



Investment Manager: LIC Mutual Fund Asset Management Ltd.
(Formerly known as LIC Nomura Mutual Fund)

Date: 17/04/2018

Dear Unit holder,

Sub: Change in the Fundamental Attributes and Scheme Features of LIC MF Mid Cap Fund.

We thank you for your investment in LIC MF Mid Cap Fund.

LIC MF Mid Cap Fund was launched by LIC Mutual Fund as an open ended equity scheme which seeks to generate long term capital appreciation by investing substantially in a portfolio of equity and equity linked instruments of midcap companies

During the product review process, SEBI has issued Circular No. SEBI/HO/IMD/DF3/CIR/P/2017/114 Dated 6th October, 201, we have to Categorise Mid Cap Fund under Large and Mid Cap Fund as well as defined Large Cap, Mid Cap and Small Cap along with relevant other changes (if any), being a change in fundamental attributes to the Scheme.

Accordingly, the following changes in Scheme Information Document (SID) & Key Information Memorandum (KIM) of LIC MF Mid Cap Fund are proposed:-

Sr. No.	Particulars	Existing			Proposed				
1	Name of the scheme	LIC MF Mid Cap Fund			LIC MF Large & Mid Cap Fund				
2	Type of the Scheme	An Open-ended Equity Scheme			An open ended equity scheme investing in both large cap and mid cap stocks.				
3	Investment Objective	To generate long term capital appreciation by investing substantially in a portfolio of equity and equity linked instruments of midcap companies.			To generate long term capital appreciation by investing substantially in a portfolio of equity and equity linked instruments of large cap and midcap companies.				
4	Asset Allocation	Instruments	Indicative Allocation (% of Net assets)		Instruments	Indicative Allocation (% of Net assets)		Risk Profile	
			Minimum	Maximum	High/Medium/Low	Minimum	Maximum	High/Medium/Low	
		Equity & Equity related instruments of mid cap companies.	65	100	Medium to High	Equity & Equity related instruments of large cap companies*, Mid Cap Companies**	70	100	High
		Debt & Money market instruments. (including investments in securitized debt#)	0	35	Medium to High	Debt & Money market instruments. (including investments in securitized debt#)	0	30	Low to Medium
		#Investment in Securitized Debt - upto 10% of the net assets of the scheme				# Investment in Securitized Debt - upto 10% of the net assets of the scheme			
		The scheme will invest in those companies that are either constituent of Nifty Free Float Midcap 100 or companies that have a market capitalisation which does not exceed highest and the lowest market capitalisation of Nifty Free Float Midcap 100 Index.				* The Scheme will invest minimum 35% in large cap companies by market capitalization – Large Cap – 1 st – 100 th Company in terms of full market capitalisation as provided by AMFI. ** The Scheme will invest minimum 35% in mid cap companies by market capitalization – Mid Cap – 101 st – 250 th Company in terms of full market capitalisation as provided by AMFI. The Scheme may invest in small cap companies by market capitalization – Small Cap – 251 st Company onwards in terms of full market capitalisation as provided by AMFI. Stock lending Subject to SEBI (MF) Regulations and the applicable guidelines issued by SEBI, the Mutual Fund may engage in stock lending. The AMC shall comply with all reporting requirements and the Trustee shall carry out periodic review as required by SEBI guidelines. Stock lending means the lending of stock to another person or entity for a fixed period of time, at a negotiated compensation. The securities lent will be returned by the borrower on expiry of the stipulated period. The Investment Manager will apply the following limits, should it desire to engage in Stock Lending: 1. Not more than 20% of the net assets of a Scheme can generally be			

			deployed in Stock Lending. 2. Not more than 5% of the net assets of a Scheme can generally be deployed in Stock Lending to any single counter party.
5	Benchmark	Nifty Free Float Midcap 100	Nifty Large Midcap 250 Index
6	Risk associated with Stock Lending	Not Given.	Risks associated with stock lending may include counter party risk, liquidity risk and other market risks. At present, there is no significant activity in the Securities Borrowing and Lending market. The Mutual Fund has so far not participated in Securities Lending market. However, we understand the risks associated with the securities lending business and the AMC will have appropriate controls (including limits) before initiating any such transactions.

The Board of Directors of LIC Mutual Fund Asset Management Limited and the Board of Trustees have accorded their approval for the aforesaid Changes. SEBI vide its letter Ref.: IMD/DF3/OW/P/2018/7513/1 Dt.09/03/2018 has also accorded their no objection for this Changes in the fundamental attributes of LIC MF Mid Cap Fund.

If you agree with the proposed Changes in Fundamental Attributes, no action is required from your end. If you do not agree with the proposed Changes in Fundamental Attributes, you may exercise your right to exit from the scheme, without any applicable exit load during the prescribed exit period. . The exit option is valid for a period of 30 days to all the investors of LIC MF Mid Cap Fund. The exit period will begin from 03/05/2018 and continue till business hours of 01/06/2018 (both days inclusive). In case of non-agreement to the proposal of the Changes in Fundamental Attributes, you may choose to redeem your units by submitting the request to the registrar at M/s. Karvy Computershare Private Limited, Unit: LIC Mutual Fund, Karvy Selenium Tower B, Plot number 31 & 32 Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032. Redemption proceeds will be given in 10 business days on receipt of valid redemption request from the unitholders who exercises his/her option.

Unit holders who do not exercise the exit option upto 3.00 pm on 01/06/2018 would be deemed to have consented to the proposed changes.

Exit option will not be available to unitholders whose units have been pledged or encumbered their units in the Scheme and Mutual Fund has been instructed to mark a pledge/lien on such units, unless the release of the pledge/lien is obtained and appropriately communicated to AMC/Mutual Fund prior to applying for redemption/switch-out.

As regards the unitholders who redeem their investments during the Exit Option Period, the tax consequences as set for in the Statement of Additional Information of LIC Mutual Fund and Scheme Information Document of the Scheme would apply. In view of individual nature of tax consequences, unitholders are advised to consult their financial/tax advisor for detailed tax advice.

If you need any clarification, please feel free to contact our representatives at any of the LIC MF branches across the country. You could also reach us on service@licmf.com

We are confident that you will continue your valued relationship with us.

Assuring you of our best services,

Yours faithfully,

LIC Mutual Fund Asset Management Ltd

Sd/-

(Raj Kumar)

Whole Time Director & Chief Executive Officer

LIC Mutual Fund Asset Management Ltd.

Registered Office: Industrial Assurance Building, 4th Floor, Opp. Churchgate Station, Mumbai 400 020.

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