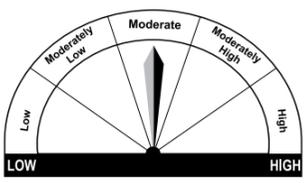
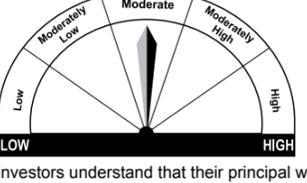


**JM FINANCIAL MUTUAL FUND
NOTICE-CUM-ADDENDUM**



THIS NOTICE - CUM - ADDENDUM SETS OUT THE CHANGES TO BE MADE IN THE SCHEME INFORMATION DOCUMENT ("SID") AND KEY INFORMATION MEMORANDUM ("KIM") OF JM INCOME 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																						
Name of the scheme	JM Income Fund	No Change																						
Type of the scheme	Open ended income Scheme	An open ended medium term debt scheme investing in instruments such that the Macaulay duration ⁵ of the portfolio is between 4 to 7 years. \$ Please refer to the page number of the Offer Document on which the concept of Macaulay's Duration has been explained.																						
Investment Objective	To generate stable long term returns with low risk strategy and capital appreciation/accretion through investment in debt instruments and related securities besides preservation of capital. 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.	No Change																						
Investment Strategy	JM Income Fund will seek to invest in high quality debt and money market instruments. The fund aims to identify securities, which offer superior levels of yield at lower levels of risks. With the aim of controlling risks, rigorous in depth credit evaluation of the securities proposed to be invested in will be carried out by the investment team of the AMC. Rated debt instruments in which the Scheme invests will be of investment grade as rated by a credit rating agency. The AMC will be guided by the ratings of Rating Agencies such as CRISIL, CARE, ICRA and Duff and Phelps Credit Rating India Limited or any other rating agencies that may be registered with SEBI from time to time. In case a debt instrument is not rated, necessary clearance of the Committee/ Board as per requirements of Regulations/Guidelines /Circulars will be obtained for such an investment. The Scheme may also use various derivatives and hedging products from time to time, as would be available and permitted by SEBI, in an attempt to protect the value of the portfolio and enhance Unitholders' interest. The Scheme may invest in other debt Schemes managed by the AMC or in the debt Schemes of any other Mutual Funds, provided it is in conformity to the investment objectives of the Scheme and in terms of the prevailing Regulations. As per the Regulations, no investment management fees will be charged for such investments and the aggregate inter Scheme investment made by all Schemes of JM Financial Mutual Fund or in the Schemes under the management of other asset management companies shall not exceed 5% of the net asset value of JM Financial Mutual Fund.	No Change																						
Asset Allocation	<table border="1"> <thead> <tr> <th>Instruments</th> <th>Indicative Allocations (% of total assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Debt</td> <td>0-100%</td> <td>Low - Medium</td> </tr> <tr> <td>Money Market and Debt Instruments maturing within one year</td> <td>0-100%</td> <td>Low</td> </tr> </tbody> </table> <p>The gross nominal exposure in derivatives shall not exceed the AuM of the Scheme. The above limits shall be in line with the investment objective of the Scheme. The AMC 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. The AMC may from time to time, pending investment in terms of investment objective of the Scheme, for a short term period on defensive consideration invest upto 100% of the funds available in overnight interbank call/notice money and/or repos and/ or CBLO, the primary motive being to protect the Net Asset Value of the Scheme and protect unitholders interest so also to earn reasonable returns on liquid funds maintained for redemption/ repurchase of units.</p>	Instruments	Indicative Allocations (% of total assets)	Risk Profile	Debt	0-100%	Low - Medium	Money Market and Debt Instruments maturing within one year	0-100%	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>Debt</td> <td>0-100%</td> <td>Low - Medium</td> </tr> <tr> <td>Money Market and Debt Instruments maturing within one year</td> <td>0-100%</td> <td>Low</td> </tr> </tbody> </table> <p>The exposure in derivatives shall not exceed 50% of the net assets of the scheme. Investment in Debt & Money Market instruments will be such that the Macaulay duration of the portfolio* is between 4 years – 7 years. The above limits shall be in line with the investment objective of the Scheme. In the interest of investors, the Fund Managers may reduce the portfolio duration of the scheme upto one year, in case they have a view on interest rate movements in light of anticipated adverse situation. The asset allocation under such adverse situation is as under.</p> <table border="1"> <thead> <tr> <th>Category of Scheme</th> <th>Scheme Characteristics</th> </tr> </thead> <tbody> <tr> <td>Medium to Long Duration Fund</td> <td>Investment in Debt & Money Market instruments such that the Macaulay duration of the portfolio* is between 4 years – 7 years. Portfolio Macaulay duration under anticipated adverse situation is 1 year to 7 years</td> </tr> </tbody> </table> <p>Whenever the portfolio duration is reduced below the specified floor of 4 years in respect of JM Income Fund, the AMC will record the reasons for the same with adequate justification. The written justifications shall be placed before the Trustees in the subsequent Trustee meeting. Further, the Trustees shall also review the portfolio and report the same in their Half Yearly Trustee Report to SEBI. The AMC 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. The AMC may from time to time, pending investment in terms of investment objective of the Scheme, for a short term period on defensive consideration invest upto 100% of the funds available in overnight interbank call/notice money and/or repos and/ or CBLO, the primary motive being to protect the Net Asset Value of the Scheme and protect unitholders interest so also to earn reasonable returns on liquid funds maintained for redemption/ repurchase of units. * Concept of Macaulay Duration: The Macaulay duration (named after Frederick Macaulay, an economist who developed the concept in 1938) is a measure of a bond's sensitivity to interest rate changes. Duration tells investors the length of time, in years, that it will take a bond's cash flows to repay the investor the price he or she has paid for the bond. Fixed income securities with higher duration have higher interest rate sensitivity i.e. the changes in price of higher duration bonds are higher as compared to lower duration ones. A zero coupon bond is one which does not pay any interest and all payments are received at maturity. For a zero coupon bond, the duration is same as residual maturity Formula: There is more than one way to calculate duration, but the Macaulay duration is the most common. The formula is: $\text{Macaulay duration} = \frac{\sum_{t=1}^n \frac{tC}{(1+y)^t} + \frac{nM}{(1+y)^n}}{P}$ where: t = period in which the coupon is received, C = periodic (usually semiannual) coupon payment, y = the periodic yield to maturity or required yield, n = number periods, M = maturity value (in \$), P = market price of bond Notes: Duration is quoted in "years." If a bond has a semi-annual period, we convert duration to years before quoting it (a duration of 8 semi-annual periods is 4 years). Duration is a measure of interest-rate risk. Or, stated differently, duration is a measure of how sensitive the price of a fixed-income instrument is to interest-rate changes. When we say, "The duration of the bond is 4 years," we mean: "If the interest rate on the bond goes up by 1%, the bond's price will decline by 4%."</p>	Instruments	Indicative Allocations (% of total assets)	Risk Profile	Debt	0-100%	Low - Medium	Money Market and Debt Instruments maturing within one year	0-100%	Low	Category of Scheme	Scheme Characteristics	Medium to Long Duration Fund	Investment in Debt & Money Market instruments such that the Macaulay duration of the portfolio* is between 4 years – 7 years. Portfolio Macaulay duration under anticipated adverse situation is 1 year to 7 years
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Benchmark	Crisil Composite Bond Fund Index	No Change																						
Scheme Expenses	Total Expense Ratio from April 01, 2017 to March 31, 2018: Direct Plan: 0.44, Normal Plan: 1.35	Changes, if any, will be communicated to the unitholders as per the prevailing Regulations.																						
Product Label	This Product is suitable for investors who are seeking* • Regular Income over Medium to Long Term. • Investment in debt and money market securities. *Investors should consult their financial advisers if in doubt about whether the product is suitable for them.  Investors understand that their principal will be at moderate risk.	This Product is suitable for investors who are seeking* • Regular Income over Medium to Long Term. • Investment in debt and money market securities such that the Macaulay duration of the portfolio is between 4 years – 7 years. *Investors should consult their financial advisers if in doubt about whether the product is suitable for them.  Investors understand that their principal will be at moderate risk.																						

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 the 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. Kavya Computershare Private Limited ("Kavya"), Kavya Selenium Tower B, Plot No 31 & 32, 1st Floor, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 008.

Redemption/switch out requests may be 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 Kavya 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 JLM 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. 5/2018-19