

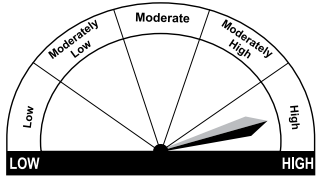
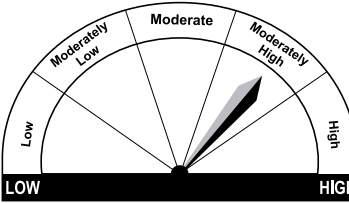
# JM FINANCIAL MUTUAL FUND

## NOTICE-CUM-ADDENDUM



**THIS NOTICE - CUM - ADDENDUM SETS OUT THE CHANGES TO BE MADE IN THE SCHEME INFORMATION DOCUMENT ("SID") AND KEY INFORMATION MEMORANDUM ("KIM") OF JM BASIC FUND ("THE SCHEME") OF JM FINANCIAL MUTUAL FUND WITH EFFECT FROM MAY 25, 2018**

Investors are hereby informed that changes are proposed in the SID and KIM of the Scheme in accordance with SEBI circular Nos. SEBI/HO/IMD/DF3/CIR/P/2017/114 and SEBI/HO/IMD/DF3/CIR/P/2017/126 dated October 06, 2017 and December 04, 2017 respectively. The Board of Directors of JM Financial Trustee Company Private Limited (the 'Trustee to JM Financial Mutual Fund') and JM Financial Asset Management Limited, (the 'AMC'), have approved the following changes and consequently, the relevant sections of the SID/ KIM of the Scheme stands amended as under:

Particulars	Current provisions	Proposed provisions																								
<b>Name of Scheme</b>	JM Basic Fund	JM Value Fund																								
<b>Type of the scheme</b>	Open ended sector Scheme	An open ended equity scheme following a value investment strategy.																								
<b>Investment Objective</b>	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 materials. The fund would continue to remain open-ended with a sector focus. There can be no assurance that the investment objective of the scheme will be realized. The scheme does not guarantee/ indicate any returns.	JM Value Fund is an open-ended diversified equity scheme which aims to provide long term capital growth by investing primarily in a well-diversified portfolio of undervalued securities. However, there can be no assurance that the investment objectives of the Scheme will be realized. The Scheme does not guarantee/indicate any returns.																								
<b>Investment Strategy</b>	The Mutual Fund may invest in any of the following securities or a combination of the following securities subject to the Regulations and the investment objective and the terms of the scheme set out elsewhere in the Scheme Information Document. The corpus of the Scheme will be invested in equity, equity related instruments, derivatives such as futures and options and fixed income securities. Besides the above, the following will be the broad investment strategies. Under normal circumstances, the corpus would be invested in equities and equity related securities categorized under "basic industry" in the normal parlance and in context of the Indian economy, including but not limited to, energy, petrochemicals, oil & gas, power generation & distribution and electrical equipment suppliers, metals and building materials. The fund would continue to remain open-ended with a sector focus. Exposure of investment in individual scrip, if forming a part of the Sectoral Index, shall not be restricted to 10% of NAV as Clause 10 of Seventh Schedule of SEBI Regulations has clarified that the limit of 10 percent shall not be applicable for investments in index fund or sector or industry specific scheme.	JM Value Fund would seek to identify undervalued securities having the potential to deliver superior risk adjusted returns over the long term. The identification of undervalued securities will be based on evaluation of multiple factors including but not limited to valuation analysis, cash flows, replacement value, competitive advantage, future growth potential, special situations, dividend yield, sectoral turnaround and value of intangibles.																								
<b>Asset Allocation</b>	<table border="1"> <thead> <tr> <th>Instruments</th> <th>Normal Allocations (% of total assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity related instruments (including equity derivatives)</td> <td>80%-100%</td> <td>High</td> </tr> <tr> <td>Debt Securities and Money Market Instruments</td> <td>0%-20%</td> <td>Low</td> </tr> <tr> <td>Securitized debt</td> <td>0%-20%</td> <td>Low</td> </tr> </tbody> </table> <p>The AMC intends to invest in derivative instruments in accordance with the SEBI Regulations, as and when opportunities arise in the derivatives markets. The investment in derivatives will be broadly in line with the investment objective of the Scheme. All the above limits shall be in line with the investment objective of the Scheme. The cumulative gross exposure through equity, debt and derivative positions will not exceed 100% of the net assets of the Scheme. The Trustee may, from time to time, pending deployment of funds of the Scheme in securities in terms of the investment objective of the Scheme, invest the funds of the Scheme in short-term deposits of scheduled commercial banks subject to compliance with SEBI Circular SEBI/IMD/CIR No.1/91171 /07 dated April 16, 2007 as amended by SEBI Circular SEBI/IMD/CIR No.7/129592/08 dated June 23, 2008.</p>	Instruments	Normal Allocations (% of total assets)	Risk Profile	Equity and Equity related instruments (including equity derivatives)	80%-100%	High	Debt Securities and Money Market Instruments	0%-20%	Low	Securitized debt	0%-20%	Low	<table border="1"> <thead> <tr> <th>Instruments</th> <th>Indicative Allocations (% of total assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity related instruments (including equity derivatives)</td> <td>65%-100%</td> <td>High</td> </tr> <tr> <td>Debt Securities and Money Market Instruments</td> <td>0%-35%</td> <td>Low</td> </tr> <tr> <td>Securitized debt</td> <td>0%-20%</td> <td>Low</td> </tr> </tbody> </table> <p>The AMC intends to invest in derivative instruments in accordance with the SEBI Regulations, as and when opportunities arise in the derivatives markets. The investment in derivatives will not exceed 50% of the net assets of the scheme and will be broadly in line with the investment objective of the Scheme. All the above limits shall be in line with the investment objective of the Scheme. The cumulative gross exposure through equity, debt and derivative positions will not exceed 100% of the net assets of the Scheme. The Trustee may, from time to time, pending deployment of funds of the Scheme in securities in terms of the investment objective of the Scheme, invest the funds of the Scheme in short-term deposits of scheduled commercial banks subject to compliance with SEBI Circular SEBI/IMD/CIR No.1/91171 /07 dated April 16, 2007 as amended by SEBI Circular SEBI/IMD/CIR No.7/129592/08 dated June 23, 2008.</p>	Instruments	Indicative Allocations (% of total assets)	Risk Profile	Equity and Equity related instruments (including equity derivatives)	65%-100%	High	Debt Securities and Money Market Instruments	0%-35%	Low	Securitized debt	0%-20%	Low
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<b>Benchmark</b>	S&P BSE 200 Index	No Change																								
<b>Scheme Expenses</b>	Total Expense Ratio from April 01, 2017 to March 31, 2018: Direct Plan: 2.25, Normal Plan: 2.90	Changes, if any, will be communicated to the unitholders as per the prevailing Regulations.																								
<b>Product Label</b>	<p>This Product is suitable for Investors who are seeking*</p> <ul style="list-style-type: none"> <li>Capital appreciation over Long Term.</li> <li>Investment predominantly in Equity and Equity related securities in sectors classified as 'Basic Industries' in the normal parlance and in context of Indian Economy.</li> </ul> <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>  <p>Investors understand that their principal will be at high risk.</p>	<p>This Product is suitable for Investors who are seeking*</p> <ul style="list-style-type: none"> <li>Capital appreciation over Long Term.</li> <li>Investment predominantly in Equity and Equity related securities following a value investment strategy.</li> </ul> <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>  <p>Investors understand that their principal will be at moderately high risk.</p>																								

All other features of the Scheme remain unchanged.

Securities and Exchange Board of India (SEBI) vide its letter no. IMD/DF3/OW/P/2018/6076/1 dated February 27, 2018 has conveyed it's no objection to the aforesaid change(s) in fundamental attributes of the Scheme of JM Financial Mutual Fund.

The above changes will be effective from May 25, 2018

As per the SEBI Regulations, the above changes are construed as changes in the fundamental attributes of the Scheme; hence an exit option is being provided to the unitholders of the Scheme, as per Regulation 18(15A) of SEBI (Mutual Funds) Regulations, 1996.

Accordingly, the unitholders in Scheme, who do not consent to the above proposals, are being provided with an exit option to redeem their units at the prevailing NAV without imposition of any exit load. The option to exit without payment of exit load will be valid from April 23, 2018 up to and including May 22, 2018 (up to 3.00 p.m.).

The option to exit is available to all unitholders in the above Scheme, except for those unitholders who have:

- pledged their units, unless they procure a release of their pledges prior to May 22, 2018 and/ or
- whose units are marked under lien/ injunction in accordance with the instructions of any Court of law/ Income Tax Authority/ other Regulatory Authority.

Unit holders in the above Scheme as on date are being informed by individual communication detailing the proposed changes to the Scheme. The new investors in the above Scheme, joining after April 19, 2018, will also be kept informed of the details of the proposed changes in the said Scheme. Such of those unit holders who do not receive the communication may contact the Registrar of JM Financial Mutual Fund, M/s. Karvy Computershare Private Limited ("Karvy"), Karvy Selenium Tower B, Plot No 31 & 32, 1st Floor, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 008.

Redemption/switch out requests may be made by filling up the normal transaction slip and submitting the same to any of the Investor Service Centres ("ISCs") of JM Financial Asset Management Limited or of Karvy on or before 3.00 p.m. on May 22, 2018. In case, the investors wish to opt for the exit option set forth above, then they may redeem/switch out the units of the Scheme held by them at the applicable Net Asset Value without any exit load upto 3.00 p.m. on May 22, 2018. The redemption proceeds will be mailed/remitted within 10 business days of receipt of valid redemption request to the unitholders who exercise their exit option. In case, the investors wish to redeem/switch out of the Scheme, they are requested to provide the Foreign Account Tax Compliance Act (FATCA) declaration form along with the transaction slip, in case the investors have not provided the same to us earlier. In case, the FATCA declaration form is not provided along with the transaction slip, the redemption/switch request will be rejected. The investors are also encouraged to submit their Aadhaar declaration form along with Aadhaar copy and also copy of PAN, if not provided earlier.

Place : Mumbai

Date : April 18, 2018

**Bhanu Katoch**  
Chief Executive Officer  
JM Financial Asset Management Limited  
(Investment Manager to JM Financial Mutual Fund)

**For further details, please contact :** 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. • E-mail: investor@jmf.com • Website : www.jmfinancialmf.com

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

REF No. 2/2018-19