

ABRIDGED ANNUAL REPORT 2013-2014

JM Equity Fund

JM Balanced Fund

JM MultiStrategy Fund

JM Basic Fund

JM Core 11 Fund

JM Tax Gain Fund

JM Arbitrage Advantage Fund

Please refer Scheme Information Document for details on Product Labelling.

BOARD OF DIRECTORS

JM Financial Trustee Company Private Limited (as on 31st March, 2014)

Mr. Nimesh N. Kampani, Chairman
Mr. Anant V. Setalvad
Mr. Darius E. Udewadia
Mr. Jalaj A. Dani
Mr. Sharad M. Kulkarni
Dr. R. Srinivasan

JM Financial Asset Management Limited (as on 31st March, 2014)

Mr. V. P. Shetty, Chairman
Mr. Darius Pandole
Mr. G. M. Ramamurthy
Mr. J. K. Modi
Mr. Rajendra P. Chitale
Mr. V. P. Singh

SPONSOR

JM Financial Limited

7th Floor, Energy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai 400 025.

TRUSTEE

JM Financial Trustee Company Private Limited

Corporate Identity Number:

U65991MH1994PTC078880
141, Maker Chambers III, Nariman Point,
Mumbai - 400 021.

INVESTMENT MANAGER

JM Financial Asset Management Limited

(Formerly known as JM Financial Asset Management Private Limited)

Corporate Identity Number:

U65991MH1994PLC078879
502, 5th Floor, A Wing, Laxmi Towers,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400051.
Tel. No.: 022-6198 7777
Fax No.: 022- 2652 8388

AUDITORS

S.R.Batliboi & Co. LLP, Chartered Accountants

14th Floor, The Ruby, 29, Senapati Bapat Marg,
Dadar (West), Mumbai – 400 028, India.

LEGAL ADVISOR

Udwadia Udeshi & Argus Partners

1st Floor, Elphinstone House
17 Marzban road,
Mumbai - 400001.

REGISTRAR & TRANSFER AGENT

Karvy Computershare Private Limited

Karvy Plaza, H. No. 8-2-596,
Avenue 4, Street No. 1,
Banjara Hills, Hyderabad - 500 034.

CUSTODIAN

HDFC Bank Limited

Lodha – I Think Techno Campus, Building Alpha,
Custody Department, 8th Floor, Opp Crompton
Greaves, Kanjurmarg (E), Mumbai – 400 042.

BANKERS

HDFC Bank Limited

CORPORATE OFFICE

JM Financial Asset Management Limited (Formerly known as JM Financial Asset Management Private Limited)

Corporate Identity Number: U65991MH1994PLC078879

502, 5th Floor, A Wing, Laxmi Towers, Bandra Kurla Complex, Bandra (E), Mumbai - 400051.

Tel. No.: 022 - 6198 7777 | Fax No.: 022 - 2652 8388 | E-mail: investor@jmf.com | Website: www.jmfinancialmf.com

REPORT OF THE BOARD OF TRUSTEES

Dear Investor,

The Board of Trustees of JM Financial Mutual Fund is pleased to present the Annual Report of JM Financial Mutual Fund for the year ended March 31, 2014.

ECONOMIC OUTLOOK

The Indian economic growth rate improved slightly to 4.75% in the F.Y. 2013-14 as against 4.50% in the F.Y. 2012-13. Decline in financial savings, sluggish growth in capital expansion, persistently high inflation and low business confidence contributed to the decline in potential growth, particularly in the absence of adequate structural policy measures to facilitate implementation of large investment projects. Real GDP growth is projected to pick up from a little below 5 per cent in F.Y. 2013-14 to a range of 5 to 6 per cent in F.Y. 2014-15. Easing of domestic supply bottlenecks and progress on the implementation of stalled projects already cleared should contribute to growth, as will stronger anticipated export growth as the world economy picks up.

As growth in developed economies improved, the stimulus measures taken in the wake of the global financial crisis reduced significantly. Long-term interest rates on U.S. sovereign debt nearly doubled as financial markets reacted to the prospect of a tapering-off of the Federal Reserve's quantitative easing policies. The sharp increase in U.S. yields sparked a sudden portfolio adjustment by international investors moving away from developing country assets, leading to a significant decline in capital flows. Most of this adjustment had played itself out by end-August 2013, with equity, bond and foreign exchange markets recovering or stabilizing in the later part of the year.

External sector risks have since reduced, allowing monetary policy to focus on its core job of lowering inflation and supporting growth subject to disinflation. The Current Account Deficit (CAD) also narrowed during the year resulting in a lower trade deficit due to higher exports as well as moderation in imports.

Consumer Price Index (CPI) inflation declined to 8.1% in February, 2014 (a 25-month low) from 11.20% in November, 2013, mainly due to declining vegetable prices. Inflation as per the Wholesale Price Index (WPI) also recorded a significant fall to 4.7% in February, 2014 from 7.5% in

November, 2013. While food inflation reduced, non-food manufactured products inflation edged up marginally. Suppressed inflation in the energy segment has been substantially passed through by now, though some more adjustments will be necessary in F.Y. 2014-15, especially in diesel, gas and electricity that can still keep fuel inflation high in the longer run. However, the full pass through of the fuel price to the consumer may as well result in lower inflation as demand is not artificially supported.

Source: RBI, Ministry of Statistics and Programme Implementation (MOSPI)

The Sensex Index earnings per share is expected to be at Rs. 1550 in F.Y. 2014-15 and it is trading at a price to earning ratio of 16.7X for F.Y. 2014-15.

Both the Sensex and Nifty exhibited bullish sentiment and appreciated 18.72% and 17.58% respectively, during the financial year ended March 31, 2014. Broader indices like BSE 100 and BSE 500 also gave similar returns as Sensex and Nifty. CNX Midcap returns were marginally lower as compared to the leading indices for the year which is an indication that large caps continued to fare better than the midcaps.

Comparison of indices as on April 1, 2013 and March 31, 2014 is as follows:

Index Name	From Date (April 01, 2013)	To Date (March 31, 2014)	Compounded Annualized (%)
S&P BSE Sensex	18864.75	22386.27	18.72
CNX Nifty Index	5704.40	6704.20	17.58
S&P BSE 100	5700.58	6707.28	17.71
S&P BSE 200	2298.61	2681.35	16.70
S&P BSE 500	7123.95	8295.26	16.49
CNX Midcap	7486.85	8612.45	15.08

Source: Bloomberg

SCHEME DETAILS & PERFORMANCE

Performance of all the Schemes as on March 31, 2014 was as follows⁵:

Name of Schemes	NAV as on March 31, 2014	Benchmark Index	Scheme Returns since inception (%)	Benchmark Returns since inception (%)	Scheme Returns since last 1 year (%)	Benchmark Returns since last 1 year (%)
JM Equity Fund - Dividend	15.9039	BSE Sensex	10.01	10.66	15.92	18.67
JM Equity Fund - Growth	39.0707	BSE Sensex	7.43	10.66	15.92	18.67
JM Equity Fund - Dividend Direct	16.0874	BSE Sensex	7.17	9.56	16.93	18.67
JM Equity Fund - Growth Direct	39.3460	BSE Sensex	6.95	11.37	16.57	18.67
JM Balanced Fund - Dividend	20.6679	Crisil Balanced Fund Index	10.86	N A	26.49	13.38
JM Balanced Fund - Growth	28.9770	Crisil Balanced Fund Index	12.00	N A	26.49	13.38
JM Balanced Fund - Dividend Direct	20.7948	Crisil Balanced Fund Index	13.27	8.08	27.15	13.38
JM Balanced Fund - Growth Direct	29.5313	Crisil Balanced Fund Index	17.62	8.65	28.52	13.38
JM Basic Fund - Dividend	10.0436	BSE 200	15.67	12.56	16.33	16.65
JM Basic Fund - Growth	14.3834	BSE 200	15.67	12.56	16.33	16.65
JM Basic Fund - Dividend Direct	10.1172	BSE 200	0.02	7.66	17.04	16.65
JM Basic Fund - Growth Direct	14.4780	BSE 200	(0.04)	7.66	17.05	16.65
JM Arbitrage Advantage Fund - Dividend	10.4286	Crisil Liquid Fund Index	7.81	7.36	8.96	9.46
JM Arbitrage Advantage Fund - Growth	17.8455	Crisil Liquid Fund Index	7.80	7.36	9.27	9.46
JM Arbitrage Advantage Fund - Dividend Direct	10.6096	Crisil Liquid Fund Index	9.64	9.33	9.47	9.46
JM Arbitrage Advantage Fund - Growth Direct	17.9593	Crisil Liquid Fund Index	9.70	9.33	9.84	9.46
JM Tax Gain Fund - Dividend	7.9041	BSE 500 Index	(3.84)	5.09	24.95	16.44
JM Tax Gain Fund - Growth	7.9041	BSE 500 Index	(3.84)	5.09	24.95	16.44
JM Tax Gain Fund - Dividend Direct	7.9761	BSE 500 Index	8.77	5.96	25.97	16.44
JM Tax Gain Fund - Growth Direct	7.9806	BSE 500 Index	9.28	6.72	26.03	16.44

Name of Schemes	NAV as on March 31, 2014	Benchmark Index	Scheme Returns since inception (%)	Benchmark Returns since inception (%)	Scheme Returns since last 1 year (%)	Benchmark Returns since last 1 year (%)
JM Multi Strategy Fund - Dividend	13.6801	BSE 500 Index	7.24	8.86	21.11	16.44
JM Multi Strategy Fund - Growth	14.7089	BSE 500 Index	7.24	8.86	21.11	16.44
JM Multi Strategy Fund - Dividend Direct	13.7763	BSE 500 Index	6.27	6.72	21.89	16.44
JM Multi Strategy Fund - Growth Direct	14.8037	BSE 500 Index	6.22	6.72	21.86	16.44
JM Core 11 Fund - Dividend	4.1440	BSE Sensex	(13.50)	5.11	20.57	18.67
JM Core 11 Fund - Growth	4.1441	BSE Sensex	(13.50)	5.11	20.57	18.67
JM Core 11 Fund - Dividend Direct	4.1596	BSE Sensex	4.09	10.52	21.67	18.67
JM Core 11 Fund - Growth Direct	4.1784	BSE Sensex	6.01	11.37	21.45	18.67

Source: www.mutualfundsindia.com

§ The performance is based on NAV, as on last business day of March, 2014.

Past performance may or may not be sustained in future.

Notes:

- Returns are Compounded Annualised Growth Rate Returns, with reinvestment of dividends, if any.
- In cases where there has been a change in the benchmark indices of the existing schemes, the current benchmark has been used for calculating the returns since inception.
- Returns of benchmark indices since inception date of the schemes are not available in some cases as the benchmark indices were launched/ changed subsequent to the inception date of the scheme(s).
- For the purpose of calculating returns, inception date is deemed to be the date of allotment of the units.

SCHEMES OF JM FINANCIAL MUTUAL FUND:

JM Arbitrage Advantage Fund

The primary investment objective of the Scheme is to generate income through arbitrage opportunities emerging out of mis-pricing between the cash market and the derivatives market and through deployment of surplus cash in fixed income instruments.

During the F.Y. 2013-14, the Scheme was changed from an interval scheme to open ended equity scheme, after obtaining necessary approvals from SEBI.

The Scheme has underperformed the benchmark in the F.Y. 2013-14 due to high interest rates prevalent during the year. The Scheme continues to outperform the benchmark since inception.

Markets are expected to be volatile in the near future. This volatility will help to churn the Arbitrage portfolio as few stock futures tend to trade at a discount to their cash market prices. The same can be deployed into fresh arbitrage in other stocks, whereby the returns of the Scheme could be enhanced.

JM Basic Fund

The primary objective of the scheme will be to provide capital appreciation to its unit holders through judicious deployment of the corpus of the Scheme in sectors categorized under "basic industry" in the normal parlance and in context of the Indian economy, including but not limited to energy, petrochemicals, oil & gas, power generation & distribution and electrical equipment suppliers, metals and building material. The Fund would continue to remain open-ended with a sector focus.

The Scheme's returns have almost matched its benchmark in F.Y. 2013-14 but have outperformed the benchmark since inception.

The proportions of top 15 stocks constitute more than 60% of the portfolio and Nifty stocks constituted ~50% of the portfolio. The combination of diversification and co-relation to Nifty is expected to give the portfolio an essential fundamental strength and stability going forward. We intend to play the economic recovery theme through our portfolio strategy over the next couple of years.

JM Core 11 Fund

JM Core 11 Fund is an open ended equity oriented scheme. The investment objective of the Scheme is to provide long-term growth by investing predominantly in a concentrated portfolio of equity/equity related instruments.

Because of a higher concentration, the Scheme falls in the high risk – high return category.

The Scheme has outperformed its benchmark in F.Y. 2013-14 and underperformed since inception. The primary reason for outperformance has been the low exposure to the expensive consumer and pharmaceutical sectors.

The Scheme has invested in 11 large cap stocks with high growth potential. The Scheme portfolio is dominated by large caps. It is believed that a combination of high growth stocks and high liquidity will give the portfolio an essential fundamental strength, stability and flexibility going forward. We intend to play the economic recovery theme through our portfolio strategy over the next couple of years.

JM Equity Fund

JM Equity Fund is an open-ended growth scheme with the main objective to provide optimum capital growth and appreciation.

The Scheme continues to hold a diversified portfolio with a prudent mix of large cap and mid cap stocks.

The Scheme has marginally underperformed the benchmark in F.Y. 2013-14 and has underperformed since inception as well. The primary reason for underperformance has been higher exposure to the technology, consumer and pharmaceutical sectors.

The proportion of top 15 constitute ~60% of the portfolio and Nifty stocks constituted ~70% of the portfolio. A combination of diversification and co-relation to Nifty is expected to give the portfolio an essential fundamental strength and stability going forward.

JM Multi Strategy Fund

JM Multi Strategy Fund is an open ended equity oriented scheme with the investment objective to provide capital appreciation by investing in equity and equity related securities using a combination of strategies.

The Scheme has outperformed the benchmark in F.Y. 2013-14 and marginally underperformed since inception.

The proportion of top 15 stocks constitute more than ~65% of the portfolio and Nifty stocks constituted ~60% of the portfolio. A combination of diversification and co-relation to Nifty is expected to give the portfolio an essential fundamental strength and stability going forward. We intend to play the economic recovery theme through our portfolio strategy over next couple of years.

JM Tax Gain Fund

The investment objective is to generate long-term capital growth from a diversified and actively managed portfolio of equity and equity related securities and to enable investors a deduction from

total income, as permitted under the Income Tax Act, 1961 from time to time. However, there can be no assurance that the investment objective of the scheme will be achieved.

This Scheme has a diversified portfolio and invests in companies across all market capitalizations. The Scheme seeks to provide capital appreciation by investing in growth stocks which are available at reasonable valuations across sectors.

The Scheme had outperformed the benchmark in F.Y. 2013-14 and under performed since inception. The primary reason for outperformance during the year has been low exposure to the expensive consumer and pharmaceutical sectors and high exposure to quality midcaps.

A combination of diversification and co-relation to Nifty is expected to give the portfolio an essential fundamental strength and stability going forward.

JM Balanced Fund

JM Balanced Fund is an open-ended balanced Scheme with the investment objective to provide steady current income as well as long term growth of capital.

The Scheme has outperformed its benchmark during F.Y. 2013-14. The primary reason for outperformance has been low exposure to the expensive consumer and pharmaceutical sectors and higher exposure to quality midcaps.

JM Balanced Fund has been adopting a conservative investment approach though the broad philosophy for the equity portion continues to be to pick high growth stocks using bottom-up investment approach. The Scheme intends to continue with this approach.

BRIEF BACKGROUND OF SPONSORS, TRUST, TRUSTEE COMPANY AND AMC

JM Financial Mutual Fund had been constituted as a Trust in 1994, with J.M. Financial & Investment Consultancy Services Pvt. Limited and JM Financial Limited as Settlers and JM Financial Trustee Company Private Limited as the Trustee Company in accordance with the provisions of the Indian Trust Act, 1882 and is duly registered under the Indian Registration Act, 1908.

JM Financial Mutual Fund was registered with SEBI on September 15, 1994. J.M. Financial & Investment Consultancy Services Pvt. Ltd. and JM Financial Ltd. have made initial contributions of Rs. One lakh each towards setting up of JM Financial Mutual Fund, which amount has been invested in JM Equity Fund.

The Trustee Company has entered into an Investment Management Agreement dated September 1, 1994 with JM Financial Asset Management Limited (Formerly known as JM Financial Asset Management Private Limited) (the AMC) to function as the Investment Manager for all the schemes of JM Financial Mutual Fund.

Consequent to the change in the shareholding of the AMC in October 2007 and by virtue of being the only shareholder holding more than 40% of the equity share capital of the AMC, JM Financial Limited has become the sole Sponsor of JM Financial Mutual Fund.

JM FINANCIAL TRUSTEE COMPANY PRIVATE LIMITED (TRUSTEE COMPANY)

The Trustee Company is the exclusive owner of the Trust Fund and holds the same in trust for the benefit of the unit holders. The Trustee Company has been discharging its duties and carrying out the responsibilities as provided in the Regulations and the Trust Deed. The Trustee Company seeks to ensure that the Fund and the Schemes floated there under are managed by the AMC in accordance with the Trust Deed, the Regulations, directions and guidelines issued by SEBI, the Stock Exchanges, the Association of Mutual Funds in India and other regulatory agencies.

ACCOUNTING POLICIES

Accounting Policies are in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.

Unclaimed Redemptions and Dividends

The Unclaimed Redemptions and Dividends as on March 31, 2014 are as under:

Scheme	Unclaimed Dividends		Unclaimed Redemptions		Total	
	No. of Folios	Amount (Rs. in Lakhs)	No. of Folios	Amount (Rs. in Lakhs)	No. of Folios	Amount (Rs. in Lakhs)
JM Tax Saver Plan '96	107	2.46	-	-	107	2.46
JM Tax Saver Plan '97	12	0.03	-	-	12	0.03
JM Tax Saver Plan '98	7	0.29	-	-	7	0.29
JM Equity Fund	1625	9.15	-	-	1625	9.15
JM Balanced Fund	1710	3.53	-	-	1710	3.53
JM Basic Fund	64	0.91	-	-	64	0.91
JM Income Fund	3082	12.43	-	-	3082	12.43
JM G -Sec Fund	16	0.13	-	-	16	0.13
JM High Liquidity Fund	38	1.05	-	-	38	1.05
JM MIP Fund	105	0.35	-	-	105	0.35
JM Floater Long Term Fund	10	1.84	-	-	10	1.84
JM Short Term Fund	25	0.08	-	-	25	0.08
JM Fixed Maturity Fund - QSA4	17	0.10	-	-	17	0.10
Multiple (Miscellaneous) Schemes	-	7.36	-	5.12	-	12.48
Total	6818	39.73	-	5.12	6818	44.85

Notes:

- The above figures indicate the current value of investment of Unclaimed Dividend and Redemption amounts as on March 31, 2014.
- The number of folios vis-à-vis the amount shown in the above table are based on the available details.
- Investors are requested to reconcile their Bank account statements with their Investments in JM Financial Mutual Fund and contact the AMC in case of non-receipt of any Dividend/ Redemption proceeds.

REDRESSAL OF COMPLAINTS RECEIVED AGAINST THE MUTUAL FUND DURING THE PERIOD FROM APRIL 1, 2013 TO MARCH 31, 2014

Total Number of Folios: 2,18,984

Com-plaint Code	Type of Complaint #	(a) No of Complaints pending at the beginning of the Year	Action on (a) and (b)										
			(b) No of complaints received during the year	Resolved				Non Action-able*	Pending				
				With in 30 days	30 - 60 days	60 - 180 days	Beyond 180 days		0-3 months	3-6 months	6-9 months	9-12 months	More than 12 months
I A	Non receipt of Dividend on Units	0	2	2	0	0	0	0	0	0	0	0	0
I B	Interest on delayed payment of Dividend	0	0	0	0	0	0	0	0	0	0	0	0
I C	Non receipt of Redemption Proceeds	0	7	6	1	0	0	0	0	0	0	0	0
I D	Interest on delayed payment of Redemption	0	3	2	1	0	0	0	0	0	0	0	0
II A	Non receipt of Statement of Account/Unit Certificate	0	1	1	0	0	0	0	0	0	0	0	0
II B	Discrepancy in Statement of Account	0	3	3	0	0	0	0	0	0	0	0	0
II C	Data corrections in Investor details	2	111	110	2	0	0	0	1	0	0	0	0
II D	Non receipt of Annual Report/Abridged Summary	0	0	0	0	0	0	0	0	0	0	0	0
III A	Wrong switch between Schemes	0	0	0	0	0	0	0	0	0	0	0	0
III B	Unauthorized switch between Schemes	0	0	0	0	0	0	0	0	0	0	0	0
III C	Deviation from Scheme attributes	0	0	0	0	0	0	0	0	0	0	0	0
III D	Wrong or excess charges/load	0	0	0	0	0	0	0	0	0	0	0	0
III E	Non updation of changes viz. address, PAN, bank details, nomination, etc	1	4	4	1	0	0	0	0	0	0	0	0
IV	Others	8	2	0	6	0	0	0	1	0	0	0	3
Total		11	133	128	11	0	0	0	2	0	0	0	3

- including against its authorized persons / distributors / employees etc.

*Non-actionable means the complaints that are incomplete / outside the scope of the Mutual Fund.

Statutory Information

- The Sponsor is not responsible or liable for any loss resulting from the operation of the Schemes of the Fund beyond its initial contribution (to the extent contributed) of Rs. 1 lakh for setting up the Fund, and such other accretions / additions to the same.
- The price and redemption value of the units, and income from them, can go up as well as down with fluctuations in the market value of its underlying investments.
- Full Annual Report will be disclosed on the website (www.jmfinancialmf.com) and shall be available for inspection at the Corporate Office of the Mutual Fund. Present and prospective unit holders can obtain a copy of the Trust Deed, the full Annual Report of the Fund / AMC at a price.

Acknowledgements

The Trustees would like to thank the Securities and Exchange Board of India, the Reserve Bank of India, Association of Mutual Funds in India for their continued support, co-operation and guidance during the year. The Trustees would also like to thank the Auditors, Custodian, Registrars & Transfer Agents, Bankers and all other service providers for their support. The Trustees also take this opportunity to place on record their appreciation for the contribution made by the employees of JM Financial Asset Management Limited and for their dedication, commitment and wholehearted support throughout the year.

For and on behalf of the Board of Trustees

Place : Mumbai
Dated : June 24, 2014

Nimesh Kampani
Chairman

Information on Corporate Governance

The information on Corporate Governance policy and voting disclosure for the financial year 2013-14 is available in the Consolidated Annual Report of JM Financial Mutual Fund and is also uploaded on its website.

AUDITORS' REPORT

To the Trustees of JM Financial Mutual Fund

Report on the Financial Statements

We have audited the accompanying financial statements of the schemes mentioned below (collectively "the Schemes"), which comprise the balance sheets as at the dates mentioned below, the revenue accounts and cash flow statements, where applicable, for the period as mentioned below, and a summary of significant accounting policies and other explanatory information.

Name of the Scheme	Period covered by revenue account and cash flow	Balance sheet date
JM Equity Fund	1 April 2013 to 31 March 2014	31 March 2014
JM Balanced Fund	1 April 2013 to 31 March 2014	31 March 2014
JM Multi Strategy Fund	1 April 2013 to 31 March 2014	31 March 2014
JM Basic Fund	1 April 2013 to 31 March 2014	31 March 2014
JM Core 11 Fund	1 April 2013 to 31 March 2014	31 March 2014
JM Tax Gain Fund	1 April 2013 to 31 March 2014	31 March 2014
JM Arbitrage Advantage Fund	1 April 2013 to 31 March 2014	31 March 2014

1. Management's Responsibility for the Financial Statements

Management of JM Financial Asset Management Limited, the scheme's asset manager, is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Schemes in accordance with accounting principles generally accepted in India, including the accounting policies and standards specified in the Ninth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 ('the SEBI Regulations'). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

2. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the SEBI Regulations in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the balance sheet, of the state of affairs of the Schemes as at the dates mentioned above;
- in the case of the revenue account, of the surplus/deficit for the period as mentioned above; and
- in the case of the cash flow statement, where applicable, of the cash flows for the period as mentioned above.

4. Report on Other Legal and Regulatory Requirements

- We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- The balance sheet and revenue account dealt with by this report are in agreement with the books of account.
- In our opinion, the balance sheet and revenue account dealt with by this report have been prepared in conformity with the accounting policies and standards specified in the Ninth Schedule to the SEBI Regulations.
- In our opinion, and on the basis of information and explanations given to us, the methods used to value non traded securities as at 31 March 2014 are in accordance with the SEBI Regulations and other guidelines issued by the Securities and Exchange Board of India, as applicable, and approved by the Board of Trustees, and are fair and reasonable.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E

Per Viren H. Mehta
Partner
Membership Number: 048749

Place: Mumbai
Dated: April 29, 2014

Abridged Annual Report 2013-2014

ABRIDGED BALANCE SHEET AS AT MARCH 31, 2014 (figures as per Audited Financials)

(As per format prescribed for Abridged schemewise Annual Report - SEBI/Md/CIR No. 8/132968/2008 dt 24/08/2008)

(Rs. in Lakhs)

	JM Equity Fund		JM Balanced Fund		JM Multi Strategy Fund		JM Basic Fund	
	As at 31-Mar-14	As at 31-Mar-13	As at 31-Mar-14	As at 31-Mar-13	As at 31-Mar-14	As at 31-Mar-13	As at 31-Mar-14	As at 31-Mar-13
LIABILITIES								
1	Unit Capital		268.65		9,189.95		12,248.01	
2	Reserves & Surplus		352.07		13,499.32		15,486.77	
2.1	753.59	1,032.39	0.06	32.10	11,863.90	17,994.09	23,866.88	27,153.80
2.2	545.41	216.53	121.42	66.16	2,254.97	-	2,373.04	-
2.3	707.30	679.29	246.20	189.56	(10,166.79)	(15,640.84)	(23,275.39)	(26,201.54)
3	Loans & Borrowings		-		-		-	
4	Current Liabilities & Provisions		-		-		-	
4.1	-	-	-	-	-	-	-	-
4.2	51.64	15.25	8.85	3.66	256.32	68.77	282.90	84.07
	3,350.24	3,555.78	645.18	643.55	13,398.35	15,921.34	15,495.44	16,523.10
ASSETS								
1	Investments		475.45		12,977.82		15,081.49	
1.1	Listed Securities:		451.75		15,781.89		16,216.04	
1.1.1	3,263.42	3,481.89	474.72	451.75	12,977.82	15,781.89	15,081.49	16,216.04
1.1.2	1.76	-	0.73	-	-	-	-	-
1.1.3	-	-	-	-	-	-	-	-
1.1.4	-	-	-	-	-	-	-	-
1.1.5	-	-	-	-	-	-	-	-
1.2	Securities Awaiting Listing:		-		-		-	
1.2.1	-	-	-	-	-	-	-	-
1.2.2	-	-	-	-	-	-	-	-
1.2.3	-	-	-	-	-	-	-	-
1.2.4	-	-	-	-	-	-	-	-
1.2.5	-	-	-	-	-	-	-	-
1.3	Unlisted Securities		-		-		-	
1.3.1	-	-	-	-	-	-	-	-
1.3.2	-	-	-	-	-	-	-	-
1.3.3	-	-	-	-	-	-	-	-
1.3.4	-	-	-	-	-	-	-	-
1.3.5	-	-	-	-	-	-	-	-
1.4	Government Securities		-		-		-	
1.5	Treasury Bills		-		-		-	
1.6	Commercial Paper		-		-		-	
1.7	Certificate of Deposit		-		-		-	
1.8	Bill Rediscounting		-		-		-	
1.9	Units of Domestic Mutual Fund		-		-		-	
1.10	Foreign Securities		-		-		-	
	3,265.18	3,481.89	475.45	451.75	12,977.82	15,781.89	15,081.49	16,216.04
2	Deposits		-		-		31.25	
3	Other Current Assets		1.78		24.72		12.21	
3.1	4.71	1.90	1.78	0.51	21.20	24.72	13.29	12.21
3.2	10.50	68.74	167.26	190.24	34.39	81.63	235.73	239.27
3.3	69.85	3.25	0.69	1.05	364.94	33.10	164.93	24.33
4	Deferred Revenue Expenditure (to the extent not written off)		-		-		-	
	3,350.24	3,555.78	645.18	643.55	13,398.35	15,921.34	15,495.44	16,523.10
Notes to Accounts - Annexure I								

ABRIDGED BALANCE SHEET AS AT MARCH 31, 2014 (figures as per Audited Financials)

(As per format prescribed for Abridged schemewise Annual Report - SEBI/Md/CIR No. 8/132968/2008 dt 24/08/2008)

(Rs. in Lakhs)

	JM Core 11 Fund		JM Tax Gain Fund		JM Arbitrage Advantage Fund	
	As at 31-Mar-14	As at 31-Mar-13	As at 31-Mar-14	As at 31-Mar-13	As at 31-Mar-14	As at 31-Mar-13
LIABILITIES						
1 Unit Capital	8,266.25	10,776.72	3,793.03	4,875.63	7,823.28	1,364.91
2 Reserves & Surplus						
2.1 Unit Premium Reserve	20,002.70	20,002.70	400.67	400.67	191.23	(4.81)
2.2 Unrealised Appreciation Reserve	755.52	382.08	741.14	206.73	247.03	-
2.3 Other Reserves	(25,598.80)	(27,473.64)	(1,936.75)	(2,410.42)	624.15	536.03
3 Loans & Borrowings	-	-	-	-	-	-
4 Current Liabilities & Provisions						
4.1 Provision for doubtful Income/Deposits	-	-	-	-	-	-
4.2 Other Current Liabilities & Provisions	20.95	16.74	97.48	16.28	379.87	239.86
TOTAL	3,446.62	3,704.60	3,095.57	3,088.89	9,265.56	2,135.99
ASSETS						
1 Investments						
1.1 Listed Securities:						
1.1.1 Equity Shares	3,320.86	3,654.95	2,991.06	3,003.41	6,140.31	1,314.16
1.1.2 Preference Shares	-	-	-	-	-	-
1.1.3 Equity Linked Debentures	-	-	-	-	-	-
1.1.4 Other Debentures & Bonds	-	-	-	-	-	-
1.1.5 Securitised Debt securities	-	-	-	-	-	-
1.2 Securities Awaiting Listing:						
1.2.1 Equity Shares	-	-	-	-	-	-
1.2.2 Preference Shares	-	-	-	-	-	-
1.2.3 Equity Linked Debentures	-	-	-	-	-	-
1.2.4 Other Debentures & Bonds	-	-	-	-	-	-
1.2.5 Securitised Debt securities	-	-	-	-	-	-
1.3 Unlisted Securities						
1.3.1 Equity Shares	-	-	-	-	-	-
1.3.2 Preference Shares	-	-	-	-	-	-
1.3.3 Equity Linked Debentures	-	-	-	-	-	-
1.3.4 Other Debentures & Bonds	-	-	-	-	-	-
1.3.5 Securitised Debt securities	-	-	-	-	-	-
1.4 Government Securities	-	-	-	-	-	-
1.5 Treasury Bills	-	-	-	-	-	-
1.6 Commercial Paper	-	-	-	-	-	-
1.7 Certificate of Deposit	-	-	-	-	-	-
1.8 Bill Rediscounting	-	-	-	-	-	-
1.9 Units of Domestic Mutual Fund	-	-	-	-	-	-
1.10 Foreign Securities	-	-	-	-	-	-
Total Investments	3,320.86	3,654.95	2,991.06	3,003.41	6,140.31	1,314.16
2 Deposits	-	-	-	-	1,825.00	400.00
3 Other Current Assets						
3.1 Cash & Bank Balance	5.30	0.84	3.55	3.52	58.52	0.10
3.2 CBLO/ Reverse Repo Lending	19.92	45.44	98.36	61.01	702.28	290.47
3.3 Others	100.54	3.37	2.60	20.95	539.45	131.26
4 Deferred Revenue Expenditure (to the extent not written off)	-	-	-	-	-	-
TOTAL	3,446.62	3,704.60	3,095.57	3,088.89	9,265.56	2,135.99
Notes to Accounts - Annexure I						

ABRIDGED REVENUE ACCOUNT FOR THE YEAR / PERIOD ENDED MARCH 31, 2014 (figures as per Audited Financials)

(As per format prescribed for Abridged schemewise Annual Report - SEBI/Md/CIR No. 8/132968/2008 dt 24/08/2008)

(Rs. in Lakhs)

	JM Equity Fund		JM Balanced Fund		JM Multi Strategy Fund		JM Basic Fund	
	Current Year Ended 31-Mar-14	Previous Year Ended 31-Mar-13	Current Year Ended 31-Mar-14	Previous Year Ended 31-Mar-13	Current Year Ended 31-Mar-14	Previous Year Ended 31-Mar-13	Current Year Ended 31-Mar-14	Previous Year Ended 31-Mar-13
1 INCOME								
1.1 Dividend	52.68	62.48	6.68	7.85	251.77	263.87	254.67	286.27
1.2 Interest	6.53	5.42	14.19	16.13	15.06	22.49	20.74	17.98
1.3 Realised Gain / (Loss) on Foreign Exchange Transactions	-	-	-	-	-	-	-	-
1.4 Realised Gains / (Losses) on Interscheme sale of investments	-	-	-	-	-	-	-	-
1.5 Realised Gains / (Losses) on External sale / redemption of investments	212.61	(145.97)	71.63	18.59	578.04	(547.95)	(277.74)	637.71
1.6 Realised Gains / (Losses) on Derivative Transactions	-	-	-	-	-	0.49	-	0.21
1.7 Other Income	0.89	0.80	29.41	0.07	6.86	2.48	1.96	3.65
(A)	272.71	(77.27)	121.91	42.64	851.73	(258.62)	(0.37)	945.82
2 EXPENSES								
2.1 Management fees	57.33	52.52	11.09	9.51	231.90	236.82	242.63	246.54
2.2 Service tax on Management fees	7.09	6.49	1.37	1.18	28.66	29.27	29.99	30.47
2.3 Transfer agents fees and expenses	5.62	8.60	1.09	1.55	23.80	40.24	24.87	41.94
2.4 Custodian fees	0.38	0.47	0.06	0.06	1.59	2.15	1.67	2.27
2.5 Trusteeship fees	1.68	2.06	0.32	0.37	7.10	9.71	7.42	10.12
2.6 Commission to Agents	18.23	17.17	4.25	2.81	72.11	53.61	70.38	100.57
2.7 Marketing & Distribution expenses	0.47	11.52	0.11	3.05	1.18	86.40	1.24	26.51
2.8 Audit fees	1.40	1.87	0.30	0.34	6.18	8.40	6.31	8.72
2.9 Investor awareness expenses	0.67	0.40	0.13	0.07	2.84	1.89	2.97	1.98
2.10 Other operating expenses (including Deferred Revenue Expenditure written off)	5.59	9.80	1.04	1.78	25.98	43.97	31.10	48.53
Total	98.46	110.90	19.76	20.72	401.34	512.46	418.58	517.65
Less :Expenses reimbursed / to be reimbursed by AMC	(0.76)	(0.40)	(0.93)	(0.72)	-	(14.79)	-	-
(B)	97.70	110.50	18.83	20.00	401.34	497.67	418.58	517.65
3 NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD (A - B = C)	175.01	(187.77)	103.08	22.64	450.39	(756.29)	(418.95)	428.17
4 Change in Unrealised Depreciation in value of investments (D)	-	-	-	-	-	-	-	71.82
5 NET GAINS / (LOSSES) FOR THE YEAR / PERIOD (E=(C-D))	175.01	(187.77)	103.08	22.64	450.39	(756.29)	(418.95)	356.35
6 Change in unrealised appreciation in the value of investments (F)	328.88	322.01	55.24	4.65	2,381.53	974.14	2,781.50	-
7 NET SURPLUS / (DEFICIT) FOR THE YEAR / PERIOD (E + F = G)	503.89	134.24	158.32	27.29	2,831.92	217.85	2,362.55	356.35
7.1 Add: Balance transfer from Unrealised Appreciation Reserve	216.53	-	66.16	61.52	-	-	-	-
7.2 Less: Balance transfer to Unrealised Appreciation Reserve	(545.41)	(216.53)	(121.40)	(66.16)	(2,254.96)	-	(2,373.04)	-
7.3 Add / (Less): Equalisation	(147.00)	(217.77)	(46.44)	(55.35)	4,897.09	6,028.24	2,936.64	4,998.49
8 Total	28.01	(300.06)	56.64	(32.70)	5,474.05	6,246.09	2,926.15	5,354.84
Balance brought forward from Balance Sheet	679.29	979.35	189.56	222.26	(15,640.84)	(21,886.93)	(26,201.54)	(31,556.65)
Surplus available for distribution/(Deficit)	707.30	679.29	246.20	189.56	(10,166.79)	(15,640.84)	(23,275.39)	(26,201.81)
9 Dividend appropriation								
9.1 Income Distributed during the year / period	-	-	-	-	-	-	-	(0.27)
9.2 Tax on income distributed during the year / period	-	-	-	-	-	-	-	-
10 Retained Surplus / (Deficit) carried forward to Balance sheet	707.30	679.29	246.20	189.56	(10,166.79)	(15,640.84)	(23,275.39)	(26,201.54)
Notes to Accounts - Annexure I								

ABRIDGED REVENUE ACCOUNT FOR THE YEAR / PERIOD ENDED MARCH 31, 2014 (figures as per Audited Financials)

(As per format prescribed for Abridged schemewise Annual Report - SEBI/Md/CIR No. 8/132968/2008 dt 24/08/2008)

(Rs. in Lakhs)

	JM Core 11 Fund		JM Tax Gain Fund		JM Arbitrage Advantage Fund	
	Current Year Ended 31-Mar-14	Previous Year Ended 31-Mar-13	Current Year Ended 31-Mar-14	Previous Year Ended 31-Mar-13	Current Year Ended 31-Mar-14	Previous Year Ended 31-Mar-13
1 INCOME						
1.1 Dividend	56.76	78.35	40.71	43.34	77.10	21.46
1.2 Interest	6.62	8.72	4.96	3.84	164.94	65.63
1.3 Realised Gain / (Loss) on Foreign Exchange Transactions	-	-	-	-	-	-
1.4 Realised Gains / (Losses) on Interscheme sale of investments	-	(15.26)	-	(1.17)	-	(3.32)
1.5 Realised Gains / (Losses) on External sale / redemption of investments	291.57	(75.10)	180.41	(82.49)	575.96	(576.62)
1.6 Realised Gains / (Losses) on Derivative Transactions	-	-	-	-	(574.89)	152.71
1.7 Other Income	1.09	0.32	-	-	0.20	-
(A)	356.04	(2.97)	226.08	(36.48)	243.31	(340.14)
2 EXPENSES						
2.1 Management fees	49.75	64.00	46.89	46.61	12.84	7.10
2.2 Service tax on Management fees	6.15	7.91	5.80	5.76	1.59	0.88
2.3 Transfer agents fees and expenses	5.43	10.52	4.98	7.60	4.27	1.84
2.4 Custodian fees	0.35	0.56	0.33	0.41	0.97	0.35
2.5 Trusteeship fees	1.60	2.52	1.47	1.82	3.35	1.14
2.6 Commission to Agents	21.20	34.01	18.60	26.15	23.26	12.32
2.7 Marketing & Distribution expenses	0.44	1.96	0.41	0.34	2.47	0.40
2.8 Audit fees	1.75	2.29	1.53	1.66	2.30	0.52
2.9 Investor awareness service provision	0.64	0.47	0.59	0.36	1.34	0.21
2.10 Other operating expenses (including Deferred Revenue Expenditure written off)	5.26	10.63	7.01	9.73	4.18	2.78
Total	92.57	134.87	87.61	100.44	56.57	27.54
Less :Expenses reimbursed / to be reimbursed by AMC	(0.09)	-	(2.32)	(2.49)	(2.46)	(4.74)
(B)	92.48	134.87	85.29	97.95	54.11	22.80
3 NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD (A - B = C)	263.56	(137.84)	140.79	(134.43)	189.20	(362.94)
4 Change in Unrealised Depreciation in value of investments (D)	-	-	-	-	-	-
5 NET GAINS / (LOSSES) FOR THE YEAR / PERIOD (E=(C-D))	263.56	(137.84)	140.79	(134.43)	189.20	(362.94)
6 Change in unrealised appreciation in the value of investments (F)	373.46	252.56	534.38	180.94	417.84	570.65
7 NET SURPLUS / (DEFICIT) FOR THE YEAR / PERIOD (E + F = G)	637.02	114.72	675.17	46.51	607.04	207.71
7.1 Add: Balance transfer from Unrealised Appreciation Reserve	382.08	129.52	206.75	25.82	-	-
7.2 Less: Balance transfer to Unrealised Appreciation Reserve	(755.54)	(382.08)	(741.14)	(206.75)	(247.03)	-
7.3 Add / (Less): Equalisation	1,611.28	3,886.61	332.89	556.04	314.08	(198.27)
8 Total	1,874.84	3,748.77	473.67	421.62	674.09	9.44
Balance brought forward from Balance Sheet	(27,473.64)	(31,222.41)	(2,410.42)	(2,832.04)	536.03	581.94
Surplus available for distribution/(Deficit)	(25,598.80)	(27,473.64)	(1,936.75)	(2,410.42)	1,210.12	591.38
9 Dividend appropriation						
9.1 Income Distributed during the year / period	-	-	-	-	585.97	55.35
9.2 Tax on income distributed during the year / period	-	-	-	-	-	-
10 Retained Surplus / (Deficit) carried forward to Balance sheet	(25,598.80)	(27,473.64)	(1,936.75)	(2,410.42)	624.15	536.03
Notes to Accounts - Annexure I						

Notes to Accounts - Annexure I to the Abridged Balance Sheet & Revenue Account for the Year/Period ended March 31, 2014

1. Investments.

- 1.1 Investments of the schemes are registered in the name of the Trustees for the benefits of the scheme's unit holders.
1.2 Open positions of derivatives as at 31 March 2014.

Scheme	As at 31.03.2014				
	Amount (Rs. in Lakhs)			% to Net Asset	
	Net Asset	Long	Short	Long	Short
JM Arbitrage Advantage Fund	8,865.69	-	6,180.29	-	69.55

Scheme	As at 31.03.2013				
	Amount (Rs. in Lakhs)			% to Net Asset	
	Net Asset	Long	Short	Long	Short
JM Arbitrage Advantage Fund	1,896.13	-	1,324.32	-	69.84

- 1.3 During the year ended 31 March 2014, the following equity schemes of JM Financial Mutual Fund had invested in the following securities of the Sponsor and the Associate / Group Companies of the Sponsor:

For the financial year ended 31 March 2014

Associate	Scheme	Security Type	Purchase Amount (Rs. in Lakhs)	Sale/Redemption Amount (Rs. in Lakhs)	Market Value as on 31 March 2014 Amount (Rs. in Lakhs)
Ambuja Cements Limited	JM Core 11 Fund	Equity Shares	281.41	299.34	-
Ambuja Cements Limited	JM Multi Strategy Fund	Equity Shares	29.39	466.26	-
Tata Global Beverages Limited	JM Arbitrage Advantage Fund	Equity Shares	404.69	51.62	351.12

Aggregate Investment by all schemes in Associates / Group Companies

Associate	Security Type	Purchase Amount (Rs. in Lakhs)
Ambuja Cements Limited	Equity Shares	310.80
Reliance Capital Limited	Commercial Paper	145,009.84
Tata Global Beverages Limited	Commercial Paper	7,391.51
Tata Global Beverages Limited	Equity Shares	404.69

For the financial year ended 31 March 2013

Associate	Scheme	Security Type	Purchase Amount (Rs. in Lakhs)	Sale/Redemption Amount (Rs. in Lakhs)	Market Value as on 31 March 2013 Amount (Rs. in Lakhs)
Ambuja Cements Limited	JM Multi Strategy Fund	Equity Shares	657.07	121.73	-
Ambuja Cements Limited	JM Tax Gain Fund	Equity Shares	75.04	73.30	-
Tata Global Beverages Limited	JM Arbitrage Advantage Fund	Equity Shares	16.17	58.76	-

Aggregate Investment by all schemes in Associates / Group Companies

Associate	Security Type	Purchase Amount (Rs. in Lakhs)
Ambuja Cements Limited	Equity Shares	732.11
Tata Global Beverages Limited	Equity Shares	16.17
Reliance Capital Limited	Commercial Paper	74,401.62

- 1.4 Open position of Securities Borrowed and / or Lent by the schemes as at 31 March 2014 – Rs. Nil (as at 31 March 2013 – Rs. Nil).

1.5 Non Performing Assets:

Details of Equity shares pending registration/under objection, fully provided for in earlier year's.

Company	Scheme	31.03.2014		31.03.2013	
		Quantity	Amount (Rs. in Lakhs)	Quantity	Amount (Rs. in Lakhs)
Reliance Industries Limited	JM Equity Fund	856	1.57	856	1.57
	JM Balanced Fund	175	0.32	175	0.32
	JM Basic Fund	12,492	18.57	12,492	18.57
Hindustan Unilever Limited	JM Equity Fund	4,110	4.19	4,110	4.19

Details of non-performing assets, written off in earlier years.

Company	Type of Security	Scheme	31.03.2014	
			Quantity	Amount (Rs. in Lakhs)
Flora Textiles Limited	Equity Shares	JM Equity Fund	1,95,000	-
		JM Balanced Fund	60,000	-
HMG Industries Limited	Debentures	JM Balanced Fund	-	-

Company	Type of Security	Scheme	31.03.2013	
			Quantity	Amount (Rs. in Lakhs)
Flora Textiles Limited	Equity Shares	JM Equity Fund	1,95,000	-
		JM Balanced Fund	60,000	-
HMG Industries Limited	Debentures	JM Balanced Fund	45,000	-

- 1.6 Aggregate unrealized gain and depreciation as at the end of the financial year / period and percentage to net assets.

Scheme	Amount (Rs. in Lakhs)		(% of Net Assets)	
	As at 31.03.2014	As at 31.03.2013	As at 31.03.2014	As at 31.03.2013
JM Equity Fund	545.41	216.53	16.52	6.12
JM Balanced Fund	121.40	66.16	19.08	10.34
JM Multi Strategy Fund	2,254.96	(126.57)	17.16	(0.80)
JM Tax Gain Fund	741.14	206.75	24.72	6.73
JM Basic Fund	2,373.04	(408.46)	15.60	(2.48)
JM Core 11 Fund	755.54	382.08	22.06	10.36
JM Arbitrage Advantage Fund	247.03	(170.80)	2.78	(9.01)

- 1.7 Aggregate value of Purchase and sale of securities as a % Average Daily Net Assets:

a. Purchase and sale of securities (other than futures and options) as a % Average Daily Net Assets.

Scheme	For the year ended 31 March 2014			
	Purchase Value Amount (Rs. in Lakhs)	Purchase %	Sale Value Amount (Rs. in Lakhs)	Sale %
JM Equity Fund	2,391.56	71.24	3,149.76	93.83
JM Balanced Fund	599.37	92.52	702.53	108.44
JM Multi Strategy Fund	16,924.04	119.25	22,687.68	159.86
JM Tax Gain Fund	2,795.98	94.95	3,523.13	119.64
JM Basic Fund	12,244.47	82.49	15,882.75	107.00
JM Core 11 Fund	2,353.35	73.57	3,352.48	104.81
JM Arbitrage Advantage Fund	79,388.32	1,183.24	74,240.83	1,106.52

Scheme	For the year ended 31 March 2013			
	Purchase Value Amount (Rs. in Lakhs)	Purchase %	Sale Value Amount (Rs. in Lakhs)	Sale %
JM Equity Fund	2,924.27	70.97	4,216.81	102.34
JM Balanced Fund	244.41	32.67	591.47	79.06
JM Multi Strategy Fund	17,692.24	91.11	24,265.40	124.96
JM Tax Gain Fund	2,866.78	78.61	3,959.80	108.58
JM Basic Fund	13,080.59	64.66	19,845.02	98.09
JM Core 11 Fund	3,366.80	66.81	5,451.68	108.19
JM Arbitrage Advantage Fund	5,312.98	233.21	6,035.39	264.92

b. Purchase and sale of securities (futures and options) as a % Average Daily Net Assets.

Scheme	For the year ended 31 March 2014			
	Purchase Value Amount (Rs. in Lakhs)	Purchase %	Sale Value Amount (Rs. in Lakhs)	Sale %
JM Arbitrage Advantage Fund	54,123.20	806.68	58,269.41	868.47

Scheme	For the year ended 31 March 2013			
	Purchase Value Amount (Rs. in Lakhs)	Purchase %	Sale Value Amount (Rs. in Lakhs)	Sale %
JM Multi Strategy Fund	348.36	1.79	348.85	1.80
JM Basic Fund	102.63	0.51	102.83	0.51
JM Arbitrage Advantage Fund	19,060.38	836.63	18,719.04	821.65

1.8 Non traded securities in the portfolio as on 31 March 2014 –NIL. (as on 31 March 2013–NIL).

2. Details of Transaction with Associates under regulation 25(8)

Commission paid to associates / related parties / group companies of sponsor/AMC

Transactions covered by Regulation 25(8) of the SEBI Regulation with the sponsor or associate of the sponsor:

a. Commission paid to Sponsor or any of its associates, employees or their relatives on Unit capital transactions

For the financial year ended 31 March 2014

Name of associate/related parties/group companies of sponsor/AMC	Nature of Relation	Scheme	Business given (Rs. in Lakhs & % of total Business received [^] by the fund)		Commission paid [#] (Rs. in Lakhs & % of total commission paid by the fund)	
			Amount (Rs. in Lakhs)	%	Amount (Rs. in Lakhs)	%
JM Financial Services Limited ^{##}	Associate	JM Equity Fund	-	-	0.47	3.91
		JM Balanced Fund	0.22	0.11	0.13	3.30
		JM Multi Strategy Fund	1.64	0.22	4.94	7.01
		JM Tax Gain Fund	0.05	0.22	1.49	8.24
		JM Basic Fund	1.55	0.73	3.37	5.17
		JM Core 11 Fund	0.79	0.65	1.18	6.09
		JM Arbitrage Advantage Fund	4,175.41	31.75	9.84	50.16
Web Trust Co.In (India) Private Limited	Relative of an employee is a director of the distributor company	JM Equity Fund	-	-	0.00*	0.00*~
		JM Balanced Fund	-	-	0.04	1.11
		JM Multi Strategy Fund	-	-	0.00*	0.00*~
Sharika Kher	The distributor is a relative of an employee	JM Multi Strategy Fund	-	-	0.07	0.10

For the financial year ended 31 March 2013

Name of associate/related parties/group companies of sponsor/AMC	Nature of Relation	Scheme	Business given (Rs. in Lakhs & % of total Business received [^] by the fund)		Commission paid [#] (Rs. in Lakhs & % of total commission paid by the fund)	
			Amount (Rs. in Lakhs)	%	Amount (Rs. in Lakhs)	%
JM Financial Services Limited ^{##}	Associate	JM Equity Fund	0.05	0.03	0.60	3.35
		JM Balanced Fund	0.06	0.30	0.13	3.59
		JM Multi Strategy Fund	2.44	0.62	8.29	8.23
		JM Tax Gain Fund	0.34	0.83	1.81	7.01
		JM Basic Fund	3.60	0.75	4.25	4.10
		JM Core 11 Fund	0.12	0.10	1.71	5.12
		JM Arbitrage Advantage Fund	-	-	0.23	2.27
Web Trust Co.In (India) Private Limited	Relative of an employee is a director of the distributor company	JM Equity Fund	-	-	0.00*	0.02
		JM Balanced Fund	-	-	0.04	1.05
		JM Multi Strategy Fund	-	-	0.00*	0.00*~
M. A. Lalith Kumar	The distributor is a relative of an employee	JM Equity Fund	-	-	0.00*	0.00*~
		JM Multi Strategy Fund	-	-	0.00*	0.00*~
		JM Tax Gain Fund	-	-	0.00*	0.00*~
		JM Basic Fund	-	-	0.00*	0.00*~
Sharika Kher	The distributor is a relative of an employee	JM Multi Strategy Fund	-	-	0.07	0.07
		JM Basic Fund	-	-	0.00*	0.00*~

[^]Includes direct plan mobilization, [#] includes trail commission, 0.00* less than Rs. One Thousand, 0.00*~ less than 0.01%.

b. Commission paid to Sponsor or any of its associates, employees or their relatives on Investment transactions.

For the financial year ended 31 March 2014

Name of associate/related parties/group companies of sponsor/AMC	Nature of Relation	Scheme	Value of Transaction (Rs. in Lakhs & % of total value of transaction of the fund)		Brokerage (Rs. in Lakhs & % of total brokerage paid by the fund)	
			Amount (Rs. in Lakhs)	%	Amount (Rs. in Lakhs)	%
JM Financial Institutional Securities Limited ^{##}	Associate	JM Equity Fund	146.98	2.65	0.14	2.31
		JM Balanced Fund	23.46	1.80	0.02	1.66
		JM Multi Strategy Fund	1,278.50	3.23	1.26	2.80
		JM Tax Gain Fund	106.56	1.69	0.10	1.45
		JM Basic Fund	609.05	2.17	0.60	1.90
JM Financial Services Limited ^{##}	Associate	JM Core 11 Fund	349.86	6.13	0.37	5.67
		JM Arbitrage Advantage Fund	32,313.17	22.76	7.12	22.21

For the financial year ended 31 March 2013

Name of associate/ related parties/ group companies of sponsor/AMC	Nature of Relation	Scheme	Value of Transaction (Rs. in Lakhs & % of total value of transaction of the fund)		Brokerage (Rs. in Lakhs & % of total brokerage paid by the fund)	
			Amount (Rs. in Lakhs)	%	Amount (Rs. in Lakhs)	%
			JM Financial Institutional Securities Limited ⁵⁵	Associate	JM Equity Fund	183.08
		JM Multi Strategy Fund	1,876.38	4.62	2.12	3.95
		JM Tax Gain Fund	45.24	0.73	0.05	0.60
		JM Basic Fund	2,104.08	6.82	2.32	6.13
		JM Core 11 Fund	330.91	3.80	0.34	3.23
		JM Arbitrage Advantage Fund	1,258.62	2.84	0.26	2.08

c. Marketing expenses paid to Sponsor or any of its associates, employees or their relatives on Investment transactions.

Name of associate/ related parties/group companies of sponsor/ AMC	Nature of Association/ Nature of Relation	Scheme	Marketing & Selling Expenses	
			2013-2014	2012-2013
			Amount (Rs. in Lakhs)	Amount (Rs. in Lakhs)
JM Financial Services Limited ⁵⁶	Associate	JM Equity Fund	-	8.50
		JM Arbitrage Advantage Fund	1.40	-

* less than Rs. One Thousand & *~ less than 0.01%.

⁵⁵ w.e.f. 28 February 2013, the name of the company JM Financial Services Private Limited has been changed to JM Financial Services Limited.

⁵⁶ w.e.f. 30 December 2013, the name of the company JM Financial Institutional Securities Private Limited has been changed to JM Financial Institutional Securities Limited.

These companies are associate companies as defined in SEBI (Mutual Funds) Regulations, 1996.

3. Investors having large unit-holdings in the scheme which are over 25% of the NAV as on 31st March 2014:

Scheme	As at 31 March 2014		As at 31 March 2013	
	No. of Investors	% of Holding	No. of Investors	% of Holding
JM Arbitrage Advantage Fund	1	27.94%	-	-

4. Unit Capital Movement during the period (Face Value of all the Plans is Rs.10.0000) :

Scheme - Option/Plan	2013-2014 (Amount In Rs. 000s)			
	Opening	Issued during the year	Repurchased during the year	Closing at the end of the year
JM Equity Fund - Dividend Option	94,208.63	737.21	19,447.42	75,498.42
JM Equity Fund - Growth Option	66,962.78	2,559.78	15,922.54	53,600.01
JM Equity Fund (Direct) - Dividend Option	6.47	108.38	50.21	64.63
JM Equity Fund (Direct) - Growth Option	54.39	85.47	73.23	66.63
JM Balanced Fund - Dividend Option	24,481.30	618.72	8,223.41	16,876.61
JM Balanced Fund - Growth Option	10,498.85	7,384.01	8,145.98	9,736.87
JM Balanced Fund (Direct) - Dividend Option	225.03	8.10	-	233.13
JM Balanced Fund (Direct) - Growth Option	2.04	34.87	18.46	18.45
JM Multi Strategy Fund - Dividend Option	539,666.67	2,678.41	177,570.55	364,774.53
JM Multi Strategy Fund - Growth Option	809,773.73	55,815.55	312,165.95	553,423.33
JM Multi Strategy Fund (Direct) - Dividend Option	154.41	98.05	13.36	239.10
JM Multi Strategy Fund (Direct) - Growth Option	337.17	634.97	414.09	558.05
JM Tax Gain Fund - Dividend Option	159,696.45	670.45	38,881.25	121,485.66
JM Tax Gain Fund - Growth Option	327,587.67	2,365.66	72,659.99	257,293.35
JM Tax Gain Fund (Direct) - Dividend Option	50.50	40.56	-	91.06

Scheme - Option/Plan	2013-2014 (Amount In Rs. 000s)			
	Opening	Issued during the year	Repurchased during the year	Closing at the end of the year
JM Tax Gain Fund (Direct) - Growth Option	228.29	204.35	-	432.64
JM Basic Fund - Dividend Option	701,027.67	4,583.47	152,996.90	552,614.24
JM Basic Fund - Growth Option	847,312.40	10,483.43	187,697.34	670,098.48
JM Basic Fund (Direct) - Dividend Option	117.29	3,556.63	2,248.14	1,425.78
JM Basic Fund (Direct) - Growth Option	219.50	584.36	141.03	662.84
JM Core 11 Fund - Dividend Option	246,843.69	5,992.81	67,403.50	185,433.00
JM Core 11 Fund - Growth Option	829,761.45	26,547.31	216,550.82	639,757.94
JM Core 11 Fund (Direct) - Dividend Option	13.00	133.60	-	146.60
JM Core 11 Fund (Direct) - Growth Option	1,054.18	1,396.43	1,163.10	1,287.50
JM Arbitrage Advantage Fund - Dividend Option	55,891.76	482,872.32	249,076.47	289,687.62
JM Arbitrage Advantage Fund - Growth Option	80,591.13	17,135.68	13,919.48	83,807.32
JM Arbitrage Advantage Fund (Direct) - Dividend Option	4.82	718,619.60	314,076.74	404,547.68
JM Arbitrage Advantage Fund (Direct) - Growth Option	3.10	4,282.02	-	4,285.12

Scheme - Option/Plan	2012-2013 (Amount In Rs. 000s)			
	Opening	Issued during the year	Repurchased during the year	Closing at the end of the year
JM Equity Fund - Dividend Option	127,235.66	1,362.15	34,389.18	94,208.63
JM Equity Fund - Growth Option	88,927.08	4,680.51	26,644.81	66,962.78
JM Equity Fund (Direct) - Dividend Option	-	6.47	-	6.47
JM Equity Fund (Direct) - Growth Option	-	54.95	0.56	54.39
JM Balanced Fund - Dividend Option	31,752.31	348.25	7,619.26	24,481.30
JM Balanced Fund - Growth Option	14,288.14	444.75	4,234.04	10,498.85
JM Balanced Fund (Direct) - Dividend Option	-	225.03	-	225.03
JM Balanced Fund (Direct) - Growth Option	-	2.04	-	2.04
JM Multi Strategy Fund - Dividend Option	755,167.67	3,690.84	219,191.84	539,666.67
JM Multi Strategy Fund - Growth Option	1,110,244.94	29,362.23	329,833.44	809,773.73
JM Multi Strategy Fund (Direct) - Dividend Option	-	154.41	-	154.41
JM Multi Strategy Fund (Direct) - Growth Option	-	354.26	17.09	337.17
JM Tax Gain Fund - Dividend Option	214,280.12	1,316.63	55,900.30	159,696.45
JM Tax Gain Fund - Growth Option	432,803.23	4,794.81	110,010.37	327,587.67
JM Tax Gain Fund (Direct) - Dividend Option	-	50.50	-	50.50
JM Tax Gain Fund (Direct) - Growth Option	-	228.29	-	228.29
JM Basic Fund - Dividend Option	1,060,263.54	15,344.02	374,579.88	701,027.67
JM Basic Fund - Growth Option	1,125,810.57	27,165.54	305,663.72	847,312.40
JM Basic Fund (Direct) - Dividend Option	-	117.29	-	117.29
JM Basic Fund (Direct) - Growth Option	-	223.52	4.02	219.50
JM Core 11 Fund - Dividend Option	608,144.26	8,847.39	370,147.97	246,843.69
JM Core 11 Fund - Growth Option	1,081,273.60	25,517.96	277,030.11	829,761.45
JM Core 11 Fund (Direct) - Dividend Option	-	159.73	146.73	13.00

Scheme - Option/Plan	2012-2013 (Amount In Rs. 000s)			
	Opening	Issued during the year	Repurchased during the year	Closing at the end of the year
JM Core 11 Fund (Direct) - Growth Option	-	1,098.84	44.66	1,054.18
JM Arbitrage Advantage Fund - Dividend Option	83,936.25	6,352.48	34,396.97	55,891.76
JM Arbitrage Advantage Fund - Growth Option	112,857.70	6,635.98	38,902.56	80,591.13
JM Arbitrage Advantage Fund (Direct) - Dividend Option	-	4.82	-	4.82
JM Arbitrage Advantage Fund (Direct) - Growth Option	-	3.10	-	3.10

Scheme - Option/Plan	2013-2014 (Units in 000s)			
	Opening	Issued during the year	Repurchased during the year	Closing at the end of the year
JM Equity Fund - Dividend Option	9,420.86	73.72	1,944.74	7,549.84
JM Equity Fund - Growth Option	6,696.28	255.98	1,592.25	5,360.00
JM Equity Fund (Direct) - Dividend Option	0.65	10.84	5.02	6.46
JM Equity Fund (Direct) - Growth Option	5.44	8.55	7.32	6.66
JM Balanced Fund - Dividend Option	2,448.13	61.87	822.34	1,687.66
JM Balanced Fund - Growth Option	1,049.88	738.40	814.60	973.69
JM Balanced Fund (Direct) - Dividend Option	22.50	0.81	-	23.31
JM Balanced Fund (Direct) - Growth Option	0.20	3.49	1.85	1.84
JM Multi Strategy Fund - Dividend Option	53,966.67	267.84	17,757.06	36,477.45
JM Multi Strategy Fund - Growth Option	80,977.37	5,581.55	31,216.59	55,342.33
JM Multi Strategy Fund (Direct) - Dividend Option	15.44	9.80	1.34	23.91
JM Multi Strategy Fund (Direct) - Growth Option	33.72	63.50	41.41	55.81
JM Tax Gain Fund - Dividend Option	15,969.65	67.04	3,888.12	12,148.57
JM Tax Gain Fund - Growth Option	32,758.77	236.57	7,266.00	25,729.33
JM Tax Gain Fund (Direct) - Dividend Option	5.05	4.06	-	9.11
JM Tax Gain Fund (Direct) - Growth Option	22.83	20.44	-	43.26
JM Basic Fund - Dividend Option	70,102.77	458.35	15,299.69	55,261.42
JM Basic Fund - Growth Option	84,731.24	1,048.34	18,769.73	67,009.85
JM Basic Fund (Direct) - Dividend Option	11.73	355.66	224.81	142.58
JM Basic Fund (Direct) - Growth Option	21.95	58.44	14.10	66.28
JM Core 11 Fund - Dividend Option	24,684.37	599.28	6,740.35	18,543.30
JM Core 11 Fund - Growth Option	82,976.14	2,654.73	21,655.08	63,975.79
JM Core 11 Fund (Direct) - Dividend Option	1.30	13.36	-	14.66
JM Core 11 Fund (Direct) - Growth Option	105.42	139.64	116.31	128.75
JM Arbitrage Advantage Fund - Dividend Option	5,589.18	48,287.23	24,907.65	28,968.76
JM Arbitrage Advantage Fund - Growth Option	8,059.11	1,713.57	1,391.95	8,380.73
JM Arbitrage Advantage Fund (Direct) - Dividend Option	0.48	71,861.96	31,407.67	40,454.77
JM Arbitrage Advantage Fund (Direct) - Growth Option	0.31	428.20	-	428.51

Scheme - Option/Plan	2012-2013 (Units in 000s)			
	Opening	Issued during the year	Repurchased during the year	Closing at the end of the year
JM Equity Fund - Dividend Option	12,723.57	136.22	3,438.92	9,420.86
JM Equity Fund - Growth Option	8,892.71	468.05	2,664.48	6,696.28

Scheme - Option/Plan	2012-2013 (Units in 000s)			
	Opening	Issued during the year	Repurchased during the year	Closing at the end of the year
JM Equity Fund (Direct) - Dividend Option	-	0.65	-	0.65
JM Equity Fund (Direct) - Growth Option	-	5.49	0.06	5.44
JM Balanced Fund - Dividend Option	3,175.23	34.83	761.93	2,448.13
JM Balanced Fund - Growth Option	1,428.81	44.48	423.40	1,049.88
JM Balanced Fund (Direct) - Dividend Option	-	22.50	-	22.50
JM Balanced Fund (Direct) - Growth Option	-	0.20	-	0.20
JM Multi Strategy Fund - Dividend Option	75,516.77	369.08	21,919.18	53,966.67
JM Multi Strategy Fund - Growth Option	111,024.49	2,936.22	32,983.34	80,977.37
JM Multi Strategy Fund (Direct) - Dividend Option	-	15.44	-	15.44
JM Multi Strategy Fund (Direct) - Growth Option	-	35.43	1.71	33.72
JM Tax Gain Fund - Dividend Option	21,428.01	131.66	5,590.03	15,969.65
JM Tax Gain Fund - Growth Option	43,280.32	479.48	11,001.04	32,758.77
JM Tax Gain Fund (Direct) - Dividend Option	-	5.05	-	5.05
JM Tax Gain Fund (Direct) - Growth Option	-	22.83	-	22.83
JM Basic Fund - Dividend Option	106,026.35	1,534.40	37,457.99	70,102.77
JM Basic Fund - Growth Option	112,581.06	2,716.55	30,566.37	84,731.24
JM Basic Fund (Direct) - Dividend Option	-	11.73	-	11.73
JM Basic Fund (Direct) - Growth Option	-	22.35	0.40	21.95
JM Core 11 Fund - Dividend Option	60,814.43	884.74	37,014.80	24,684.37
JM Core 11 Fund - Growth Option	108,127.36	2,551.80	27,703.01	82,976.14
JM Core 11 Fund (Direct) - Dividend Option	-	15.97	14.67	1.30
JM Core 11 Fund (Direct) - Growth Option	-	109.88	4.47	105.42
JM Arbitrage Advantage Fund - Dividend Option	8,393.63	635.25	3,439.70	5,589.18
JM Arbitrage Advantage Fund - Growth Option	11,285.77	663.60	3,890.26	8,059.11
JM Arbitrage Advantage Fund (Direct) - Dividend Option	-	0.48	-	0.48
JM Arbitrage Advantage Fund (Direct) - Growth Option	-	0.31	-	0.31

5. Derivatives disclosure (as per circular IMD/DF/11/2010, dated 18/08/2010):

For the year ended 31 March 2014

Hedging Positions through futures as on 31 March 2014:

Scheme	Underlying	Long / Short	Futures price when purchased (Rs.)	Current price of the contract (Rs.)	Total Margin maintained in Amount (Rs. in Lakhs)
JM Arbitrage Advantage Fund	Biocon Limited - April 2014	Short	418.78	427.45	11.33
JM Arbitrage Advantage Fund	Century Textiles & Industries Limited - April 2014	Short	355.97	365.00	77.60
JM Arbitrage Advantage Fund	Dish TV Limited - April 2014	Short	51.77	52.55	8.18
JM Arbitrage Advantage Fund	Divi'S Laboratories Limited - April 2014	Short	1,384.46	1,375.00	32.70
JM Arbitrage Advantage Fund	Federal Bank Limited - April 2014	Short	93.41	96.15	92.95
JM Arbitrage Advantage Fund	Housing Development Finance Corporation Limited - April 2014	Short	862.67	887.40	0.69

Scheme	Underlying	Long / Short	Futures price when purchased (Rs.)	Current price of the contract (Rs.)	Total Margin maintained in Amount (Rs. in Lakhs)
JM Arbitrage Advantage Fund	HDFC Bank Limited - April 2014	Short	745.64	756.60	165.74
JM Arbitrage Advantage Fund	Hindustan Petroleum Corporation Limited - April 2014	Short	285.26	312.30	1.95
JM Arbitrage Advantage Fund	IDFC Limited - April 2014	Short	116.43	123.20	41.67
JM Arbitrage Advantage Fund	India Cements Limited - April 2014	Short	54.23	61.25	6.19
JM Arbitrage Advantage Fund	Infosys Limited - April 2014	Short	3,307.22	3,298.10	18.01
JM Arbitrage Advantage Fund	ITC Limited - April 2014	Short	357.53	355.25	15.51
JM Arbitrage Advantage Fund	Jain Irrigation Systems Limited - April 2014	Short	62.14	65.60	31.32
JM Arbitrage Advantage Fund	JSW Energy Limited - April 2014	Short	59.38	59.75	21.35
JM Arbitrage Advantage Fund	JSW Steel Limited - April 2014	Short	957.84	1,043.00	19.91
JM Arbitrage Advantage Fund	The Karnataka Bank Limited - April 2014	Short	117.33	117.70	40.48
JM Arbitrage Advantage Fund	LIC Housing Finance Limited - April 2014	Short	232.24	236.70	63.69
JM Arbitrage Advantage Fund	Lupin Limited - April 2014	Short	955.76	942.60	107.60
JM Arbitrage Advantage Fund	Maruti Suzuki India Limited - April 2014	Short	1,949.77	1,983.55	17.84
JM Arbitrage Advantage Fund	United Spirits Limited - April 2014	Short	2,576.30	2,656.70	45.63
JM Arbitrage Advantage Fund	NHPC Limited - April 2014	Short	18.24	19.25	16.31
JM Arbitrage Advantage Fund	Ranbaxy Laboratories Limited - April 2014	Short	357.52	367.50	18.91
JM Arbitrage Advantage Fund	Shriram Transport Finance Co. Limited - April 2014	Short	712.90	768.20	2.71
JM Arbitrage Advantage Fund	Tata Global Beverages Limited - April 2014	Short	144.44	150.90	55.11
JM Arbitrage Advantage Fund	Tata Consultancy Services Limited - April 2014	Short	2,055.81	2,141.50	50.11
JM Arbitrage Advantage Fund	Titan Company Limited - April 2014	Short	256.86	264.70	8.27
JM Arbitrage Advantage Fund	Unitech Limited - April 2014	Short	11.55	14.15	18.28

In respect of JM Arbitrage Advantage Fund total 69.55% of existing assets are hedged through futures as on 31 March 2014.

For the year ended 31 March 2014, following are the hedging transactions through futures which have been squared off / expired:

Scheme	Total number of contracts where futures were bought	Total number of contracts where futures were sold	Gross notional value of contracts where futures were bought Amount (Rs. in Lakhs)	Gross notional value of contracts where futures were sold Amount (Rs. in Lakhs)	Net profit/ (loss) value on all contracts combined Amount (Rs. in Lakhs)
JM Arbitrage Advantage Fund	18,885	18,366	54,123.20	52,232.77	574.89

Other than Hedging Positions through futures as on 31 March 2014 is Nil.

For the year ended 31 March 2014 following are the non-hedging transactions through futures which have been squared off / expired:

Scheme	Total number of contracts where futures were bought	Total number of contracts where futures were sold	Gross notional value of contracts where futures were bought Amount (Rs. in Lakhs)	Gross notional value of contracts where futures were sold Amount (Rs. in Lakhs)	Net profit/ (loss) value on all contracts combined Amount (Rs. in Lakhs)
NIL					

Hedging position through Put Options as on 31 March 2014 is Nil.

No hedging transactions through Put Options were transacted during the year ended 31 March 2014.

Other than Hedging Position through Options as on 31 March 2014 is Nil.

For the year ended 31 March 2014 the non-hedging transactions through options which have been already exercised/expired – Nil.

Hedging position through swaps as on 31 March 2014 is Nil.

No hedging transactions through Swaps were transacted during the year ended 31 March 2014.

For the year ended 31 March 2013

Hedging Positions through futures as on 31 March 2013:

Scheme	Underlying	Long / Short	Futures price when purchased (Rs.)	Current price of the contract (Rs.)	Total Margin maintained in Amount (Rs. in Lakhs)
JM Arbitrage Advantage Fund	Andhra Bank - April - 2013	Short	93.47	95.40	2.38
JM Arbitrage Advantage Fund	The Karnataka Bank Limited - April - 2013	Short	126.80	131.85	4.19
JM Arbitrage Advantage Fund	Hindalco Industries Limited - April - 2013	Short	91.72	92.15	3.51
JM Arbitrage Advantage Fund	Indian Overseas Bank - April - 2013	Short	65.48	65.65	3.79
JM Arbitrage Advantage Fund	The Indian Hotels Company Limited - April - 2013	Short	54.32	54.10	6.12
JM Arbitrage Advantage Fund	Indraprastha Gas Limited - April - 2013	Short	270.83	277.45	5.15
JM Arbitrage Advantage Fund	UCO Bank - April - 2013	Short	56.07	56.30	8.28
JM Arbitrage Advantage Fund	Aurobindo Pharma Limited - April - 2013	Short	129.60	146.65	11.24
JM Arbitrage Advantage Fund	Oracle Financial Services Software Limited - April - 2013	Short	2,600.69	2,585.00	11.79
JM Arbitrage Advantage Fund	PTC India Limited - April - 2013	Short	57.38	59.95	10.02
JM Arbitrage Advantage Fund	Dena Bank - April - 2013	Short	89.58	90.10	10.37
JM Arbitrage Advantage Fund	Reliance Industries Limited - April - 2013	Short	818.32	779.30	15.22
JM Arbitrage Advantage Fund	Cairn India Limited - April - 2013	Short	273.53	275.35	7.76
JM Arbitrage Advantage Fund	Power Finance Corporation Limited - April - 2013	Short	181.56	182.55	10.07
JM Arbitrage Advantage Fund	United Phosphorus Limited - April - 2013	Short	117.82	118.40	20.45
JM Arbitrage Advantage Fund	Reliance Infrastructure Limited - April - 2013	Short	327.41	327.40	16.98
JM Arbitrage Advantage Fund	ICICI Bank Limited - April - 2013	Short	1,052.22	1,049.90	23.80
JM Arbitrage Advantage Fund	Pantaloon Retail (India) Limited - April - 2013	Short	146.62	150.65	66.13
JM Arbitrage Advantage Fund	Grasim Industries Limited - April - 2013	Short	2,895.27	2,831.30	48.56

Scheme	Underlying	Long / Short	Futures price when purchased (Rs.)	Current price of the contract (Rs.)	Total Margin maintained in Amount (Rs. in Lakhs)
JM Arbitrage Advantage Fund	United Spirits Limited - April - 2013	Short	1,881.62	1,916.35	57.33
JM Arbitrage Advantage Fund	Punjab National Bank - April - 2013	Short	728.65	725.10	48.72

In respect of JM Arbitrage Advantage Fund total 69.84% of existing assets are hedged through futures as on 31 March 2013.

For the year ended 31 March 2013, following are the hedging transactions through futures which have been squared off / expired:

Scheme	Total number of contracts where futures were bought	Total number of contracts where futures were sold	Gross notional value of contracts where futures were bought Amount (Rs. in Lakhs)	Gross notional value of contracts where futures were sold Amount (Rs. in Lakhs)	Net profit/ (loss) value on all contracts combined Amount (Rs. in Lakhs)
JM Arbitrage Advantage Fund	7311	6967	19,060.39	18,719.04	152.71

Other than Hedging Positions through futures as on 31 March 2013 is Nil.

For the year ended 31 March 2013 following are the non-hedging transactions through futures which have been squared off / expired:

Scheme	Total number of contracts where futures were bought	Total number of contracts where futures were sold	Gross notional value of contracts where futures were bought Amount (Rs. in Lakhs)	Gross notional value of contracts where futures were sold Amount (Rs. in Lakhs)	Net profit/ (loss) value on all contracts combined Amount (Rs. in Lakhs)
JM Basic Fund	20	20	102.63	102.83	0.21
JM Multi Strategy Fund	131	131	348.36	348.85	0.49

Hedging position through Put Options as on 31 March 2013 is Nil.

No hedging transactions through Put Options were transacted during the year ended 31 March 2013.

Other than Hedging Position through Options as on 31 March 2013 is Nil.

For the year ended 31 March 2013 the non-hedging transactions through options which have been already exercised/expired – Nil.

Hedging position through swaps as on 31 March 2013 is Nil.

No hedging transactions through Swaps were transacted during the year ended 31 March 2013.

Notional Value of exposure in derivative products - Futures/Options - Long/(Short) at the end of the year 31 March 2014:

For the year ended 31 March 2014

Scheme - JM Arbitrage Advantage Fund				
Name of Scrip	Type	Quantity	Amount (Rs.in Lakhs)	
Housing Development Finance Corporation Limited - April - 2014	Equity Stock Futures	(500)	(4.44)	
Hindustan Petroleum Corporation Limited - April - 2014	Equity Stock Futures	(4,000)	(12.49)	
Shriram Transport Finance Company Limited - April - 2014	Equity Stock Futures	(2,000)	(15.36)	
The India Cements Limited - April - 2014	Equity Stock Futures	(48,000)	(29.40)	
Dish TV India Limited - April - 2014	Equity Stock Futures	(96,000)	(50.45)	
Titan Company Limited - April - 2014	Equity Stock Futures	(20,000)	(52.94)	
Unitech Limited - April - 2014	Equity Stock Futures	(492,000)	(69.62)	
Biocon Limited - April - 2014	Equity Stock Futures	(17,000)	(72.67)	
Ranbaxy Laboratories Limited - April - 2014	Equity Stock Futures	(27,000)	(99.23)	
NHPC Limited - April - 2014	Equity Stock Futures	(516,000)	(99.33)	
ITC Limited - April - 2014	Equity Stock Futures	(28,000)	(99.47)	
JSW Energy Limited - April - 2014	Equity Stock Futures	(184,000)	(109.94)	

Scheme - JM Arbitrage Advantage Fund			
Name of Scrip	Type	Quantity	Amount (Rs.in Lakhs)
Maruti Suzuki India Limited - April - 2014	Equity Stock Futures	(5,750)	(114.05)
Infosys Limited - April - 2014	Equity Stock Futures	(3,500)	(115.43)
JSW Steel Limited - April - 2014	Equity Stock Futures	(11,500)	(119.95)
Jain Irrigation Systems Limited - April - 2014	Equity Stock Futures	(304,000)	(199.42)
Divi's Laboratories Limited - April - 2014	Equity Stock Futures	(15,250)	(209.69)
IDFC Limited - April - 2014	Equity Stock Futures	(188,000)	(231.62)
The Karnataka Bank Limited - April - 2014	Equity Stock Futures	(220,000)	(258.94)
United Spirits Limited - April - 2014	Equity Stock Futures	(11,000)	(292.24)
Tata Consultancy Services Limited - April - 2014	Equity Stock Futures	(15,000)	(321.23)
Tata Global Beverages Limited - April - 2014	Equity Stock Futures	(234,000)	(353.11)
LIC Housing Finance Limited - April - 2014	Equity Stock Futures	(172,000)	(407.12)
Century Textiles & Industries Limited - April - 2014	Equity Stock Futures	(136,000)	(496.40)
The Federal Bank Limited - April - 2014	Equity Stock Futures	(616,000)	(592.28)
Lupin Limited - April - 2014	Equity Stock Futures	(73,250)	(690.45)
HDFC Bank Limited - April - 2014	Equity Stock Futures	(140,500)	(1,063.02)

For the year ended 31 March 2013

Scheme - JM Arbitrage Advantage Fund			
Name of Scrip	Type	Quantity	Amount (Rs.in Lakhs)
Andhra Bank - April - 2013	Equity Stock Futures	(12,000)	(11.45)
The Karnataka Bank Limited - April - 2013	Equity Stock Futures	(12,000)	(15.82)
Hindalco Industries Limited - April - 2013	Equity Stock Futures	(18,000)	(16.59)
Indian Overseas Bank - April - 2013	Equity Stock Futures	(28,000)	(18.38)
The Indian Hotels Company Limited - April - 2013	Equity Stock Futures	(36,000)	(19.48)
Indraprastha Gas Limited - April - 2013	Equity Stock Futures	(9,000)	(24.97)
UCO Bank - April - 2013	Equity Stock Futures	(64,000)	(36.03)
Aurobindo Pharma Limited - April - 2013	Equity Stock Futures	(26,000)	(38.13)
Oracle Financial Services Software Limited - April - 2013	Equity Stock Futures	(1,500)	(38.78)
PTC India Limited - April - 2013	Equity Stock Futures	(72,000)	(43.16)
Dena Bank - April - 2013	Equity Stock Futures	(52,000)	(46.85)
Reliance Industries Limited - April - 2013	Equity Stock Futures	(6,250)	(48.71)
Cairn India Limited - April - 2013	Equity Stock Futures	(18,000)	(49.56)
Power Finance Corporation Limited - April - 2013	Equity Stock Futures	(30,000)	(54.77)
United Phosphorus Limited - April - 2013	Equity Stock Futures	(60,000)	(71.04)
Reliance Infrastructure Limited - April - 2013	Equity Stock Futures	(22,500)	(73.67)
ICICI Bank Limited - April - 2013	Equity Stock Futures	(7,250)	(76.12)
Pantaloon Retail (India) Limited - April - 2013	Equity Stock Futures	(92,000)	(138.60)
Grasim Industries Limited - April - 2013	Equity Stock Futures	(5,500)	(155.72)
United Spirits Limited - April - 2013	Equity Stock Futures	(9,000)	(172.47)
Punjab National Bank - April - 2013	Equity Stock Futures	(24,000)	(174.02)

Scheme	As at 31 March 2014				
	Amount (Rs.in Lakhs)			% to Net Asset	
	Net Assets	Long	Short	Long	Short
JM Arbitrage Advantage Fund	8,885.69	-	6,180.29	-	69.55

Scheme	As at 31 March 2013				
	Amount (Rs.in Lakhs)			% to Net Asset	
	Net Assets	Long	Short	Long	Short
JM Arbitrage Advantage Fund	1,896.13	-	1,324.32	-	69.84

6. Prior year figures have been reclassified and regrouped, wherever necessary, to conform to current year's presentation.

7. Expenses other than management fee are inclusive of service tax wherever applicable.

		(Rs. in Lakhs)													
		JM Equity Fund		JM Balanced Fund		JM Multi Strategy Fund		JM Basic Fund		JM Core 11 Fund		JM Tax Gain Fund		JM Arbitrage Advantage Fund	
		Current Year ended 31-Mar-2014	Previous Year ended 31-Mar-2013	Current Year ended 31-Mar-2014	Previous Year ended 31-Mar-2013	Current Year ended 31-Mar-2014	Previous Year ended 31-Mar-2013	Current Year ended 31-Mar-2014	Previous Year ended 31-Mar-2013	Current Year ended 31-Mar-2014	Previous Year ended 31-Mar-2013	Current Year ended 31-Mar-2014	Previous Year ended 31-Mar-2013	Current Year ended 31-Mar-2014	Previous Year ended 31-Mar-2013
1	NAV Per Unit (Rs.)														
	OPEN														
	Dividend	13.6776	13.3014	16.2296	15.7594	11.2361	11.2380	8.5848	8.5673	3.4220	3.4355	6.3020	6.2825	10.3870	10.3122
	Dividend - Direct	13.7162	-	16.2444	-	11.2431	-	8.5954	-	3.4255	-	6.3073	-	10.4984	-
	Growth	33.6014	32.6770	22.7543	22.0953	12.0811	12.0831	12.2943	12.2699	3.4221	3.4355	6.3020	6.2825	16.3229	14.9100
	Growth - Direct	33.6494	-	22.8225	-	12.0837	-	12.2993	-	3.4255	-	6.3079	-	16.3415	-
	HIGH														
	Dividend	15.9039	14.8587	20.6679	17.9550	13.6801	12.9485	10.0436	10.2555	4.1736	3.9857	7.9041	7.2244	10.6749	10.6344
	Dividend - Direct	16.0874	14.8587	20.7948	17.9550	13.7763	12.9489	10.1172	10.2569	4.1889	3.9867	7.9761	7.2246	10.9003	10.6252
	Growth	39.0707	36.5032	28.9770	25.1736	14.7089	13.9223	14.3834	14.6874	4.1737	3.9857	7.9041	7.2244	17.8455	16.3195
	Growth - Direct	39.3460	36.5038	29.5313	25.1736	14.8037	13.9229	14.4780	14.6878	4.2079	3.9863	7.9806	7.2247	17.9593	16.3370
	LOW														
	Dividend	12.4688	11.8756	15.7449	14.6373	10.0508	9.9111	7.2559	7.4708	2.8803	2.9788	5.7560	5.4831	10.3733	10.3370
	Dividend - Direct	12.5580	13.5712	15.7895	16.1639	10.0789	11.1272	7.2783	8.4850	2.8745	3.3757	5.7773	6.2571	10.5044	10.3720
	Growth	30.6318	29.1744	22.0748	20.5220	10.8067	10.6565	10.3911	10.6993	2.8804	2.9788	5.7560	5.4831	16.3318	14.9460
	Growth - Direct	30.7374	33.2981	22.3280	22.7043	10.8326	11.9593	10.4186	12.1441	2.8901	3.3983	5.7730	6.2579	16.3508	15.9651
	END														
	Dividend	15.9039	13.6776	20.6679	16.2296	13.6801	11.2361	10.0436	8.5848	4.1440	3.4220	7.9041	6.3020	10.4286	10.3870
	Dividend - Direct	16.0874	13.7162	20.7948	16.2444	13.7763	11.2431	10.1172	8.5954	4.1596	3.4255	7.9761	6.3073	10.6096	10.4984
	Growth	39.0707	33.6014	28.9770	22.7543	14.7089	12.0811	14.3834	12.2943	4.1441	3.4221	7.9041	6.3020	17.8455	16.3229
	Growth - Direct	39.3460	33.6494	29.5313	22.8225	14.8037	12.0837	14.4780	12.2993	4.1784	3.4255	7.9806	6.3079	17.9593	16.3415
2	Closing Assets Under Management (Rs. in Lakhs)														
	End	3298.60	3540.51	636.34	639.92	13142.03	15852.52	15212.53	16439.03	3425.67	3687.85	2998.08	3072.61	8885.69	1896.13
	Average (AAUM) (Rs. in Lakhs)	3356.95	4120.25	647.83	748.09	14191.94	19418.52	14843.94	20230.60	3198.73	5039.10	2944.80	3646.78	6709.40	2278.22
3	Gross Income as % of AAUM	8.12	(1.88)	18.82	5.70	6.00	(1.33)	(0.00)*	4.68	11.13	(0.06)	7.68	(1.00)	3.63	(14.93)
4	Expense Ratio														
a	Total Expense as % of AAUM (planwise)														
	Retail plan	2.91	2.68	2.91	2.68	2.83	2.56	2.82	2.56	2.89	2.68	2.90	2.69	0.98	1.00
	Direct Plan	2.31	2.41	2.37	2.46	2.21	2.36	2.20	2.35	2.16	2.45	2.17	2.32	0.50	0.26
b	Management Fee as % of AAUM (planwise)														
	Retail plan	1.92	1.43	1.92	1.43	1.84	1.37	1.84	1.37	1.75	1.43	1.79	1.44	0.22	0.35
	Direct Plan	1.92	1.56	1.91	1.61	1.85	1.62	1.87	1.61	1.72	1.59	1.75	1.48	0.20	0.02
5	Net Income as % of AAUM	5.21	(4.56)	15.91	3.03	3.17	(3.89)	(2.82)	2.12	8.24	(2.74)	4.78	(3.69)	2.82	(15.93)
6	Portfolio Turnover Ratio	0.7124	0.7097	0.9252	0.3267	1.1925	0.9111	0.8249	0.6466	0.8158	0.6681	0.9495	0.7861	11.0688	1.6813
7	Total Dividend Rs. per unit distributed during the year / period (plan wise)														
	Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Dividend - Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	JM Equity Fund		JM Balanced Fund		JM Multi Strategy Fund		JM Basic Fund		JM Core 11 Fund		JM Tax Gain Fund		JM Arbitrage Advantage Fund	
	Current Year ended 31-Mar-2014	Previous Year ended 31-Mar-2013	Current Year ended 31-Mar-2014	Previous Year ended 31-Mar-2013	Current Year ended 31-Mar-2014	Previous Year ended 31-Mar-2013	Current Year ended 31-Mar-2014	Previous Year ended 31-Mar-2013	Current Year ended 31-Mar-2014	Previous Year ended 31-Mar-2013	Current Year ended 31-Mar-2014	Previous Year ended 31-Mar-2013	Current Year ended 31-Mar-2014	Previous Year ended 31-Mar-2013
8 Returns:														
a Last One Year Scheme														
Regular Plan	15.92	2.86	26.49	3.00	21.11	0.00	16.33	0.22	20.57	(0.38)	24.95	0.33	9.27	9.52
Regular Plan (Direct)	16.57	-	28.52	-	21.86	-	17.05	-	21.45	-	26.03	-	9.84	-
Benchmark														
Regular Plan	18.67	8.27	13.38	8.19	16.44	4.84	16.65	6.06	18.67	8.27	16.44	4.84	9.46	8.22
Regular Plan (Direct)	18.67	-	13.38	-	16.44	-	16.65	-	18.67	-	16.44	-	9.46	-
b Since Inception														
Scheme														
Regular Plan	7.43	6.97	12.00	11.21	7.24	4.28	15.67	15.60	(13.50)	(19.07)	(3.84)	(8.83)	7.80	7.59
Regular Plan (Direct)	6.95	(7.01)	17.62	(6.87)	6.22	(12.00)	(0.04)	(15.08)	6.01	(11.82)	9.28	(11.72)	9.70	1.19
Benchmark														
Regular Plan	10.66	10.23	-	-	8.86	7.14	12.56	12.28	5.11	2.60	5.09	2.85	7.36	7.05
Regular Plan (Direct)	11.37	(3.80)	8.65	(2.99)	6.72	(7.40)	7.66	(6.47)	11.37	(3.80)	6.72	(7.40)	9.33	1.16

1. Gross Income = amount against (A) in the Revenue Account i.e. Income

2. Net Income = amount against (C) in the Revenue account i.e. NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD

3. Portfolio Turnover Ratio = Lower of sales or Purchase divided by the Average AUM for the year / period

4. AAUM = Average daily net assets

5. Scheme Returns are calculated on NAV of Growth Option.

6. Returns of the Direct Plans of Schemes and their respective benchmarks have been calculated from the date the units were first allotted.

7. 0.00* means less than 0.01%.

8. Previous years' figures have been regrouped and reclassified wherever necessary.



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