Document/ Key Information Memorandum of the respective Scheme shall be applicable.

Investors should note that transactions through MFU shall be subject to terms and conditions as stipulated by MFUI /the Fund /the AMC from time to time and any applicable law being in force.

For facilitating transactions through MFUI platform, the AMC/ JMFMF will be required to furnish and disclose certain information / details about the investor(s), which may include certain personal information including financial information, with MFUI and / or its authorised service providers. Investors transacting through MFUI platform shall be deemed to have consented and authorised the AMC/ JMFMF to furnish and disclose all such information to MFUI and/or its authorised service providers as may be required by MFUI from time to time.

**Following procedure will be adopted for carrying out any request for updation of below mentioned non-commercial details:**

1. Bank Details
2. Email id
3. Mobile Number
4. Nomination

**A. New Folios opened based on CAN:** The data provided by investors to MFUI will be replicated in the new folio/s opened by our Registrar & Transfer Agent ("RTA"), M/s KFin Technologies Ltd at the time of first purchase through MFU System.

**B. Existing Folios:** The RTA has mapped all the folios of our Investors with their existing CANs allotted by MFUI based on the mapping criteria followed by MFUI and accordingly replicated its database for each mapped folios with the database available as per MFUI's records in respect of the CAN respectively. In case of any issue, the Investors may approach to MFUI/RTA for redressal.

**For Updation of non-commercial details in folios mapped with / created through MFU system.**

**(i) CAN Holders - Email id/Mobile No.:** The investor may update/change his Email id/Mobile Number in CAN records maintained by MFU as per the procedure set out by MFUI. The updation carried by MFUI will be replicated in RTA's records in all the folios mapped to the respective CANs.

Investors may please note that there will be a cooling period of minimum 10 days for updation of Mobile Number and Email ids or vice-versas.

**(ii) For Non-CAN Holders - Email id/Mobile No.:** The existing procedure as per Addendum no. 25/2018-2019 dated November 30, 2018 will continue for updation of Email id and Mobile No. by KYC Compliant (through KRAs ) investors in their folios, if they do not hold CAN for the first time and subsequently through written request to RTA .

**Bank Details:** The Bank details along with the details of Default Bank as per CAN records maintained by MFUI will also be replicated in the existing /New Folio(s) of the Investors maintained by the RTA. For any change in the Bank Details, the CAN holder will have to get the same updated in MFUI records by submitting the required documentary evidence and the same will be updated by the RTA automatically for all folios mapped to the respective CANs.

**Nomination:** Nomination as per CAN will be replicated in AMC's records maintained by its RTA. Same way, any changes/updation in Nomination needs to be carried out in MFUI's records as per the procedure set out by them and the same will be updated by RTA automatically.

In case, the investors desirous of having different nomination or percentage of entitlement for Nominees, they need not update any Nomination details in CAN and instead may update their nomination with the RTA for each folio as per their wish by filling up a separate nomination form for each folio.

For any queries or clarifications related to MFU, please contact the Customer Care of MFUI on +91 22 6134 4316 (during the business hours on all days except Saturday, Sunday and Public Holidays) or send an email to [clientservices@mfuindia.com](mailto:clientservices@mfuindia.com).

#### D. Online Transactions – Through Electronic Platform (Website and Mobile App)

The investors are allowed to transact in the Scheme of the Fund through [www.kfintech.com](http://www.kfintech.com), an electronic platform provided by M/s. KFin Technologies Limited. Online transaction in the Scheme of the Fund can also be made from the website of JM Financial Mutual Fund i.e. [www.jmfinancialmf.com](http://www.jmfinancialmf.com). The investors may access the facility to transact in the Scheme of the Fund through mobile application of KFin i.e. 'KFinKart' as well.

Further all Corporates, LLPs, Banks, and other non – individual investors

are allowed to transact in schemes of the Fund through “K-CORP”, an electronic platform provided by M/s. KFin Technologies Limited on www.kfintech.com. The said facility is available for Direct and Regular Plans of the Scheme which are available for fresh subscription.

The permissible transactions are displayed online and may be updated from time to time.

The uniform cut off time as prescribed under the SEBI (Mutual Funds) Regulations, 1996 and as mentioned in this document and KIM of the Scheme of the Fund will be applicable for transactions received through the above electronic platform and the time of receipt of transaction recorded on the server of KFin will be reckoned as the time of receipt of transaction for the purpose of determining applicability of NAV, subject to credit of funds to bank account of scheme, wherever applicable.

The transactions are eligible for the same business day's NAV, subject to SEBI guidelines. However, for other transactions, the NAV will be allotted based on the receipt of funds through the aggregator M/s. IndiaIdeas.com Ltd. (formerly known as M/s. Bill Desk) Razerpay which will be dependent on their arrangement with the respective Banks. Kindly check the same carefully from the officials of the AMC or from the website.

Accordingly, the above platforms will be treated as the Point of Acceptance.

The facility to transact in the Scheme of the Fund through KFin's electronic platforms is available subject to such operating guidelines, terms and conditions as may be prescribed by KFin, JMF AMC and JM Financial Trustee Company Pvt. Ltd. from time to time and applicable laws for the time being in force.

For operating guidelines, terms and conditions, registration form and further details, investors are requested to visit www.kfintech.com.

#### **MFCentral a digital platform for Mutual Fund investors developed by qualified R&T Agents (QRTAs)**

Based on the SEBI circular no SEBI/HO/IMD/IMD- II DOF3/P/ CIR/2021/604 dated July 26, 2021, to comply with the requirements of RTA inter-operable Platform for enhancing investors' experience in Mutual Fund transactions / service requests, the Qualified R&T Agents (QRTAs), KFin Technologies Limited and Computer Age Management Services Limited (CAMS) have jointly developed MFCentral – A digital platform for Mutual Fund investors.

MFCentral is created with an intent to be a one stop portal / mobile app for all Mutual fund investments and service-related needs that significantly reduces the need for submission of physical documents by enabling various digital / physical services to Mutual Fund investors across Fund Houses subject to applicable Terms & Conditions (T&C) of the Platform. MFCentral will be enabling various features and services in a phased manner. MFCentral may be accessed using <https://mfcentral.com/> and a Mobile App in future.

With a view to comply with all provisions of the aforesaid circular and to increase digital penetration of Mutual funds, the Mutual Fund has designated MFCentral as its Official Point of Acceptance (DISC – Designated Investor Service Centre) w.e.f. September 23, 2021.

Any registered user of MFCentral, requiring submission of physical document as per the requirements of MFCentral, may do so at any of the designated Investor Service Centres or Collection Centres of KFinTech or CAMS.

#### **E. 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/ Plan(s) shall have an option to subscribe/ hold the Units in demat form in accordance with the provisions laid under the Scheme/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:**

Units held in demat form will be transferable subject to the provisions laid under the respective Scheme/Plan(s) and in accordance with provisions of Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as may be amended from time to time.

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

Switch transactions from one scheme/plan to another scheme/plan is not permitted for investors holding the units in Demat. Investors desirous of switching their units need to follow the procedure of rematerialisation of their demat holdings and after that they may apply for switch through physical mode.

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 Fund, shall be subject to minimum investment criteria.

For issue of units of the Scheme in demat form, applicants under the Scheme will be required to have a beneficiary account with a DP of NSDL/ CDSL and will be required to indicate in the application the DP's name, DP ID number and its beneficiary account number with the DP.

Investors 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.

#### **APPLICABLE NAV**

##### **FOR SUBSCRIPTION (PURCHASE)/SWITCH-IN:**

At the applicable NAV.

Purchase Price = Applicable NAV

In accordance with the requirements specified by the SEBI circular no. SEBI/IMD/CIR No.4/168230/09 dated June 30, 2009 no entry load will be charged for purchase / additional purchase / switch-in accepted by the Fund with effect from August 01, 2009. Similarly, no entry load will be charged with respect to applications for registrations under systematic investment plans/ systematic transfer plans accepted by the Fund with effect from August 01, 2009.

##### **In case of Direct Plan**

The provisions of applicability of NAV and allotment of units will be same for Regular and Direct plan.

##### **Ongoing price for redemption (sale) / switch outs (to other schemes/ plans of the Fund) by investors.**

At the applicable NAV subject to the deduction/ charge of exit loads as prescribed & applicable at the time of respective investments and government levies as applicable e.g. STT (Securities Transaction Tax) etc.

Redemption/ Switch out request can be submitted to the official point of acceptance on any business day till 3.00 pm. (or such other timings as prescribed by SEBI from time to time) In respect of valid applications received up to 3 p.m. (or such other timings as prescribed by SEBI from time to time) 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.

##### **Cut off timing for subscriptions/ redemptions/ switches**

###### **For Purchase:**

- In respect of valid application received upto 1.30 p.m. (or such other timings as prescribed by SEBI from time to time) on a day at the official point(s) of acceptance and funds for the entire amount of subscription/ purchase as per the application are credited to the bank account of the respective Plans before the cut-off time i.e. available for utilization before the cut-off time - the closing NAV of the day immediately preceding the day of receipt of application shall be applicable;
- In respect of valid application received after 1.30 p.m. (or such other timings as prescribed by SEBI from time to time) on a day at the official point(s) of acceptance and funds for the entire amount of subscription/ purchase as per the application are credited to the bank account of the respective Plans on the same day i.e. available for utilization on the same day - the closing NAV of the day immediately preceding the next Business Day shall be applicable; and
- Irrespective of the time of receipt of application at the official point(s) of acceptance, where the funds for the entire amount of subscription/ purchase as per the application are not credited to the bank account of the respective Plans before the cut-off time i.e. not available for utilization before the cut-off time - the closing NAV of the day immediately preceding the day on which the funds are available for utilization shall be applicable.

###### **For Switch -in to the Schemes/Plans from other Schemes of JM Financial Mutual Fund:**

- Application for switch-in must be received before the applicable cut-off time.



- Funds for the entire amount of subscription/purchase as per the switch-in request must be credited to the bank account of the respective switch-in liquid schemes before the cut-off time.
- The funds must be available for utilization before the cut-off time, by the respective switch-in schemes.

#### **For Redemptions including switch-outs**

- In respect of valid applications received upto 3.00 p.m. (or such other timings as prescribed by SEBI from time to time.) on a Business Day which is followed by a Business Day, same Business Day's closing NAV shall be applicable.
- In respect of valid applications received upto 3.00 p.m. (or such other timings as prescribed by SEBI from time to time.) on a Business Day which is followed by a Non-Business day, the closing NAV of the day immediately preceding the next Business Day shall be applicable.
- In respect of valid applications received after 3.00 p.m. (or such other timings as prescribed by SEBI from time to time.) on a Business Day (irrespective of whether followed by a Business Day / Non-Business Day) by the Fund, the closing NAV of the next Business Day shall be applicable.

#### **Transactions through online facilities / electronic modes:**

The time of transaction done through various online facilities / electronic modes offered by the Online Channel Partners of the AMC, for the purpose of determining the applicability of NAV, would be the time when the request for purchase / sale / switch of units is received in the servers of AMC/RTA.

In case of transactions through Online facilities / electronic modes, there may be a time lag of few days between the amount of subscription being debited to investor's bank account and the subsequent credit into the respective Scheme's bank account. This lag may impact the applicability of NAV for transactions where NAV is to be applied, based on actual realization/receipt of funds by the Scheme. Under no circumstances will JMF AMC or its bankers or its service providers be liable for any lag / delay in realization of funds and consequent pricing of units.

The AMC has the right to amend cut off timings of transactions received through online channels within the cut off time stipulated by SEBI (MF) Regulations for the smooth and efficient functioning of the Scheme.

#### **Exchange Platforms & MFU:**

The cut – off timing and applicability of Net Asset Value (NAV) shall be subject to the guidelines issued by SEBI in this regard from time to time. With respect to investors who transact through Stock Exchange Platforms (i.e. BSE/NSE) or MFU, the applicable NAV shall be reckoned on the basis of the time stamping as evidenced by confirmation slip given by Stock Exchange/MFU mechanism, and subject to receipt of funds by the AMC/ Fund before the cut – off time of the Scheme for purchase transactions. These platforms are authorized Point of Acceptance for the limited purpose of time-stamping the transactions.

#### **Illustration of the calculation of sale and repurchase price of the units of the Mutual Fund:**

If the applicable NAV is Rs. 1000 and the exit load is 2%, then the redemption price will be:  $Rs. 1000 * (1 - 0.02) = Rs. 980.00$ .

Investors who hold units in demat form and wish to redeem their units, kindly refer to the redemption procedure set out in the SID.

#### **Redemption Payment Period**

The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 business days of receiving valid redemption request.

#### **Redemption/Switch Procedure in case of physical form:**

The investors holding units in physical form may submit their redemption/ switch requests duly signed by all the holders (as per the mode of holding) at any of the Investor Service Centers (ISC) of Registrar & Transfer Agent viz., M/s KFin Technologies Limited or JM Financial Asset Management Ltd. latest by the cut off time as stipulated and revised by SEBI from time to time which is currently 3.00 p.m. on any business day. Such cases will be eligible for NAV of the business day on which the redemption requests are time-stamped upto the cut-off time at the ISC for the Scheme.

#### **Redemption / Switch Procedure in case units are held in dematerialized form:**

**The investors who hold units in demat form and wish to redeem their units will have to take following steps:**

- Investors will have to approach their DP (Depository Participants) where Demat Account is being held.
- Switch of demat units not permitted. In such a case, the investor has to rematerialise the units and then submit the switch request in physical form.
- Investors will have to submit duly filled-in and signed Redemption/ Repurchase Request Form (RRF) available with respective DPs. Normally, these RRF may be available on the websites of respective DPs e.g. Banks etc. As the format of RRF may be different with every DP, the investors are advised to use the RRF procured from their own DP to avoid rejections/delays by their own DP. The ISIN of the Scheme/plan/ sub-plan is printed on the Statement of Account issued to investors.
- The investors are required to submit 3 copies of RRF to their DPs. One copy of the RRF is used by the DP for issuing acknowledgement to investors whereas the second copy of the RRF will be forwarded by the DP to the Head Office of the RTA i.e M/s KFin Technologies Ltd. The third copy will be retained by the DP for their own records.
- Based on the receipt of RRF, if found in order, the DP concerned generates Electronic Redemption Request and blocks the units applied for redemption in the NSDL/CDSL system immediately. After this, the investor will not be able to transfer the blocked units to anyone (i.e. cannot transfer to anyone).
- The Electronic Requests generated up to the stipulated cut off time which is currently 3 pm every day by DPs shall get transmitted from NSDL / CDSL to respective Registrars of Mutual Fund by 4 - 6 pm.
- All such Electronic Requests transmitted by NSDL / CDSL by 4 – 6 pm everyday are updated in the system at Registrar's end i.e. M/s KFin Technologies Ltd. for further processing.
- Registrar shall verify and process the requests subject to finding the same in order by
  - Nullifying the units by confirming Electronic Repurchase Request,
  - Applying NAV based on Date and Time of raising Electronic request by DP's for Redemption Request,
  - Remitting Redemption proceeds to investor's bank account (as recorded in demat account) within 10 business days and
  - Dispatching an SOA (Statement of Account/Consolidated Account Statement) to the registered address of investor.
- After the above process is completed, the Registrar will update the respective Depository (i.e. NSDL/ CDSL) about the processing of redemption to enable their DPs to issue Fortnightly/ Monthly Transaction Statement.

A Unit holder has in case of physical redemption request for redemption either in terms of Amount or in terms of the number of Units. In case, the redemption request indicates both amount in Rupees and number of Units, the lower of the two in value term will be considered. Where a Rupee amount is specified or deemed to be specified for redemption, the number of Units redeemed will be the equivalent to the amount sought for redeemed plus the exit load & applicable Govt levies like STT divided by the redemption price (ie additionally subject to the levy of applicable STT and exit load).

In case of difference/ ambiguity in the amount and units mentioned in any request for Redemption/ Switch, the minimum value (of units and amount) on rupee equivalent basis on the Transaction/ applicable NAV date will be considered by the AMC, provided the investor has not furnished any clarification in writing, duly signed on the date of transaction. In the event of investor not having filled in the Amount/ Units in the Transaction Slip, the AMC will redeem/ switch out all the outstanding units in case the Scheme, Plan, Option are clearly mentioned.

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.

Investors are requested to note that in case of redemption/switch request, if the number of units or the amount to be redeemed/switched out to any other Scheme of JM Financial Mutual Fund, exceeds the number of outstanding units or value of outstanding units, respectively, then JM Financial Asset Management Limited (the "AMC") shall, at its discretion, redeem/switch out all the outstanding units, if no clarificatory letter is received from the respective investor on the date of the transaction and if the condition of minimum investment amount of switch-in scheme is fulfilled.

The number of Units so redeemed will be subtracted from the Unit holder's account and a monthly industry level Mutual Fund Consolidated Account Statement (CAS) containing the details will normally be dispatched / emailed to the Unitholders latest by 15th of subsequent month by NSDL/CDSL in case of Demat Units or by AMFI's appointed Agencies (currently M/s. Manipal Technologies Ltd. or M/s. Seshai Business Forms Pvt. Ltd.) for verified PAN cases and by the registrar (i.e. M/s. KFin Technologies Limited) for other cases either through email



or physical copy.

#### **FIFO Method of redemption/switch-out**

In case, an investor has purchased Units on more than one business day, the Units purchased prior in time (i.e. those Units which have been held for the longest period of time), will be deemed to have been redeemed first, i.e. on first in first out basis. Unit holders may also request for repurchase of their entire holding and close the account by indicating the same at the appropriate place in the Transaction Slip/ Repurchase form.

#### **Uniform process for processing of redemption/switch – out for all the Schemes of the Mutual Fund**

All switch funding shall be in line with redemption funding timelines adopted by the concerned scheme i.e. if a scheme follows T+3 payout for redemption, the switch out funding will also be made on T+3 and not earlier or later than T+3, where T is the day of valid transaction received before the stipulated cut off time.

#### **Restriction on redemption in Mutual Funds:**

In terms of circular SEBI/IMD/CIR No.5/126096/08 dated May 23, 2008, provision of restriction on redemption under any scheme of the mutual fund could be made only after the approval from the Board of Directors of the Asset Management Company (AMC) and the Trustees.

SEBI vide its circular no. SEBI/HO/IMD/DF2/CIR/P/2016/57 dated May 31, 2016 has laid down the criteria and the conditions in case AMC wishes to impose restrictions on redemptions.

Vide the said circular, SEBI has advised that:

Restriction may be imposed when there are circumstances leading to a systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as:

- Liquidity issues
- Market failures, exchange closures and/or
- Operational issues

Restriction on redemption may be imposed for a specified period of time not exceeding 10 working days in any 90 days period.

If restriction on redemption is imposed by JM Financial Asset Management Limited (JMF AMC) anytime in future, JMF AMC, in addition to the above requirements, will ensure the following:

- a. Redemption requests upto Rs. 2 lakh shall not be subject to such restriction.
- b. Where redemption requests are above Rs. 2 lakh, JMF AMC shall redeem the first Rs. 2 lakh without such restriction and remaining part over and above Rs. 2 lakh, shall be subject to restriction, as may be imposed.

#### **Transfer of Units**

Units shall be freely transferable. In case, the units are with the depository held in Demat mode, such units will be transferable in accordance with the provisions of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996. Pursuant to SEBI circular no. CIR/IMD/DF/10/2010 dated August 18, 2010, units under the Scheme are freely transferable from one demat account to another demat account. In case, a person becomes a holder of Units by operation of law or upon enforcement/invocation of pledge, the AMC shall, subject to production of such satisfactory evidence and submission of such documents by the transferee, proceed to effect the transfer, if the intended transferee is otherwise eligible to hold the Units of the Scheme concerned. In case of physical mode of holding, the asset management company shall, on production of instrument of transfer together with relevant unit certificates, register the transfer and return the unit certificate to the transferee within thirty days from the date of such production.

#### **Pledge of units:**

Units under the Scheme may be offered as security by way of a pledge / charge in favour of scheduled banks, financial institutions, non-banking finance companies (NBFCs) or at the discretion of the AMC. The AMC and / or the Registrar will note and record the pledge of Units. The AMC shall mark a lien only upon receiving the duly completed form and documents, as it may require. Disbursement of the loans will be at the entire discretion of the bank / financial institution / NBFC etc and the Mutual Fund/AMC assumes no responsibility for that. The Pledgor will not be able to redeem Units that are pledged until the entity to which the Units are pledged provides a written authorization to the Mutual Fund that the pledge / lien charge may be removed. As long as the Units are pledged, the Pledgee will have complete authority to redeem such Units with or without Income Distribution cum Capital Withdrawal / reinvested units thereon as per the arrangements between the pledger and pledgee.

#### **SPECIAL PRODUCTS / FACILITIES AVAILABLE**

#### **SYSTEMATIC PLANS**

Systematic Plans Are Available To The Investors Through Systematic Investment Plan ("SIP")/ Systematic Transfer Plan ("STP") and Systematic Withdrawal Plan (SWP)

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.

#### **Switching Options**

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 Plan/Option and a reinvestment of the net redemption proceeds in the opted Plan/Option of the other Scheme and accordingly, to be effective, the switch must comply with the redemption rules of the switching-out Scheme and the issue rules of the other switching-in scheme (for e.g. as to the minimum number of Units that may be redeemed or issued, exitload, stamp duty, taxes etc). The price at which the Units will be switched out of the Plan will be based on the Repurchase Price, and the proceeds will be invested in the opted Plan/ Option of the other Scheme at the prevailing 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 Scheme. Accordingly, the applicability of NAV will be dependant on the SEBI guidelines.

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/FPIs and the balance amount would be utilized to exchange units to the other Scheme.

#### **Identification of Beneficial Ownership:**

In terms of SEBI Master Circular on Guidelines on Anti Money Laundering (AML) Standards and Combating the Financing of Terrorism (CFT) dated July 4, 2018 and guidelines issued by SEBI from time to time, all the registered intermediaries are required to undertake Client Due Diligence ('CDD') measures wherein intermediaries are required to obtain sufficient information from their clients in order to verify the identity of their clients and identify the identity of the persons who beneficially own or control the securities account.

**For further details, kindly refer to the Scheme Information Document of this Scheme.**

#### **DISCLOSURE OF BANK MANDATE**

All cheques and bank drafts accompanying the application form should contain the application form number/existing folio no. on its reverse. 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 Income Distribution cum Capital Withdrawal / redemption / refund cheques.

The verification procedures for registration of bank mandates will henceforth be applicable at the time of fresh subscription/new folio creation with the Fund i.e. in case the fresh subscription cheque does not belong to the bank mandate mentioned in the application form, the AMC shall seek the additional documents and follow the procedures set out in the above mentioned addendum, before registering the bank mandate in the new folio.

#### **REFUSAL TO ACCEPT FRESH PURCHASES**

If it is observed that there are consecutive instances of cheque dishonour by the same unitholder/ investor on the grounds 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 INCOME DISTRIBUTION CUM CAPITAL WITHDRAWAL 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 Income Distribution cum Capital Withdrawal (Income Distribution) warrants shall be dispatched to the unitholders within 15 days of the Record Date. 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) if the delay is beyond the SEBI stipulated time which is 10 Business Days currently.

In case the AMC delays in dispatching the Income Distribution cum Capital Withdrawal proceeds beyond 15 days from the Record Date, it shall pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).

#### **INCOME DISTRIBUTION CUM CAPITAL WITHDRAWAL POLICY**

The Income Distribution cum Capital Withdrawal (Income Distribution) warrants shall be dispatched to the unitholders within 15 days of the Record Date.

No Income Distribution cum Capital Withdrawal under Income Distribution cum Capital Withdrawal /IDCW Option shall be distributed in cash even for those unitholders who have opted for payout where such Income Distribution cum Capital Withdrawal on a single payout is less than Rs. 100/- per folio. Consequently, such Income Distribution cum Capital Withdrawal (less than Rs. 100/-) shall be compulsorily re-invested.

The Fund does not guarantee or assure declaration or payment of Income Distribution cum Capital Withdrawal (Income distribution). Although, the Fund may have the intention to declare Income Distribution cum Capital Withdrawal (income distribution) under the various Income Distribution cum Capital Withdrawal (income distribution) options, such declaration of Income Distribution cum Capital Withdrawal if any, is subject to the Scheme's performance, the availability of distributable surplus and other considerations keeping in view the interest of the unitholders in the Scheme, at the time of declaration of such Income Distribution cum Capital Withdrawal (income distribution).

Frequency of Income Distribution cum Capital Withdrawal	Record Date
Daily	On all calendar days
Weekly	Monday

On payment of Income Distribution cum Capital Withdrawal, the NAV will stand reduced by the amount of Income Distribution cum Capital Withdrawal statutory levies tax paid if any.

Investors may like to note that the amounts can be distributed as Income Distribution cum Capital Withdrawal (income) out of investors capital (Equalization Reserve), which is part of the sale price that represents realized gains.

#### **Exchange Platforms:**

If the sub - option of Payout of Income Distribution cum Capital Withdrawal Option /IDCW (Payout) is chosen and the Income Distribution cum Capital Withdrawal amount is less than Rs. 100, then the Income Distribution cum Capital Withdrawal shall not be reinvested but will be paid out to the respective investors.

#### **RESTRICTION ON ACCEPTANCE OF THIRD PARTY PAYMENTS**

Kindly refer to the relevant section in Statement of Additional Information (SAI) of JM Financial Mutual Fund.

#### **REGISTRATION OF MULTIPLE BANK ACCOUNTS**

Kindly refer to the relevant section in Statement of Additional Information (SAI) of JM Financial Mutual Fund.

#### **Registration of a Default Bank Account:**

Kindly refer to the relevant section in Statement of Additional Information (SAI) of JM Financial Mutual Fund.

#### **TAX & LEGAL INFORMATION**

Kindly refer to the Taxation para under the heading 'Tax & Legal Information' of the Scheme Information Document of this Scheme.

For further details on taxation please refer to the clause on Taxation in the SAI and the snapshot provided on the website of JM Financial Mutual Fund.

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. The tax benefits are available to investors and the Fund under the present taxation laws.

The information set forth in the SAI is based on the advice of the Fund's tax advisor and is included for general information purposes only. The information set forth in the SAI reflects the law and practice as of date of this Scheme Information 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 have not have any recourse in case of additional tax liability imposed due to changes in the tax structure in the future.

#### **PERMANENT ACCOUNT NUMBER**

Kindly refer to the relevant section in Statement of Additional Information of JM Financial Mutual Fund.

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

The Mutual Fund shall declare the Net Asset Value of the scheme on every business day on AMFI's website www.amfindia.com by 11.00 p.m. and also under a separate head on the website of JM Financial Mutual Fund (the 'Fund') i.e. www.JMFinancialmf.com.

The Fund shall also send the latest available NAVs to the unitholders through SMS, upon receipt of a specific request.

To get the latest NAVs of any Options of the respective scheme, the investors may send SMS to "9028364444" in the format as prescribed on the website of JM Financial Mutual Fund.

#### **FOR INVESTOR GRIEVANCES PLEASE CONTACT HEAD - CLIENT SERVICES**

Mr. Amit Bhavsar

Address: Office B, 8th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai- 400025. Tel. No.: (022) 6198 7777 Fax Nos.: (022) 6198 7704; Email: investor@jmfml.com

#### **JM FINANCIAL ASSET MANAGEMENT LTD**

(Formerly known as JM Financial Asset Management Private Ltd)

Corporate Identity Number: U65991MH1994PLC078879

#### **REGISTRAR: KFin Technologies Limited**

KFin Technologies Limited, Karvy Selenium Tower B, Plot No 31 & 32, First Floor, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032.

Tele :- 040 - 67161500 Email :- service\_jmf@kfintech.com,

Website:- www.kfintech.com

#### **UNIT HOLDER'S INFORMATION:**

#### **Accounts Statements/ Common Account Statement ("CAS")/ Half Yearly Account Statement**

For all financial transactions including purchases, redemptions, switches, systematic transactions during ongoing sales and repurchase.

The AMC shall issue to the investor whose application has been accepted, an account statement/CAS specifying the number of units allotted. The first account statement under SIP/STP/SWP shall be issued within 5 Business Days of the initial investment/transfer.

In case, an investor has provided his e-mail ID in the application form or any subsequent communication or procured from the KYC database by the RTA/AMC, in any of the folio(s) belonging to him/her, the AMC reserves the right to use such e-mail ID as a default mode of communication to the investor including sending of account statements / CAS for the new and existing investments for folio(s)/ investor(s) concerned. Similarly, S-CAS will be issued on monthly basis through the Depositories NSDL/CDSL in case the respective investors are maintaining Demat Account irrespective of whether the Units in question are held in Demat or physical form. In other cases, physical CAS will be issued on Mutual Fund Industry level by any of the mailing agencies approved by AMFI covering all the transactions of the previous month by the 15th of the succeeding month.

#### **Consolidated Account Statement (CAS):**

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, read with SEBI Circular No. SEBI/HO/ IMD/DF2/CIR/P/2021/024 dated March 4, 2021 the investor whose transaction\*\* has been accepted by the AMC shall receive the following:

- (i) 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.
- (ii) 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 15th 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.

For Demat A/c Holders, S-CAS (Securities Consolidated Account Statement) would be dispatched / emailed on a monthly basis by the 15th of every month by the respective Depository i.e NSDL & CDSL. For other investors having valid and verified PAN, the CAS will be sent by one of the agencies appointed by AMFI eg. Currently ManiPal Technologies Limited and Sessaasai Business Forms Pvt. Ltd. who are authorized to dispatch such CAS. Account Statement of non-CAS Unit Holders will also be dispatched / emailed by the Registrar .

\*\*The word 'transaction' shall include purchase, redemption, switch, Payout of Income Distribution cum Capital Withdrawal Option/IDCW (Payout) /Reinvestment of Income Distribution cum Capital Withdrawal Option /IDCW (Reinvestment) systematic investment plan, systematic withdrawal plan, systematic transfer plan.

- (iii) 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 on or before the 10th of the succeeding month. The Unit holders are therefore requested to ensure that the folio(s) are updated with their PAN.

- (iv) 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.
- (v) In the event the account has more than one registered holder, the first named Unit holder shall receive the CAS/ account statement.
- (vi) 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.
- (vii) 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 21st day of succeeding month, unless a specific request is made to receive in physical, to all such Unit holders in whose folios irrespective of whether any or no transaction has taken place during that period.

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

**Investors are requested to note the following regarding dispatch of account statements:**

1. The Consolidated Account Statement (CAS) for each calendar month is to be issued on or before 15th day of succeeding month, to the investors who have provided valid Permanent Account Number (PAN). Due to this regulatory change, AMC shall now cease to send physical account statement to the investors after every financial transaction including systematic transactions. Further, CAS will be sent via email where any of the folios consolidated has an email id or to the email id of the first unit holder as per KYC records.
2. For folios not included in the Consolidated Account Statement (CAS), the AMC shall issue account statement to the investors on a monthly basis, pursuant to any financial transaction in such folios, on or before 15th day of succeeding month.

Pursuant to SEBI Circular No. CIR/MRD/DP/31/2014 dated November 12, 2014 regarding Consolidated Account Statements (CAS) for all the securities assets, the following provisions shall be applicable.

**1. Investors not holding units in Demat Account:**

Based on the PAN of the investors, for each calendar month, Consolidated Account Statement (CAS) shall be dispatched/emailed by the Asset Management Companies (AMC)/Registrar & Transfer Agent (RTA) within 15th day of the succeeding month to the investors in whose folio transactions have taken place during that previous month.

**2. Investors holding units in Demat Account:**

Based on the PAN of the investors, for each calendar month, Consolidated Account Statement (CAS) shall be dispatched/emailed by the respective Depository within 15th day of the succeeding month to the investors, in whose folio transactions have taken place during that previous month.

In case of demat accounts with nil balance and no transactions in securities and in mutual fund folios, the respective Depository shall send the physical statement as per the applicable regulations.

In case of statements which are currently being dispatched by email to the investors, the CAS shall continue to be sent through email. In case the investor does not wish to receive the CAS by email, option

will be given to the investors to receive the same in physical form, at the address registered in the Depository system. In case no email id is provided, the statements will be sent in physical form.

Investors are requested to note that in case of any transactions done in the folios which are not included in the CAS, the AMC shall issue a monthly account statement to the investors on or before 10th day of the succeeding month. In case no email id is provided, the statements will be sent in physical form.

Investors whose folio(s)/demat account(s) are not updated with PAN, shall not receive the CAS. Hence, investors are hereby requested to update their folio(s)/demat account(s) with the PAN.

SEBI vide its circular no. SEBI/HO/IMD/DF2/CIR/P/2016/42 dated March 18, 2016 and circular no. SEBI/HO/IMD/DF2/CIR/P/2016/89 dated September 20, 2016, had advised Mutual Funds/AMCs to make additional disclosures in the CAS issued from October 01, 2016 to investors.

Consolidated Account Statement (CAS), issued to investors in accordance with Regulation 36(4) of SEBI (Mutual Funds) Regulations, 1996 and circulars thereof, at present provides information in terms of name of scheme/s where the investor has invested, number of units held and its market value, among other details. To increase transparency of information to investors, it has been decided that:

1. Each CAS issued to the investors shall also provide the total purchase value / cost of investment in each scheme.
2. Further, CAS issued for the half-year (ended September/ March) shall also provide:
  - The amount of actual commission paid by AMCs/Mutual Funds (MFs) to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each MF scheme. The term 'commission' here refers to all direct monetary payments and other payments made in the form of gifts / rewards, trips, event sponsorships etc. by AMCs/MFs to distributors. Further, a mention may be made in such CAS indicating that the commission disclosed is gross commission and does not exclude costs incurred by distributors such as Goods & Service tax (wherever applicable, as per existing rates), operating expenses, etc.
  - The Scheme's average Total Expense Ratio (in percentage terms) for the half-year period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in.
  - Such half-yearly CAS will be issued to all MF investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period.

**Half Yearly Account Statement:**

Half-yearly CAS shall be issued to all MF investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period by the 21st of the month following the half year end.

**Risk-o-meters**

Any change in Risk-o-meter shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to the unitholders.

The AMC will evaluate the Risk-o-meter of all its schemes on a monthly basis and disclose the Risk-o-meter along with portfolio disclosure on <https://www.jmfinancialmf.com> (website) and on AMFI's website, within 10 days from the close of each month.

The Fund shall disclose the risk level of schemes as on March 31 every year, along with number of times the risk level has changed over the year, in scheme wise Annual Reports and abridged summary, on the website of the Fund as well as that of AMFI.

The risk-o-meter of the primary benchmark will also be disclosed in the disclosures as stipulated by SEBI.

**Fortnightly Portfolio**

The Mutual Fund shall disclose the portfolio for debt schemes on fortnightly basis within 5 days of every fortnight.

**Monthly/Half yearly Disclosures: Portfolio**

The Fund shall disclose within ten days from the close of each month/half year (i.e. 31st March and 30th September), the complete statement of the Scheme's portfolio (alongwith ISIN) as on the last day of the month/half year for all its schemes on the websites of the Fund and AMFI in a user friendly and downloadable spreadsheet format.

The Fund shall send email regarding the monthly and half-yearly portfolio within 10 days from the close of each month/half year (i.e. March 31st



& September 30th) to the unitholders whose email addresses are registered with the Mutual Fund.

The Fund will publish an advertisement in the all India edition of at least two daily newspapers, one each in English and Hindi, regarding the hosting of the half yearly statement of the Scheme's portfolio on the websites of the Fund and AMFI and also the modes through which unitholders can submit a request for a physical or electronic copy of the Scheme portfolio. The Fund shall provide a physical copy of the portfolio, without charging any cost, upon specific request from a unitholder.

The AMC shall provide a link to the investors on their registered email id for enabling the investors to directly view/download only the portfolio of the Schemes subscribed by the said investor.

#### **Monthly Average Asset under Management (Monthly AAUM) Disclosure:**

The Fund shall disclose the Monthly AAUM under different categories of Schemes as specified by SEBI in the prescribed format on a monthly basis on its website viz. [www. www.jmfinancialmf.com](http://www.jmfinancialmf.com) and forward to AMFI within 7 working days from the end of the month.

#### **Half Yearly Results:**

The Fund and asset management company shall within one month from the close of each half year, that is on 31st March and on 30th September, host a soft copy of its unaudited / audited financial results on its website.

The Fund shall give an advertisement disclosing the hosting of the financial results on the website in at least one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the regional language where the Corporate Office of the Fund is situated.

#### **Annual Report:**

The Scheme wise annual report or Abridged Summary, in the format prescribed by SEBI, shall be hosted on the websites of the Fund and the AMFI. A link of the scheme wise annual report or abridged summary shall be displayed prominently on the website of the Fund. Annual report or Abridged Summary will also be sent by way of e-mail to the investor's registered email address.

Investors who have not registered their email id, will have an option of receiving a physical copy of the Annual report or Abridged Summary thereof, without charging any cost, upon receipt of a specific request.

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.

The Fund will publish an advertisement in the all India edition of at least two daily newspapers, one each in English and Hindi, regarding the hosting of the scheme wise annual report on the websites of the Fund and AMFI and also the modes through which unitholders can submit a request for a physical or electronic copy of the scheme wise annual report or abridged summary thereof.

The new subscribers to the units of the Fund can tick the 'opt-in' facility in the application form to receive the physical copy of the scheme – wise annual report or abridged summary thereof.

For existing investors, an Option Form for opting-in to receive the physical copy of Annual Report/Abridged Summary is available on the website under 'Downloads' section.

However, in case the investor does not opt-in, it will be presumed that he/she has opted out from receiving the physical copy of the Annual Report or Abridged Summary.

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

Kindly refer to the relevant section in Statement of Additional Information of JM Financial Mutual Fund. 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 except in the case of Micro SIPs.

**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.

Implementation of the Prevention of Money-laundering (Maintenance of Records) Second Amendment Rules, 2017 with respect to seeding of Aadhaar number:

The Ministry of Finance (Department of Revenue) in consultation with the Reserve Bank of India has made certain amendments to the Prevention of Money-laundering (Maintenance of Records) Rules, 2005, namely, the Prevention of Money-laundering (Maintenance of Records) Second Amendment Rules, 2017. These Rules have come into force with effect from June 1, 2017. These Rules, inter alia, has made it mandatory for investors to submit Aadhaar number issued by the Unique Identification Authority of India (UIDAI) in respect of their investments.

The effective date for mandatory submission of PAN and Aadhaar number with requisite documents at the time of opening new mutual fund folio/ account, is April 1, 2018. Accordingly, no new folio/account shall be opened without these documents effective April 1, 2018.

In case of existing mutual fund folios/accounts as on the date of the relevant notifications issued by the Ministry of Finance (i.e. June 1, 2017 & December 13, 2017) and for folios/accounts opened thereafter but before March 31, 2018, investors need to submit the required details latest by March 31, 2018, failing which, the mutual fund folio(s)/accounts would cease to be operational till the time the requisite details are submitted.

The above provisions are not applicable to the Non Resident Individual investors as they are not eligible for Aadhaar.

#### **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.

1. 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).
2. 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.
3. 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.
4. 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.
5. 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.

**Note:** The above change in relation to KYC process shall be applicable in respect of all investment applications ( including MICRO SIP ) by new investors made on or after January 01, 2012.

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 KFin 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.

#### **New KYC Requirement:**

Securities and Exchange Board of India (SEBI) vide its various circulars dated October 05, 2011, December 02, 2011 and December 23, 2011 have prescribed the requirements, for the implementation of Uniform Know Your Customer (KYC) process across all intermediaries registered with SEBI.

**Pursuant to the above, the existing / new investors of the Mutual Fund are required to take note of the following:**

#### **1. Investment by Investors who are KYC Compliant through KRAs (KYC Registration Agency) on or after January 1, 2012 :**

No action is required by such investors and they may invest in any Mutual Funds. However, Non-individual entities like Corporate, Partnership Firm, Trust etc are required to submit their Balance Sheet for every Financial Year on an ongoing basis within a reasonable period to KYC Registration Agency (KRA).

#### **2. Investment in existing folios by Investors who are CVL MF KYC Compliant prior to January 1, 2012:**

In case of the existing investors who are CVL MF KYC Compliant through the erstwhile centralized KYC registration agency i.e. CDSL Ventures Ltd. (CVLMF), there will be no effect on their subsequent transactions (including Systematic Investment Plan) in their existing folios/accounts. However, the KYC status of such investors will continue to reflect as "MF – VERIFIED BY CVLMF" in the CVL – KRA system.

#### **3. Investment by new investor who is CVL MF KYC Compliant prior to January 1, 2012:**

In case a new investor who is CVL MF KYC Compliant wishes to invest as a sole investor in a new folio in JM Financial Mutual Fund or he wishes to invest jointly with another existing investor/s of JM Financial Mutual Fund who is/are also CVL MF KYC Compliant, then such investor/s will have to submit the "KYC Details Change Form" along with the investment application and complete the IPV process.

#### **4. Investment by Non-KYC Compliant Investors (Individual or Non-Individual):**

Non-KYC compliant investor/s desirous of investment, are required to submit the duly filled in KYC Application Form along with necessary documents for completion of KYC certification through KYC Registration Agencies (KRAs) and complete the "In-person Verification (IPV)" at the time of making any investment.

#### **5. Requirements from CVLMF KYC Compliant investors (i.e. KYC compliant prior to January 1, 2012):**

##### **I. Individual Investors:**

In case, the individual investor is KYC compliant prior to January 1, 2012, the investor will have to submit 'KYC Details Change Form' with respective applicable documents, (if any) mentioned therein to update their 'Missing/Not Available' details besides completing the IPV process as a one time exercise. After due verification by the respective KRA e.g. M/s CVL, the KYC status will get changed from "MF – VERIFIED BY CVLMF" to "Verified by CVL KRA".

In case of individuals, 'missing/not available details' are as under :

- a. Father's/Spouse Name
- b. Marital Status
- c. Nationality
- d. In-person Verification (IPV)

##### **II. Non - Individual investors:**

In case of all Non – individual investors who are KYC compliant prior to January 1, 2012, KYC process with IPV needs to be done afresh due to significant and major changes in KYC requirements.

In case of opening of a new folio with JM Financial Mutual Fund or any other Mutual Fund, the individual & non-individual investors will have to comply with the respective procedures mentioned above. The above procedure is also applicable for Guardian (in case of Minor) / Power of Attorney holder as well.

The necessary forms are available on the Mutual Fund website.

**Central KYC Records Registry (CKYCR):**

- I Investors are hereby informed that SEBI vide its circular no. CIR/ MIRSD/ 66 /2016 dated July 21, 2016 read with SEBI circular no. CIR/ MIRSD/120/2016 dated November 10, 2016 had intimated the registered intermediaries about the operationalisation of Central KYC Records Registry (CKYCR). Government of India, vide notification dated November 26, 2015, had authorized Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI) to act and perform the functions of the CKYCR including receiving, storing, safeguarding and retrieving the Know Your Customer (KYC) records of an investor in digital form. Also, AMFI vide its circular dated December 22, 2016 had issued guidelines for implementation of CKYC norms uniformly by all AMFI members i.e. Mutual Funds/Asset Management Companies.

**W.e.f February 01, 2017, the following norms are applicable to the prospective and existing individual investors (investor) of all the Schemes of JM Financial Mutual Fund:**

1. An investor who is new to KYC Registration system and whose KYC is not registered or verified with any of the Agencies for KYC Registration (KRA), shall use the CKYC form to register their KYC.
2. An investor who has already completed CKYC and has a KYC Identification Number (KIN) from CKYCR, can invest in the schemes of JM Financial Mutual Fund by quoting his 14 digit KIN and Date of Birth.

The CKYC forms are available on the website of the Fund i.e. www.jmfinancialmf.com. The KYC requirements shall be governed by SEBI Circulars/ notifications and AMFI Guidelines which may change from time to time.

**GENERAL PROVISIONS REGARDING LOAD**

**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. Similarly, no entry load will be charged with respect to applications for registrations under Systematic Investment Plan/ Systematic Transfer Plan / accepted by the Fund.

**The Exit Load is NIL.**

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 the 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 and inter-scheme redemption / switch-out transactions.

The extant provisions of applicability of load on redemptions/ switches from one Scheme to another will continue to be applicable.

Note 1: In case of units held in dematerialized, an investor would be paying/incurred cost in the form of a bid and ask spread and brokerage, as charged by his broker, for buying/ selling of units. Additionally investor will also have to bear applicable statutory levies.

**Load exemptions, if any:**

- o No Exit Load will be charged for switches between the options / Plans under the Scheme.
- o The AMC will not charge exit load for a Fund of Funds Scheme investing in the scheme.
- o The AMC shall not charge any load on units allotted on reinvestment of Income Distribution cum Capital Withdrawal (income distribution).

Any imposition or enhancement in the load shall be applicable on prospective investments only.

The investor is requested to check the prevailing load structure of the Scheme on the website of the Fund before investing.

**Change in 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 Memorandum. The addendum will be circulated to all the distributors so that the same can be attached to all Scheme Information Documents and Key Information Memorandum already in stock. The addendum shall also be part of 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 addendum detailing the changes in the Load Structure will be published by the AMC in 2 daily newspapers- one in regional language and the other in English language newspaper
- e) The Fund shall arrange to display an addendum in the JM ISCs at least 1 (one) day before the change of the then prevalent load structure.
- f) The AMC/ Fund will display the addendum on its website.

**TRANSACTION CHARGES**

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.

The Securities of the Scheme will be held in demat (electronic) mode and accordingly the rules of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 would apply. The service charges payable to the Depository Participant will form a part of the annual recurring expenses.

**DEDUCTION OF TRANSACTION CHARGES FOR INVESTMENTS THROUGH DISTRIBUTORS / AGENTS:**

SEBI vide its Circular No. Cir/ IMD/ DF/13/ 2011 dated August 22, 2011, SEBI has permitted Asset Management Companies (AMCs) to deduct transaction charges per subscription of Rs. 10,000/- and above and the same be paid to the distributors of the Mutual Fund products.

In accordance with the said circular, the AMC shall deduct the Transaction Charges on purchase / subscription received from first time mutual fund investors and investor other than first time mutual fund investors through the distributor/ agent (who have opted to receive the transaction charges) as under:

Description	First Time Mutual Fund Investor (across Mutual Funds)	Investor other than First Time Mutual Fund Investor
Lump sum subscription of Rs. 10,000 and above	Transaction charges will be Rs. 150/-	Transaction charges will be Rs. 100/-
In case of investments through Systematic Investment Plan (SIP), if the total commitment (i.e. amount per SIP installment x No. of installments) amounts to Rs. 10,000/- or more.	Transaction charges will be Rs. 150/- or Rs. 100/- as may be applicable as mentioned above. The Transaction Charges shall be deducted in 4 equal installments, from the 2nd to the 5th installment.	

Investors may note that distributors have an option to opt in or opt out of charging the transaction charge. Pursuant to SEBI circular no. Cir/ IMD/DF/21/2012 dated September 13, 2012, effective November 1, 2012 distributors have the option to either opt in or opt out of levying transaction charges, based on type of the product.

**Transaction charges shall not be deducted for:**

- a) Gross purchases /subscriptions for an amount less than Rs. 10,000/-;
- b) Transaction other than purchases/ subscriptions relating to new inflows, such as Switch, Systematic Transfer Plan (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 through Stock Exchange platform.

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

#### **Legal Information pertaining to the minor accounts:**

Kindly refer to the relevant section of Statement of Additional Information of JM Financial Mutual Fund.

#### **Nomination facility**

Kindly refer to the relevant section of Statement of Additional Information of JM Financial Mutual Fund.

#### **Transmission:**

Kindly refer to the relevant section of Statement of Additional Information of JM Financial Mutual Fund.

#### **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.

Consequently, the Unit holders under the Scheme/ Plan(s) shall have an option to subscribe/ hold the Units in demat form in accordance with the provisions laid under the Scheme/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:**

Units held in demat form will be transferable subject to the provisions laid under the respective Scheme/Plan(s) and in accordance with SEBI Circular no. CIR/IMD/DF/10/2010 dated August 18, 2010, 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.

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

Switch transactions from one scheme/plan to another scheme/ plan is not permitted for investors holding the units in Demat. Investors desirous of switching their units need to follow the procedure of rematerialisation of their demat holdings and after that they may apply for switch through physical mode.

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 Fund, shall be subject to minimum investment criteria.

For issue of units of the Scheme in demat form, applicants under the Scheme will be required to have a beneficiary account with a DP of NSDL/ CDSL and will be required to indicate in the application the DP's name, DP ID number and its beneficiary account number with the DP.

Investors 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.

#### **CHANGE OF BANK DETAILS AND ADDRESS**

##### **A. CHANGE OF BANK DETAILS:**

Investors can update the bank account details by submitting either Multiple Bank Account Registration Form or a standalone separate Change of Bank Mandate form, available with Investor Services Centers. In other words, forms like common transaction forms, or any other form containing redemption request having the facility to change the bank mandate or update a new bank mandate, should not be used.

Investors are required to provide originals of any one of the following documents or originals should be produced for verification or copy of any of the following supporting documents duly attested by the bank, in case of :

##### **a. New bank details:**

- Cancelled original cheque of the new bank mandate bearing the name of the first unit holder and the bank account number printed on the face of the cheque.
- Self attested copy of bank statement
- Bank passbook with current entries not older than 3 months.

- Bank Letter duly signed by branch manager/authorized personnel
- b. Change in existing bank mandate currently registered with the Mutual Fund,**
  - Cancelled original cheque with first unit holder name and bank account number printed on the face of the cheque.
  - Original bank account statement / Pass book.
  - Original letter issued by the bank on the letterhead confirming the bank account holder with the account details, duly signed and stamped by the Branch Manager/ authorized personnel.
  - In case such bank account is already closed, a duly signed and stamped original letter from such bank on the letter head of bank, confirming the closure of said account.

Investors may register multiple bank accounts and choose any of the registered bank accounts towards receipt of redemption proceeds. Any unregistered bank account or a new bank account forming part of redemption request will not be processed.

In case of folios/accounts where the bank details were not provided by the investor at the time of making investment (pertains to the period when bank details were not mandatory), the said investor shall provide the documents specified at Point a. above (for proof of new bank details) and a valid photo identity proof.

There will be cooling period of 10 calendar days for processing and registration of new bank account. In case of receipt of redemption request during the said cooling off period, the registration of new bank mandate and dispatch of redemption proceeds shall be completed within 10 business days.

In case, the request for change in bank mandate is invalid/ incomplete/ dissatisfactory in respect of signature mis-match/ document insufficiency/ not complying with the requirements set out above, the request for such change will not be processed and redemption/ Income Distribution cum Capital Withdrawal proceeds, if any, will be processed in the last registered Bank Account.

##### **B. CHANGE OF ADDRESS:**

###### **KYC Not Complied Folios/Clients:**

In case of change of address for KYC Not Complied Folios, investors are required to provide the following supporting documents:

- Proof of new Address (POA), and
- Proof of Identity (POI): Only PAN card copy, if PAN is updated in the folio, or PAN/ other proof of identity, if PAN is not updated in the folio.

Additionally, the AMC reserves the right to ask for proof of old address, while effecting a change of address.

###### **KYC Complied Folios/Clients:**

All Investors who have complied with the KYC norms through a KRA (KYC Registration Agencies) should approach the POS (Point of Service) of the respective KRAs for the change of address. Once the POA is updated by the respective KRAs, automatic feeds will be sent to the RTA for updating the same in their database. Self attested copy of any one of the documents prescribed as list of admissible documents for POA and POI as mentioned above should be in conformity with SEBI circular no. MIRSD/SE/Cir-21/2011 dated October 5, 2011.

Copies of all the documents submitted by the applicants/investors should be self-attested and accompanied by originals for verification. In case the original of any document is not produced for verification, then the copies should be properly attested/verified by entities authorized for attesting/verification of the documents as per extant KYC through KRA guidelines..

###### **Employee Unique Identification No. (EUID)**

Kindly refer to the relevant section of Statement of Additional Information of JM Financial Mutual Fund.

###### **Non – acceptance of subscriptions:**

The U.S. Securities and Exchange Commission (SEC) requires that a person falling under the definition of the term 'US Person' under the Securities Act of 1933 of U.S.A (an 'Act') and corporations or other entities organized under the U.S. laws shall not be permitted to make investments in securities not registered under the Act.

Also, the Canadian Securities Administrator (CSA) mandates prior registration of the fund with CSA before marketing or selling to the residents of Canada.

The investors are hereby informed that the Scheme of JM Financial Mutual Fund (the "Fund") is not registered under the relevant laws, as applicable in the territorial jurisdiction of U.S. or in any provincial or territorial jurisdiction of Canada. Hence, the units made available under the SAI or SID of the Scheme may not be directly or indirectly be offered for sale in any of the provincial or territorial jurisdiction in U.S. and/or



Canada or to/or for the benefits of the residents thereof. Accordingly, the persons, corporations and other entities organized under the applicable laws of the U.S. including Qualified Foreign Investors (QFI) registered in USA and Canada and residents of Canada as defined under the applicable laws of Canada will not be permitted to make any fresh purchases/additional purchases/switches in the Scheme in any manner whatsoever.

**The above classes of investors are requested to note the following:**

- a. No fresh purchases (including Systematic Investment Plans and Systematic Transfer Plans)/ additional purchases/switches in the Scheme of the Fund would be allowed. If an existing Unit Holder(s) subsequently becomes a U.S. Person or Resident of Canada, then such Unit Holder(s) will not be able to purchase any additional Units in any of the Scheme of the Fund.
- b. For transaction on Stock Exchange platform, while transferring units from the broker account to investor account, if the investor has U.S./ Canadian address then the transactions would be rejected.
- c. In case JMF AMC/ JM Financial Mutual Fund subsequently identifies that the subscription amount is received from U.S. Person(s) or Resident(s) of Canada, the AMC/Fund at its discretion shall redeem all the units held by such person from the Scheme of the Fund at applicable Net Asset Value.

## JM Financial Asset Management Limited

**Corporate Office:** Office B, 8th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

**Registered Office:** 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400025.

• Tel. No - (022) 6198 7777 • Fax No.: (022) 6198 7704 • Email: investor@jmfl.com • Website: www.jmfinancialmf.com • Toll Free Number: 1800-1038-345

## INVESTOR SERVICE CENTERS (ISC) / OFFICIAL POINT OF ACCEPTANCE (OPA)

**BRANCHES/Investor Service Centres :** • **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) 40907317/19. • **CHANDIGARH:** B-4 Basement, SCO 22, Sector 33 D, Chandigarh - 160020 Tel: (0172) 4346431. • **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) 28513257/28551259. • **HYDERABAD:** ABK OLBEE Plaza, 8-2-618/8 & 9, 2nd Floor, 204, Road No. 1, Banjara Hills, Hyderabad 500 034. Tel.: (040) 66664436 / 66780752. • **JAIPUR:** 343, 3rd Floor, Ganapati Plaza, MI Road, Jaipur - 302 001. Tel.: (0141) 4002188. • **KOLKATA:** 6, Little Russell Street, 8th Floor, Kankaria Estate, Kolkata - 700 071. Tel.: (033) 40062958/59/65/67. • **MUMBAI (Prabhadevi):** Office B, 8th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025. Tel: 022-61987777. • **MUMBAI (Andheri):** The Summit Business Park, 415, 4th Floor, Off Andheri - Kurla Road, Chakala, Below Western Express Highway Metro Station, Andheri East, Mumbai - 400 093, Maharashtra Tel: 022- 61987777. • **NEW DELHI:** 601, 6th floor, Suryakiran Building, 19 K G Marg, Connaught Place, New Delhi - 110 001. Tel.: (011) 43616160. • **PUNE:** Office # 304 & 305, 4th Floor, "Amit Shreephal" Ghole Road, 1187/25 Shivajinagar, Next to Federal Bank, Pune- 411005. Tel: (020) 25511127/28.

**Point of acceptance of RTA: Agra:** KFin Technologies Ltd. House No. 17/2/4, 2nd Floor, Deepak Wasan Plaza, Behind Hotel Holiday INN, Sanjay Place, Agra - 282002, Uttar Pradesh. Email: mfsagra@kfintech.com Tel.: 7518801801 • **Ahmedabad:** KFin Technologies Ltd. Office No. 401, on 4th Floor, ABC-1, Off. C.G. Road, Ahmedabad - 380009. Gujarat Email: ahmedabadmfd@kfintech.com Tel: 9081903021, 9081903022 • **Ajmer:** KFin Technologies Ltd. 302, 3rd Floor, Ajmer Auto Building, Opposite City Power House, Jaipur Road; Ajmer-305001 Rajasthan Email: mfsajmer@kfintech.com Tel: 0145- 5120725 • **Allahabad:** KFin Technologies Ltd. Meena Bazar 2nd Floor, 10 S. P. Marg, Civil Lines, Subhash Chauraha, Allahabad - 211001, Uttar Pradesh Email: allahabadmfd@kfintech.com Tel.: 7518801803 • **Ambala:** KFin Technologies Ltd. 6349, Nicholson Road, Adjacent Kos Hospital Ambala Cant, Ambala-133001 Haryana Email: mfsambala@kfintech.com Tel: 7518801804 • **Amritsar:** KFin Technologies Ltd. SCO 5, 2nd Floor, District Shopping Complex, Ranjit Avenue, City- Amritsar, Punjab, Pin Code - 143001 Punjab Email: mfsamritsar@kfintech.com Tel: 0183-5158158. • **Anand:** KFin Technologies Ltd. B-42 Vaibhav Commercial Center, Nr TVS Down Town Show Room, Grid Char Rasta, Anand -380001 Gujarat Email: mfsanand@kfintech.com Tel: 9081903038 • **Aurangabad:** KFin Technologies Ltd. Ramkunj Niwas, Railway Station Road, Near Osmanpura Circle, Aurangabad-431005 Maharashtra Email: mfsaurangabad@kfintech.com Tel: 0240-2343414 • **Bangalore:** KFin Technologies Ltd. No 35, Puttanna Road, Basavanagudi, Bangalore - 560004. Email: bangaloremfd@kfintech.com Tel.: 080-26602852 • **Bareilly:** KFin Technologies Ltd. 1st Floor, Rear Side, A - Square Building, 154-A Civil Lines, Opp. D. M. Residence, Station Road, Bareilly, Bareilly-243001 Uttar Pradesh Email: mfsbareilly@kfintech.com Tel: 7518801806 • **Baroda:** KFin Technologies Ltd. 203, Corner point, Jetalpur Road, Baroda, Gujarat, Baroda-390007 Gujarat Email: barodamfd@kfintech.com Tel: 0265-2353506, 0265-2353507 • **Belgaum:** KFin Technologies Ltd. Premises No 101, CTS No 1893, Shree Guru Darshani Tower, Anandwadi, Hindwadi, Belgaum 590011. Email: mfsbelgaum@kfintech.com Tel.: 0831-4213717 • **Bharuch:** KFin Technologies Ltd. Shop No 147-148, Aditya Complex, Near Kasak Circle, Bharuch-392001. Gujarat Email: mfsbharuch@kfintech.com Tel: 9081903042 • **Bhilai:** KFin Technologies Ltd. Office No.2, 1st Floor, Plot No. 9/6, Nehru Nagar (East), Bhilai - 490020 Email: mfsbhilai@kfintech.com Tel.: 0788-2289499 / 2295332 • **Bhopal:** KFin Technologies Ltd. Gurukripa Plaza, Plot No. 48A, Opposite City Hospital, Zone-2, M P Nagar, Bhopal - 462011, Madhya Pradesh. Email: bhopal@kfintech.com Tel.: 0755-4092712/15 • **Bhubaneswar:** KFin Technologies Ltd. A/181, Back Side of Shivam Honda Show Room, Saheed Nagar - Bhubaneswar-751007 Orissa Email: bhubaneswarmfd@kfintech.com Tel: 0674-2548981, 0674- 2360334 • **Bokaro:** KFin Technologies Ltd. B-1, 1st Floor, City Centre, Sector- 4, Near Sona Chandi Jewellers, Bokaro-827004. Jharkhand Email: mfsbokaro@kfintech.com Tel: 7542979444, 06542-335616 • **Burdwan:** KFin Technologies Ltd. Saluja Complex; 846, Laxmipur, G T Road, Burdwan; PS: Burdwan & Dist: Burdwan-East PIN: 713101. • **Chandigarh:** KFin Technologies Ltd. Sco- 2423-2424, Above Mirchi Restaurant, New Aroma Hotel, 1st Floor, Sector 22-C, Chandigarh-160022 Union Territory Email: chandigarhmfd@kfintech.com Tel: 0172-5101342 • **Chennai:** KFin Technologies Ltd. 9th Floor, Capital Towers, 180, Kodambakkam High Road, Nungambakkam, Chennai - 600034 Tel.: 044 - 42028512 / 42028513 • **Cochin:** KFin Technologies Ltd. Ali Arcade, 1st Floor, Kizhavana Road, Panampilly Nagar Near Atlantis Junction, Ernakulam-682036 Kerala Email: cochinmfd@kfintech.com Tel: 0484 - 4025059 • **Coimbatore:** KFin Technologies Ltd. 3rd Floor, Jaya Enclave, 1057 Avinashi Road, Coimbatore-641018 Tamil Nadu Email: mfscoimbatore@kfintech.com Tel: 0422 - 4388011, 0422 - 4388013/0422 - 4388451/0422 - 4388012/0422 - 4388014 • **Cuttack:** KFin Technologies Ltd. Shop No-45, 2nd Floor, Netaji Subas Bose Arcade, (Big Bazar Building), Adjacent To Reliance Trends, Dargha Bazar, Cuttack, Odisha - 753001. Email: mfscuttack@kfintech.com Tel.: 8658691094 • **Dehradun:** KFin Technologies Ltd. Shop No-809/799, Street No-2 A Rajendra Nagar, Near Sheesha Lounge Kaulagarh Road, Dehradun-248001. Email: dehradunmfd@kfintech.com Tel: 7518801810 • **Dhanbad:** KFin Technologies Ltd. 208 New Market 2nd Floor, Bank More, Dhanbad-826001 Jharkhand Email: mfsdhanbad@kfintech.com Tel: 9264445981 • **Erode:** KFin Technologies Ltd. No: 4, Veerappan Traders Complex, KMY Salai, Sathy Road, Opp. Erode Bus Stand, Erode-638003 Tamil Nadu Email: mferode@kfintech.com Tel: 0424-4021212 • **Faridabad:** KFin Technologies Ltd. A-2B, 2nd Floor, Neelam Bata Road, Peer ki Mazar, Nehru Groundnit, Faridabad-121001 Haryana Email: mfsfaridabad@kfintech.com Tel: 7518801812 • **Ghaziabad:** KFin Technologies Ltd. 1st Floor C-7, Lohia Nagar, Ghaziabad-201001 Uttar Pradesh Email: mfsghaziabad@kfintech.com Tel: 7518801813 • **Gorakhpur:** KFin Technologies Ltd. Above V.I.P. House adjacent, A. D. Girls College, Bank Road, Gorakhpur-273001 Uttar Pradesh Email: mfsgorakhpur@kfintech.com Tel: 7518801816, 0551-2333825 • **Guntur:** KFin Technologies Ltd. D No 6-10-27, Srinilayam, Arundelpet, 10/1, Guntur-522002 Andhra Pradesh Email: mfsnguntur@kfintech.com Tel: 0863-2339094 • **Gurgaon:** KFin Technologies Ltd. Shop No.18, Ground Floor, Sector - 14, Opp. Akd Tower, Near Huda Office, Gurgaon-122001 Haryana Email: mfsgrugaon@kfintech.com Tel: 7518801817 • **Guwahati:** KFin Technologies Ltd. Ganapati Enclave, 4th Floor, Opposite Bora Service, Ullubari, Guwahati, Assam - 781007. Tel: 8811036746. Email: mfsguwahati@kfintech.com • **Gwalior:** KFin Technologies Ltd. City Centre, Near Axis Bank, Gwalior - 474011, Madhya Pradesh Email: mfsngwalior@kfintech.com Tel.: 7518801818 • **Hubli:** KFin Technologies Ltd. R R Mahalaxmi Mansion, Above Indusind Bank, 2nd Floor, Desai Cross, Pinto Road, Hubli 580029. Email: mfsHubli@kfintech.com Tel.: 0836-2252444 • **Hyderabad:** KFin Technologies Ltd. 303, Vamsee Estates, Opp Big Bazaar, Ameerpet, Hyderabad - 500016, Telangana Email: mfsHyderabad@kfintech.com Tel: 040-44857874 / 75 / 76 • **Indore:** KFin Technologies Ltd. 101, Diamond Trade Centre, Indore - 452001, Madhya Pradesh. Email: mfsindore@kfintech.com Tel: 0731-4266828/4218902 • **Jaipur:** KFin Technologies Ltd. S16/A 3rd Floor, Land Mark Building Opp Jai Club, Mahaveer Marg C Scheme, Jaipur-302001 Rajasthan Email: jaipurmfd@kfintech.com Tel: 01414167715/17 • **Jalandhar:** KFin Technologies Ltd. Office No 7, 3rd Floor, City Square building, E-H197, Civil Lines, Jalandhar - 144001 Email: mfsjalandhar@kfintech.com Tel.: 0181-5094410 • **Jalgaon:** KFin Technologies Ltd. 269, Jaee Vishwa, 1st Floor, Baliram Peth, Above United Bank of India, Near Kishor Agencies, Jalgaon-425001 Maharashtra Email: mfsjalgaon@kfintech.com Tel: 9421521406 • **Jammu:** KFin Technologies Ltd. 1D/D Extension 2, Valmiki Chowk, Gandhi Nagar, Jammu 180004, State - J&K Tel.: 191-2951822. Email: mfsjammu@kfintech.com • **Jamnagar:** KFin Technologies Ltd. 131 Madhav Plaza, Opp SBI Bank, Nr Lal Bunglow, Jamnagar - 361008 Email: mfsjamnagar@kfintech.com Tel.: 0288 3065810 • **Jamshedpur:** KFin Technologies Ltd. Madhukunj, 3rd Floor, Q Road, Sakchi, Bistupur, East Singhbhum, Jamshedpur - 831001 Email: jamshedpurmfd@kfintech.com Tel.: 0657-6655003/ 6655004/ 6655005/ 6655006/ 6655007 • **Jodhpur:** KFin Technologies Ltd. Shop No. 6, Ground Floor, Gang Tower, Opposite Arora Moter Service Centre, Near Bombay Moter Circle, Jodhpur - 342003, Rajasthan. Email: mfsjodhpur@kfintech.com Tel: 7737014590 • **Kanpur:** KFin Technologies Ltd. 15/46, B, Ground Floor, Opp Muir Mills, Civil Lines, Kanpur-208001 Uttar Pradesh Email: kanpurmfd@kfintech.com Tel: 7518801824 • **Kolhapur:** KFin Technologies Ltd. 605/1/4 E Ward, Shahupuri 2nd Lane, Laxmi Niwas, Near Sultane Chambers, Kolhapur-416001 Maharashtra Email: mfskolhapur@kfintech.com Tel: 0231 2653656 • **Kolkata:** KFin Technologies Ltd. Apeejay House (Beside Park Hotel), C Block, 3rd Floor, 15 Park Street, Kolkata-700016 West Bengal Email: mfskolkata@kfintech.com Tel: 033 66285900 • **Lucknow:** KFin Technologies Ltd. 1st Floor, A. A. Complex, 5 Park Road, Hazratganj, Thaper House, Lucknow-226001 Uttar Pradesh Email: lucknowmfd@kfintech.com Tel: 7518801830, 0522- 2236819/3213115 • **Ludhiana:** KFin Technologies Ltd. SCO - 122, Second Floor, Above HDFC Mutual Fund, Feroze Gandhi Market, Ludhiana - 141001 Email: mfsLudhiana@kfintech.com Tel.: 0161-4670278 • **Madurai:** KFin Technologies Ltd. Rakesh towers, 30-C, 1st Floor, Bye pass Road, Opp Nagappa motors, Madurai-625010 Tamil Nadu No. G-16/17, AR Plaza, 1st floor, North Veli Street, Madurai - 625001. Email: mfsmadurai@kfintech.com Tel.: 0452-2605856 • **Mangalore:** KFin Technologies Ltd. Mahendra Arcade Opp Court Road, Karangal Padi-Mangalore-575003 Karnataka Email: mangaloremfd@kfintech.com Tel: 0824-2496289 • **Margoa:** KFin Technologies Ltd. 2nd Floor, Dalal Commercial Complex, Pajifond, Margao-403601 Goa Email: mfsmargoa@kfintech.com Tel: 0832-2731823 • **Meerut:** KFin Technologies Ltd. 1st Floor, Medi Centre opp ICICI Bank, Hapur Road, Near Bachha Park, Meerut-250002 Uttar Pradesh Email: mfsmeerut@kfintech.com Tel: 7518801835 • **Moradabad:** KFin Technologies Ltd. Om Arcade, Parker Road, Above Syndicate Bank, Chowk Tari Khana, Moradabad-244001 Uttar Pradesh Email: mfsmoradabad@kfintech.com Tel: 7518801837 • **Mumbai:** KFin Technologies Ltd. 24/B, Raja Bahadur Compound, Ambalal Doshi Marg, Behind BSE Bldg, Fort-400001 Maharashtra Email: mumbaiemfd@kfintech.com Tel: 022-66235353 • **Mysore:** KFin Technologies Ltd. No 2924, 2nd Floor, 1st Main, 5th Cross, Saraswathi Puram, Mysore 570009. Tel: 0821-2438006 Email: mfsmysore@kfintech.com • **Nagpur:** KFin Technologies Ltd. Plot No 2/1 House No 102/1, Mata Mandir Road, Mangaldeep Apartment Opp Khandelwal Jewelers, Dharampeth, Nagpur-440010 Maharashtra Email: nagpurmfd@kfintech.com Tel: 0712-2533040 • **Nasik:** KFin Technologies Ltd. S-9, Second Floor, Suyojit Sankul, Sharanpur Road, Nasik-422002 Maharashtra Email: nasikmfs@kfintech.com Tel: 0253-6608999, 0755- 3010732 • **Navsari:** KFin Technologies Ltd. 103, 1st Floor Landmark Mall, Near Sayaji Library, Navsari Gujarat, Navsari-396445 Gujarat Email: mfsnavsari@kfintech.com Tel: 9081903040 • **New Delhi:** KFin Technologies Ltd. 305 New Delhi House, 27 Barakhamba Road New Delhi -110001 Email: delhimfd@kfintech.com Tel: 011- 43681700 • **Noida:** KFin Technologies Ltd. 405, 4th Floor, Vishal Chamber, Plot No.1, Sector-18, Noida-201301 Uttar Pradesh Email: mfsnoida@kfintech.com Tel: 7518801840 • **Panipat:** KFin Technologies Ltd. Shop No. 20, 1st Floor BMK Market, Behind HIVE Hotel, G.T. Road, Panipat-132103, Haryana Tel.: 0180-4067174 • **Panjim:** KFin Technologies Ltd. H. No: T-9, T-10, Affran plaza, 3rd Floor, Near Don Bosco High School, Panjim Goa - 403001. Goa Email: panjimfmd@kfintech.com Tel: 0832-2426874. • **Patiala:** KFin Technologies Ltd. B-17/423, Opp Modi College, Lower Mall, Patiala - 147001

Punjab Email: mfspatiala@kfintech.com Tel: 0175-5004349. • **Patna:** KFin Technologies Ltd. 3A, 3rd Floor Anand Tower, Exhibition Road, Opp ICICI Bank, Patna-800001  
 Bihar Email: mfsapatna@kfintech.com Tel: 0612-4323066 • **Pune:** KFin Technologies Ltd. Office no 207-210, 2nd Floor, Kamla Arcade, Jangli Maharaj Road, Opposite Balgandharva, Shivaji Nagar, Pune - 411005. Email: punemfd@kfintech.com Tel.: 020 -66210449 • **Raipur:** KFin Technologies Ltd. Office No S-13, 2nd Floor, Reheja Tower, Fafadih Chowk, Jail Road, Raipur-492001 Chatisgarh Email: mfsraipur@kfintech.com Tel: 0771-4912611 • **Rajkot:** KFin Technologies Ltd. 302, Metro Plaza, Near Moti Tanki Chowk, Rajkot, Gujarat-360001 Email: rajkotmfd@kfintech.com Tel: 9081903025 • **Ranchi:** KFin Technologies Ltd. Room No 307 3rd Floor, Commerce Tower, Beside Mahabir Tower, Ranchi-834001 Jharkhand Email: mfsranchi@kfintech.com Tel: 0651- 2331320 • **Rohtak:** KFin Technologies Ltd. 1st Floor, Ashoka Plaza, Delhi Road Rohtak-124001 Haryana Email: mfsrohtak@kfintech.com Tel: 7518801844 • **Salem:** KFin Technologies Ltd. No. 6, NS Complex, Omalur main Road, Salem - 636009. Tel: 0427-4020300. Email: mfssalem@kfintech.com • **Siliguri:** KFin Technologies Ltd. Nanak Complex, Sevoke Road, Siliguri-734001 West Bengal Email: mfssiliguri@kfintech.com Tel: 0353-2522579 • **Surat:** KFin Technologies Ltd. Office no: -516, 5th Floor, Empire State building, Near Udhna Darwaja, Ring Road, Surat-395002 Gujarat Email: suratmf@kfintech.com Tel: 9081903041, 9081903035 • **Tirupathi:** KFin Technologies Ltd. Shop No:18-1-421/f1, CITY Center, K.T.Road, Airtel Backside office. Tirupathi - 517501 Andhra Pradesh Email: mfstirupathi@kfintech.com Tel: 9885995544 / 0877-2255797 • **Trichy:** KFin Technologies Ltd. 60, Sri Krishna Arcade, Thennur High Road, Trichy-620017 Tamil Nadu Email: mfstrichy@kfintech.com Tel: 0431-4020227 • **Trivandrum:** KFin Technologies Ltd. Marvel Tower, 1st Floor, Ura-42 (Uppalam Road Residence Association), Statue, Trivandrum - 695001. Email: mfstrivandrum@kfintech.com Tel: 0471 - 2725728 • **Udaipur:** KFin Technologies Ltd. Shop No. 202, 2nd Floor Business Centre, 1C Madhuvan, Opp. G P O Chetak Circle, Udaipur - 313001 Email: mfsudaipur@kfintech.com Tel.: 0294 - 2429370 • **Valsad:** KFin Technologies Ltd. Shop No 2, Phiroza Corner, Opp Next Show Room, Tiithal Road, Valsad-396001 Gujarat Email: mfsvalsad@kfintech.com Tel: 02632-258481 • **Varanasi:** KFin Technologies Ltd. D-64/132 1st Floor, Anant Complex, Sagra, Varanashi-221010 Uttar Pradesh Email: varanasimfd@kfintech.com Tel: 7518801855 • **Vijayawada:** KFin Technologies Ltd. 1st Floor, HNo 26-23-Sundaramma street, Gandhi Nagar, Vijayawada, District Krishna, Andra Pradesh - 520003. Email: vijayawadamfd@kfintech.com Tel.: 0866-6604032/39/40 • **Visakhapatnam:** KFin Technologies Ltd. DNO : 48-10-40, Ground Floor, Surya Ratna Arcade, Srinagar, Opp Roadto Lalitha Jeweller Showroom, Beside Taj Hotel Ladge, Visakhapatnam - 530016. Email: vizagmfd@kfintech.com Tel.: 0891-2714125 • **Warangal:** KFin Technologies Ltd. 5-6-95, 1st Floor, Opp: B.Ed Collage, Lashkar Bazar, Chandra Complex, Hanmakonda, Warangal -Telangana Pincode: 506001. Email: mfswarangal@kfintech.com Tel: 0870-2441513.

#### Web transactions through

1	www.almondzglobal.com	13	www.emkayglobal.com	25	www.indusind.com	37	www.rathionline.com
2	www.angeltrade.com	14	www.etmoney.com	26	www.kotak.com	38	www.sqrrl.in
3	www.arthamoney.com	15	www.fundsindia.com	27	www.kotaksecurities.com	39	www.sbcapsec.com
4	www.bajajcapital.com	16	www.finity.in	28	www.mahindrafinance.com	40	www.sharekhan.com
5	www.barclays.in	17	www.fisd.com	29	www.ml.com	41	www.shriraminsight.com
6	www.bonanzaonline.com	18	www.hdfcbank.com	30	www.motilaloswal.com	42	www.smcindiaonline.com
7	www.bricssecurities.com	19	www.icicisecurities.com	31	www.mynetwork.networthdirect.com	43	www.sc.com
8	www.citiwealthadvisors.co.in	20	www.idbipaisabuilder.in	32	www.njindiaonline.com	44	https://trade.rsec.co.in
9	www.credit-suisse.com	21	www.ifastfinancial.co.in	33	www.paisabazaar.com	45	www.tatasecurities.com
10	www.clearfunds.com	22	www.indiainfoline.com	34	www.paytmoney.com	46	www.vsicl.com
11	www.cleartax.in	23	www.indwealth.in	35	www.rrfcl.com	47	www.wealthonline.in
12	www.destimoney.com	24	www.invezta.com	36	www.religare.in	48	www.yesbank.in

#### Online Applications of Registrar & Transfer Agent M/s KFin Technologies Ltd

https://mfs.kfintech.com	https://mfs.kfintech.com/econnect (KCORP)	Mobile application: KFinKart
--------------------------	---	------------------------------

#### Exchange & Industry Platforms - Point of Acceptance

https://bsestarmf.in	https://www.nseindia.com	https://www.mfuonline.com
----------------------	--------------------------	---------------------------

## JM FINANCIAL MUTUAL FUND

**JM Financial Asset Management Limited (Formerly known as JM Financial Asset Management Private Ltd.),**

**Registered Office:** 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400025.

**Corporate Office:** Office B, 8th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400025.

**Corporate Identity Number:** U65991MH1994PLC078879. • Tel. No.: (022) 6198 7777. • Fax No.: (022) 6198 7704



**TOLL FREE**  
1800-1038-345



**WEBSITE\***  
www.jmfinancialmf.com



**EMAIL**  
investor@jmfi.com

\* Investors can also invest in the Schemes of Mutual Fund by logging in on the website of the Mutual Fund.

**Disclaimer:** The views of the Fund Managers should not be constructed as an advice. Investor must make their own investment decisions based on their specific investment objectives and financial positions and using such AMFI qualified advisors as may be necessary. Opinions expressed in various articles are not necessarily those of JM Financial Asset Management Ltd. or any of its Directors, Officers and employees or the Directors and employees of JM Financial Trustee Company Pvt. Ltd. Consequently, the JM Financial Asset Management Ltd. or any of its Directors, Officers and Employees or the Directors and employees of JM Financial Trustee Company Pvt. Ltd. do not accept any responsibility for the editorial content or its accuracy, completeness or reliability and hereby disclaim any liability with regards to the same.

**Mutual Fund investments are subject to market risks, read all scheme related documents carefully.**