



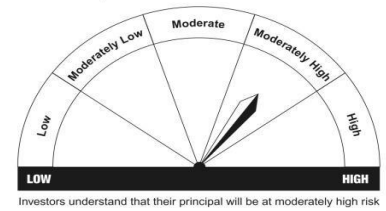
## SCHEME INFORMATION DOCUMENT

### LIC MF Children's Gift Fund

An open ended fund for investment for Children having a lock-in for at least 5 years or till the child attains age of majority (whichever is earlier)  
**Continuous Offer of Units at Applicable NAV**

**This product is suitable for investors who are seeking\***

- Long term capital appreciation and current income
- A fund that invests both in stocks and fixed income instruments.
- **Risk - Moderately High.**



**\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.**

Sponsors :	Trustee:	Investment Management :
Life Insurance Corporation of India (LIC) Registered Office : Yogakshema Building, Jeevan Bima Marg, Nariman Point, Mumbai - 400 021.	LIC Mutual Fund Trustee Private Limited Registered Office: 4th Floor, Industrial Assurance Building Opp. Churchgate Station, Mumbai - 400 020. <b>CINNO: U65992MH2003PTC139955</b>	LIC Mutual Fund Asset Management Limited Registered Office: 4th Floor, Industrial Assurance Building, Opp. Churchgate Station, Mumbai - 400 020. <b>CIN NO : U67190MH1994PLC077858</b>

Email: [service@licmf.com](mailto:service@licmf.com); Website: [www.licmf.com](http://www.licmf.com)

The particulars of the scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, [herein after referred to as SEBI (MF) Regulations] as amended till date, and filled with SEBI, along with Due Diligence Certificate from AMC. The units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of LIC Mutual Fund, Tax and Legal issues and general information on [www.licmf.com](http://www.licmf.com)

SAI is incorporated by reference (is legally a part of the Scheme Information Document). For a free copy of the current SAI please contact your nearest Investor Service Centre or log on to our website.

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated 04/06/2018.

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**Website: [www.licmf.com](http://www.licmf.com)**

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## SCHEME HIGHLIGHTS

<b>Name Of The Scheme</b>	LIC MF Children's Gift Fund			
<b>Type of the Scheme</b>	An open ended fund for investment for Children having a lock-in for at least 5 years or till the child attains age of majority (whichever is earlier)			
<b>Investment Objectives</b>	<p>The primary investment objective of the scheme is to seek to generate capital appreciation &amp; provide long-term growth opportunities by investing in a portfolio constituted of equity securities &amp; equity related securities and the secondary objective is to generate consistent returns by investing in debt and money market securities.</p> <p>However there can be no assurance that the investment objective of the scheme will be achieved.</p>			
<b>Load Structure</b>	<p>Entry Load - Nil</p> <p>In accordance with SEBI Circular No. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, no entry load will be charged on purchase /additional purchase / switch-in/ SIP/ STP transactions. The upfront commission, if any, on investment made by the investor shall be paid by the Investor directly to the Distributor, based on the Investor's assessment of various factors including the service rendered by the Distributor.</p> <p>Exit Load - Nil</p>			
<b>Benchmark</b>	CRISIL Hybrid 35 + 65 - Aggressive Index			
<b>Options</b>	The Scheme is growth oriented and is inclusive of SIP/SWP (after completion of lock-in - period) to address needs of regular investment / withdrawal of the investor.			
<b>Plan</b>	Regular Plan and Direct Plan (The Regular and direct plan will having a common portfolio)			
<b>Treatment Of Applications Under "Direct" / "Regular" Plans</b>	<b>Scenario</b>	<b>Broker Code mentioned by the investor</b>	<b>Plan mentioned by the investor</b>	<b>Default Plan to be captured</b>
	1	Not mentioned	Not mentioned	Direct Plan
	2	Not mentioned	Direct	Direct Plan
	3	Not mentioned	Regular	Direct Plan
	4	Mentioned	Direct	Direct Plan
	5	Direct	Not Mentioned	Direct Plan
	6	Direct	Regular	Direct Plan
	7	Mentioned	Regular	Regular Plan
	8	Mentioned	Not Mentioned	Regular Plan
	<p>In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC will contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC will reprocess the transaction under Direct Plan from the date of application without any exit load.</p>			
<b>Lock-in-period</b>	<p>The Scheme being an Open-ended scheme, offers for Sale/Switch-in and Redemption/Switch-out of units at NAV based prices (subject to completion of Lock-in-period for at least 5 years or till the child attains age of majority whichever is earlier) on every Business Day.</p> <p>As per the SEBI(MF) Regulations, the Mutual Fund shall despatch redemption proceeds within 10 Business days from the date of redemption, subject to completion of lock-in-period. A penal interest of 15% or such other rate as may be prescribed by SEBI from time to time, will be paid in case the payment of redemption proceeds is not made within 10 Business Days from the date of redemption. However under normal circumstances, the Mutual Fund would endeavour to pay the redemption proceeds within 3-4 Business Days from the date of redemption.</p>			

<p><b>Transparency/ Nav Disclosure</b></p>	<p>The AMC will calculate the NAVs for all the Business Days. The NAV of the Scheme shall be published at least in two daily newspapers for all Business Days. The Asset Management Company (“AMC”) shall update the NAVs on its website (www.licmf.com) and on the website of Association of Mutual Funds in India (“AMFI”) (www.amfiindia.com) by 9.00 p.m. every Business Day. If the NAVs are not available before the commencement of business hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.</p> <p>The AMC will disclose the portfolio of the Scheme within one month from the close of each half year (i.e. 31st March and 30th September) either by sending a complete statement to all the Unit holders or by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The portfolio statement will also be displayed on the website of the AMC and AMFI.</p> <p>Further, the Mutual Fund/AMC shall disclose portfolio of the Schemes as on the last day of each month on its website on or before the tenth day of the succeeding month in the prescribed format. The AMC will also provide a dashboard, in a comparable, downloadable (spreadsheet) and machine readable format, providing performance and key disclosures like Scheme’s AUM, investment objective, expense ratios, portfolio details, scheme’s past performance etc. on its website.</p> <p>The AMC will make available the Annual Report of the Scheme within four months of the end of the financial year on its website.</p>																		
<p><b>Tax Benefits</b></p>	<p>Being an Equity Oriented Fund income attributable to or distributions or other payments made to Unit holders under LIC MF Children’s Gift Fund are based on the understanding of the current tax legislations as follows :-</p> <table border="1" data-bbox="570 1045 1442 1304"> <thead> <tr> <th></th> <th><b>Resident Unit holders</b></th> <th><b>Mutual Fund</b></th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>EQUITY ORIENTED FUND</b></td> </tr> <tr> <td><b>Tax on Dividend:</b></td> <td>Nil</td> <td>Nil</td> </tr> <tr> <td><b>Capital Gains:</b></td> <td></td> <td></td> </tr> <tr> <td><b>Long Term</b></td> <td>Nil</td> <td>Nil</td> </tr> <tr> <td><b>Short Term</b></td> <td>15% (plus applicable surcharge and education cess)</td> <td>Nil</td> </tr> </tbody> </table> <p>Note:1. On income distribution, if any, made by the Mutual Fund, additional income tax is payable under section 115R of the Act, in the case of other than equity oriented funds. An equity oriented fund is a fund where the investible funds are invested by way of equity shares in domestic companies to the extent of more than 65% of the total proceeds of such fund).</p> <p>* plus surcharge at the rate of 12% and education cess and secondary and higher education cess at the rate of 3%. For the purpose of determining the tax payable, the amount of distributed income be increased to such amount as would, after reduction of tax from such increased amount, be equal to the income distributed by the Mutual Fund. The impact of the same has not been reflected above.</p> <p>2. Equity Oriented Funds will also attract Securities Transaction Tax (STT) at applicable rates.</p> <p>^^ The information given herein is as per the prevailing tax laws.</p> <p>For Further details on taxation, please refer to the Section on ‘Taxation on investing in Mutual Funds’ in ‘Statement of Additional Information (‘SAI’).</p> <p>Investors should be aware that the fiscal rules/ tax laws may change and there can be no guarantee that the current tax position may continue indefinitely.</p>		<b>Resident Unit holders</b>	<b>Mutual Fund</b>	<b>EQUITY ORIENTED FUND</b>			<b>Tax on Dividend:</b>	Nil	Nil	<b>Capital Gains:</b>			<b>Long Term</b>	Nil	Nil	<b>Short Term</b>	15% (plus applicable surcharge and education cess)	Nil
	<b>Resident Unit holders</b>	<b>Mutual Fund</b>																	
<b>EQUITY ORIENTED FUND</b>																			
<b>Tax on Dividend:</b>	Nil	Nil																	
<b>Capital Gains:</b>																			
<b>Long Term</b>	Nil	Nil																	
<b>Short Term</b>	15% (plus applicable surcharge and education cess)	Nil																	
<p><b>Repatriation</b></p>	<p>Repatriation benefits will be available subject to applicable conditions.</p>																		

<b>Minimum Application Amount For Purchase/ Redemption /Switches/SIP</b>	<p>Application Amount (Other than fresh purchase through SIP) – Rs.5,000/- and in multiples of Rs.1 thereafter.</p> <p>Additional Purchase – Rs.500/- and in multiples of Rs.1/- thereafter.</p> <p>Redemption Amount – Rs.500/- and in multiples of Rs.1/- thereafter, after the completion of Lock-in-period (except demat units).</p> <p>SIP Amount – 1) Daily – 300/- and in multiples of Rs.1/- thereafter.  2)Monthly – 1000/- and in multiples of Rs.1/- thereafter.  2)Quarterly – Rs.3000/- and in multiples of Rs.1/- thereafter.</p>
<b>Eligible For Investment</b>	<p>Children less than 18 years of age as on the date of the investment by the investor/applicant. Application to the Scheme may be made by the Investor/Applicant as provided herein. Please refer “Who can Invest”.</p>
<b>Other Benefits</b>	<p><b>ACCIDENT INSURANCE BENEFITS:</b> A Free Personal accident cover to domestic resident unit holders equal to 10 times the amount invested, subject to a maximum of Rs. 3 Lakh.</p> <p><b>IDEAL GIFT :</b> Units of the scheme are also Ideal as gifts for children less than 18 years of age.</p>

**Investors are advised to read the Scheme Information Document carefully before investing.**

# **I INTRODUCTION**

## **A. RISK FACTORS**

### **STANDARD RISK FACTORS:**

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the scheme invests fluctuate, the value of your investment in the scheme may go up or down.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the scheme.
- LIC MF CHILDREN'S GIFT FUND is the name of the scheme does not in any manner indicate either the quality of the scheme or its future prospects and returns.
- The sponsor is not responsible or liable for any loss resulting from the operation of the scheme beyond the initial contribution of Rs 2 Crore made by it towards setting up the Fund.
- The LIC MF CHILDREN'S GIFT FUND is not a guaranteed or assured return scheme.

### **RISK FACTORS SPECIFIC TO SCHEME:**

- The scheme is an open-ended scheme and listed on National Stock Exchange.
- The value in the investments is bound to change with changes in the factors affecting the market viz. changes in interest rates, exchange rates, price and volume fluctuations in debt markets, taxation, govt. policies, and other economic and political developments.
- The Scheme proposes to invest a major part of its portfolio in Equity and equity related instruments. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments. Different segments of Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases due to settlement problems could cause the Scheme to miss certain investment opportunities.
- The Scheme may also invest in overseas financial assets subject to necessary approvals from the concerned regulatory authorities in India within the investment objectives of the scheme. To the extent that the assets of the Scheme are invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.
- All debt securities are exposed to interest rate risks, credit risks and reinvestment risk.
- 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. In case the scheme utilizes any derivatives under the regulations, the scheme may, in certain situations, be exposed to instrument specific risks. For details please refer to the para on Derivatives.
- Liquidity of scheme's investment may be inherently restricted by trading volumes and settlement periods. The inability to sell the money market or debt securities held in the scheme's portfolio due to the absence of a well developed and liquid secondary market for such securities may result, at times in losses to the scheme, in case of subsequent decline in the value of such securities.
- The prices of securities may be affected by the time taken by the Fund for redemption of units, which could be significant in the event of receipt of a very large number of redemption requests or very large value of redemption requests. The liquidity of the assets may be affected by other factors such as general market conditions, political events, bank holidays and civil strife. In view of this, the Trustee has the right in its sole discretion to limit redemption (including suspension of redemption) under certain circumstances. Please refer to the para "Suspension of Redemption/Repurchase of units" for details. Redemption due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any such tax consequences that may arise.

• Income / growth appreciation indicated herein this document are subject to tax laws in force for the time being. The tax benefits described herein this Scheme Information Document are as available under the present taxation laws with no guarantee whatsoever on the period for which they may be prevalent, and are available subject to conditions. The information given is included for general purpose only and

the Unit holders should be aware that the relevant fiscal rules or their interpretation may change. In view of the individual nature of tax consequences, each Unit holder is advised to consult his/ her own tax advisor.

• Investors in the Scheme are not being offered any guaranteed returns. The Fund/AMC is also not assuring or guaranteeing that it will be able to make regular dividend distributions to its Unitholders, though, it has every intention to manage the portfolio so as to make such payments to the Unitholders. Dividend payments will be dependent on the returns achieved by the AMC through active management of the portfolio. Further, it should be noted that the actual distribution of dividends and frequency thereof are indicative and will depend, inter- alia, on availability of distributable surplus. Dividend payouts will be entirely at the discretion of Trustees.

• As per SEBI Circular SEBI/IMD/CIR No. 10/22701/03 dated December 13, 2003, the scheme / plan shall have minimum 20 investors and no single investor shall account for more than 25% of the corpus of the scheme on quarterly basis. In case of non fulfilment with either of the above two conditions in a three months time period or at the end of succeeding calendar quarter, whichever is earlier, from the close of the IPO of open ended schemes or on an ongoing basis of each calendar quarter, the schemes/plans shall be wound up by following the guidelines prescribed by SEBI and the investors' money would be redeemed at applicable NAV.

**Risk associated with investment in equities and equity related instruments** – The scheme proposes to invest in equity and equity related instruments. By nature, Equity instruments are volatile and prone to price fluctuations on a daily basis due to both micro and macro factors.

**The following are other risks related to investing in equities:**

• **Market risk:** Refers to any type of risk due to the market conditions such as volatility in the capital markets, interest rates, changes in Government policies, taxation laws etc. that may negatively affect the prices of the securities invested in by the scheme.

• **Business risk:** Risk related to uncertainty of income due to the nature of a company's business. Government policy regarding implementation of international treaties like WTO etc. could affect the fortunes of many of the related companies where the scheme may invest. Imposition of tariff / non - tariff barriers and restrictions on labour by countries in the target markets may impact corporate earnings.

• **Liquidity risk related to equity instruments:** The liquidity risk is more prominent in case of sectoral securities. However the ability to sell these investments is limited by the overall trading volume on the stock exchanges. Securities that are unlisted carry a higher liquidity risk compared to listed securities.

• **Settlement Risk:** Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments. Different segments of Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases due to settlement problems could cause the Scheme to miss certain investment opportunities.

• **Concentration risk:** This risk arises from over exposure to few securities/issuers/sectors.

• **Performance Risk:** Performance of the Scheme may be impacted with changes in factors which affect the capital market.

• **Risk associated with investment in derivative instruments:**

The Scheme may invest in derivative instruments. The derivatives will entail a counter-party risk to the extent of amount that can become due from the party. The cost of hedge can be higher than adverse impact of market movements. An exposure to derivatives in excess of the hedging requirements can lead to losses. An exposure to derivatives can also limit the profits from a genuine investment transaction. Efficiency of a derivatives market depends on the development of a liquid and efficient market for underlying securities and also on the suitable and acceptable benchmarks.

• **Risk associated with investment in debt securities:**

All debt securities are exposed to interest rate risks, credit risks and reinvestment risk. Different types of securities in which the scheme would invest as given in the Scheme Information Document carry different levels and types of risk. Accordingly, the scheme's risk may increase or decrease depending upon its investment pattern e.g. corporate bonds carries a higher amount of risk than government securities. Further even among corporate bonds, bond which AAA rated are comparatively less risky than bonds which are AA rated.

Liquidity of scheme's investment may be inherently restricted by trading volumes and settlement periods. The inability to sell the money market or debt securities held in the scheme's portfolio due to the absence of a well developed and liquid secondary market for such securities may result, at times in losses to the scheme, in case of subsequent decline in the value of such securities.

- **Risk associated with floating rate securities:**

The fund may invest in floating rate instruments. These instruments' coupon will be reset periodically in line with the benchmark index movement. The changes in the prevailing rates of interest will affect the value of the Plan's holdings and thus the value of the Plan's Units. The fund could be exposed to the interest rate risk (i) to the extent of time gap in resetting of the benchmark rates, and (ii) to the extent the benchmark index fails to capture the interest rate movement. Though the basis ( i.e. benchmark) gets readjusted on a regular basis, the spread (i.e. mark-up) over benchmark remains constant. This can result in some volatility to the holding period return of floating rate instruments. If the floating rate asset is created by swapping the fixed return to a floating rate return then there may be an additional risk of counter -party who will pay floating rate return and receive fixed rate return. Due to the evolving nature of the floating rate market, there may be an increased degree of liquidity risk in the portfolio from time to time.

- **Risk associated with overseas financial assets :**

The Scheme may also invest in overseas financial assets subject to necessary approvals from the concerned regulatory authorities in India within the investment objectives of the scheme. To the extent that the assets of the Scheme are invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.

- **Risks Associated with investments in foreign securities :**

The schemes may also invest in ADRs/GDRs and other foreign securities as permitted by RBI and SEBI. To the extent that some part of the assets of the scheme may be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by the changes in value of certain foreign currencies relative to the Indian rupee. The repatriation of capital also may be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.

- **Risk factors related to securitised debt:**

Different types of Securitised Debts in which the scheme would invest carry different levels and types of risks. Accordingly the scheme's risk may increase or decrease depending upon its investments in Securitised Debts e.g. AAA securitised bonds will have low Credit Risk than a AA securitised bond. Credit Risk on Securitised Bonds may also depend upon the Originator, if the bonds are issued with Recourse to Originator. A bond with Recourse will have a lower Credit Risk than a bond without Recourse. Underlying assets in Securitised Debt may be the receivables from Auto Finance, Credit Cards, Home Loans or any such receipts. Credit risk relating to these types of receivables depends upon various factors including macro - economic factors of these industries and economies. To be more specific, factors like nature and adequacy of property mortgaged against these borrowings, loan agreement, mortgage deed in case of Home Loan, adequacy of documentation in case of Auto Finance and Home Loan, capacity of borrower to meet its obligation on borrowings in case of Credit Cards and intentions of the borrower to influence the risks relating to the assets (borrowings) underlying the Securitised Debts. Holders of Securitised Assets may have Low Credit Risk with Diversified Retail Base on Underlying Assets, especially when Securitised Assets are created by High Credit Rated Tranches. Risk profiles of Planned Amortization Class Tranches (PAC), Principal Only Class Tranches (PO) and Interest Only Class Tranches (IO) will also differ, depending upon the interest rate movement and Speed of Pre- payments. A change in market interest rates/ prepayments may not change the absolute amount of receivables for the investors, but affects the reinvestment of the periodic cashflows that the investor receives in the securitised paper.

**Securitization: Background, Risk Analysis, Mitigation, Investment Strategy and Other Related Information**

A securitization transaction involves sale of receivables by the originator (a bank, non-banking finance company, housing finance company, or a manufacturing/service company) to a Special Purpose Vehicle (SPV), typically set up in the form of a trust. Investors are issued rated Pass Through Certificates (PTCs), the proceeds of which are paid as consideration to the originator. In this manner, the originator, by selling his loan receivables to an SPV, receives consideration from investors much before the maturity of the underlying loans. Investors are paid from the collections of the underlying loans from borrowers. Typically, the transaction is provided with a limited amount of credit enhancement (as stipulated by the rating agency for a target rating), which provides protection to investors against defaults by the underlying borrowers.

Generally available asset classes for securitization in India are:

- Commercial vehicles
- Auto and two wheeler pools
- Mortgage pools (residential housing loans)
- Personal loan, credit card and other retail loans
- Corporate loans/receivables

**In pursuance to SEBI communication dt: August 25, 2010, given below are the requisite details relating to**



## **investments in Securitized debt:**

### 1. Risk profile of securitized debt vis-à-vis risk appetite of the scheme

The Scheme aims to invest in a portfolio of fixed income securities/ debt instruments maturing on or before the maturity of the Plan under the Scheme. In this scheme the fund manager ensures that the scheme maturity matches the maturity of the underlying securities and as securitized debt instruments are relatively illiquid the fund manager buys these with the view to hold them till maturity. Investment in these instruments will help the fund in aiming at reasonable returns. These returns come with a certain degree of risks, which are covered separately in the Scheme Information Document. Accordingly, the medium risk profile of the securitized debt instruments matches that of the prospective investors of this fund and hence can be considered in the fund universe.

2. Policy relating to originators based on nature of originator, track record, NPAs, losses in earlier securitized debt, etc. and

3. Risk mitigation strategies for investments with each kind of originator.

For a complete understanding of the policy relating to selection of originators, we have first analyzed below risks attached to a securitization transaction.

In terms of specific risks attached to securitization, each asset class would have different underlying risks, however, residential mortgages are supposed to be having lower default rates as an asset class. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Some of the asset classes such as personal loans, credit card receivables etc., being unsecured credits in nature, may witness higher default rates. As regards corporate loans/receivables, depending upon the nature of the underlying security for the loan or the nature of the receivable the risks would correspondingly fluctuate. However, the credit enhancement stipulated by rating agencies for such asset class pools is typically much higher, which helps in making their overall risks comparable to other AAA/AA rated assetclasses.

The Scheme may invest in securitized debt assets. These assets would be in the nature of Asset Backed securities (ABS) and Mortgage Backed securities (MBS) with underlying pool of assets and receivables like housing loans, auto loans and single corporate loan originators. The Scheme intends to invest in securitized instruments rated AAA/AA by a SEBI recognized credit rating agency.

Before entering into any securitization transaction, the risk is assessed based on the information generated from the following sources:

1. Rating provided by the rating agency

2. Assessment by the AMC

### **Assessment by a Rating Agency**

In its endeavour to assess the fundamental uncertainties in any securitization transaction, a credit rating agency normally takes into consideration following factors:

#### **1. Credit Risk**

Credit risk forms a vital element in the analysis of securitization transaction. Adequate credit enhancements to cover defaults, even under stress scenarios, mitigate this risk. Evaluating following risks does this:

- Asset risk
- Originator risk
- Portfolio risk
- Pool risks

The quality of the pool is a crucial element in assessing credit risk. In the Indian context, generally, pools are 'cherry-picked' using positive selection criteria. To protect the investor from adverse selection of pool contracts, the rating agencies normally take into consideration pool characteristics such as pool seasoning (seasoning represents the number of instalments paid by borrower till date: higher seasoning represents better quality), over dues at the time of selection and Loan to Value (LTV). To assess its risk profile vis-à-vis the overall portfolio, the pool is analyzed with regard to geographical location, borrower profile, LTV, and tenure.

#### **2. Counterparty Risk**

There are several counter parties in a securitization transaction, and their performance is crucial. Unlike in the case of credit risks, where the risks emanate from a diversified pool of retail assets, counterparty risks result in either performance or non-performance. The rating agencies generally mitigate such risks through the usage of stringent counterparty selection and replacement criteria to reduce the risk of failure. The risks assessed under this category include:

- Servicer risk
- Commingling risk
- Miscellaneous other counterparty risks

### **3. Legal Risks**

The rating agency normally conducts a detailed study of the legal documents to ensure that the investors' interest is not compromised and relevant protection and safeguards are built into the transaction.

### **4. Market Risks**

Market risks represent risks not directly related to the transaction, but other market related factors, stated below, which could have an impact on transaction performance, or the value of the investments to the investors.

- Macro-economic risks
- Prepayment risks
- Interest rate risks

### **Other Risks associated with investment in securitized debt and mitigation measures: Limited**

#### **Recourse and Credit Risk**

Certificates issued on investment in securitized debt represent a beneficial interest in the underlying receivables and there is no obligation on the issuer, seller or the originator in that regard. Defaults on the underlying loan can adversely affect the payouts to the investors (i.e. the Schemes) and thereby, adversely affect the NAV of the Scheme. While it is possible to repossess and sell the underlying asset, various factors can delay or prevent repossession and the price obtained on sale of such assets may be low. Housing Loans, Commercial Vehicle loans, Motorcar loans, Two wheeler loans and personal loans will stake up in that order in terms of risk profile.

**Risk Mitigation:** In addition to careful scrutiny of credit profile of borrower/pool additional security in the form of adequate cash collaterals and other securities may be obtained to ensure that they all qualify for similar rating.

#### **Bankruptcy Risk**

If the originator of securitized debt instruments in which the Scheme invests is subject to bankruptcy proceedings and the court in such proceedings concludes that the sale of the assets from originator to the trust was not a 'true sale', and then the Scheme could experience losses or delays in the payments due.

**Risk Mitigation:** Normally, specific care is taken in structuring the securitization transaction so as to minimize the risk of the sale to the trust not being construed as a 'true sale'. It is also in the interest of the originator to demonstrate the transaction as a true sell to get the necessary revenue recognition and tax benefits.

#### **Limited Liquidity and Price risk**

Presently, secondary market for securitized papers is not very liquid. There is no assurance that a deep secondary market will develop for such securities. This could limit the ability of the investor to resell them. Even if a secondary market develops and sales were to take place, these secondary transactions may be at a discount to the initial issue price due to changes in the interest rate structure.

**Risk Mitigation:** Securitized debt instruments are relatively illiquid in the secondary market and hence they are generally held to maturity. The liquidity risk and HTM nature is taken into consideration at the time of analyzing the appropriateness of the securitization.

#### **Risks due to possible prepayments: Weighted Tenor / Yield**

Asset securitization is a process whereby commercial or consumer credits are packaged and sold in the form of financial instruments Full prepayment of underlying loan contract may arise under any of the following circumstances;

- Obligor pays the Receivable due from him at any time prior to the scheduled maturity date of that Receivable; or
- Receivable is required to be repurchased by the Seller consequent to its inability to rectify a material misrepresentation with respect to that Receivable; or

- The Servicer recognizing a contract as a defaulted contract and hence repossessing the underlying Asset and selling the same.
- In the event of prepayments, investors may be exposed to changes in tenor and yield.

**Risk Mitigation:** A certain amount of prepayments is assumed in the calculations at the time of purchase based on historical trends and estimates. Further a stress case estimate is calculated and additional margins are built in.

#### **Bankruptcy of the Investor's Agent**

If Investor's agent becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that the recourse of Investor's Agent to the assets/receivables is not in its capacity as agent/Trustee but in its personal capacity, then an Investor could experience losses or delays in the payments due under the swap agreement.

**Risk Mitigation:** All possible care is normally taken in structuring the transaction and drafting the underlying documents so as to provide that the assets/receivables if and when held by Investor's Agent is held as agent and in Trust for the Investors and shall not form part of the personal assets of Investor's Agent.

#### **Assessment by the AMC**

Mapping of structures based on underlying assets and perceived risk profile the scheme will invest in securitized debt originated by Banks, NBFs and other issuers of investment grade credit quality and established track record. The AMC will evaluate following factors, while investing in securitized debt:

#### **Originator**

##### **Acceptance evaluation parameters (for pool loan and single loan securitization transactions)**

#### **Track Record**

We ensure that there is adequate past track record of the Originator before selection of the pool including a detailed look at the number of issuances in past, track record of issuances, experience of issuance team, etc.

#### **Willingness to Pay**

As the securitized structure has underlying collateral structure, depending on the asset class, historical NPA trend and other pool / loan characteristics, a credit enhancement in the form of cash collateral, such as fixed deposit, bank, guarantee etc. is obtained, as a risk mitigation measure.

#### **Ability to Pay**

This assessment is based on a strategic framework for credit analysis, which entails a detailed financial risk assessment.

A traditional SWOT analysis is used for identifying company specific financial risks. One of the most important factors for assessment is the quality of management based on its past track record and feedback from market participants. In order to assess financial risk a broad assessment of the issuer's financial statements is undertaken to review its ability to undergo stress on cash flows and asset quality.

Business risk assessment, wherein following factors are considered:

- Outlook for the economy (domestic and global)
- Outlook for the industry
- Company specific factors

In addition a detailed review and assessment of rating rationale is done including interactions with the company as well as agency

#### **Critical Evaluation Parameters (for pool loan and single loan securitization transactions)**

Typically we would avoid investing in securitization transaction (without specific risk mitigant strategies / additional cash/security collaterals/ guarantees) if we have concerns on the following issues regarding the originator / underlying issuer:

1. High default track record/ frequent alteration of redemption conditions / covenants
2. High leverage ratios – both on a standalone basis as well on a consolidated level/ group level
3. Higher proportion of re-schedulement of underlying assets of the pool or loan, as the case may be
4. Higher proportion of overdue assets of the pool or the underlying loan, as the case may be
5. Poor reputation in market

6. Insufficient track record of servicing of the pool or the loan, as the case may be.

**Advantages of Investments in Single Loan Securitized Debt:**

1. Wider Coverage: A Single Loan Securitized Debt market offers a more diverse range of issues / exposures as the Banks / NBFCs lend to larger base of borrowers.
2. Credit Assessment: Better credit assessment of the underlying exposure as the Banks / NBFCs ideally co-invest in the same structure or take some other exposure on the same borrower in some other form.
3. Better Structuring: Single Loan Securitized Debt investments facilitate better structuring than investments in plain vanilla debt instruments as it is governed by Securitization guidelines issued by RBI.
4. Better Legal documentation: Single Loan Securitized Debt structures involve better legal documentation than Non Convertible Debenture (NCD) investments.
5. End use of funds: Securitized debt has better standards of disclosures as well as limitation on end use of funds as compared to NCD investments wherein the end use is general corporate purpose.
6. Yield enhancer: Single Loan Securitized Debt investments give higher returns as compared to NCD investments in same corporate exposure.
7. Regulator supervision: Macro level supervision from RBI in Securitization Investments as compared to NCD investments.
8. Tighter covenants: Single Loan Securitized Debt structures involve tighter financial covenants than NCD investments.

**Disadvantages of Investments in Single Loan Securitized Debt**

- 1 Liquidity risk: Investments in Single Loan Securitized Debts have relatively less liquidity as compared to investments in NCDs.
- 2 Co-mingling Risk: Servicers in a securitization transaction normally deposit all payments received from the obligors into a collection account. However, there could be a time gap between collection by a servicer and depositing the same into the collection account. In this interim period, collections from the loan agreements by the servicer may not be segregated from other funds of the servicer. If the servicer fails to remit such funds due to investors, investors in the Scheme may be exposed to a potential loss.

Table below lists the major risks and advantages of investing in Single Loan securitizations

Risks	PTC	NCD	Risk Mitigants
Liquidity Risk	Less	Relatively High	Liquidity Risk is mitigated by investing in structures which are in line with product maturity, also by taking cash collateral, bank guarantees etc
Advantages	PTC	NCD	
Wider Coverage/Issuers	High	Relatively Less	
Credit Assessment	High	Relatively less	
Structure	Higher Issuances	Relatively less	
Legal Documentation	More regulated	Relatively less regulated	
End use of funds	Targeted end use	General Purpose use	
Yield Enhancer	High	Less	
Covenants	Tighter Covenants	Less	
Secondary Market Issuances	Higher issuances	Lower issuances	

Table below illustrates the framework that will be applied while evaluating investment decision relating to a pool securitization transaction:

Characteristics/Type of Pool	Mortgage Loan	Commercial Vehicle and Construction Equipment	CAR	2 wheelers	Micro Finance Pools	Personal Loans

Approximate Maturity (in months)	Average	36-120 months	12-60 months	12-60 months	15-48 months	15-80 weeks	5 months – 3 years
Collateral margin (including cash, guarantees, excess interest spread, subordinate tranche)		3-10%	4-12%	4-13%	4-15%	5-15%	5-15%
Average Loan to Value Ratio		75%-95%	80%-98%	75%-95%	70%-95%	Unsecured	Unsecured
Average seasoning of the Pool		3-5 months	3-6 months	3-6 months	3-5 months	2-7 weeks	1-5 months
Maximum Single exposure range		4-5%	3-4%	NA (retail Pool)	NA (Retail Pool)	NA (Very Small Retail Loan)	NA (Retail Pool)
Average single exposure range %		0.5%-3%	0,5%-3%	<1% of the Fund size	<1% of the Fund size	<1% of the Fund size	<1% of the Fund size

**Notes:**

1. Retail pools are the loan pools relating to Car, 2 wheeler, micro finance and personal loans, wherein the average loan size is relatively small and spread over large number of borrowers.
2. Information illustrated in the Tables above, is based on the current scenario relating to Securitized Debt market and is subject to change depending upon the change in the related factors.
3. The level of diversification with respect to the underlying assets, and risk mitigation measures for less diversified investments.

Majority of our securitized debt investments shall be in asset backed pools wherein we'll have underlying assets as Medium and Heavy Commercial Vehicles, Light Commercial Vehicles (LCV), Cars, and Construction Equipment etc. Where we invest in Single Loan Securitization, as the credit is on the underlying issuer, we focus on the credit review of the borrower. A credit analyst sets up limit for various issuers based on independent research taking into account their historical track record, prevailing rating and current financials. In addition to the framework as per the table above, we also take into account following factors, which are analyzed to ensure diversification of risk and measures identified for less diversified investments:

**Size of the loan:** We generally analyze the size of each loan on a sample basis and analyze a static pool of the originator to ensure the same matches the Static pool characteristics. Also indicates whether there is excessive reliance on very small ticket size, which may result in difficult and costly recoveries. To illustrate, the ticket size of housing loans is generally higher than that of personal loans. Hence in the construction of a housing loan asset pool for say Rs.1000000/- it may be easier to construct a pool with just 10 housing loans of Rs.100000/- each rather than to construct a pool of personal loans as the ticket size of personal loans may rarely exceed Rs.500000/- per individual. Also to amplify this illustration further, if one were to construct a pool of Rs.1000000/- consisting of personal loans of Rs.100000/-- each, the larger number of contracts (100 as against one of 10 housing loans of Rs.10 lakh each) automatically diversifies the risk profile of the pool as compared to a housing loan based asset pool.

Average original maturity of the pool: indicates the original repayment period and whether the loan tenors are in line with industry averages and borrower's repayment capacity. To illustrate, in a car pool consisting of 60-month contracts, the original maturity and the residual maturity of the pool viz. number of remaining installments to be paid gives a better idea of the risk of default of the pool itself. If in a pool of 100 car loans having original maturity of 60 months, if more than 70% of the contracts have paid more than 50% of the installments and if no default has been observed in such contracts, this is a far superior portfolio than a similar car loan pool where 80% of the contracts have not even crossed 5 instalments.

**Default rate distribution:** We generally ensure that all the contracts in the pools are current to ensure zero default rate distribution. Indicates how much % of the pool and overall portfolio of the originator is current, how much is in 0- 30 DPD (days past due), 30-60 DPD, 60-90 DPD and so on. The rationale here being, as against 0-30 DPD, the 60-90 DPD is certainly a higher risk category.

**Geographical Distribution:** Regional/state/ branch distribution is preferred to avoid concentration of assets in a particular region/state/branch.

**Risk Tranching:** Typically, we would avoid investing in mezzanine debt or equity of Securitized debt in the form of subordinate tranche, without specific risk mitigation strategies / additional cash / security collaterals/ guarantees, etc. Also refer Paragraphs 2 and 3 above for risk assessment process.

**4. Minimum retention period of the debt by originator prior to securitization:**

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements. In addition, RBI has proposed minimum holding period of between nine and twelve months for assets before they can be securitized. The minimum holding period depends on the tenor of the securitization transaction. The Fund will invest in securitized debt that is Compliant with the laws and regulations.

**5. Minimum retention percentage by originator of debts to be securitized**

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements, including maximum exposure by the originator in the PTCs. In addition, RBI has proposed minimum retention requirement of between five and ten percent of the book value of the loans by the originator. The minimum retention requirement depends on the tenor and structure of the securitization transaction. The Fund will invest in securitized debt that is compliant with the laws and regulations.

Refer the Table in paragraph 2 and 3 above, which illustrates the average seasoning of the debt by the originator prior to securitization. Further, also refer the same Table, which illustrates additional collaterals taken against each type of asset class, which is preferred over the minimum retention percentage by the originator of the loan.

6. The mechanism to tackle conflict of interest when the mutual fund invests in securitized debt of an originator and the originator in turn makes investments in that particular scheme of the fund.

Investments made by the scheme in any asset are done based on the requirements of the scheme and is in accordance with the investment policy. All Investments are made entirely at an arm's length basis with no consideration of any existing / consequent investments by any party related to the transaction (originator, issuer, borrower etc.). Investments made in Securitized debt are made as per the Investment pattern of the Scheme and are done after detailed analysis of the underlying asset. There might be instances of Originator investing in the same scheme but both the transactions are at arm's length and avoid any conflict of interest. In addition to internal controls in the fixed income investment process, there is regular monitoring by the compliance team, risk management group, and internal review teams. Normally the issuer who is securitizing instrument is in need of money and is unlikely to have long-term surplus to invest in mutual fund scheme.

7. In general, the resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt.

The risk assessment process for securitized debt, as detailed in the preceding paragraphs, is same as any other credit. Credit analyst does the investments in securitized debt after appropriate research. The ratings are monitored for any movement. Monthly Pool Performance MIS is received from the trustee and is analyzed for any variation. The entire securitized portfolio is published in the fact sheet and disclosed in the web site for public consumption with details of underlying exposure and originator.

Note: The information contained herein is based on current market conditions and may change from time to time based on changes in such conditions, regulatory changes and other relevant factors. Accordingly, our investment strategy, risk mitigation measures and other information contained herein may change in response to the same.

**Credit Rating of the Transaction / Certificate**

The credit rating is not a recommendation to purchase, hold or sell the Certificate in as much as the ratings do not comment on the market price of the Certificate or its suitability to a particular investor. There is no assurance by the rating agency either that the rating will remain at the same level for any given period of time or that the rating will not be lowered or withdrawn entirely by the rating agency.

**Risk Factors associated with Investments in REITs and InvITS**

Market Risk: REITs and InvITS are volatile and prone to price fluctuations on a daily basis owing to market movements. Investors may note that AMC/Fund Manager's investment decisions may not always be profitable, as actual market

movements may be at variance with the anticipated trends. The NAV of the Scheme is vulnerable to movements in the prices of securities invested by the scheme, due to various market related factors like changes in the general market conditions, factors and forces affecting capital market, level of interest rates, trading volumes, settlement periods and transfer procedures.

- Liquidity Risk: As the liquidity of the investments made by the Scheme(s) could, at times, be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for liquidating the investments in the scheme may be high in the event of immediate redemption requirement. Investment in such securities may lead to increase in the scheme portfolio risk.
- Reinvestment Risk: Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns.

The above are some of the common risks associated with investments in REITs & InvITs. There can be no assurance that a Scheme's investment objectives will be achieved, or that there will be no loss of capital. Investment results may vary substantially on a monthly, quarterly or annual basis.

### **RISKS ASSOCIATED WITH SHORT SELLING AND SECURITIES LENDING & BORROWING**

The scheme will not indulge in any Stock Lending & borrowing and Short Selling activities.

### **RISKS ASSOCIATED WITH INVESTMENT IN ADR/GDR AND FOREIGN SECURITIES**

The scheme will not have any exposure in ADR/ GDR and foreign securities.

### **OTHERS:**

- All the points mentioned in the Standard Observations have been included in this Scheme Information Document.
- This Scheme Information Document contains no deviations from, and neither have any subjective interpretations been applied to, the provisions of any regulations. All contents in this Scheme Information Document have been checked and are factually correct.
- No person is authorized to give any information or to make any representation not consistent with this Scheme Information Document in connection with the issue of units of LIC MF Children's Fund.
- Any information or representation contained herein this document must not be relied upon as having been authorized by the Mutual fund or the Investment manager.

### **B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME**

The Scheme shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme. However, if such limit is breached during the NFO of the Scheme, the Fund will endeavour to ensure that within a period of three months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. In case the Scheme does not have a minimum of 20 investors in the stipulated period, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the shall be wound up and the units would be redeemed at applicable NAV. The two conditions mentioned above shall also be complied within each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable Net Asset Value on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

### **C. SPECIAL CONSIDERATIONS:**

- Changes in Government Policy in general and changes in tax benefits applicable to mutual funds may impact the returns to investors in the Scheme.
- The NAV of the scheme may be affected by changes in the general market conditions, factors and forces affecting capital market in particular, level of interest rates, various market related factors, settlement periods and transfer procedures.
- Mutual Funds are vehicles of securities investments that are subject to market and other risks and there can be no guarantee against loss resulting from investing in the Scheme. The various factors that impact the value of the Scheme'

investments include, but are not restricted to, fluctuations in the bond markets, fluctuations in interest rates, prevailing political and economic environment, changes in government policy, factors specific to the issuer of the securities, tax laws, liquidity of the underlying instruments, settlement periods, trading volumes etc.

- Redemptions due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustees, the Mutual Fund, the AMC, their directors or their employees shall not be liable for any tax consequences that may arise.
- Execution of investment strategies depends upon the ability of the fund manager to identify such opportunities which may not be available at all times and that the decisions made by the fund manager may not always be profitable. Investors may note that AMC/Fund Manager's investment decisions may not always be profitable, as actual market movements may be at variance with anticipated trends.
- Investors should study this Scheme Information Document carefully in its entirety and should not construe the contents hereof as advise relating to legal, taxation, investment or any other matters. Investors may, if they wish, consult their legal, tax, investment and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, before making a decision to invest/ redeem Units.
- Neither this Document nor the Units have been registered in any jurisdiction. The distribution of this Document in certain jurisdictions may be restricted or totally prohibited due to registration requirements and accordingly, persons who come into possession of this Document are required to inform themselves about and to observe any such restrictions and or legal compliance requirements.
- No person has been authorized to issue any advertisement or to give any information or to make any representations other than that contained in this Document. Circulars in connection with this offering not authorized by the Mutual Fund and any information or representations not contained herein must not be relied upon as having been authorized by the Mutual Fund.

#### D. DEFINITIONS/ABREVIATIONS USED

<b>Applicable NAV</b>	The NAV applicable for purchase or redemption or Switching of Units based on the time of the Business Day on which the application is time stamped.
<b>Applicant</b>	Applicant means a person who applies for allotment of units of LIC MF Children's Gift Fund in pursuance of this Offer Document.
<b>Application Supported by Blocked Amount or ASBA</b>	ASBA is an application containing an authorization to a Self Certified Syndicate Bank (SCSB) to block the application money in the bank account maintained with the SCSB, for subscribing to an issue.
<b>Asset Management Company or Investment Manager or AMC</b>	LIC MF Asset Management Limited incorporated under the provisions of the Companies Act, 1956 and approved by Securities and Exchange Board of India to act as the Investment Manager to the Scheme(s) of LIC Mutual Fund.
<b>ARN Holder / AMFI Registered Distributors</b>	Intermediary registered with AMFI to carry out the business of selling and distribution of mutual fund units and having AMFI Registration Number (ARN) allotted by AMFI.
<b>Book Closure</b>	The time during which the Asset Management Company would temporarily suspend sale, redemption and switching of Units



<b>Business Day</b>	<p>A day other than:</p> <p>(i) Saturday and Sunday;</p> <p>(ii) A day on which the banks in Mumbai and /or RBI are closed for business /clearing;</p> <p>(iii) A day on which the National Stock Exchange of India Limited and/or the Bombay Stock Exchange Limited are closed;</p> <p>(iv) A day which is a public and /or bank Holiday at an Investor Service Centre/Official Point of Acceptance where the application is received;</p> <p>(v) A day on which Sale / Redemption / Switching of Units is suspended by the AMC;</p> <p>(vi) A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time.</p> <p>Further, the day(s) on which the money markets are closed / not accessible, shall not be treated as Business Day(s).</p> <p>The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Customer Service Centres /Official Points of Acceptance of the Mutual Fund or its Registrar.</p>
<b>Business Hours</b>	Presently 9.30 a.m. to 5.30 p.m. on any Business Day or such other time as may be applicable from time to time.
<b>Collecting Bank</b>	Branches of Banks authorized to receive application(s) for units, as mentioned in this document.
<b>Custodian</b>	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996. Currently we have Stock Holding Corporation of India Ltd. and HDFC Bank as our custodians.
<b>Cut off time</b>	In respect of subscriptions and redemptions received by the Scheme, it means the outer limit of timings within a particular day/ Business Day which are relevant for determination of the NAV/ related prices to be applied for a transaction.
<b>Day</b>	Any day (including Saturday, Sunday and holiday) as per the English Calendar including a Non-business Day, unless otherwise specified.
<b>Debt Instruments</b>	Government securities, corporate debentures, bonds, promissory notes, money market instruments, pass-through certificates, asset backed securities/securitised debt and other possible similar securities.
<b>Depository</b>	A Depository as defined in the Depositories Act, 1996 and includes National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL).
<b>Depository Participant or DP</b>	Depository Participant (DP) is an agent of the Depository who acts like an intermediary between the Depository and the investors. DP is an entity who is registered with SEBI to offer depository-related services.
<b>Derivative</b>	Derivative includes (i) a security derived from a debt instrument, share, loan whether secured or unsecured, risk instrument or contract for differences or any other form of security; (ii) a contract which derives its value from the prices, or index of prices, or underlying securities.
<b>Dividend</b>	Income distributed by the Mutual Fund on the Units of scheme, where applicable.
<b>Direct Plan</b>	Direct plan is a separate plan for investors who purchase/subscribe units in Schemes directly i.e. investments not routed through a distributor.
<b>Electronic Fund Transfer/ EFT</b>	Electronic Fund Transfer includes all the means of electronic transfer like Direct Credit / Debit, National Electronic Clearing System (NECS), RTGS, NEFT, Wire Transfer or such like modes may be introduced by relevant authorities from time to time.
<b>Equity Related Instruments</b>	Equity Related Instruments includes convertible bonds and debentures, convertible preference shares, warrants carrying the right to obtain.
<b>Entry Load</b>	Entry Load means a one-time charge that the investor pays at the time of entry into the scheme. Presently, entry load cannot be charged by mutual fund schemes.

<b>Exit Load</b>	A charge paid by the investor at the time of exit from the scheme.
<b>Fixed Income Securities</b>	Debt Securities created and issued by, inter alia, Central Government, State Government, Local Authorities, Municipal Corporations, PSUs, Public Companies, Private Companies, Bodies Corporate, Special Purpose Vehicles(incorporated or otherwise) and any other entities, which yield at fixed rate by way of interest, premium, discount or a combination of any of them.
<b>Floating Rate Debt Instruments</b>	Floating rate debt instruments are debt securities issued by Central and / or State Government, corporates or PSUs with interest rates that are reset periodically. The periodicity of the interest reset could be daily, monthly, quarterly, half yearly, annually or any other periodicity that may be mutually agreed with the issuer and the Fund. The interest on the instruments could also be in the nature of fixed basis points over the benchmark gilt yields
<b>Foreign Institutional Investor (FII)</b>	Foreign Institutional Investor, registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
<b>Foreign Securities</b>	ADRs / GDRs/ equity / debt securities of overseas companies listed on the recognized stock exchanges overseas or other securities as may be specified and permitted by SEBI and/or RBI from time to time.

<b>Gilts or Government Securities</b>	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended from time to time.
<b>GOI</b>	Government of India
<b>Holiday</b>	Holiday means the day(s) on which the banks (including the Reserve Bank of India) are closed for business or clearing in Mumbai or their functioning is affected due to a strike / bandh call made at any part of the country or due to any other reason and on the day(s) on which the stock exchanges are closed.
<b>Investment Management Agreement</b>	The agreement between LIC Mutual Fund Trustee Private Limited and LIC MF Asset Management Limited, as amended from time to time
<b>Investor</b>	Any resident (person resident in India under the Foreign Exchange Management Act) or non-resident person (a person who is not a resident of India) whether an individual or not (legal entity), who is eligible to subscribe for Units under the laws of his/her/its/their state/country of incorporation, establishment, citizenship, residence or domicile and who has made an application for subscribing for Units under the Scheme.
<b>Investor Service Centres / Customer Service Centres or CSCs</b>	CSCs, as designated from time to time by the AMC, whether of the Registrar or AMC's own branches, being official points of acceptance, authorized to receive application forms for Purchase/ Redemption /Switch and other service requests/queries from investors/Unit Holders.
<b>Money Market Instruments</b>	Money Market Instruments as defined in Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time. Generally, Money Market Instruments includes commercial papers, commercial bills, and treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, CBLO, certificate of deposit and any other like instruments as specified by the Reserve Bank of India from time to time.
<b>Mutual Fund or the Fund</b>	Entity registered with SEBI as a Mutual Fund under SEBI (MF) Regulations, 1996
<b>Net Asset Value or NAV</b>	Net Asset Value per Unit of the Scheme (including options there under), calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
<b>Non-resident Indian or NRI</b>	A Non-Resident Indian or a Person of Indian Origin residing outside India.
<b>Offer Document</b>	This Scheme Information Document (SID) and Statement of Additional Information (SAI) (collectively).
<b>Official Points of Acceptance</b>	Places, as specified by AMC from time to time where application for Subscription / Redemption / Switch will be accepted on an ongoing basis.
<b>Ongoing Offer / Continuous Offer Period</b>	The period during which the Ongoing Offer / Continuous Offer Period for subscription to the Units of the Scheme is made and not suspended.
<b>Person of Indian Origin</b>	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in sub clause (a) or (b).
<b>Rating</b>	Rating means an opinion regarding securities, expressed in the form of standard symbols or in any other standardized manner, assigned by a credit rating agency and used by the issuer of such securities, to comply with any requirement of the SEBI (Credit Rating Agencies) Regulations, 1999.
<b>Reserve Bank of India or RBI</b>	Reserve Bank of India, established under the Reserve Bank of India Act, 1934, (2 of 1934)
<b>Registrar and Transfer Agents or Registrar or RTA</b>	Karvy Computer Share Private Limited. currently acting as Registrar and Transfer Agent to the Scheme, or any other Registrar appointed by the AMC from time to time.
<b>Redemption or Repurchase</b>	Redemption/Repurchase of Units of the Scheme as specified in this Document.
<b>Regulatory Agency</b>	GOI, SEBI, RBI or any other authority or agency entitled to issue or give any directions, instructions or guidelines to the Mutual Fund.

<b>Repo</b>	Sale of Government Securities with simultaneous agreement to repurchase them at a later date.
<b>Reverse Repo</b>	Purchase of Government Securities with simultaneous agreement to sell them at a later date.
<b>Statement of Additional Information or SAI</b>	The document issued by LIC Mutual Fund containing details of LIC Mutual Fund, its constitution, and certain tax, legal and general information, as amended from time to time. SAI is legally a part of the Scheme Information Document.
<b>Sale or Subscription</b>	Sale or allotment of Units to the Unit holder upon subscription by the Investor / Applicant under the Scheme.
<b>Scheme</b>	LIC MF Children's Gift Fund
<b>Scheme Information Document or SID</b>	This document issued by LIC Mutual Fund, offering for subscription, units of LIC MF Children's Gift Fund (including Options there under)
<b>SEBI</b>	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992
<b>SEBI (MF) Regulations or SEBI Regulations or Regulations</b>	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended and re-enacted from time to time including notifications/circulars/guidelines issued there under, from time to time.
<b>Securities</b>	As defined in Securities Contract (Regulation) Act, 1956 & includes shares, scrips, notes, bonds, debentures, debenture stock, warrants, etc., futures, options, derivatives, etc. or other transferable securities of a like nature in or of any incorporated company or other body corporate, Gilts / Government Securities, Mutual Fund Units, Money Market Instruments like Call Deposit, Commercial Paper, Treasury Bills, etc. and such other instruments as may be declared by GOI and / or SEBI and / or RBI and / or any other regulatory authority to be securities and rights or interest in securities but subject to the Asset Allocation of the respective SID.
<b>Short Selling</b>	Short selling means selling a stock which the seller does not own at the time of trade.
<b>Sponsor</b>	Life Insurance Corporation of India
<b>Switch</b>	Redemption of a unit in any scheme (including the Options therein) of the Mutual Fund against purchase / allotment of a unit in another scheme (including the Options therein) of the Mutual Fund, subject to completion of Lock-in Period, if any, of the units of the scheme(s) from where the units are being switched.
<b>Stock Lending</b>	Lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio.
<b>Systematic Investment Plan / SIP</b>	Facility given to the Unit holders to invest specified fixed sums in the Scheme on periodic basis by giving a single instruction.
<b>Systematic Transfer Plan / STP</b>	Facility given to the Unit holders to transfer sums on periodic basis from one scheme to another scheme launched by the Mutual Fund from time to time by giving a single instruction.
<b>Systematic Withdrawal Plan / SWP</b>	Facility given to the Unit holders to withdraw amounts from the Scheme on periodic basis by giving a single instruction.
<b>Trust Deed</b>	The Trust Deed made between the Sponsor and LIC Mutual Fund Trustee Private Limited, as amended from time to time, thereby establishing an irrevocable trust, called LIC Mutual Fund.
<b>Trustee or Trustee Company</b>	LIC Mutual Fund Trustee Pvt. Ltd incorporated under the provisions of the Companies Act, 1956 and act as the Trustee to the Schemes of the Mutual Fund.
<b>Unit</b>	The interest of the Unit holder which consists of each Unit representing one undivided share in the assets of the Scheme.
<b>Unit holder</b>	A person holding Unit(s) in the Scheme offered under this Document.

**Abbreviations:**

AMC	LIC MF Asset Management Limited	NFO	New Fund Offer
AMFI	Association of Mutual Funds in India	NRI	Non-Resident Indian
ASBA	Application Supported by Blocked Amount.	NEFT	National Electronic Funds Transfer
AWOCA	Automatic Withdrawal of Capital Appreciation	NRE	Non Resident External
BSE	Bombay Stock Exchange Limited	NSE	National Stock Exchange
BSE StAR	BSE Stock Exchange Platform for Allotment and Repurchase of Mutual Funds	NRO	Non Resident Ordinary
CDSL	Central Depository Services (India) Limited	NSDL	National Securities Depository Limited
CBLO	Collateralised Borrowing and Lending Obligation	OIS	Overnight Indexed Swap
CSC/ISC	Customer Service Centre / Investor Service Centre	PAN	Permanent Account Number
CDSC	Contingent Deferred Sales Charge	PIO	Person of Indian Origin
CVL	CDSL Ventures Limited	PMLA	Prevention of Money Laundering Act, 2002
ECS	Electronic Clearing System	POS	Points of Service
EFT	Electronic Funds Transfer	PSU	Public Sector Undertaking
FCNR	Foreign Currency Non Resident	RBI	Reserve Bank of India
FI	Financial Institution	RTGS	Real Time Gross Settlement
FII	Foreign Institutional Investor	SAI	Statement of Additional Information
FIMMD A	Fixed Income Money Market & Derivatives Dealers Association	SEBI	Securities and Exchange Board of India
G-Sec	Government Securities	SID	Scheme Information Document
HUF	Hindu Undivided Family	SIP	Systematic Investment Plan
IMA	Investment Management Agreement	SPV	Special Purpose Vehicle
KARVY	Karvy Computer Share Pvt. Ltd.	SWP	Systematic Withdrawal Plan
KYC	Know Your Customer	STP	Systematic Transfer Plan
MFSS	Mutual Fund Service System	STT	Securities Transaction Tax
MIBOR	Mumbai Inter-bank Offer Rate	T-Bills	Treasury Bills
NAV	Net Asset Value		

**E. DUE DILIGENCE CERTIFICATE****LIC MF CHILDREN'S GIFT FUND**

It is confirmed that:

- I. The Scheme Information Document forwarded to SEBI is in accordance with the SEBI (MF) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- II. All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc. issued by the government and any other competent authority in this behalf, have been duly complied with.
- III. The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well-informed decision regarding investment in the proposed scheme.
- IV. All intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and till date such registration is valid.

**LIC Mutual Fund Asset Management Limited**

Sd/-

**Mayank Arora**

**Compliance Officer & Company Secretary**

**Date: 04/06/2018**

**Place: Mumbai**

## II. INFORMATION ABOUT THE SCHEME

### A. TYPE OF THE SCHEME

An Open Ended Equity scheme for Children

### INVESTMENT OBJECTIVE

The primary investment objective of the scheme is to seek to generate capital appreciation & provide long-term growth opportunities by investing in a portfolio constituted of equity securities & equity related securities and the secondary objective is to generate consistent returns by investing in debt and money market securities.

### B. ASSET ALLOCATION

Instruments	Indicative Allocation (% of total assets)		Risk Profile
	Minimum	Maximum	
Equity & Equity related instruments*	65	90	High
Debt / Money Market *	10	35	Low to Medium
Units issued by REITs and InviTs*	0	10	Medium to High

\*The Cumulative Gross Exposure to Equity, Debt, Money Market Derivatives, REITs and InviT will not exceed 100% of the Net Asset of the Scheme.

#### Applicable Investment Limits

- a. **At the Mutual Fund level:-** Not more than 10% of units issued by a single issuer of REIT and InviT;
- b. **At a single Mutual Fund scheme level:** i. not more than 10% of its NAV in the units of REIT and InviT; and ii. not more than 5% of its NAV in the units of REIT and InviT issued by a single issuer. The limits mentioned in sub- clauses (i) and (ii) above will not be applicable for investments in case of index fund or sector or industry specific scheme pertaining to REIT and InviT.

The scheme may take derivatives position (both equity and fixed income) based on the opportunities available subject to the guidelines issued by SEBI from time to time and in line with the investment objective of the Scheme. These may be taken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. The maximum derivative position will be restricted to 20% of the Net Assets (i.e. Net Assets including cash).

The scheme may seek investment opportunity in the Foreign Securities, in accordance with guidelines stipulated in this regard by SEBI and RBI from time to time. Under normal circumstances, the scheme shall not have an exposure of more than 50% and 20% of its net assets in Foreign Debt Securities and in ADRs / GDRs / Foreign Equity Securities respectively subject to regulatory limits. However, the AMC with a view to protecting the interest of the investors may increase or decrease this exposure as deemed fit from time to time subject to regulatory limit.

In addition to the instruments stated in the table above, the Scheme may enter into repos / reverse repos as may be permitted by RBI / SEBI.

From time to time, the Scheme may hold cash. A part of the net assets may be invested in the Collateralised Borrowing & Lending Obligations (CBLO) or repo or in an alternative investment as may be provided by RBI / SEBI to meet the liquidity requirements. Pending deployment of funds of the Scheme in securities in terms of the investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, as amended from time to time.

The AMC reserves the right to change the asset allocation pattern in the interest of the investors depending on the market conditions for a short term period of defensive consideration. In case any deviation from the asset allocation, the fund manager will carry out rebalancing within 30 days.

### SCHEME INVESTMENT

The scheme endeavors to provide capital appreciation and income to the investors which will be in line with their financial goals for the children by investing in a mix of securities comprising of equity, equity related instruments and fixed income.

Subject to the Regulations, the Scheme can be invested in any of the following securities:

- 1) Indian Equity and equity related securities including convertible bonds and debentures and warrants carrying the right to obtain equity shares.
- 2) Securities created and issued by the Central and State Governments and/or repos/reverse repos in such Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills)
- 3) Securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills)
- 4) Debt securities issued by domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee.
- 5) Corporate debt securities (of both public and private sector undertakings)
- 6) Securities issued by banks (both public and private sector) as permitted by SEBI from time to time and development financial institutions
- 7) Money market instruments permitted by SEBI, having maturities of up to one year, or in alternative investment for the call money market.
- 8) Certificate of Deposits (CDs)
- 9) Commercial Paper (CPs)
- 10) The non-convertible part of convertible securities
- 11) Any other domestic fixed income securities
- 12) Derivative instruments like Interest Rate Swaps, Forward Rate Agreements, Stock / Index Futures, Stock / Index Options and such other derivative instruments permitted by SEBI.
- 13) ADRs / GDRs of Indian companies listed abroad
- 14) Any overseas debt instrument, as permitted by regulations.
- 15) The liquid schemes launched by SEBI registered Mutual Fund or schemes that invest predominantly in money market instruments /securities
- 16) The scheme shall engage in securities lending for equity investments, in line with the SEBI (Mutual Funds) Regulations, 1996, Securities Lending Scheme, 1997, SEBI Circular No MFD/CIR/ 01/ 047/99 dated February 10, 1999, SEBI Circular no. SEBI / IMD/ CIR No 14 / 187175/ 2009 dated December 15, 2009, SEBI circular No MRD/DoP/SE/Dep/ Cir-14/2007 dated December 20, 2007 notifying framework for lending of securities and such other applicable guidelines as may be amended from time to time.
- 17) The Fund may also enter into "Repo", hedging or such other transactions as may be allowed to Mutual Funds from time to time.

#### **Changes in Asset Allocation pattern:**

Depending upon the market conditions, market opportunities available, the political and economic factors and subject to the Regulations, the percentage investments of the fund may vary at times, based on the perception of the Fund Manager within the overall investment objective of the scheme.

#### **Investment of subscription money:**

Pending deployment of funds of the scheme in securities in terms of investment objectives of the scheme, the AMC can invest the funds of the scheme in money market instruments. The income earned on such investments will be merged with the income of the scheme.

#### **DEBT AND MONEY MARKETS IN INDIA:**

The instruments available in Indian Debt Market are classified into two categories, namely Government and Non - Government debt. The following instruments are available in these categories:

##### **A] Government Debt**

Central Government Debt • Zero Coupon Bonds • Treasury Bills • State Government Debt • Dated Government Securities  
State Government Loans • Coupon Bearing Bonds • Floating Rate Bonds

##### **B] Non-Government Debt**

• Instruments issued by Government Agencies and other Statutory Bodies • Instruments issued by Banks and Development Financial institutions • Government Guaranteed Bonds • PSU Bonds • Instruments issued by Public Sector Undertakings • Instruments issued by Corporate Bodies • Fixed Coupon Bonds • Floating Rate Bonds • Zero Coupon Bonds  
Certificates of Deposit • Promissory Notes • Commercial Paper • Non-Convertible Debentures • Fixed Coupon Debentures  
Floating Rate Debentures • Zero Coupon Debentures

**Certificate of Deposit (CD):**

Certificate of Deposit (CD) is a negotiable money market instrument issued by scheduled commercial banks (SCBs) and select All India Financial Institutions (FIs), within their umbrella limit. The scheme introduced by RBI allows these institutions to mobilize bulk deposits from the market, which they can have at competitive rates of interest. The maturity period of CDs issued by the SCBs is between 7 days to 1 year. CDs also are issued at a discount to face value and can be traded in secondary market. Duplicate can be issued after giving a public notice & obtaining indemnity.

**Collateralized Borrowing and Lending Obligations (CBLO):**

Collateralized Borrowing and Lending Obligations (CBLO) is a money market instrument that enables entities to borrow and lend against sovereign collateral security. The maturity ranges from 1 day to 90 days and can also be made available up to 1 year. Central Government securities including Treasury Bills are eligible securities that can be used as collateral for borrowing through CBLO. These instruments benefit entities who have either been phased out from inter-bank call money market or have been given restricted participation in terms of ceiling on call borrowing and lending transactions and who do not have access to the call money market.

**Commercial Paper (CP):**

Commercial Paper (CP) is an unsecured negotiable money market instrument issued in the form of a promissory note, generally issued by the corporates, primary dealers and All India Financial Institutions as an alternative source of short-term borrowings. CP is traded in secondary market and can be freely bought and sold before maturity. CP can be issued for maturities between a minimum of 15 days and a maximum up to 1 year from the date of issue.

**Non Convertible Debentures and Bonds**

Non convertible debentures as well as bonds are securities issued by companies / institutions promoted / owned by the Central or State Governments and statutory bodies which may or may not carry a guarantee. Nonconvertible debentures are unsecured bonds that cannot be converted to company equity or stock. Nonconvertible debentures usually have higher interest rates than convertible debentures. These instruments may be secured or unsecured against the assets of the Company and generally issued to meet the short term and long term fund requirements.

**Debt Instruments**

Activity in the Primary and Secondary Market is dominated by Central Govt. Securities including Treasury Bills. These instruments comprise close to 60% of the all outstanding debt and more than 75% of the daily trading volume on the wholesale Debt Market Segment of the National Stock Exchange of India Limited.

In the money market, activity levels of the Government and Non-Government Debt vary from time to time. Instruments that comprise a major portion of money market activity include Overnight Call, CBLO, Treasury Bills, Government Securities with a residual maturity of less than 1 year, Commercial Papers, Certificate of Deposit.

Apart from these, there are some other options available for short tenure investments that include MIBOR linked debentures with periodic exit options and other such instruments. Though, not strictly classified as Money Market Instruments, PSC / DFI / Corporate Paper with a residual maturity of less than 1 year are actively traded and offer a viable investment option.

**Trading in Derivatives**

SEBI has permitted Mutual Funds to participate in derivatives trading subject to observance of guidelines issued by it in this behalf. Accordingly, Mutual Funds may use various derivative 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 Unit holders' interest.

The scheme intends to use long call options. The Fund will invest only in exchange traded options, and not in OTC (Over The Counter) derivatives. The Mutual Fund would comply with the provisions of SEBI Circular Ref. No. DNP/Cir- 29/2005 dated September 14, 2005 and SEBI circular Ref. No. Cir/IMD/DF/11/ 2010 dated August 18, 2010 and such other amendments issued by SEBI from time to time while trading in derivatives.

Presently, the position limits for trading in derivatives by Mutual Fund specified by SEBI vide its circular Ref. No. DNP/Cir-29/2005 dated September 14, 2005, circular Ref. No. DNP/Cir-30/2006, dated January 20, 2006 and September 22, 2006 are as follows:

**Position Limits**

The position limits for Mutual Funds and its schemes shall be under:

**(i) Position limit for Mutual Funds in index options contracts**

- a) The Mutual Fund position limit in all index options contracts on a particular underlying index shall be INR 500 crore



- or 15% of the total open interest of the market in index options, whichever is higher, per Stock Exchange.
- b) This limit would be applicable on open positions in all options contracts on a particular underlying index.

**(ii) Position limit for Mutual Funds in index futures contracts**

- a) The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be INR 500 crore or 15% of the total open interest of the market in index futures, whichever is higher, per Stock Exchange.
- b) This limit would be applicable on open positions in all futures contracts on a particular underlying index.

**(iii) Additional position limit for hedging**

In addition to the position limits at point (i) and (ii) above, Mutual Funds may take exposure in equity index derivatives subject to the following limits:

- a) Short positions in index derivatives (short futures, short calls and long puts) shall not exceed (in notional value) the Mutual Fund's holding of stocks.
- b) Long positions in index derivatives (long futures, long calls and short puts) shall not exceed (in notional value) the Mutual Fund's holding of cash, government securities, T-Bills and similar instruments.

**(iv) Position limit for Mutual Funds for stock based derivative contracts**

- a) For stocks having applicable market-wise position limit (MWPL) of INR 500 crores or more, the combined futures and options position limit shall be 20% of applicable MWPL or INR 300 crores, whichever is lower and within which stock futures position cannot exceed 10% of applicable MWPL or INR 150 crores, whichever is lower.
- b) For stocks having applicable market-wise position limit (MWPL) less than INR 500 crores, the combined futures and options position limit would be 20% of applicable MWPL and futures position cannot exceed 20% of applicable MWPL or INR 50 crore whichever is lower.
- c) The MWPL and client level position limits however would remain the same as prescribed.

**(v) Position limit for each scheme of a Mutual Fund**

The scheme-wise position limit requirements shall be:

- a) For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a mutual fund shall not exceed the higher of:
- 1% of the free float market capitalization (in terms of number of shares). Or
  - 5% of the open interest in the derivative contracts on a particular underlying stock (in terms of number of contracts).
- b) This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
- c) For index based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.
- Further, the exposure limits for trading in derivatives by Mutual Fund specified by SEBI vide its circular Ref. No. Cir/IMD/DF/11/2010 dated August 18, 2010, is as follows:
1. The cumulative gross exposure through equity, debt and derivative positions should not exceed 100% of the net assets of the scheme.
  2. Mutual Funds shall not write options or purchase instruments with embedded written options.
  3. The total exposure related to option premium paid must not exceed 20% of the net assets of the scheme.
  4. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.
  5. Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:
    - Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
    - Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1
  - Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.
    - The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
  6. Mutual Funds may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme.
  7. Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1 above.

8. Definition of Exposure in case of derivatives positions: Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:

Position	Exposure
Long Future	Futures Price * Lot Size * Number of Contracts
Short Future	Futures Price * Lot Size * Number of Contracts
Option bought	Option Premium Paid * Lot Size * Number of Contracts.

### **Investment Process and Recording of Investment Decisions**

The AMC through its various policies and procedures defines prudential and concentration limits to de-risk the portfolio. The investment management team is allowed full discretion to make sale and purchase decisions within the limits established. The responsibility for the investment decisions is with the portfolio managers and the CEO of the AMC does not have any role in the day to day decision making process. All the decisions will be recorded along with their justifications. The AMC and Trustee will review the performance of the scheme in their Board meetings. The performance would be compared with the performance of the benchmark index and with peer group in the industry

### **Investments by the Schemes of the AMC and other AMC**

The Scheme may, in line with its investment objectives, invest in another Scheme under the management of AMC or of any other Asset Management Company. The aggregate Inter-scheme investment by LIC MF under all its Schemes, other than fund of fund schemes, taken together, in another Scheme managed by AMC or in any other Scheme of any other Mutual Fund, shall not be more than 5% of the net asset value of the Fund. No fee shall be charged by the AMC on any investment in another Scheme under the management of AMC or of any other Asset Management Company.

### **Investments in the Scheme by the AMC, Sponsor, or their affiliates in the Scheme**

The AMC, Sponsor, Trustee and their associates or affiliates may invest in the scheme during the New Fund Offer Period or through Stock Exchange subject to the SEBI Regulations & circulars issued by SEBI and to the extent permitted by its Board of Directors from time to time. As per the existing SEBI Regulations, the AMC will not charge investment management and advisory fee on the investment made by it in the scheme.

### **Investment of Subscription Money**

The AMC shall commence investment out of the NFO proceeds received in accordance with the investment objectives of the Scheme only on or after the closure of the NFO period

### **INVESTMENT STRATEGIES**

The equity asset allocation will be invested in diversified equity and equity related securities of the companies that have a potential to appreciate in the long run. Therefore the scheme would have the flexibility to invest in stocks from sectors and industries of all market capitalization. The allocation to the different market caps would vary from time to time depending on the overall market conditions, market opportunities and the fund manager's view.

However, depending on the views of the fund manager and market conditions in the interest of the investors, the fund manager will have the flexibility to select stocks which he feels are suited to achieve the stated objective. However there can be no assurance that the investment objective of the scheme will be realized, as actual market movements may be at variance with anticipated trends.

Income may be generated through the receipt of coupon payments, the amortization of the discount on debt instruments, receipt of dividends or the purchase and sale of securities in the underlying portfolio. Fixed income securities includes, but is not confined to debt obligations of the Government of India, state and local governments, government agencies, statutory bodies, public sector undertakings, Financial Institutions, public and private sector banks and corporate entities.

Investments in fixed income securities will be in securities rated by at least one recognized rating agency. Investments in unrated securities will be made as per the parameters specified by the Board of Directors of the AMC &/or the Trustee. Money market securities includes but are not limited to treasury bills, commercial paper of public sector undertakings and private sector corporate entities, interbank call and notice money, certificates of deposit of scheduled commercial banks and Financial Institutions, bills of exchange/promissory notes of public and private sector entities and any other money market securities as may be permitted by SEBI/RBI. From time to time, it is possible that the portfolio may hold cash.

The schemes may also enter into repurchase and reverse repurchase obligations in all securities held by them as per the guidelines and regulations applicable to such transactions. Further, the scheme intends to participate in securities lending as permitted within the Regulations.

It is the intention of the scheme to trade in the derivatives market as per the Regulations. The scheme may also intend to invest in foreign equity and debt securities as well as ADRs/GDRs of Indian companies in accordance with the Regulations.

The mentioned securities could be listed, unlisted, secured, unsecured, rated or unrated and may be acquired through initial public offerings, secondary market offerings, private placements, rights offers or negotiated deals.

The AMC reserves the right to change the asset allocation pattern in the interest of the investors depending on the market conditions for a short term period of defensive consideration. In case any deviation from the asset allocation, the fund manager will carry out rebalancing within 30 days. Where the portfolio is not re-balanced within 30 Days, justification for the same shall be placed before the Investment Committee and reasons for the same shall be recorded in writing. The Investment Committee shall then decide on the course of action. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.

#### **Approach to investment in equity:**

The investment approach for investing in equities would be to identify companies with a strong competitive position in a good business and having quality management. The focus would be on fundamentally driven investment with scope for future growth.

#### **Approach to investment in debt:**

The investment in debt securities will usually be in instruments, which have been assigned a investment grade ratings by a recognized credit rating agency. In case a debt instrument is not rated, prior approval of Board of directors will be obtained for such investments. The Maturity profile of debt instruments will be selected in line with the outlook for the market. The investment strategy would emphasize investments in securities that give consistent returns at low levels of risks.

If the Scheme decides to invest in Securitised Debt and or Asset backed securities it is the intention of the investment manager that such investments will not normally exceed 30% of the corpus of the Scheme.

#### **Trading in derivatives:**

The Scheme may use derivatives with respect to equities and debt in accordance with SEBI regulations in an attempt to protect the portfolio values and unit holder interest. The AMC in appropriate circumstances may use futures, options and other derivatives subject to applicable regulations and counter party risk assessment as and when they become permissible in the Indian markets subject to necessary authorisation.

In addition subject to applicable regulations and counter party risk assessment the scheme may also borrow or lend stock. The value of the derivative contracts outstanding will be limited to 20% of the net assets of the Scheme.

Trading in derivatives shall however be restricted to hedging and portfolio balancing purposes as illustrated in the following cases:

#### **Equity market Derivatives:**

The fund proposes to invest in equity market derivatives such as index futures, stock futures and such other instruments as permitted under SEBI regulations from time to time.

#### **INDEX FUTURES:**

##### **a) When the Investment Manager takes a negative view on the market:**

When the investment manager anticipates the market to fall from its current levels, he needs to reduce his exposure to equities. He may do so by taking a short position in index futures i.e. by selling the index forward thereby reducing the market risk and volatility of the portfolio. He can unwind his position by concurrently selling equities from the investment portfolio and simultaneously reverse his position on the index.

##### **b) When the Investment Manager takes a positive view on the market:**

When the investment manager anticipates rise from the current market levels, the investment manager needs to make the most of the opportunity he foresees. The Scheme being open - ended would witness a daily inflow of funds, which in the above case need to be deployed on an immediate basis. In such a situation the Investment Manager would take a long position in index futures i.e. he would buy the index and then gradually reverse his position as the funds actually get

invested in the market.

The following table illustrates the underlying effects of derivative trading we assume a equity corpus of Rs. 100 crore and a 20% Hedge i.e. futures contract value of Rs. 20 crore.

Event	Equity Portfolio Gain/(Loss) Rs. in crore	Derivative Gain/(Loss) Rs. in crore	Final Portfolio Value Rs. in crore
Without Hedge 10% fall in equity prices	(10)	Nil	90
10% rise in equity prices	10	Nil	110
With Hedge 10% fall in equity prices	( 10)	2	92
10% rise in equity prices	10	(2)	108

### RISKS

The strategy of taking a short position in index futures is a hedging strategy and reduces the market risk. The short position is negatively correlated with the market and the price of the contract may go up or down depending on market conditions. There is no assurance that the stocks in the portfolio and the index behave in the same way and thus this strategy may not be a perfect hedge.

The short position will have as much loss as a gain in the underlying index. E.g. if the index appreciates by 10%, the future value falls by 10%. However, this is true for futures contracts held till maturity. In the event that a futures contract is closed out before its expiry, the quoted price of the futures contract may be different from the gain/loss due to the movement of the underlying index. This is called the basis risk.

While futures markets are typically more liquid than the underlying cash market, there can be no assurance that ready liquidity would exist at all points in time, for the Scheme to purchase or close out a specific futures contract.

### Debt Market Derivatives:

The deregulation of interest rates has resulted in presenting an assortment of risks to market participants. To provide an effective hedge against interest rate risks on account of lending or borrowings made at fixed/variable rates of interest, RBI has allowed the use of such instruments as the Interest Rate swaps (IRS) and Forward Rate Agreements (FRAs).

**IRS:** An IRS is an off balance sheet contract between two counterparties to exchange a stream of payments on specified dates based on a notional principal.

Presently the most common form of IRS in the domestic market is the Overnight Index Swap (OIS), wherein a fixed rate is exchanged with the floating leg linked to the MIBOR (Mumbai Interbank offered rate/ the call money rate). The tenure of the OIS ranges from 2 to 365 days.

E.g.: The scheme may park its funds in the call money market from time to time. The scheme thus becomes a lender in the market. Say Y - a corporate is a borrower in the call money market. Suppose the Fund manager of the scheme has a view that overnight rates may fall, while Y expects volatility and is looking to hedge or lock into a fixed rate. Now the scheme is a fixed rate receiver and Y is the floating rate receiver. Consider a 3 day OIS at 8.25% for a notional principal of Rs. 1 Crore between the two.

Now the scheme would receive a fixed rate from Y on the notional principal of Rs. 1 Crore@8.25% for 3 days = Rs. 6780/-

The scheme in turn would have to pay Y the floating rate of interest on the same principal of Rs. 1 Crore which is calculated as follows:

DAY (%)	MIBOR	PRINCIPAL (Rs.)	INTEREST (Rs.)	AMOUNT (Rs.)
1	8.00	10000000	2192	10002192
2	8.25	10002192	2261	10004453

3	7.75	10004453	2124	10006577
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**TOTAL**

**6577**

As shown in the table the scheme will be required to pay Y a sum of Rs. 6577/-.

Instead of exchanging the gross amounts Y will pay the scheme the difference amount i.e. 6780 -6577= Rs. 203.

Thus at the end of the swap the scheme has earned a fixed rate while Y has been able to fix the cost of its funds irrespective of the movements in the market.

**FRA**( forward rate agreement): A FRA is a cash settled agreement where 2 parties (the buyer and the seller) agree to exchange interest payments for a notional principal amount for a specified period on a settlement date. A FRA is quoted by the forward month in which it matures, for e.g. A 3x6 FRA is a contract maturing 6 months from now and starting 3 months from now.

**E.g.:** Suppose the scheme has exposure to 91 day T Bills and the Fund manager takes a view that the yields are going to fall, then using FRAs he can lock into the available rates. Assume that on the last day of a given month the spot 91 day T Bill rate is 9.50% and the 3x6 FRA is quoted at 9.40%/ 9.60 %. Assuming a notional principal of 10 Crore the scheme now receives fixed 9.40% (and pays the 91 day T bill rate 3 months from now) on the 3x6 FRA for a notional principal of RS. 10 crore. On the settlement date the scheme receives the fixed rate from the swap market maker and pays the floating rate.

Assuming the fund manager's view is correct and the 91day T-Bill cut off, 3 months from now is 9.25% then the scheme receives - Rs.2343562 and pays Rs.2306164.The difference Rs.37397 is to be discounted to settlement at a mutually negotiated rate based on the credit of the counter-party.

Assuming a discounted rate of 10% the actual cash settlement = $37397 / (1 + 10\%)^{91 / 365}$  =Rs. 36488/ -

#### **RISKS:**

Though these instruments are effective in removal of the interest rate risk they are still subject to

1. Counterparty risks i.e. default or delay in payment settlement, as well as

Market risks i.e. liquidity risk which is the ease with which a swap can be unwound or reversed, basis risk which is the risk of asset liability mismatch and price risk resulting from unexpected changes in the market value of the swap.

#### **Risk control**

The overall portfolio structuring will be aimed at controlling risk at a moderate level. Both very aggressive and very defensive postures would be avoided under normal market conditions. The risk would also be minimized through broad diversification of portfolio within the framework of the investment objectives of the scheme.

#### **Equity Derivatives**

The fund manager may use equity derivatives (index futures and options and stock futures and options) within the permissible limits to hedge and to rebalance the portfolio.

The fund manager could also use active cash calls as a means to rebalance or hedge the portfolio up to the permissible limits.

The investment manager will invest only in those money market instruments that are related investment grade by a domestic credit rating agency authorized to carry out such activity, such as CRISIL, ICRA, CARE etc., which the Investment manager believes to be of equivalent quality.

#### **Derivative Strategies**

##### **Index Futures**

Index Futures of 1 month, 2 months, and 3 months duration are presently traded on these BSE and NSE exchanges. These futures expire on the last working Thursday of the respective months. The Index futures are cash settled, without delivery of the underlying stock. The profitability of the position in the futures trade depends on

- Carrying Cost
- Interest available on surplus funds
- Transaction Costs
- Future roll over cost, in case future contracts are rolled over
- Market Liquidity

An example of typical future trade and associated cost as compared to purchasing the underlying index stocks is illustrated below If the Index was 5190 at the beginning of a month and the quotes for the 1-month future is as under:

Month	Bid Price	Offer
1	5200	5215

The Fund can make an actual purchase of the stocks in the Index at the Index level of 5000 or buy one month future at the offer price of 5215 as illustrated above. The cost of employing both the strategies is illustrated below.

Particulars	Index Future	Actual Purchase of Stocks
Index at the beginning of the month	5190	5000
Price of 1 Month Future	5215	NA
A. Execution Cost: Carry and other Index Future costs ( (5215 – 5190)	25	Nil
B. Brokerage Cost: Assumed at 0.20% for Index Future and 0.25% for spot Stocks (0.20% of 5215) (0.25% of 5190)	10.43	12.98
C. Return on Surplus Funds left after paying margin (assumed 8% return on the remaining 90% of the funds left after paying 10% margin)	30.71	Nil
<b>Total Cost (A+B-C)</b>	<b>4.72</b>	<b>12.98</b>

Now if on the date of expiry the Index closes at 5300, then the strategy of purchasing one month future would yield a gain of INR 105.28 (5300-5190-4.72) while the purchase of the underlying securities would result in a gain of INR 97.02

#### **Strategies employing index futures**

The fund will invest the equity portion in a basket of stocks. During the time that the fund manager believes bearishness in the market, the fund can hedge the exposure to equity, fully or partially, by selling futures positions in the index.

A long position can be built by buying futures positions in the index against the available cash and permissible equivalents. Existing guidelines will determine the extent of exposure in the long future position.

#### **Risks associated:**

- Lack of perfect correlation of the derivatives to the underlying indices
- Risk of improper valuation of the futures price
- Execution cost may differ from the calculated cost as rates in the futures market are volatile

#### **Strategies employing stock specific Futures**

Futures based on Individual stocks are available on the Indian bourses. Though these futures are based on the movement of the underlying stock, often there are mispricing of the derivatives. This gives rise to arbitrage opportunities that can be exploited by the fund. In addition, exposure to the stock through the corresponding stock futures is a cost-effective way that owning the stock directly.

#### **(a) Sell spot & buy future**

Assume the fund holds the stock of a company at say INR 100 while in the futures market it trades at INR 95, a discount to the spot price. The fund may sell the stock at INR 100 and buy the future at INR 95. On the date of expiry of the stock future, the fund may reverse the transactions (i.e. Buy Spot & Sell future) and earn a risk-free INR 5 on its holdings. This risk free earning is obtained even as the fund continues to hold the stock in its portfolio.

#### **Risks associated:**

- Lack of perfect correlation of the derivatives to the underlying indices
- Risk of improper valuation of the futures price
- Execution cost may differ from the calculated cost as rates in the futures market are volatile

#### **(b) Buy spot & sell future**

Assume a stock is trading in the spot market at INR.80 while the future trades at INR 84 in the futures market. The fund manager may buy the stock at spot and sell in the futures market thereby earning INR 4. In case of sufficient cash with the fund, this strategy may be used to enhance returns of the Scheme, instead of sitting on cash.

#### **Risks associated:**

- Lack of perfect correlation of the derivatives to the underlying indices
- Risk of improper valuation of the futures price
- Execution cost may differ from the calculated cost as rates in the futures market are volatile

#### **(c) Buy stock future**

In case the fund wants to initiate a long position in a stock whose spot price is say INR 150 and futures price is at INR 140, then the fund may just buy the futures contract instead of the spot, thereby benefiting from a lower cost.

#### **Risks associated:**

- Lack of perfect correlation of the derivatives to the underlying indices
- Risk of improper valuation of the futures price
- Execution cost may differ from the calculated cost as rates in the futures market are volatile

#### **Index Options**

Option contracts are of two types –

**Call**, having the right, but not obligation, to purchase a prescribed number of shares at a specified price before or on a specific expiration date. **Put**, having the right, but not obligation, to sell a prescribed number of shares at a specified price before or on a specific expiration date. The price at which the shares are contracted to be purchased or sold is called the strike price.

American Options are the options that can be exercised on or before the expiration date, while European Options are those that can be exercised only on the expiration date. Option contracts are designated by the type of option, name of the underlying, expiry month and the strike price.

#### **Strategies using Options**

**(a) Buying a Call Option:** The fund buys a call option at the strike price of say INR100 and pays a premium of INR. 8. If on the day of the expiry, the market price of the stock is more than INR 108 the fund would earn profits. However if the market price of the stock is less than INR 100, the fund will not exercise the option while it loses the premium of INR 8.

#### **Risks associated:**

- Lack of perfect correlation of the derivatives to the underlying indices
- Risk of improper valuation of the futures price
- Execution cost may differ from the calculated cost as rates in the futures market are volatile

**(b) Buying a Put Option:** The fund buys a Put Option at a strike price of say INR 100 paying a premium of say INR 12, for a stock trading at INR 100. If the stock price goes down to INR 90, the fund can sell exercise the put option, gaining INR 10 in the process. However accounting for the premium paid, the net loss would be INR 2 (10-12), thereby protecting its downside. However if the stock moves up to INR 120, the fund will not exercise the option, thereby foregoing the premium paid.

#### **Risks associated:**

- Lack of perfect correlation of the derivatives to the underlying indices
- Risk of improper valuation of the futures price
- Execution cost may differ from the calculated cost as rates in the futures market are volatile

The above option positions can be initiated in both index based options as well as stock specific options.

The AMC retains the right to enter into such derivative transactions, on strategic basis, as may be permitted by the applicable regulations from time to time. Other Investment Strategies will be same as mentioned in the SID of LIC MF Children's Gift Fund.

#### **INVESTMENT BY LIC MF CHILDREN'S GIFT FUND IN OTHER SCHEMES MANAGED BY THE AMC:**

LIC MF Children's Gift Fund may invest its funds with other schemes managed by LIC MF AMC subject to regulations 44(1) of the SEBI Regulations 1996 and the AMC shall not charge any investment management fee for such investments.

#### **PORTFOLIO TURNOVER:**

Generally the AMC's Fund management encourages a low portfolio turnover rate. A high portfolio turnover may result in an increase in transaction, brokerage costs. However a high portfolio turnover may also be representative of the arising trading opportunities to enhance the total return of the portfolio.

#### **FUNDAMENTAL ATTRIBUTES**

**(i) TYPE OF A SCHEME :** An Open-ended Equity scheme for children.

#### **(ii) INVESTMENT OBJECTIVE**

The primary investment objective of the scheme is to seek to generate capital appreciation & provide long-term growth opportunities by investing in a portfolio constituted of equity securities & equity related securities and the secondary objective is to generate consistent returns by investing in debt and money market securities.

#### **(iii) TERMS OF ISSUE**

**LIQUIDITY** – Repurchases are allowed on all business days on an ongoing basis from the date of allotment.

**LISTING** - The units of the scheme is not listed on National Stock Exchange. However an option is provided to hold units either in physical or in demat form at NSE platform. Accordingly the subscriber shall receive the allotment of units in their demat account provided by them in the application form, if he opts to hold units in demat form

**TRANSFERABILITY OF UNITS:** Units of the schemes held in demat form shall be freely transferable, in order to facilitate transferability of units held in one demat account to another demat account, pursuant to SEBI Circular ref.

**SUMMARY OF EXPENSES AND FINANCIAL INFORMATION**

The expense structure of the Scheme, the different fees and their percentage an investor is likely to bear on purchase or sale of units of the Scheme directly or indirectly are as follows:

**(iv) EXPENSES OF THE SCHEME**

**a) UNITHOLDER TRANSACTION EXPENSES**

**i) Sales/Entry Load on purchases/Reinvestment of Dividends: Nil**

**ii) Repurchase / Redemption / Exit Load: Nil iii) CDS: Nil**

**b) SWITCHOVER /EXCHANGE FEE (as % of the NAV): Nil**

The Fund reserves the right to introduce, revise, and review the entry / exit load described above from time to time within the permissible limits prescribed by SEBI. The revised load will be applicable to the Unit holders prospectively.

\* Any load / fee charged will be within the admissible limits under the SEBI (MF) Regulations in force at that time.

\* All loads including CDSC for each scheme shall be maintained in a separate account and may be utilized by the AMC towards meeting the selling and distribution expenses.

The following measures may be utilized by the Fund to avoid investor complaints about investment in the scheme without knowing the loads.

\* The addendum detailing the changes in load structure may be attached to Scheme Information Documents and abridged Scheme Information Documents. The addendum detailing the changes may be circulated to all distributors / brokers so that the same can be attached to all Scheme Information Documents and abridged Scheme Information Documents already in stock. The addendum may be sent along with the newsletter to the unitholders immediately after the changes.

\* Arrangements may be made to display the changes modifications in the Scheme Information Document in the form of a notice in all the investor service centres and distributors/ brokers office.

\* The introduction of the exit load /CDSC along with the details may be stamped in the acknowledgement slip issued to the investors on submission of the stamped application form and may also be disclosed in the statement of accounts issued after the introduction of such load/ CDSC.

\* Any other measures the fund may feel necessary.

\* In accordance with Regulation 18( 15A) of the SEBI (MF) Regulations, the Trustees shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan( s) / Option(s) there under or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) there under and affect the interests of Unitholders is carried out unless:

\* A written communication about the proposed change is sent to each Unitholder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and

\* The Unitholders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

**BENCHMARK**

The Scheme being an open ended income scheme, it will broadly track the CRISIL Hybrid 35 + 65 - Aggressive Index based on the specified asset allocation pattern herein.

**H .FUND MANAGER**

**Equity Portfolio**

Fund Manager and Age	Qualifications	Brief Experience	Scheme
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<p>Mr. Saravana Kumar, Chief Investment Officer, 52 Years.</p>	<ul style="list-style-type: none"> <li>• MBA (PGDM- Indian Institute of Management )</li> <li>• Bachelor of Engineering (BE- Govt College of Engineering, Guindy, Anna University, Chennai)</li> <li>CAIIB (Capital Markets)</li> </ul>	<ul style="list-style-type: none"> <li>• Chief Investment Officer of LIC Mutual Fund Asset Management Ltd. (w.e.f. 30/04/2015)</li> <li>• Head of Investment (PMS) - Trust Investment Advisors Pvt. Ltd. (From October 2013 to April 2015)</li> <li>• Chief Investment Officer - Tata-AIA Life Insurance Company Ltd. (From October 2009 to September 2013)</li> <li>• Dy. General Manager (Treasury) and International Banking Dept's Credit Markets Investment - ICICI Bank Ltd. (From March 2003 to September 2009)</li> </ul>	<ul style="list-style-type: none"> <li>• LIC MF Equity Hybrid Fund</li> <li>• LIC MF Multi Cap Fund</li> <li>• LIC MF Index Fund – Sensex Plan</li> <li>• LIC MF Index Fund – Nifty Plan</li> <li>• LIC MF Monthly Income Plan</li> </ul>
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### Debt Portfolio

NAME	Qualifications	Brief Experience	Other schemes managed
<p>Mr. Marzban Irani (43 years) Managing this scheme from 10.08.2016</p>	<p>PGDBM - Chetana's Institute Of Management &amp; Research, Mumbai. B.Com - Mumbai University</p>	<ul style="list-style-type: none"> <li>• Fund Manager Fixed Income - LIC Mutual Fund Asset Management Ltd. (w.e.f. 04/08/2016)</li> <li>• VP Fixed Income - DSP BlackRock Investment Managers (Jun 2014 - Jul 2016)</li> <li>• Senior Fund Manager Fixed Income - TATA Asset Management (Jun 2011- May 2014)</li> <li>• Fund Manager Fixed Income - METLIFE INDIA INSURANCE (Sep 2010 - May 2011)</li> <li>• Fund Manager Fixed Income - Mirae Asset Global Investment Mgmt India (Jan 2008 - Jul 2010)</li> <li>• Fund Manager Fixed Income - TATA Asset Management (Sep 2000- Nov 2007)</li> </ul>	<ul style="list-style-type: none"> <li>• LIC MF Debt Hybrid Fund</li> <li>• LIC MF Banking &amp; PSU Debt Fund</li> <li>• LIC MF Government Securities Fund</li> <li>• LIC MF Unit Linked Insurance Scheme</li> <li>• LIC MF Equity Hybrid Fund</li> <li>• LIC MF G-sec Long Term ETF</li> <li>• LIC MF Dual Advantage Fixed Term Plan Series 1 to 3</li> </ul>

### I. INVESTMENT RESTRICTIONS

Pursuant to the Securities and Exchange Board of India (Mutual Funds) Regulations 1996 [Regulations 44(1)], the following investment and other limitations are presently applicable to the scheme: -

Pursuant to the Securities and Exchange Board of India (Mutual Funds) Regulations 1996 [Regulations 44(1)], the following investment and other limitations are presently applicable to the scheme: -

1) The scheme shall not invest more than 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorized to carry out such activity under the SEBI Act. Such investment limit may be extended to 12% of the NAV of the scheme with the prior approval of the Boards of the Trustee Company and the asset management company; Provided that such limit shall not be applicable for investment in Government Securities, treasury bills and collateralized borrowing and lending obligations;

Provided further that investment within such limit can be made in mortgaged backed securitized debt which are rated not below investment grade by a credit rating agency registered with SEBI.

2) Not more than 10% of the scheme's NAV shall be invested in unrated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the scheme's NAV provided that the specific approval of the AMC and Trustee Board shall be taken for investment.

Debentures, irrespective of any residual maturity period (above or below one year), shall attract the investment restrictions as applicable for debt instruments as specified under Clause 1 & 2 above.

3) Total exposure of debt schemes of mutual funds in a group (excluding investments in securities issued by Public Sector Units, Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the scheme. Such investment limit may be extended to 25% of the net assets of the scheme with the prior approval of the Board of Trustees.

4) The Mutual Fund under all its schemes taken together will not own more than 10% of any companies paid up capital carrying voting rights.

5) Transfers of investments from one scheme to another in the mutual fund shall be allowed only if: -

i) Such transfers are done at the prevailing market price for quoted instruments on spot basis.

ii) The securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.

6) A scheme may invest in another scheme under the same AMC or any other Mutual Fund without charging any fees, provided the aggregate inter - scheme investment made by all schemes under the same management company shall not exceed 5% of the net asset assets of the mutual fund.

7) The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relative securities and in all cases of sale, deliver the securities.

Provided further that a mutual fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by the Board.

Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard.

8) The Mutual fund shall get the securities purchased or transferred in the name of the mutual fund on account of the scheme, wherever investments are intended to be of a long- term nature.

9) The Mutual Fund's schemes shall not invest in any unlisted securities of the group/associate company of the sponsor and in any privately placed security issued by associate or group company of the sponsor. LIC Mutual Fund will also ensure that the aggregate investment by any scheme in the listed securities of the group companies of the sponsor shall not exceed 25% of the net assets of the scheme.

10) Pending deployment of funds of the Schemes in terms of the investment objective of the Schemes, the Mutual Fund may invest them in short term deposits of scheduled commercial banks, in terms of SEBI circular no. SEBI/IMD/CIR No. 1/ 91171 /07 dated April 16, 2007, subject to the following conditions:

(i) "Short Term" for parking of funds shall be treated as a period not exceeding 91 days.

(ii) Such short-term deposits shall be held in the name of the Scheme.

(iii) The Schemes shall not park more than 15% of their net assets in the short term deposit(s) of all the scheduled commercial banks put together. However, it may be raised to 20% with the prior approval of the Trustee. Also, parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.

(iv) The Schemes shall not park more than 10% of their net assets in short term deposit(s) with any one scheduled commercial bank including its subsidiaries.

(v) The Trustee shall ensure that the funds of the Schemes are not parked in the short term deposits of a bank which has invested in the Schemes.

The above provisions do not apply to term deposits placed as margins for trading in cash and derivative market.

AMC will not charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.

11) The scheme shall not invest in a fund of funds scheme.

1) No loans for any purpose will be advanced by the scheme for any purpose. Lending of securities will be in accordance with the stock-lending scheme of SEBI.

2) The Mutual Fund may borrow to meet liquidity needs, for the purpose of repurchase, redemption of units or payment of interest or dividend to the unit holders and such borrowings shall not exceed 20% of the net assets of the scheme and duration of the borrowing shall not exceed 6 months.

3) All investment restrictions stated above shall be applicable at the time of making investment,

4) The scheme shall not invest more than 10% of its NAV in the equity shares or

5) equity related instruments of any listed company. In case of investment in equity shares or equity related instruments of an unlisted company, the scheme shall not invest more than 10% of its NAV.

6) Total exposure of debt schemes of mutual funds in a particular sector (excluding investments in Bank CDs, CBLO, G-Secs, T-Bills, short term deposits of scheduled commercial banks and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) shall not exceed 25% of the net assets of the scheme;

Provided that an additional exposure to financial services sector (over and above the limit of 25%) not exceeding 15% of the net assets of the scheme shall be allowed only by way of increase in exposure to Housing Finance Companies (HFCs);

Provided further that the additional exposure to such securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NHB) and the total investment/ exposure in HFCs shall not exceed 25% of the net assets of the scheme.

7) The scheme will comply with any other regulations applicable to the investments of mutual funds from time to time.

8) The investment manager may, from time to time invest its own funds in the scheme at its discretion. However, the investment manager shall not be entitled to charge any fees on its investments in the scheme

9) The scheme shall participate Repo in corporate debt securities in accordance with SEBI Circular CIR/IMD/DF/19/2011 Dated November 11,2011 and such other directions issued by RBI & SEBI from time to time.

The Gross exposure of the scheme to repo transactions in corporate debt securities shall not be more than 10% of the net asset of the scheme.

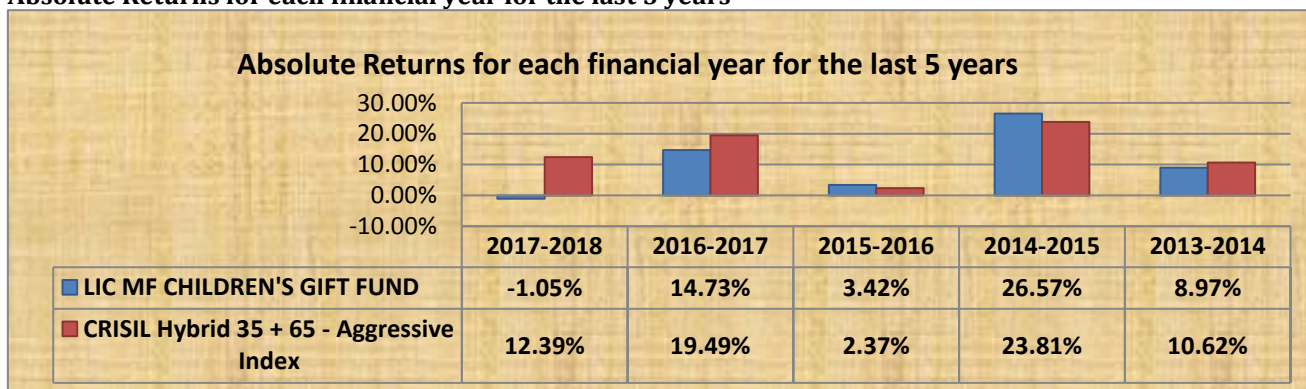
The cumulative gross exposure through repo transactions in Corporate debt securities along with debt and derivative positions shall not exceed 100% of the net assets of the scheme or guidelines as may be specified by SEBI from time to time.

#### J. SCHEME PERFORMANCE OF THE SCHEME - Regular Plan- Growth Option

Compounded Annualised Returns	Scheme Returns (%)^	Benchmark Returns (%)	Additional Benchmark Returns (%)
Returns for the last 1 year	-1.05	12.39	16.91
Returns for the last 3 years	5.47	11.20	10.89
Returns for the last 5 years	10.10	13.50	14.03
Returns since inception	3.24	NA	17.07

^Past performance may or may not be sustained in the future.

#### Absolute Returns for each financial year for the last 5 years



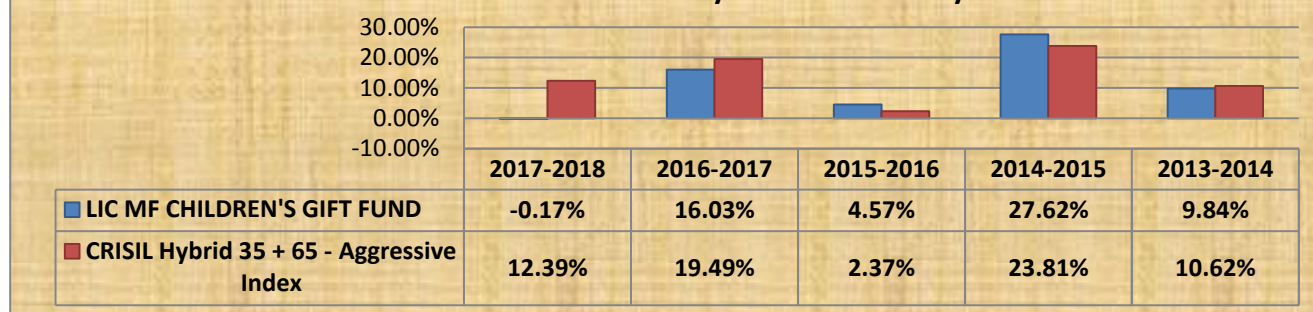
#### Direct Plan- Growth Option

Compounded Annualised Returns	Scheme Returns (%)^	Benchmark Returns (%)	Additional Benchmark Returns (%)
Returns for the last 1 year	-0.17	12.39	16.91
Returns for the last 3 years	6.58	11.20	10.89
Returns for the last 5 years	11.15	13.50	14.03
Returns since inception	10.57	12.60	13.00

^Past performance may or may not be sustained in the future.

#### Absolute Returns for each financial year for last 5 years

### Absolute Returns for each financial year for the last 5 years



^Past performance may or may not be sustained in the future.

Returns greater than one year are compounded annualized (CAGR).

The performance of the scheme is benchmarked to the Total Return variant of the Index.

### K.COMPARISON BETWEEN THE SCHEMES(S)

Scheme Name	Investment Objectives/Investment Strategies	Asset Allocation Pattern	AUM as on 30/04/2018 (Rs. in Crs)		No. of Folios as on 30/04/2018	
			Direct	Regular	Direct	Regular
<b>LIC MF Multi Cap Fund</b>	<b>Investment Objective:</b> The investment objective of the scheme is to generate long-term capital appreciation for unit holders from a portfolio that is invested substantially in equity and equity related securities of companies engaged in banking and financial services sector. However there can be no assurance that the investment objective of the scheme will be achieved.	<ul style="list-style-type: none"> <li>Equity and equity related instruments - 65%-100% - Medium to High</li> <li>Debt and debt related instruments, G-Secs, Money market instruments and cash - 0%-35%- Low to Medium</li> </ul>	72.60	264.24	1380	84878
<b>LIC MF Bond Fund</b>	<b>Investment Objective:</b> LIC MF Bond fund is an open-ended debt scheme which will endeavor to generate an attractive return for its investors by investing in a portfolio is between 4 years and 7 years. However, there is no assurance that the investment objective of the Schemes will be realized.	<ul style="list-style-type: none"> <li>Debt - 60% -100% - Low to Medium</li> <li>Money Market - 0%-40% - Low</li> <li>Units issued by REITs &amp; InvIT - 0% -10% - Medium to High</li> </ul>	97.89	223.47	233	5492
<b>LIC MF Large Cap Fund</b>	<b>Investment Objective:</b> To achieve long term capital appreciation by investing in a diversified portfolio predominantly consisting of equity and equity related securities of Large Cap companies including derivatives. However, there can be no assurance that the investment objective of the Scheme will be achieved.	<ul style="list-style-type: none"> <li>Equity and equity - 80%-100%- Medium to High</li> <li>Debt and debt related instruments, G-Secs, Money market instruments and cash - 0%-20% -Low to Medium</li> </ul>	56.92	190.26	2656	34225
<b>LIC MF Infrastructure Fund</b>	<b>Investment Objective:</b> The investment objective of the scheme is to generate long-term growth from a portfolio of equity / equity related instruments of companies engaged either directly or indirectly in the infrastructure sector. However, there is no assurance that the investment objective of the Schemes will be realized.	<ul style="list-style-type: none"> <li>Equity and equity related instruments of companies engaged either directly or indirectly in the infrastructure sector - 80% -100%- Medium to High</li> <li>Debt* and Money Market - 0% - 20% - Low to Medium</li> </ul>	9.54	58.73	582	14912

<b>LIC MF Index Fund- Nifty Plan</b>	<b>Investment Objective:</b> The main investment objective of the fund is to generate returns commensurate with the performance of the index either Nifty/ Sensex based on the plans by investing in the respective index stocks subject to tracking errors.	<ul style="list-style-type: none"> <li>Equity / Equity Futures 95%-100% in Nifty.</li> <li>Money Market Instruments and Cash -0-5%</li> </ul>	11.62	10.53	454	2254
<b>LIC MF Index Fund Sensex Plan</b>	<b>Investment Objective:</b> The main investment objective of the fund is to generate returns commensurate with the performance of the index either Nifty/ Sensex based on the plans by investing in the respective index stocks subject to tracking errors.	<ul style="list-style-type: none"> <li>Equity / Equity Futures - 95%-100% in Sensex.</li> <li>Money Market Instruments and Cash - 0-5%</li> </ul>	2.61	11.98	453	2822
<b>LIC MF Equity Hybrid Fund</b>	<b>Investment Objective:</b> An open ended Income and Growth scheme which seeks to provide regular returns and capital appreciation according to the selection of plan by investing in equities and debt instruments.	<ul style="list-style-type: none"> <li>Equity / Equity Related Instruments -65%-80% - Medium to High</li> <li>Debt / Money mkt. - 20%-35% - Low to Medium</li> <li>Units issued by REITs and InviT - 0%-10% - Medium to High</li> </ul>	53.68	294.09	963	15255
<b>LIC MF Tax Plan</b>	<b>Investment Objective:</b> To provide capital growth along with tax rebate and tax relief to our investors through prudent investments in the stock markets.	<ul style="list-style-type: none"> <li>Equity and equity related instruments - 80% -100% - Medium to High</li> <li>Debt and debt related instruments, G-Secs, Money market instruments and cash - 0%-20% - Low to Medium</li> </ul>	8.92	167.15	1526	20810
<b>LIC MF Liquid Fund</b>	<b>Investment Objective:</b> An open ended scheme which seeks to generate reasonable returns with low risk and high liquidity through judicious mix of investment in money market instruments and quality debt instruments.	<ul style="list-style-type: none"> <li>Debt and Money Market Securities with maturity of upto 91 days only - upto100% - Low</li> </ul>	10636.82	1500.83	1965	6270
<b>LIC MF Savings Fund</b>	<b>Investment Objective:</b> The investment objective of the Scheme is to generate income by investing in a portfolio of quality short term debt securities.	<ul style="list-style-type: none"> <li>Debt/Money Market * (Debt includes securitized debt &amp; govt. securities) - Up to 100% - Low to Medium</li> <li>Units issued by REITs &amp; InvIT - 0%-10%- Medium to High</li> </ul>	1624.06	794.48	3126	34422
<b>LIC MF Government Securities Fund</b>	<b>Investment Objective:</b> The primary objective of the scheme is to generate credit risk free and reasonable returns for its investors through investments in sovereign securities issued by the central and /or state Government and /or any security unconditionally guaranteed by the central/ state government for repayment of Principal and interest and/or reverse repos in such securities as and when permitted by RBI	<ul style="list-style-type: none"> <li>G-Sec Instruments - 80%-100% - Low to Medium</li> <li>Debt/Money Market - 0%-20% - Low to Medium</li> </ul>	32.32	43.55	99	560
<b>LIC MF Banking &amp; PSU Debt Fund</b>	<b>Investment Objective:</b> The primary investment objective of the Scheme is to seek to generate income and capital appreciation by primarily investing in a portfolio of high quality debt and money market securities that are issued by banks, public sector undertakings, public financial institutions and Municipal Bonds. There is no assurance that the investment objective of the Scheme will be realized.	<ul style="list-style-type: none"> <li>Minimum Investment in debt instruments of banks, Public sector Undertakings, Public Financial Institutions and Municipal Bonds. - 80% - 100% - Low to Medium</li> <li>Other debt and money market securities - 0%-20% - Low to Medium</li> <li>Units issued by REITs &amp; InvIT - 0% -10% - Medium to High</li> </ul>	54.21	122.54	383	7331
<b>LIC MF Debt Hybrid Fund</b>	<b>Investment objective:</b> The investment objective of the Scheme is to generate regular income	<ul style="list-style-type: none"> <li>Debt/Money Market - 75% - 90% - Low to medium</li> </ul>	8.45	93.12	150	8308

	by investing mainly in a portfolio of quality debt securities and money market instruments. It also seeks to generate capital appreciation by investing some percentage in a mix of equity instruments.	<ul style="list-style-type: none"> <li>Equity – 10%-25%- Medium to High</li> <li>Units issued by REITs &amp; InvIT - 0% -10% - Medium to High</li> </ul>				
<b>LIC MF Children's Gift fund</b>	<b>Investment Objective:</b> An open ended scheme which seeks to generate long term capital growth through a judicious mix of investment in quality debt securities and equities with relatively low risk levels through research based investments.	<ul style="list-style-type: none"> <li>Equity &amp; Equity related instruments - 65% - 90% - High</li> <li>Debt / Money Market - 10%-35% - Low to Medium</li> <li>Units issued by REITs and InvIT - 0%-10% - Medium to High</li> </ul>	0.84	16.11	121	4380
<b>LIC MF Banking &amp; Financial Services Fund</b>	<b>Investment Objective:</b> The investment objective of the scheme is to generate long-term capital appreciation for unit holders from a portfolio that is invested substantially in equity and equity related securities of companies engaged in banking and financial services sector.	<ul style="list-style-type: none"> <li>Equity and Equity related securities of Banking and Financial Services Companies - 80% - 100% - High</li> <li>Debt &amp; Money market instruments. - 0%-20% - Low to Medium</li> </ul>	8.80	59.41	1192	8786
<b>LIC MF ULIS</b>	<b>Investment Objective:</b> The investment Objective of the LIC MF Unit Linked Insurance Scheme (LIC MF ULIS) is to generate long-term capital appreciation through growth in NAV and reinvestment of income distributed on units of the scheme. The scheme offers Tax rebate on investment u/s 80C of Income Tax Act as well as a life cover and a free accident insurance cover.	<ul style="list-style-type: none"> <li>Equity - 65-80%</li> <li>Debt &amp; Money Market Instruments - 20-35%</li> <li>Debt includes Government Securities &amp; securitised debt</li> </ul>	5.74	259.65	700	21588
<b>LIC MF G-Sec Long Term ETF</b>	<b>Investment Objective:</b> The investment objective of the scheme is to provide returns that closely correspond to the total returns of securities as represented by Nifty 8-10 yr G-Sec Index, subject to tracking errors. However there is no assurance that the investment objective of the scheme will be achieved.	<ul style="list-style-type: none"> <li>Securities comprising of underlying benchmark Index - 95-100%</li> <li>Other Debt and Money market instruments - 0-5%</li> </ul>	0.00	70.43	0	278
<b>LIC MF Large &amp; Midcap Fund</b>	<b>Investment Objective:</b> To generate long term capital appreciation investing substantially in a portfolio of equity linked instruments of large cap companies.	<ul style="list-style-type: none"> <li>Equity &amp; Equity related instruments of large cap companies* , Mid Cap Companies ** - 70%-100% - High</li> <li>Debt &amp; Money market instruments. (including investments in securitized debt#) - 0%-30% - Low to Medium</li> </ul>	45.59	267.43	2958	35588
<b>LIC MF ETF Nifty 50</b>	<b>Investment Objective:</b> The investment objective of the scheme is to provide returns that closely correspond to the total returns of securities as represented by NIFTY 50 Index, subject to tracking errors. However there is no assurance that the objective of the scheme will be achieved.	<ul style="list-style-type: none"> <li>Securities covered by the Nifty 50 – 95 to 100%</li> <li>Cash and cash equivalent /Money Market instruments including CBLO (with maturity not exceeding 91 days)- 0 to 5%</li> </ul>	0.00	471.69	0	175
<b>LIC MF ETF Sensex</b>	<b>Investment Objective:</b> The investment objective of the scheme is to provide returns that closely correspond to the total returns of the securities as represented by the S&P BSE SENSEX by holding S&P BSE SENSEX stocks in same proportion, subject to tracking errors. However there is no	<ul style="list-style-type: none"> <li>Securities covered by the S &amp; P BSE Sensex – 95 to 100%</li> <li>Cash and cash equivalent /Money Market instruments including CBLO (with maturity not exceeding 91 days)- 0 to 5%</li> </ul>	0.00	348.43	0	106

	assurance that the objective of the scheme will be achieved.					
<b>LIC MF ETF Nifty 100</b>	<p><b>Investment Objective:</b> The investment objective of the scheme is to provide returns that closely correspond to the total returns of securities as represented by NIFTY 100 INDEX, subject to tracking errors. However there is no assurance that the objective of the scheme will be achieved.</p>	<ul style="list-style-type: none"> <li>Securities covered by the Nifty 100 - 95 to 100%</li> <li>Cash and cash equivalent /Money Market instruments including CBLO (with maturity not exceeding 91 days)- 0 to 5%</li> </ul>	0.00	303.06	0	500

### III. UNITS AND OFFER

This section provides details you need to know for investing in the scheme.

**A. NEW FUND OFFER (NFO): Not relevant as the scheme has already been launched**

#### B. ONGOING OFFER DETAILS

<p><b>1. Ongoing Offer Period</b> (This is the date from which the Scheme will reopen for subscriptions /redemptions after the closure of the NFO period.)</p>	Being an open ended scheme, units will be offered at NAV based price on a business day.
<p><b>2. Ongoing price for subscription (purchase) / switch-in (from other Schemes/Plans of the Mutual Fund) by investors.</b> This is the price you need to pay for purchase/Switch-in. Example: If the applicable NAV is Rs. 1000/-, entry load is 2% then the sales price will be: <math>Rs.1000*(1+0.02) = Rs. 1020</math></p>	<p>Units of the Scheme shall be available for subscription (purchase) /switch-in at the Applicable NAV.</p> <p>The Mutual Fund shall ensure that the Purchase Price is not higher than 107% of the NAV, provided that the difference between the Redemption Price and Purchase Price of the Unit shall not exceed the permissible limit of 7% of the Purchase Price, as provided for under SEBI (MF) Regulations.</p>

<p><b>3. Ongoing price for redemption (sale) / Switch outs (to other schemes/plans of the Mutual Fund) by Investors.</b></p> <p>This is the price you will receive for redemptions/ Switch outs.</p> <p>Example: If the applicable NAV is INR 10, exit load is 2% then redemption price will be:</p> <p>INR 10* (1-0.02) = INR 9.80</p>	<p>Units of the Scheme can be redeemed/ switched out at the Applicable NAV subject to prevailing exit load.</p> <p>The Redemption Price however, will not be lower than 93% of the NAV subject to SEBI Regulations as amended from time to time. Similarly, the difference between the Redemption price and Sale price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time which is presently 7% calculated on the Sale Price.</p> <p><b>BANK ACCOUNT DETAILS</b></p> <p>In order to protect unit holder interest from fraudulent encashment of cheques, the current SEBI Regulations has made it mandatory for investors to mention in their application/repurchase - redemption request, the Bank Name and Account Number of the Account holders. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques and/or any delay/loss in transit. In the absence of these details applications are liable for rejection.</p>
<p><b>4. Cut off timing for subscriptions/ redemptions/ switches.</b></p> <p>This is the time before which your application (complete in all respects) should reach the Official Points of Acceptance</p>	<p><b>A] Purchase (including switch-in) applications for amount less than Rs. 2 lakh</b></p> <ul style="list-style-type: none"> <li>• In respect of valid applications received upto 3.00 p.m. on a Business Day by the Fund along with a local cheque or a demand draft payable at par at the Official Point(s) of Acceptance where the application is received, the closing NAV of the day on which application is received shall be applicable.</li> <li>• In respect of valid applications received after 3.00 p.m. on a Business Day by the Fund along with a local cheque or a demand draft payable at par at the Official Point(s) of Acceptance where the application is received, the closing NAV of the next Business Day shall be applicable.</li> <li>• However, in respect of valid applications, with outstation cheques / demand drafts not payable at par at the Official Point(s) of Acceptance where the application is received, closing NAV of the day on which the cheque / demand draft is credited shall be applicable.</li> </ul> <p><b>B] Applications for amount equal to or more than Rs. 2 lakh</b></p> <p><b>i) For Purchases:</b></p> <ul style="list-style-type: none"> <li>• In respect of valid applications received for an amount equal to or more than Rs. 2 lakh upto 3.00 p.m. at the Official Point(s) of Acceptance and where the funds for the entire amount of subscription/purchase as per the application are credited to the bank account of the Scheme before the cut-off time i.e. available for utilization before the cut-off time - the closing NAV of the day shall be applicable.</li> <li>• In respect of valid applications received for an amount equal to or more than Rs. 2 lakh after 3.00 p.m. at the Official Point(s) of Acceptance and where the funds for the entire amount of subscription/purchase as per the application are credited to the bank account of the Scheme before the cut-off time of the next Business Day i.e. available for utilization before the cut-off time of the next Business Day - the closing NAV of the next Business Day shall be applicable.</li> <li>• Irrespective of the time of receipt of applications for an amount equal to or more than Rs. 2 lakh at the Official Point(s) of Acceptance, where the funds for the entire amount of subscription/purchase as per the application are credited to the bank account of the Scheme before the cut-off time on any subsequent Business Day i.e. available for utilization before the cut-off time on any subsequent Business Day - the closing NAV of such subsequent Business Day shall be applicable.</li> </ul> <p><b>Third Party Payment:</b></p> <p>When a payment is from a bank account other than that of the beneficiary investor, the same is referred to as a "Third Party Payment". It is further clarified that In case of mutual fund subscriptions, the first unit holder is considered as the</p>



beneficiary investor, even if there are joint unit holders. In case of payments from a bank account jointly held, the first holder of the mutual fund subscription has to be one of the joint holders of the bank account from which the payment is made. In specific exceptional situations where Third Party payment is permitted like (I). Payment by Parents / Grand-Parents / Related persons on behalf of a minor (other than registered guardian) in consideration of natural love and affection or as gift for value not exceeding INR 50,000 for each purchase, (ii). Payment by an Employer on behalf of Employee under Systematic Investment Plans through Payroll deductions or (iii). Custodian on behalf of an FII or a client. Investors submitting their applications through the above mentioned 'exceptional situations' are required to comply with the following, without which applications for subscriptions for units will be rejected /not processed/ refunded. Mandatory KYC for all investor (guardian in case of minor) and the person making the payment i.e. third party. In order for an application to be considered as valid, investors and the person making the payment should attach their valid KYC to the application form irrespective of Third Party Payment Avoidance and additional documents / declaration required amount. Along with submission of a separate 'Third Party Payment Declaration Form' from investor (guardian in case of minor) and person making the payment i.e. third party.

**ii) For Switch-ins:**

For determining the applicable NAV , the following shall be ensured:

- Application for switch-in is received before the applicable cut-off time.
- Funds for the entire amount of subscription/purchase as per the switch-in request are credited to the bank account of the Scheme before the cut-off time.
- The funds are available for utilization before the cut-off time.

Further, the Applicable NAV in respect of Unitholders under the Dividend Option will be as under:

In respect of valid purchase/switch-in applications received till 3.00 p.m. on the Business Day, the ex - dividend NAV\*\* of the day of receipt of application will be applicable and the eligible investors will be entitled for dividends declared, if any, on the next Record Date by the Trustee.

Where application is received after the cut-off time on a day but the funds are cleared on the same day, the closing NAV of the next Business Day shall be applicable.

For investments of an amount equal to or more than Rs. 2 lakh through systematic investment routes such as Systematic Investment Plans (SIP), Systematic Transfer Plans (STP), the units will be allotted as per the closing NAV of the day on which the funds are available for utilization by the Target Scheme.

\*\* In respect of applications for an amount equal to or more than Rs.2 lakh, the Applicable NAV shall be subject to the provisions of SEBI Circulars No.Cir/IMD/DF/21/2012 dated September 13, 2012 and No.Cir/IMD/DF/19/2010 dated November 26, 2010, as may be amended from time to time, on uniform cut-off timings for applicability of NAV.

All multiple applications for investment at the Unit holders' PAN and holding pattern level in a Scheme (irrespective of amount or the plan/option/sub-option) received on the same Business Day , will be aggregated to ascertain whether the total amount equals to Rs. 2 lakh or more and to determine the applicable Net Asset Value. Transactions in the name of minor received through guardian will not be aggregated with the transaction in the name of same guardian. The AMC may have additional criteria for aggregation of multiple transactions. The criteria for aggregation of multiple transactions shall be as decided by the AMC at its sole discretion from time to time.

**C] For Redemption (including switch-out) applications**

- In respect of valid applications received upto 3 p.m. on a Business Day by the

Fund, same day's closing NAV shall be applicable.

- In respect of valid applications received after 3 p.m. on a Business Day by the Fund, the closing NAV of the next Business Day shall be applicable.

Under no circumstances will LIC MF AM Ltd or its bankers or its service providers be liable for any lag / delay in realization of funds and consequent pricing of units. In respect of valid redemptions/switch-out requests received till 3.00 p.m during the Business Day, the ex-dividend NAV of the day of receipt of application will be applicable and the investors will be eligible to receive the dividends declared.

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

The AMC has the right to amend cut off timings subject to SEBI (MF) Regulations for the smooth and efficient functioning of the Scheme.

**D]Stock Exchange transactions:**  
An investor can buy/sell Units on a continuous basis on the National Stock Exchange of India Ltd. or any other recognized Stock Exchange(s) on which the Units will be listed during the trading hours on all trading days like any other publicly traded stock at prices which may be at a discount/premium to the NAV of the Plans under the Scheme.

Investors can submit the application forms for purchase or redemption or switch at any of the Official Points of Acceptance, details of which are mentioned at the end of this SID

Investors are requested to note that an Application Form accompanied by a payment instrument issued from a bank account other than that of the Applicant /Investor will not be accepted except in certain circumstances.

<p><b>5. Where can the applications for purchase/redemption Switches be submitted?</b></p>	<p>Investors can submit the application forms for purchase or redemption or switch at any of the Official Points of Acceptance, details of which are mentioned at the end of this <b>SID under the heading “List of Official Point of Acceptance of Transactions”</b>.</p> <p><b>Domestic investors -</b> Duly filled in applications forms for subscriptions (along with local cheques/DD payable at the authorized centres only)/ redemptions/switches should be submitted at the authorized collection centres. Payment by cash may not be accepted.</p> <p><b>NRI’s on a fully repatriable basis-</b> In case of NRIs, payment may be made by means of a Draft in Indian Rupees purchased abroad or by cheque/DD drawn on Non resident (External) /FCNR Accounts, payable at the authorized centres only. Payments may also be made through Demand drafts or other instruments permitted under the Foreign Exchange Management Act.</p> <p><b>NRI’s on a non-repatriable basis-</b> NRIs can invest by cheques/DD’s drawn out of Non resident (Ordinary) Accounts. Presently area offices of LIC MF and Investor service centres of RTA are collection centres for the Scheme. The AMC may at its sole discretion change its authorised centres at a later date.</p> <p>Investors are requested to note that an Application Form accompanied by a payment instrument issued from a bank account other than that of the Applicant / Investor will not be accepted except in certain circumstances. For further details, please refer paragraph “Non – acceptance of Third Party Payment Instruments for subscriptions / investments” under the section “How to Apply?” in SAI.</p> <p><b>Note:</b> The application form no. should be noted on the reverse of all cheques and bank drafts accompanying the application form.</p>
<p><b>6. Minimum amount for purchase/redemption /switches</b></p>	<p>Application Amount (Other than fresh purchase through SIP) – Rs.5,000/- and in multiples of Rs.1 thereafter. Additional Purchase – Rs.500/- and in multiples of Rs.1/- thereafter. Redemption Amount – Rs.500/- and in multiples of Rs.1/- thereafter after completion of Lock-in-period (except demat units). SIP Amount – 1) Daily – 300/- and in multiples of Rs.1/- thereafter. Monthly – 1000/- and in multiples of Rs.1/- thereafter. 2)Quarterly – Rs.3000/- and in multiples of Rs.1/- thereafter</p> <p>In case the investor specifies the number of units and amount to be redeemed, the number of units shall be considered for redemption. In case the unit holders does not specify the number of units or amount to be redeemed, the redemption request will not be processed. The AMC reserves the right to change the minimum amounts for various purchase/ redemption/ switch. Such changes shall only be applicable to transactions on a prospective basis.</p>
<p><b>7. Plans Available under each Scheme</b></p>	<p>Regular Plan and Direct Plan (The Regular and direct plan will be having a common portfolio)</p>

<b>Treatment of applications under "Direct" / "Regular" Plans</b>	Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured
	1	Not mentioned	Not mentioned	Direct Plan
	2	Not mentioned	Direct	Direct Plan
	3	Not mentioned	Regular	Direct Plan
	4	Mentioned	Direct	Direct Plan
	5	Direct	Not Mentioned	Direct Plan
	6	Direct	Regular	Direct Plan
	7	Mentioned	Regular	Regular Plan
	8	Mentioned	Not Mentioned	Regular Plan
<p>In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC will contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC will reprocess the transaction under Direct Plan from the date of application without any exit load.</p>				
<b>8. Options offered</b>	<p>The Scheme offers the following Options:</p> <ul style="list-style-type: none"> <li>• Growth option</li> <li>• Dividend option</li> </ul> <p>The Dividend Option has the following facilities:</p> <ul style="list-style-type: none"> <li>• Dividend Reinvestment Facility</li> <li>• Dividend Pay-out Facility</li> </ul> <p>The investors should indicate the option/facility for which Subscription is made by indicating the choice in the appropriate box provided for this purpose in the application form. In case of valid application received without any choice of option/facility, the following default Option/Facility will be considered; Default option/facility:</p> <p>Default Option – Growth Option Default facility under Dividend Option– Reinvestment</p>			
<b>9. Dividend Policy</b>	<p>The Trustee will endeavour to declare dividend under the Dividend Option, subject to availability of distributable surplus calculated in accordance with the Regulations.</p> <p><b>Dividend Declaration Procedure:</b> The procedure for dividend distribution would be as under: The quantum of dividend and the record date will be fixed by the Trustee in their meeting. Dividend so decided shall be paid subject to availability of distributable surplus. Record date is the date that will be considered for the purpose of determining the eligibility of investors whose name appears on the register of unitholders.</p> <p>The AMC shall issue a notice to the public communicating the decision of dividend declaration including the record date, within one calendar day of the decision of the Trustee, in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the head office of the Mutual Fund is situated.</p> <p>The Record Date will be 5 calendar days from the date of issue of notice.</p> <p><b>Dividend Distribution Procedure:-</b> The dividend proceeds will be paid by way of cheque, Dividend Warrants / Direct</p>			

	<p>Credit / National Electronic Fund Transfer (NEFT) / Real Time Gross Settlement (RTGS) / National Electronic Clearing System (NECS) or any other manner to the unitholder's bank account as recorded in the Registrar's records. The AMC, at its discretion at a later date, may choose to alter or add other modes of payment.</p> <p><b>Effect of Dividends:</b></p> <p>The investors should note that the Fund does not assure or guarantee declaration of dividends under the Dividend Option. The actual declaration of dividend and the rate of dividend will inter alia, depend on availability of distributable surplus calculated in accordance with SEBI (MF) Regulations and the decisions of the Trustee shall be final in this regard. There is no assurance or guarantee to the unitholders as to the rate of Dividend nor that will the dividend be paid regularly. It must also be distinctly understood that when dividends are declared, the net assets attributable to unitholders in the respective Option will stand reduced to the extent of the dividend payout and applicable statutory levies, if any.</p> <p>Even though the asset portfolio will be common, the NAVs of the growth option and dividend option in the Scheme will be distinctly different after declaration of the first dividend to the extent of distributed income, applicable tax and statutory levy, if any, and expenses relating to the distribution of the dividends.</p> <p>All the dividend declaration and payments shall be in accordance and in compliance with SEBI regulations, as amended from time to time.</p>
<p><b>10. Who can invest</b></p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the Scheme is suitable to your risk profile</p>	<p>The following persons (i.e. an indicative list), proposing to make a gift to a child of less than 18 years of age are eligible and may apply for subscription to the Units of the scheme provided they are not prohibited by any law / constitutive document overning them:</p> <ol style="list-style-type: none"> <li>1. Resident or non-resident adult individuals, who may be the parent, grand parent, step parent, legal guardian or friend. Such Applicants may apply either singly or jointly (not exceeding two);</li> <li>2. Karta of Hindu Undivided Family (HUF);</li> <li>3. Companies, Bodies Corporate, Public Sector Undertakings, Partnership Firms, Limited Liability Partnerships (LLPs), Association of Persons or bodies of individuals and societies registered under the Societies Registration Act, 1860, Co-Operative Societies registered under the Co- Operative Societies Act, 1912, One Person Company;</li> <li>4. Non-resident Indians (NRIs) / Persons of Indian Origin residing abroad (PIOs) /Overseas Citizens of India (OCIs) on repatriation basis or on non-repatriation basis subject to prevailing laws;</li> <li>5. Such other individuals / institutions / body corporate etc., as may be decided by the AMC/ Trustee from time to time, so long as wherever applicable they are in conformity with SEBI (MF) Regulations.</li> </ol> <p>The age of the beneficiary child, i.e. the Unit holder, must be less than 18 years on the date of the investment by the Investor/ Applicant. The Guardian of the minor should either be a natural guardian (i.e. father or mother, as applicable) or a court appointed legal guardian. A copy of birth certificate, passport copy, etc evidencing date of birth of the minor and relationship of the guardian with the minor should be mandatorily attached with the application. Subsequent purchases of Units may be made until the beneficiary child completes 18 years of age.</p> <p>All transactions / standing instructions / systematic transactions etc. will be suspended i.e. the account will be frozen for operation by the guardian from the date of beneficiary child completing 18 years of age. Mutual Fund will send a notice to Unit holders at their registered correspondence address advising the minor to submit, on attaining majority, an application form along with prescribed documents to change the status of the account from 'minor' to 'major'. KYC Acknowledgment Letter of Unit</p>

	<p>holder becoming major should also be provided.</p> <p>Note : Under the KYC norms, Investors and parent / guardian of unit holder are required to provide prescribed documents for establishing their identity and address such as copy of the Memorandum and Articles of Association / bye-laws / trust deed /partnership deed / Certificate of Registration along with the proof of authorization to invest, as applicable, to the KYC Registration Agency (KRA) registered with SEBI.</p> <p>The Mutual Fund/AMC/Trustee/other intermediaries will rely on the declarations/affirmations provided by the Investor(s) in the Application/Transaction Form(s) and the documents furnished to the KRA. Further, the Investor shall be liable to indemnify the Fund /AMC/Trustee/other intermediaries in case of any dispute regarding the eligibility, validity and authorization of the transactions and/or the applicant who has applied on behalf of the unit holder.</p> <p>The Mutual Fund / AMC / Trustee reserves the right to call for such other information and documents as may be required by it in connection with the investments made by the investor.</p> <p><b>Applicability and provisions of Foreign Account Compliance Act (FATCA):</b> The AMC shall comply with FATCA as an when it becomes applicable. Accordingly, the AMC shall execute the requisite agreement with US Tax authorities (i.e. the Internal Revenue Service or IRS) by virtue of which the AMC shall report the required information/details of the investments made by US citizens and residents to IRS. For further details relating to FATCA, investors are requested to refer SAI which is available on the website viz. <a href="http://www.licmf.com">www.licmf.com</a></p> <p>• <b>Non-acceptance of subscriptions from U.S. Persons and Residents of Canada in Schemes of the Fund</b> United States Person (U.S. Person), corporations and other entities organized under the applicable laws of the U.S. and Residents of Canada as defined under the applicable laws of Canada should not invest in units of any of the Schemes of the Fund and should note the following:</p> <ol style="list-style-type: none"> <li>a. No fresh purchases (including Systematic Investment Plans and Systematic Transfer Plans) /additional purchases/switches in any Schemes of the Fund would be allowed. However, existing Unit Holder(s) will be allowed to redeem their units from the Schemes of the Fund. If an existing Unit Holder(s) subsequently becomes a U.S. Person or Resident of Canada, then such Unit Holder(s) will not be able to purchase any additional Units in any of the Scheme of the Fund.</li> <li>b. All existing registered Systematic Investment Plans and Systematic Transfer Plans would be ceased.</li> <li>c. For transaction from Stock Exchange platform, while transferring units from the broker account to investor account, if the investor has U.S./Canadian address then the transactions would be rejected.</li> <li>d. In case the AMC/Fund subsequently identifies that the subscription amount is received from U.S. Person(s) or Resident(s) of Canada, in that case the AMC/Fund at its discretion shall redeem all the units held by such person from the Scheme of the Fund at applicable Net Asset Value.</li> </ol>
<p><b>Who cannot invest</b></p>	<p>The aforementioned persons/entities as specified under section “Who Can Invest?” shall not be eligible to invest in the Scheme, if such persons/entities are: United States Person (U.S. person*) as defined under the extant laws of the United States of America, except NRIs/PIOs may invest/transact, in the Scheme, when present in India, as lump sum subscription and/or switch transaction (other than systematic transactions) only through physical form and upon submission of such</p>

	<p>additional documents/undertakings, etc., as may be stipulated by AMC/ Trustee from time to time and subject to compliance with all applicable laws and regulations prior to investing in the Scheme.</p> <p>The Trustee/AMC reserves the right to put the transaction requests received from such U.S. person on hold/reject the transaction request/redeem the units, if allotted, as the case may be, as and when identified by the AMC that the same is not in compliance with the applicable laws and/or the terms and conditions stipulated by Trustee/AMC from time to time. Such redemptions will be subject to applicable taxes and exit load, if any.</p> <p>The physical application form(s) for transactions (in non-demat mode) from such U.S. person will be accepted ONLY at the Investor Service Centres (ISCs) of LIC MF Asset Management Limited (LIC MF AM Ltd.). Additionally, such transactions in physical application form(s) will also be accepted through Distributors and other platforms subject to receipt of such additional documents/ undertakings, etc., as may be stipulated by AMC/Trustee from time to time from the Distributors/Investors.</p> <p>2. Residents of Canada; 3. NRIs residing in any Financial Action Task Force (FATF) declared noncompliant country or territory</p> <p>*The term "U.S. person" means any person that is a U.S. person within the meaning of Regulation S under the Securities Act of 1933 of U.S. or as defined by the U.S. Commodity Futures Trading Commission or as per such further amended definitions, interpretations, legislations, rules etc, as may be in force from time to time."</p>
<p><b>11. Special Products/Facilities available</b></p>	<p>The Special Products/Facilities available under the Scheme, are:</p> <ol style="list-style-type: none"> <li>i. Systematic Investment Plan (SIP)</li> <li>ii. Systematic Transfer Plan (STP)</li> <li>iii. Systematic Withdrawal Plan (SWP)</li> <li>iv. Transactions through Electronic Mode</li> <li>v. Automatic withdrawal of capital appreciation (AWOCA)</li> <li>vi. Dividend Transfer Plan</li> <li>vii. Non-demat mode facility on BSE StAR MF Platform of Bombay Stock Exchange <ol style="list-style-type: none"> <li>i. <b>Systematic Investment Plan (SIP)</b></li> </ol> </li> </ol> <p>This facility is useful for investors who wish to invest fixed specified amounts at regular intervals by submitting a one-time SIP application form along with the relevant documents. By using this facility an investor would end up buying units of the Scheme at different NAVs over a period of time due to which the average cost per unit to the unitholder may tend to be less as the fluctuations of the market are averaged out without the investor having to monitor the market movements on a day-to- day basis. SIP facility is available for both the Options viz. Growth and Dividend.</p> <p>SIP facility is available for both the option viz. Growth and Dividend.</p> <p>The investors can choose any one of the dates among 1<sup>st</sup>, 7<sup>th</sup>, 10<sup>th</sup>, 15<sup>th</sup>, 21<sup>st</sup>, 25<sup>th</sup> or 28<sup>th</sup> of every month as the SIP date (in case any of these days fall on a non-business day, the transaction will be effected on the next business day of the Scheme). SIP will register after 30 days from the time stamp date.</p> <p>The default SIP date will be 1<sup>st</sup> of every month. The SIP frequency will be daily, monthly and quarterly. The minimum SIP instalment size for daily frequency Rs. 300, monthly frequency INR 1000 and in multiples of INR 1 thereafter and the SIP request should be for a minimum period of 12 months.</p> <p>The minimum SIP instalment size for quarterly frequency is Rs.3000 and in multiples of Re. 1 thereafter.</p> <p><b>SIP through post-dated cheques</b></p> <p>The date of the first cheque shall be the same as the date of the application while the remaining cheques shall be post dated cheques which shall be dated uniformly. Currently the SIP post dated cheques cycle dates are 1<sup>st</sup>, 7<sup>th</sup>, 10<sup>th</sup>, 15<sup>th</sup>, 21<sup>st</sup>, 25<sup>th</sup>, or 28<sup>th</sup> of every month. Investors can invest in SIP by providing post-dated cheques to Official Point(s) of Acceptance as notified by the AMC. All SIP cheques should be of the same amount and same date option (excluding first cheque which can be of a date / amount other than the</p>

SIP date opted for). Cheques should be drawn in favour of the Fund and "A/c Payee only". A letter will be forwarded to the investor on successful registration of SIP. The Post Dated cheques will be presented on the dates mentioned on the cheque and subject to realization of the cheque. The SIP date selected by the Investor should fall at least 30 calendar days after the date of the first cheque.

**SIP through National Automated Clearing House (NACH) / Electronic Clearing Service (ECS)/ Direct Debit**

Investors / unit holders may also enrol for SIP facility through National Automated Clearing House (NACH)/ ECS of the NPCI and RBI respectively or for SIP Direct Debit Facility available with specified Banks / Branches. To avail this facility, an investor must fill-up the SIP Application Form for SIP NACH/ ECS / Direct Debit facility. The first investment in SIP through the NACH/ECS/ Direct Debit Facility needs to be made by issuance of a cheque from the account from which the NACH/ECS/ Direct Debit is requested or the investor can to submit a cancelled cheque or a photocopy of a cheque of the bank account for which the NACH/ECS/Direct Debit mandate is provided. All SIP cheques/payment instructions should be of the same amount and the same date (excluding first cheque which can be of a date other than the SIP date opted for). However, there should be a gap of 30 days between first SIP Instalment and the second instalment in case of SIP started during ongoing offer.

Currently the SIP through NACH/ ECS / Auto Debit is allowed with cycle dates of 1<sup>st</sup>, 7<sup>th</sup>, 10<sup>th</sup>, 15<sup>th</sup>, 21<sup>st</sup>, 25<sup>th</sup>, or 28<sup>th</sup> of every month.  
If the SIP end date is not filled, the SIP NACH/ECS/Direct Debit will be considered perpetual till further instructions are received from the investor.

Unitholders are free to discontinue from the SIP facility at any point of time by giving necessary instructions in writing at least 21 days prior to the next SIP due date. On receipt of such request, the SIP facility will be terminated.

It is clarified that if the Fund fails to get the proceeds from three instalments out of a continuous series of instalments submitted at the time of initiating a SIP, the SIP is deemed as discontinued. Units will be allotted at the Applicable NAV of the respective dates on which the investments are sought to be made. An extension of an existing SIP will be treated as a new SIP on the date of such application, and all the above conditions need to be met with.

**MICRO SYSTEMATIC INVESTMENT PLAN ("MICRO SIP")/ PAN EXEMPT INVESTMENTS**

Investment in mutual fund schemes [including through Systematic Investment Plan (SIP)] upto Rs. 50,000 per year per investor, are exempt from the requirement of PAN. Such PAN exempt SIPs are referred to as Micro SIP. Investors may make PAN exempt investments subject to the following provisions:

- The limit of Rs. 50,000/- is applicable at an aggregate level (SIP plus lumpsum investments) across all Schemes of the Fund in a rolling 12 month period or in a financial year i.e. April to March.
- This exemption is applicable only to investments by "Eligible Investors" i.e. individuals [including Joint Holders who are individuals, NRIs but not PIOs], Minors and Sole proprietary firms, who do not possess a PAN\*. Hindu Undivided Family (HUF) and other categories are not eligible for PAN exemption.

\*In case of joint holders, first holder must not possess a PAN.

- Eligible Investors are required to undergo Know Your Customer (KYC) procedure with any of the SEBI registered KYC Registration Agency (KRA).
- Eligible Investors must attach a copy of the KYC acknowledgement letter containing the PAN Exempt KYC Reference No (PEKRN) issued by the KRA along with the application form. Eligible investors must hold only one PEKRN.

Eligible Investors who wish to enroll for Micro SIP are required to fill in the SIP Enrolment Form available with the ISCs, distributors/agents and also displayed on the website [www.licmf.com](http://www.licmf.com)

All terms and conditions (including load structure and Transaction Charges) of Systematic Investment Plans (SIPs) (except availability of SIP Top-up facility) shall apply to Micro SIPs. The detailed procedures / requirements for accepting PAN exempt investments, including Micro SIPs, shall be as specified by Asset Management/Trustee from time to time and their decision in this behalf will be final and binding.

Please refer to the Micro SIP Enrolment Form for terms & conditions before enrolment.



**STEP-UP facility under Systematic Investment Plan (SIP):**

'STEP-UP' facility will enable investors to increase the amount of SIP installment at pre-defined frequency by a fixed amount during the tenure of SIP.

STEP-UP facility offers frequency at half yearly and yearly intervals. In case the STEP-UP frequency is not specified, it will be considered as half yearly frequency. Under this facility the Investor can increase the SIP installment at pre-defined intervals by a fixed amount. Minimum STEP-UP amount would be Rs.500/- and in multiples of Re. 1/- thereafter for all the schemes of the Fund that offer SIP facility except LIC MF Tax Plan where in minimum STEP-UP amount would be Rs. 500/- and in multiples of Rs. 500 thereafter. In case the investor does not specify STEP-UP amount, Rs. 500/- will be considered as the STEP-UP amount and the request will be processed accordingly.

STEP-UP facility would be available to all new SIP enrolments. Existing investors registered for SIP through NACH/ECS/Direct Debit facility and intending to avail STEP-UP facility will be required to cancel the existing SIP and enroll a fresh SIP with STEP-UP details. It would be mandatory for investor to mention in 'SIP cum Registration Mandate' the period (month - year) upto which he wishes to avail STEP-UP facility. The investor can not use this facility for LIC MF Unit Linked Insurance Scheme.

**ii. Systematic Transfer Plan (STP)**

This facility enables unitholders to transfer a fixed specified amount from one open-ended scheme of the Fund (source scheme) to another open-ended scheme of the Fund (target scheme) subject to completion of lock-in-period, in existence at the time of availing the facility of STP, at applicable NAV. Unitholders holding units in a non-demat form may enrol for STP. Investors can opt for the Systematic Transfer Plan by investing a lump sum amount in one scheme of the fund and providing a standing instruction to transfer sums at regular intervals. This facility is allowed only for the Growth Plan & Dividend Plan (only for dividend reinvestment and not for dividend payout). Under this two plans LIC Mutual Fund offers Fixed Systematic Transfer Plan (FSTP) and Capital Appreciation Systematic Transfer Plan (CASTP).

FSTP offers transfer facility at daily, weekly, monthly and quarterly intervals and CASTP offers transfer facility at monthly and quarterly intervals. STP facility is available only on certain specified STP date(s) i.e. 1<sup>st</sup>, 7<sup>th</sup>, 10<sup>th</sup>, 15<sup>th</sup>, 21<sup>st</sup>, 25<sup>th</sup> and 28<sup>th</sup> of each month with daily, weekly, monthly and quarterly frequency. The minimum STP instalment size is INR 500 and in multiples of Rs. 1 thereafter for monthly and Quarterly frequency. STP with frequency as daily (10 days required for registration) is also available. The minimum STP instalment size is INR 100 and in multiples of Rs. 1 thereafter.

If the unitholder want to opt for daily frequency the minimum balance in the transferor scheme should be greater than or equal to the initial purchase amount of the transferor scheme or 50 STP instalments whichever is lower. The STP request should be for a minimum of 12 installments.

STP will register after 7 working days from the time stamp date. In case the chosen date falls on a Non-Business Day, then the STP will be processed on the next Business Day. In case the STP date is not specified or in case of ambiguity, the STP transaction will be processed on 1st for every month in monthly/quarterly Frequency and Friday for weekly frequency. In case the end date is not specified, the Fund will continue STP till it receives termination notice.

Investors could also opt for STP from an existing account by quoting their account / folio number. However, units marked under lien or pledged in the source scheme shall not be eligible for STP.

Unitholder may change the amount (but not below the minimum specified amount)/ frequency by giving written notice to any of the Official Point(s) of Acceptance at least 15 days prior to next STP execution date.

Units will be allotted/ redeemed at the applicable NAV of the respective dates of the Scheme on which such investments/withdrawals are sought from the Scheme.

The STP may be terminated on a written notice of 15 days by a unitholder of the Scheme. The STP will be automatically terminated if all units are liquidated or withdrawn from the

source scheme or pledged or upon receipt of intimation of death of the unitholder. Systematic Transfer Plan (STP) facility is available for all schemes of LIC Mutual Fund except LIC MF Unit Linked Insurance Scheme and LIC MF Tax Plan. However systematic transfer from another scheme to LIC MF Unit Linked Insurance Scheme and LIC MF Tax Plan is allowed.

**iii. Systematic Withdrawal Plan (SWP):**

This facility, is available to the Unitholders (on attaining 18 years of age) to withdraw (subject to deduction of tax at source, if any) fixed amount or variable amount from unitholders accounts at periodic intervals. This facility enables unitholders to withdraw a fixed sum (subject to tax deduction at source, if applicable) by redemption of units in the unit holder's account at regular intervals through a one-time request. This facility is allowed for the Growth Plan only. This facility shall be available only through electronic fund transfers mode. Investors would need to choose an online fund transfer mode to opt for this option.

The default SWP date will be 1<sup>st</sup> of every month (in case it falls on a non-business day, the transaction will be effected on the next business day of the Scheme). The SWP frequency will be monthly and quarterly. In case SWP frequency is not specified, the default frequency will be monthly. The minimum SWP installment size is INR 500, with an option for monthly, quarterly.

Registration can happen in 7 working days and maximum 30 days before the 1<sup>st</sup> withdrawal date.

The SWP may be terminated on a written notice of 15 days by a unitholder of the Scheme. SWP will be automatically terminated if all units are liquidated or withdrawn from the Scheme or pledged or upon receipt of intimation of death of the unitholder.

The Load Structure prevailing at the time of submission of the SIP/STP/SWP application will apply for all the installments indicated in such application.

SWP Facility is currently available in all plans and options of below mentioned schemes except dividend payout.

LIC MF Equity Hybrid Fund, LIC MF Banking and Financial Services Fund, LIC MF Bond Fund, LIC MF Children's Gift Fund, LIC MF Multi Cap Fund, LIC MF Large Cap Fund, LIC MF Index Fund - Nifty Plan, LIC MF Index Fund - Sensex Plan, LIC MF Infrastructure Fund, LIC MF Liquid Fund, LIC MF Large & Mid Cap Fund, LIC MF Savings Fund, LIC MF Banking & PSU Debt Fund, LIC MF Debt Hybrid Fund.

The AMC reserves the right to introduce SIPs/STPs/SWPs at any other frequencies or on any other dates as the AMC may feel appropriate from time to time.

**iv. Transactions through Electronic Mode:**

The Mutual Fund may (at its sole discretion and without being obliged in any manner to do so and without being responsible and /or liable in any manner whatsoever) allow transactions in units by electronic mode (web/ electronic transactions) including transactions through the various web sites with which the AMC would have an arrangement from time to time. Subject to the investor fulfilling certain terms and conditions as stipulated by AMC from time to time, the AMC, Mutual Fund, Registrar or any other agent or representative of the AMC, Mutual Fund, the Registrar may accept transactions through any electronic mode including web transactions and as permitted by SEBI or other regulatory authorities from time to time. For details, investors are advised to refer to the SAI.

**vi) Automatic withdrawal of capital appreciation (AWOCA)**

AWOCA is facility whereby, capital appreciation, if any, will be paid out (subject to completion of lock-in/ pledge period,), on the 15<sup>th</sup> of every month who has made such request to the AMC. The amount paid will be considered as redemption to that extent. In case the payout date falls on a holiday or fall during a Book Closure period, the next Business Day will be deemed as the AWOCA date.

The frequency of AWOCA is monthly and is paid out on 15<sup>th</sup> of every month.

**vi) Dividend Transfer Plan (DTP) :**

	<p>DTP has been introduced in all our schemes w.e.f. 01/07/2009. If an investor wants to opt for DTP, he can do so by filing of the transaction slip available at our offices. There is no assurance or guarantee to the unitholders as to rate of income distribution and regularity in declaration of income distribution. Rs.500/- will be the minimum amount.</p> <p><b>vii) Non-demat mode facility on BSE StAR MF Platform of Bombay Stock Exchange</b></p> <p>In addition to the facility of purchase, redemption and switch available for eligible Schemes of LIC Mutual Fund through demat mode on BSE StAR MF Platform of BSE, the facility of transaction in non-demat mode is being introduced for eligible schemes of LIC Mutual Fund. Now, the investors of LIC Mutual Fund can avail facility of purchase, redemption and switch through non demat mode among the eligible Scheme/s with effect from September 22, 2015</p> <p>The investors can also avail the facility of the Systematic Investment Plan (SIP) on BSE StAR MF Platform for eligible schemes of LIC Mutual Fund</p>
<p><b>12. Switching Options</b></p>	<p>Unitholders have the flexibility to alter the allocation of their investments among the scheme(s) offered by the Fund, in order to suit their changing investment needs (subject to completion of Lock-in-period) by easily switching between the scheme(s) / options of the Fund.</p> <p>Investors may opt to switch Units between the Dividend Option and Growth Option of the Scheme at the Applicable NAV. Switching will also be allowed into/from any other eligible open- ended schemes of the Fund either currently in existence or a scheme(s) that may be launched / managed in future, as per the features of the respective scheme.</p> <p>Load shall be applicable for switches between eligible schemes of LIC Mutual Fund as per the prevailing load structure. However, no load shall be charged for switches between options within the schemes of LIC Mutual Fund.</p>
<p><b>13. Accounts Statements</b></p>	<p><b>Consolidated Accounts statements</b></p> <p>Pursuant to Regulation 36 of SEBI (Mutual Funds) Regulations, 1996 and amendments thereto, read with SEBI circular No. Cir/ IMD/ DF/16/ 2011 dated September 8, 2011, and SEBI Circular No.CIR/MRD/DP/31/2014 dated November 12, 2014 the investor whose transaction has been accepted by LIC Mutual Fund/Karvy shall receive a confirmation by way of email and /or SMS within 5 Business Days from the date of receipt of transaction request, same will be sent to the Unit holders registered e-mail address and/or mobile number.</p> <p>Thereafter, a Consolidated Account Statement (“CAS”) shall be issued in line with the following procedure:</p> <ol style="list-style-type: none"> <li>1. Consolidation of account statement shall be done on the basis of PAN. In case of multiple holding, it shall be PAN of the first holder and pattern of holding.</li> <li>2. The CAS shall be generated on a monthly basis and shall be issued on or before 10th of the immediately succeeding month to the unit holder(s) in whose folio(s) transaction(s) has/have taken place during the month.</li> <li>3. In case there is no transaction in any of the mutual fund folios then CAS detailing holding of investments across all schemes of all Mutual Funds will be issued on half yearly basis [at the end of every six months (i.e. September/ March)]</li> <li>4. Investors having MF investments and holding securities in Demat account shall receive a Consolidated Account Statement containing details of transactions across all Mutual Fund schemes and securities from the Depository by email / physical mode.</li> <li>5. Investors having MF investments and not having Demat account shall receive a Consolidated Account Statement from the MF Industry containing details of transactions across all Mutual Fund schemes by email / physical mode.</li> </ol> <p>The word ‘transaction’ shall include purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, and systematic transfer plan.</p>

	<p>CAS shall not be received by the Unit holders for the folio(s) wherein the PAN details are not updated.</p> <p>The Unit holders are therefore requested to ensure that the folio(s) are updated with their PAN. For Micro SIP and Sikkim based investors whose PAN details are not mandatorily required to be updated Account Statement will be dispatched by LIC MF/Karvy for each calendar month on or before 10th of the immediately succeeding month.</p> <p>In case of a specific request received from the Unit holders, LIC MF/Karvy will provide the account statement to the investors within 5 Business Days from the receipt of such request.</p>
<p><b>14. Dividend</b></p>	<p>Depending upon the earnings, returns in the shape of dividend will be declared subject to availability of distributable surplus. The dividend income will be reinvested in the scheme units at the prevailing Selling Price in case of dividend reinvestment option. However declaration of Dividend and /or issue of Bonus units to the unit holder will be on the basis of income earned and other factors including the taxation angle and at the absolute discretion of the Trustees. For dividend payout option, the dividend warrants shall be dispatched to the unitholders within 30 days of the date of declaration of the dividend.</p> <p>Unit holders having a bank account with certain banks with which the Mutual Fund would have an arrangement from time to time, the dividend proceeds shall be electronically credited to their account.</p> <p>In case of specific request for dividend by warrants/cheques/demand drafts or unavailability of sufficient details with the Fund, the dividend will be paid by warrant/cheques/demand drafts and payments will be made in favour of the unitholder (registered holder of the Unit or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Fund.</p> <p>Please note that it is mandatory for the unitholders to provide the bank account details as per SEBI guidelines</p>
<p><b>16. Redemption</b></p>	<p>The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of redemption or repurchase.</p> <p>For redeeming units of the Scheme, an investor would need to submit a duly filled-in redemption application at any of ISC/Official Point of Acceptance. The redemption/ switch would be permitted to the extent of credit balance in the unit holder's account. The redemption/ switch request can be made by specifying either the number of units or the amount (in rupees) to be redeemed.</p> <p>In case the investor specifies the number of units and amount to be redeemed, the number of units shall be considered for redemption. In case the unitholder does not specify the number of units or amount to be redeemed, the redemption request will not be processed.</p> <p>For details regarding the minimum amount for redemption please see the point on "Minimum amount for purchase/Redemption /Switches" in this document.</p> <p><b>Restriction on redemption:</b> In the larger interest of the unitholders of the Scheme, the AMC may, in consultation with the Trustee, keeping in view unforeseen circumstances / unusual market conditions, limit the total number of units which may be redeemed on any business day to such a percentage of the total number of units issued and outstanding under any Scheme/Plan/Option as the AMC may determine. For details, please refer to the SAI.</p> <p>The AMC reserves the right to, in consultation with the Trustee, suspend the</p>

purchase and/ or redemption of units temporarily or indefinitely, in case of unforeseen extraordinary circumstances. For details, please refer to paragraph on „Suspension of Purchase and / or Redemption of Units and Dividend Distribution“ in the SAL.

However, in order to bring more clarity and to protect the interest of the investors, SEBI vide circular Ref. no. **SEBI/HO/IMD/DF2/CIR/P/2016/57 dated May 31, 2016** stated that the following requirement shall be observed before imposing restriction on redemptions:

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

i. **Liquidity issues** - when market at large becomes illiquid affecting almost all securities rather than any issuer specific security. The AMC should have in place sound internal liquidity management tools for schemes. Restriction on redemption cannot be used as an ordinary tool in order to manage the liquidity of a scheme. Further, restriction on redemption due to illiquidity of a specific security in the portfolio of a scheme due to a poor investment decision shall not be allowed.

ii. **Market failures, exchange closures** - when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies.

iii. **Operational issues** – when exceptional circumstances are caused by *force majeure*, unpredictable operational problems and technical failures (e.g. a black out). Such cases will only be considered if they are reasonably unpredictable and occur in spite of appropriate diligence of third parties, adequate and effective disaster recovery procedures and systems.

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

c. Any imposition of restriction would require specific approval of Board of AMCs and Trustees and the same will be informed to SEBI immediately.

d. When restriction on redemption is imposed, the following procedure shall be applied:

1) No redemption requests upto INR 2 lakh shall be subject to restriction.

2) Where redemption requests are above INR 2 lakh, first INR 2 lakh shall be redeemed without any restriction and remaining part over and above INR 2 lakh shall be subject to the restriction.

**Payment of redemption proceeds:**

Please note that it is mandatory for the investors of mutual fund schemes to mention their bank account numbers in their applications. /requests for redemption. Also, please refer to the point on “Registration of Multiple Bank Accounts in respect of investor folio” given elsewhere in the document for further details.

**Resident Investors:**

In case of Unit holders having a bank account with certain banks with which the Mutual Fund would have an arrangement from time to time, the redemption proceeds shall be electronically credited to their account.

The redemption proceeds shall be electronically credited to the extent feasible to the investor’s bank account. In case of specific requests, redemption proceeds will

be paid by way of cheques/demand drafts in favour of the unitholder (registered holder of the Unit or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Fund.

The AMC reserves the right to provide the facility of redeeming Units of the Scheme through an alternative mechanism including but not limited to online transactions on the Internet through the AMC website or any other website, etc., as may be decided by the AMC from time to time. The alternative mechanisms would be applicable to only those investors who opt for the same in writing and/or subject to investor fulfilling such conditions as the AMC may specify from time to time.

**Redemption by NRIs:**

For NRIs, redemption proceeds will be remitted depending upon the source of investment as follows:

- Where the payment for the purchase of the units redeemed was made out of funds held in NRO account, the redemption proceeds will be credited to the NRI investor's NRO account
- Where the units were purchased on repatriation basis and the payment for the purchase of the units redeemed was made by inward remittance through normal banking channels or out of funds held in NRE / FCNR account, the redemption proceeds will be credited to his NRE / FCNR / NRO account

**Note :**

- i. The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations, while converting the rupee amount in foreign exchange in the case of transactions with NRIs / FIIs.
- ii. Payment to NRI / FII Unit holders will be subject to the relevant laws / guidelines of the RBI as are applicable from time to time (also subject to deduction of tax at source as applicable).
- iii. The Fund may make other arrangements for effecting payment of redemption proceeds in future.
- iv. The cost related to repatriation, if any will be borne by the Investor.

**Effect of Redemptions**

The balances in the unit holder's account will stand reduced by the number of units redeemed. Units once redeemed will be extinguished and will not be reissued

**Unclaimed redemptions and dividends**

In partial modification of SEBI circular no. MFD / CIR / 9 / 120 / 2000, dated November 24, 2000, SEBI vide its circular No. Ref SEBI/HO/IMD/DF2/CIR/P/2016/37 dated February 25, 2016 has mandated that the unclaimed redemption and dividend amounts, that are currently allowed to be deployed only in call money market or money market instruments, shall also be allowed to be invested in a separate plan of Liquid scheme / Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts. AMCs shall not be permitted to charge any exit load in this plan and TER (Total Expense Ratio) of such plan shall be capped at 50 bps.

Investors who claim the unclaimed amounts during a period of three years from the due date shall be paid initial unclaimed amount along-with the income earned on its deployment. Investors, who claim these amounts after 3 years, shall be paid initial unclaimed amount along-with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education.

The AMC has provided on its website, the list of names and addresses of investors in whose folios there are unclaimed amounts. Please visit <https://online.licmf.com/General/unclaimeddividend.aspx> for the same.

**Bank Details:**

In order to protect the interest of Unit holders from fraudulent encashment of redemption / dividend cheques, SEBI has made it mandatory for investors to provide their bank details viz. name of bank, branch, address, account type and number, etc. to the Mutual Fund. Applications without complete bank details shall be rejected. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques / warrants and / or any delay / loss in transit.

Registration of Multiple Bank Accounts in respect of an Investor Folio:  
An Investor can register with the Fund upto 5 bank accounts in case of individuals and HUFs and upto 10 in other cases. In case of Multiple Registered Bank Account, Investor may choose one of the registered bank accounts for the credit of redemption/ dividend proceeds (being "Pay-out bank account"). In case the investor fails to mention any preference, then by default the first number indicated in the list shall be the preferred account number. However the entire proceeds will necessarily be credited to a Single Account and shall not be allocated to multiple bank accounts.

Investor may however, specify any other registered bank accounts for credit of redemption proceeds at the time of requesting for the redemption. Investor may change such Pay- out Bank account, as necessary, through written instructions.

For the purpose of registration of bank account(s), Investor should submit Bank Mandate Registration Form (available at the ISCs/ AMC Website) together with other requisite documents. For further details please refer to paragraph on "Registration of Multiple Bank Accounts in respect of an Investor Folio" in the SAI.

**Registration of Multiple Bank Accounts in respect of an Investor Folio:**

An Investor can register with the Fund upto 5 bank accounts in case of individuals and HUFs and upto 10 in other cases.

Registering of Multiple Bank Accounts will enable the Fund to systematically validate the pay-in of funds and avoid acceptance of third party payments.

For the purpose of registration of bank account(s), Investor should submit Bank Mandate Registration Form (available at the ISCs/ AMC Website) together with any of the following documents:

- Cancelled original cheque leaf in respect of bank account to be registered where the name of the account number and names of the account holders are printed on the face of the cheque; or
- Bank statement or copy of Bank Pass Book page with the Investor's Bank Account number, name and address.

The above documents will also be required for change in bank account mandate submitted by the Investor.

The AMC will register the Bank Account only after verifying that the sole/ first joint holder is the holder / one of the joint holders of the bank account. In case if a copy of the above documents is submitted, Investor shall submit the original to the AMC/ Service Centre for verification and the same shall be returned.

In case of Multiple Registered Bank Account, Investor may choose one of the registered bank accounts for the credit of redemption/ dividend proceeds (being "Pay-out bank account").

Investor may however, specify any other registered bank accounts for credit of redemption proceeds at the time of requesting for the redemption. Investor may

	<p>change such Pay- out Bank account, as necessary, through written instructions.</p> <p>However, if request for redemption is received together with change of bank account (unregistered new bank account) or before verification and validation of new bank account, the redemption request would be processed to the currently registered default old bank account.</p> <p>For further details please refer to the SAI.</p> <p>The AMC reserves the right to alter/ discontinue all / any of the abovementioned special product(s)/ facility (ies) at any point of time.</p> <p>Further, the AMC reserves the right to introduce more special product(s) / facility (ties) at a later date subject to prevailing SEBI Guidelines and Regulations.</p>
<p><b>15. Delay in payment of redemption / repurchase proceeds/ dividend</b></p>	<p>The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of redemption or repurchase and the dividend warrants shall be dispatched to the unitholders within 30 days of the date of declaration of the dividend.</p> <p>The AMC shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).</p> <p>However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC / Trustee is required to obtain from the investor / unitholders, verification of identity or such other details relating to subscription for units under any applicable law or as may be requested by a regulatory body or any government authority, which may result in delay in processing the application.</p>
<p><b>16.Cash Investments in Mutual Fund</b></p>	<p>In partial modification of SEBI Circular Ref. No. CIR/IMD/DF/21/2012 dated 13/09/2012, SEBI vide its Circular Ref. No. :CIR/IMD/DF/10/2014 dated 22/05/2014 had increased the limit of cash transactions in Mutual Funds from Rs 20,000/- to Rs.50,000/- per investor, per Mutual Fund, per financial year subject to compliance with Prevention of Money Laundering Act, 2002 and Rules framed there under , the SEBI Circular(s) on Anti Money Laundering(AML) and other applicable AML rules, regulations and guidelines.</p> <p><b>a) Eligible Investors-</b></p> <ul style="list-style-type: none"> <li>• Only resident individuals,</li> <li>• Sole proprietorships and minors (through guardians)</li> <li>• who are KYC Compliant and have a Bank Account can make Cash Investments(for remitting redemption proceeds).</li> </ul> <p><b>b) Subscription Limit:</b> Rs. 50,000/- limit would be tracked on the basis PAN (Permanent Account Number) or PEKRN (PAN Exempted KYC Reference Number) issued by KRA.</p> <p><b>c) Following schemes will be available for CASH Transaction:</b> 1) LIC MF Banking &amp; PSU Debt Fund 2) LIC MF Debt Hybrid Fund 3) LIC MF Equity Hybrid Fund 4) LIC MF Multi Cap Fund 5) LIC MF Large Cap Fund 6) LIC MF Savings Fund 7) LIC MF Banking and Financial Services Fund 8) LIC MF Children’s Gift Fund 9) LIC MF Infrastructure Fund 10) LIC MF Large &amp; Mid Cap Fund</p> <p><b>d) Mode of application:</b> Applications for subscription with ‘Cash’ as mode of payment can be submitted in physical form only at all Branch Offices of LIC Mutual Fund and Registrar &amp; Transfer Agent (Karvy) which are designated as Point of Acceptance (POA) for schemes of LIC Mutual Fund. Cash Investments cannot be made through electronic modes such as website of the Asset Management Company, Channel Distributors or through Stock Exchange Platforms, etc.</p> <p><b>e) Cash collection facility with Corporation Bank :</b> Currently, the Asset Management Company has made arrangement with Corporation Bank to collect cash at its all branches from investors (accompanied by a deposit slip issued and verified by the Asset Management</p>



	<p>Company)</p> <p><b>f) Procedure for Subscription through Cash:</b>  Investor who wish to subscribe through cash as a payment mode will have to follow the below procedure:  1. Collect the Cash Deposit Slip (available in triplicate) from at all Branch Offices of LIC Mutual Fund and Registrar &amp; Transfer Agent (Karvy) which are designated as Point of Acceptance (POA).  2. Investor is required to fill and submit the duly filled deposit slip with the scheme code and the amount of cash at the nearest Corporation Bank branch.  3. Acknowledged copy of the deposit slip received from the Bank along with the Scheme application form/ transaction slip duly filled and completed in all respect shall be submitted to branches of LIC Mutual Fund or Registrar &amp; Transfer Agent (Karvy) which are designated as Point of Acceptance (POA) for schemes of LIC Mutual Fund for time stamping.  4. Investors must mention their name and folio number/ application number on the reverse of the Bank-acknowledged deposit slip. The pay-out bank account details are also required to be specified in the application form by the investors.  5. Payment of proceeds pertaining to redemptions, dividend, etc. with respect to Cash Investments shall be made only through the pay-out bank account mentioned in the application form or as registered in the folio (as applicable) as Bank mandate.</p> <p><b>g) Applicability of NAV :</b>  Applicability of NAV shall be based on receipt and time stamping of application form alongwith Bank-acknowledged deposit slip.</p> <p><b>h) Other Conditions :</b></p> <ul style="list-style-type: none"> <li>• Maximum amount of subscription: If the amount of subscription (together with the investments already made through cash in the same financial year) exceeds Rs.50,000/-, the application will be rejected.</li> <li>• Payment of proceeds pertaining to redemptions, dividend, etc. with respect to Cash Investments shall be made only through the pay-out bank account mentioned in the application form or as registered in the folio (as applicable) as Bank mandate.</li> <li>• In case of mismatch in the amount mentioned in application form and cash deposited in bank, units shall be allotted as per credit received from bank.</li> <li>• Cash deposited but application not submitted : If cash is deposited directly at branch of Corporation Bank and application is not submitted at LIC Mutual Fund/Karvy Offices, amount shall be refunded to investor based on receipt of following documents : <ul style="list-style-type: none"> <li>• Existing Investor: Request letter, Bank acknowledged deposit slip copy.</li> <li>• New Investor: Request letter containing the bank details alongwith personalised cancelled cheque in which the refund needs to be issued, bank acknowledged deposit slip copy, and PAN card copy or any other valid id proof.</li> </ul> </li> </ul>
<p><b>17.Option to hold in Demat form</b></p>	<p>As per SEBI Circular Ref CIR/IMD/DF/9/2011 dated May 19, 2011, the investors are provided an option with effect from October 1, 2011 to receive allotment of Mutual Fund units in their demat account while subscribing to any open ended/close ended/interval scheme ( except for daily/weekly/fortnightly dividend options under all schemes), and accordingly , an option to the investors to mention demat account details in the subscription form, in case they desire to hold units in demat form , is also provided.</p> <p>Further, as a compliance to SEBI's letter ref IMD/30962 /2011 dated 29th September 2011 to Association of Mutual Funds in India ( AMFI) and the guidelines issued by AMFI subsequently vide letter ref 35P/MEM-COR/35/11-12 dated 23rd December 2011, the investors are provided an option with effect from January 01, 2012 to receive allotment of Mutual Fund units in their demat account while subscribing to any open ended/close ended/interval scheme (daily/weekly/fortnightly dividend options under all schemes) also for SIP ( Systematic Investment Plan) transactions, however, the units will be</p>

	allotted based on the applicable NAV as per Scheme Information Document and will be credited to investors Demat Account on weekly basis on realisation of funds.
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### C. PERIODIC DISCLOSURES

<p><b>Net Asset Value</b> This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with our unit balance.</p>	The Mutual Fund shall declare the Net Asset value of the scheme on every business day on AMFI's website www.amfiindia.com by 9:00 p.m. and also on our website at www.licmf.com
<p><b>Monthly Portfolio Disclosures</b></p>	Mutual funds/AMCs will disclose portfolio (along with ISIN) as on the last day of the month for all their schemes on their respective website on or before the tenth day of the succeeding month in a user- friendly and downloadable format (preferably in a spreadsheet) in the format as that of half-yearly portfolio disclosures.
<p><b>Half yearly disclosures: Portfolio / Financial results</b> This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	The mutual fund shall publish a complete statement of the scheme portfolio and the unaudited financial results, within one month from the close of each half year (i.e. 31st March and 30th September), by way of an advertisement at least, in one National English daily and one regional newspaper in the language of the region where the head office of the mutual fund is located. The mutual fund may opt to send the portfolio to all unit holders in lieu of the advertisement (if applicable). The monthly portfolio can be accessed at <a href="http://www.licmf.com/index.php/template/downloads/monthly_fact_sheet">http://www.licmf.com/index.php/template/downloads/monthly_fact_sheet</a>
<p><b>Half yearly results</b></p>	The Trustees and the AMC shall, at the close of each half year, i.e. 31st March & 30th September, publish the unaudited Half yearly financial results of the schemes in one English daily newspaper and in a local vernacular newspaper before the expiry of 1 month. In addition the portfolio can also be obtained upon specific request at the authorized centres of the Fund and on its web site 'www.licmf.com'.
<p><b>Annual Report</b></p>	The scheme- wise Annual Report of the Mutual Fund or an abridged summary thereof shall be published as soon as may be but not later than 6 months from the date of closure of the relevant accounts year as per the Eleventh schedule of the regulations. An Abridged scheme- wise annual report and the portfolio shall be mailed to all Unit holders not later than 6 months from the date of closure of the relevant accounting year and the full annual report shall be available for inspection at the corporate office of LIC Mutual fund and a copy shall be made available the Unit holders on request on payment of nominal fees, if any.
<p><b>Associate Transactions</b></p>	Please refer to Statement of Additional Information (SAI)
<p><b>Taxation</b> The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors / authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.</p>	For Further details on taxation, please refer to the Section on 'Taxation' in 'Statement of Additional Information ('SAI')'. Investors should be aware that the fiscal rules/ tax laws may change and there can be no guarantee that the current tax position may continue indefinitely.

<p><b>Mailing of Annual report or abridged Summary</b></p>	<p>SEBI has advised the AMC/Mutual Fund to adhere to the provisions of Regulation 56 of SEBI (Mutual Funds) Regulations, 1996 and amendments thereto, read with SEBI circular No. Cir/ IMD/ DF/16/ 2011 dated September 8, 2011, pertaining to the mailing of annual report and/or abridged summary thereof. Accordingly, the Scheme wise annual report or an abridged summary hereinafter shall be sent by AMC/Mutual Fund as under:</p> <p>(i) by e-mail to the Unit holders whose e-mail address is available with the Fund,  (ii) in physical form to the Unit holders whose email address is not available with the Fund and/or to those Unit holders who have opted / requested for the same.</p> <p>The physical copy of the scheme wise annual report or abridged summary shall be made available to the investors at the registered office of the AMC. A link of the scheme annual report or abridged summary shall be displayed prominently on the website of the Fund. All other terms and conditions of the Scheme Information Document(s)/ Statement of Additional Information/Key Information Memorandum(s) will remain unchanged.</p> <p>This addendum shall form an integral part of the Scheme Information Document(s)/ Statement of Additional Information/ Key Information Memorandum(s) of the Scheme(s) of LIC Mutual Fund as amended from time to time.</p>	
<p><b>For Investor Grievances please contact</b></p>	<p>For enquires/complaints/service requests etc. the investors may contact: Phone:-022-66016000 or Send an e-mail to corp.office@licmf.com.</p> <p><b>LIC Mutual Fund Asset Management Limited</b>  <b>Ms. Sonali Pandit, Manager (RTA-Operations)</b>  <b>4th Floor, Industrial Assurance Building, Opp. Churchgate Station, Mumbai - 400 020.</b>  EMAIL: service@licmf.com</p> <p>For verification of investor's identity, the service representatives may require personal information of the investor in order to protect confidentiality of information. The Asset Management will at all times endeavor to handle transactions efficiently and to resolve any investor grievances promptly.</p>	<p><b>M/s. Karvy Computershare Pvt. Ltd.</b>  <b>Karvy Selenium Tower B</b>  <b>Plot number 31 &amp; 32 Financial District</b>  <b>Nanakramguda</b>  <b>Serilingampally Mandal</b>  <b>Hyderabad - 500032</b>  <b>PH: 040 3321 5277</b>  <b>www.karvycomputershare.com</b></p>

#### D. COMPUTATION OF NAV

The Net Asset Value (NAV) per Unit of the respective Plan(s) will be computed by dividing the net assets of the Plan(s) by the number of Units outstanding under the Plan(s) on the valuation date. The Mutual Fund will value its investments according to the valuation norms, as specified in Schedule VIII of the SEBI (MF) Regulations, or such norms as may be specified by SEBI from time to time. In case of any conflict between the Principles of Fair Valuation and valuation guidelines specified by SEBI, the Principles of Fair Valuation shall prevail.

NAV of Units under each Plan shall be calculated as shown below:

**Market or Fair Value of the Plan's Investments**  
**+ Current Assets**  
**- Current Liabilities and Provisions**

NAV (Rs.) = -----  
**per Unit No. of Units outstanding under each Plan**

The AMC will calculate and disclose the first NAV of the Plan(s) not later than 5 Business Days from the allotment of units of the respective Plan(s). Subsequently, the NAV of the Plan(s) will be calculated and disclosed at the close of every Business Day. Each Plan will be managed as a separate investment Portfolio. Separate NAV will be calculated and announced for each of the Options of the respective Plan(s) at the close of every Business Day. The NAVs will be calculated upto 4 decimals. Units will be allotted in whole figure

**E. ADDITIONAL DISCLOSURES**

**Scheme's Portfolio –**

**a) Issuer Exposure**

Name of the issuer	% of Scheme
Tech Mahindra Ltd.	4.86
Supreme Industries Ltd.	4.57
Tata Power Company Ltd.	3.75
Jk Lakshmi Cement Ltd.	3.67
Larsen & Toubro Ltd.	3.64
Kpit Technologies Ltd.	3.52
Mahindra & Mahindra Ltd.	3.45
Endurance Technologies Ltd.	3.16
Dabur India Ltd.	3.01
Bajaj Corp Ltd.	2.89
Others	34.15
Cash & Cash Equivalent:	29.33
<b>Total</b>	<b>100.00</b>

**b) Sector Allocation**

Sector / Industry Classification	% To Total Assets
Cash & Cash Equivalent:	29.33
Software	9.91
Industrial Products	6.99
Power	6.57
Pharmaceuticals	6.50
Consumer Non Durables	5.90
Auto	4.95
Construction	4.69
Banks	3.87
Cement	3.67
Construction Project	3.64
Petroleum Products	3.36
Auto Ancillaries	3.16
Finance	1.73
Transportation	1.67
Telecom - Services	1.64
Mutual Fund Units	1.62
Oil	0.80
<b>Grand Total</b>	<b>100.00</b>

- 1) Scheme's Portfolio Turnover ratio :- 0.89 times.
- 2) The aggregate investment in the scheme under the following Categories :-
  - i) AMC's Board of Directors (Amt. in lacs) - NIL
  - ii) Concerned scheme's Fund Manager(s) -(Amt. in lacs) - NIL
  - iii) Other key managerial personnel - NIL
- 3) The latest monthly portfolio can be accessed at  
[http://www.licmf.com/index.php/template/downloads/monthly\\_fact\\_sheet](http://www.licmf.com/index.php/template/downloads/monthly_fact_sheet)

**3) Illustration of impact of expense ratio on scheme's returns :-**

"Suppose an investor invests Rs. 10000 in an equity oriented fund with a prevailing NAV of Rs. 12 then he will be allotted 833.33 units (10000/12). Say in one year the fund's underlying portfolio generates an return of 12% and scheme's Total Expenses Ratio is 2.5%. In this case, his NAV will increase to Rs. 13.14 i.e.9.5% (12% -2.5%) and not by 12%. The value of his units after one year would be Rs.10950 (833.33 X 13.14)."

	Regular Plan	Direct Plan
Face Value of Scheme XY	1,000.00	1,000.00
Allotment NAV	1,000.00	1,000.00

Total Collections	150,000,000.00	50,000,000.00
No of Unit	150,000.00	50,000.00
Investment Income	30,821.92	10,273.97
Assume @7.50% p.a		
Net Assets before expenses	150,030,821.92	50,010,273.97
NAV Per Unit before Expenses	1,000.2055	1,000.2055
Expenses 2.5% for Regular Plan and 2.0% for Direct Plan	10,276.79	2,740.48
Net Assets after Expenses	150,020,545.13	50,007,533.50
NAV Per Unit After Expenses	1000.137	1000.1507
Return post Expenses	5.00%	5.50%
Return prior Expenses	7.50%	7.50%

### III. FEES AND EXPENSES

This section outlines the expenses that will be charged to the scheme.

#### A. NEW FUND OFFER (NFO) EXPENSES: NA

#### B. ANNUAL SCHEME RECURRING EXPENSES: (as a % of average weekly net assets)

These are the fees and expenses for operating the Scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar's fee, marketing and selling costs etc., as given in the table related to estimated annualized recurring expenses as a % of daily net assets of the Schemes.

The Schemes may be charged with the approval of the Trustee within overall limits as specified in the Regulations except those expenses which are specifically prohibited. The annual total of all charges and expenses of the scheme shall be subject to the following limits, which under Regulation 52:

Maximum limit of recurring expenses under Regulation 52 are as under:

Slab Rates	Debt Schemes	Additional TER as per Regulation 52 (6A) (c)^	Additional TER as per Regulation 52 (6A) (b)^
	As a % of daily net assets as per Regulation 52 (6) (c)		
On the first INR 100 Crores	2.50%	0.20%	0.30%
On the next INR 300 Crores	2.25%	0.20%	0.30%
On the next INR.300 Crores	1.75%	0.20%	0.30%
On the balance of the assets	1.50%	0.20%	0.30%

^In addition to expenses as permissible under Regulation 52 (6) (c), the AMC may charge the following to the concerned scheme of the Fund under Regulation 52 (6A):

- a. Additional expenses up to 0.30 per cent of daily net assets of the concerned schemes of the Fund if new inflows from such cities as may be specified by Regulations from time to time are at least:
  - (i) 30 per cent of gross new inflows in the concerned scheme, or;
  - (ii) 15 per cent of the average assets under management (year to date) of the concerned scheme, whichever is higher.

Provided that if inflows from such cities is less than the higher of (i) or (ii) mentioned above, such expenses on daily net assets of the concerned scheme shall be charged on proportionate basis.

The additional expenses charged shall be utilised for distribution expenses incurred for bringing inflows from such cities.

The additional expense charged to the scheme on account of inflows from such cities shall be credited back to the concerned scheme in case such inflows are redeemed within a period of one year from the date of investment.

- b. Brokerage and transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment, not exceeding 0.12 per cent in case of cash market transactions
- c. Additional expenses incurred towards different permissible heads, not exceeding 0.20 percent of daily net assets of the concerned scheme.

In Addition to expenses under Regulation 52 (6) and (6A), AMC may charge GST on investment and advisory fees, expenses other than investment and advisory fees and brokerage and transaction cost as below:

- a. GST on investment and advisory fees: AMC may charge service tax on investment and advisory fees of the scheme in addition to the maximum limit of TER as per the Regulation 52(6) and (6A).
- b. GST on expenses other than investment and advisory fees: AMC may charge GST on expenses other than investment and advisory fees of the scheme, if any within the maximum limit of TER as per the Regulation under 52(6) and (6A).
- c. GST on brokerage and transaction cost: The GST on brokerage and transaction costs which are incurred for the purpose of execution of trade, will be within the limit of TER as per the Regulation 52(6) and (6A).

Further, it is clarified that the brokerage and transaction cost incurred for the purpose of execution of trade may be capitalized to the extent of 0.12 percent for cash market transactions. Any payment towards brokerage and transaction cost, over and above the said 12 bps cash market transactions may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (MF) Regulations. Any expenditure in excess of the said prescribed limit (including brokerage and transaction cost, if any) shall be borne by the AMC or by the trustee or sponsors.

The AMC has estimated following recurring expenses, as summarized in the below table for each scheme. The expenses are estimated on a corpus size of INR 100 crores and have been made in good faith as per the information available to the AMC. The total expenses may be more or less than as specified in the table below. Expenses over and above the presently permitted regulatory limit will be borne by the AMC. The below expenses are subject to inter-se change and may increase/decrease as per actual, and/or any change in the Regulations.

<b>Estimated total expenses as a % of daily net assets of the Schemes</b>		
<b>Nature of Expense</b>	<b>Regular Plan</b>	<b>Direct Plan</b>
Investment Management and Advisory Fees	Upto 2.50%	Upto 2.25%
Trustee fee*		
Audit fees		
Custodian fees		
RTA Fees		
Marketing & Selling expense incl. agent commission		
Cost related to investor communications		
Cost of fund transfer from location to location		
Cost of providing account statements and dividend redemption cheques and warrants		
Costs of statutory Advertisements		
Cost towards investor education & awareness (at least 2 bps)		
Brokerage & transaction cost over and above 12 bps cash.		
GST on expenses other than investment and advisory fees**		
GST on brokerage and transaction cost		
<b>Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and (6) (a)</b>	<b>Upto 2.50%</b>	Upto 2.25%
Additional expenses for gross new inflows from specified cities	Upto 0.30%	Upto 0.30%

\*The Trusteeship fees as per the provisions of the Trust Deed are subject to a maximum of 0.02% of the average net Trust Funds per annum. It has been decided by the Trustee to charge the Trusteeship Fees in proportion to the net assets of each of the Schemes of the Mutual Fund. The Trustee reserves the right to change the method of allocation of Trusteeship fees among various Schemes, from time to time.

\*\* Mutual funds /AMCs may charge GST on investment and advisory fees to the scheme in addition to the maximum limit of TER as prescribed in regulation 52 of the Regulations.

\$ The nature of expenses can be any permissible expenses including management fees.

The overall fees upto 2.5% for Regular Plan and 2.25% for direct plan would be Fungible as per current SEBI regulation The above indicative expenses would be applicable to respective plans as mentioned in the above table. The purpose of the above table is to assist the investor in understanding the various costs & expenses that the investor in the Schemes will bear directly or indirectly.

Expense Structure for Direct Plan - The annual recurring expenses will be within the limits specified under the SEBI (Mutual Funds) Regulations, 1996.

However, Direct Plan will have lower expense ratio than Regular Plan of the Scheme. The expenses under Direct Plan shall exclude the distribution and commission expenses.

The mutual fund would update the current expense ratios on its website (viz. <http://www.licmf.com>) at least three working days prior to the effective date of the change.

### C. TRANSACTION CHARGES

SEBI has allowed Asset Management Companies (AMCs) to deduct transaction charges per subscription of Rs.10,000/- and above, vide its Circular No. Cir/ IMD/ DF/13/ 2011 dated August 22, 2011.

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

#### (i) First Time Mutual Fund Investor (across Mutual Funds):

Transaction charge of Rs. 150/- for subscription of Rs. 10,000 and above will be deducted from the subscription amount and paid to the distributor/agent of the first time investor and the balance shall be invested.

#### (ii) Investor other than First Time Mutual Fund Investor:

Transaction charge of Rs. 100/- per subscription of Rs. 10,000 and above will be deducted from the subscription amount and paid to the distributor/agent of the investor and the balance shall be invested.

However, transaction charges in case of investments through Systematic Investment Plan (SIP) shall be deducted only if the total commitment (i.e. amount per SIP instalment x No. of instalments) amounts to Rs. 10,000/- or more. The Transaction Charges shall be deducted in 3-4 instalments.

**(iii) Transaction charges shall not be deducted for:** purchases /subscriptions for an amount less than Rs. 10,000/-; transaction other than purchases/ subscriptions relating to new inflows such as Switch/ STP/SWAP/DTP, etc purchases/subscriptions made directly with the Fund (i.e. not through any distributor/agent). Purchases/subscriptions carried out through NSE MFSS (or through other stock exchange platform(s) added from time to time.

### D. LOAD STRUCTURE

Load is an amount which is paid by the investor to subscribe to the units or to redeem the units from the scheme. This amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC ([www.licmf.com](http://www.licmf.com)) or may call at Area offices / Business s or your distributor.

Type of Load	Load chargeable (as %age of NAV)
Entry	Nil
Exit	Nil

#### Load exemptions, if any: (e.g. Fund of Funds)

Bonus units and units issued on reinvestment of dividends shall not be subject to entry and exit load.

All loads including Contingent Deferred Sales Charge (CDSC) for the scheme shall be maintained in a separate account and may be utilized towards meeting the selling and distribution expenses. Any surplus in this account may be credited to the scheme, whenever felt appropriate by the AMC.

The investor is requested to check the prevailing load structure of the scheme before investing.

For any change in the load structure the AMC will issue an addendum and display it on the website/investor service centres.

#### **IV.WAIVER OF LOAD**

Pursuant to SEBI Circular no SEBI/IMD/CIR No 4/16831/09 dated June 30 2009 no entry load shall be charged for all mutual funds schemes. Therefore procedure for waiver of load for direct application is no longer applicable.

#### **VI.RIGHTS OF UNITHOLDERS**

Please refer to SAI for details

#### **VII.PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY.**

A penalty of INR 1 Lac each has been imposed on LIC Mutual Fund and LIC Mutual Fund Asset Management Ltd. for violation of investment norms as per SEBI (Mutual Funds) Regulations, 1996 Vide adjudication order dated 31/12/2002. The same has been paid off by both LIC Mutual Fund and LIC Mutual Fund Asset Management Ltd.

Notes:

The Scheme under this Document was approved by the Trustee at its meeting. The Trustee has ensured that LIC MF Children's Gift Fund is a new product offered by LIC Mutual Fund and is not a minor modification of its existing schemes.

The information contained in this Document regarding taxation is for general information purposes only and is in conformity with the relevant provisions of the tax laws, and has been included relying upon advice provided to the Fund's tax advisor based on the relevant provisions of the currently prevailing tax laws.

Any dispute arising out of this issue shall be subject to the exclusive jurisdiction of the Courts in India. Statements in this Scheme Information Document are, except where otherwise stated, based on the law, practice currently in force in India, and are subject to changes therein

**Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under and guidelines and directives issued by SEBI from time to time shall be applicable.**

**For and on behalf of the Board of Directors of the Asset Management Company of the Mutual Fund**

**Date: 04/06/2018**

**Place: Mumbai**

**Raj Kumar**  
**Chief Executive Officer**



# LIST OF OFFICIAL POINTS OF ACCEPTANCE OF TRANSACTIONS

Website of LIC MF: [www.licmf.com](http://www.licmf.com) Email: [service@licmf.com](mailto:service@licmf.com)

## LIC Mutual Fund: Branch Offices

**AHMEDABAD** 'Jeevan Sadan', Opp Capital Commercial Centre, Asram Road, Ahmedabad-380006 (079 -26588301 / 65431989 /9375090006) **BANGALORE** --4, Canara building, Opp. Cash Pahrmary,2nd floor, Residency Road, BANGALORE – 560025 (080-22210180/22295598/9845280964) **BHUBANESWAR**: Plot No.- 263,Ground Floor, Opposite Biju Pattnaik College, Jayadev Vihar, Bhubaneswar, Odisha - 751015. Tel.: 9439455522. **CHANDIGARH** -SCO 20-30,Jeevan Prakash Building, Ground Floor, Sector 17-B CHANDIGARH.PIN CODE: 160017 (0172-4622030 / 9888111190) **CHENNAI** - 15, Anna Salai, Next to V G P Building, Chennai-600002 (044 - 28411984 / 28555883 /9940178266 ) **COIMBATORE** - LIC Mutual Fund,, C/O LIC Divisional Office, 'India Life Building', No:1543/44,Trichy Road, Coimbatore-641018 **DELHI** -Jeevan Prakash, 25, K G Marg, New Delhi-110001(011 - 23359190/23314396/64663650/ 9811464244 ) **ERNAKULAM**-11th floor, Jeevan Prakash, LIC Divisional Office, M G Road, Ernakulam -(0484 – 2367643/9895036554 )-**HUBLI** -C/OLIC Branch Office No 1, Lamington Road, Beside HPO, Hubli-580020 (0836-4260523 /9880058223) **HYDERABAD** -House No.5-9-57,4th floor Jeevan Jyothi Bldg, Baseerbagh, Hyderabad-500029 (040 - 23244445 / 23210572 /8897656665 ) **INDORE** - U V Business Centre,1st floor,9/1-A, Tukoganj, Indore-452001 (0731 – 2520262 /9584028359 ) **JAIPUR**- 327-A,3rd floor, Ganapati Plaza, M I Road, Jaipur-1 (0141 – 5112620 /7023953465 ) **KANPUR**-Jeevan Vikas,16/98, M G Road Kanpur-208001(0512 - 2360240 / 3244949/ 7275430214 ) **KOLKATA**- Hindustan Bldg,Gr floor, 4, Chittaranjan Avenue,Kolkata-700072(033 – 22129455 /9474424374 ) **LUCKNOW**-Jeevan Bhavan-2, 7th floor, Naval Kishore Road, Hazratganj, Lucknow-226001 (0522-2231186/4045203 / 9651534267 ) **MUMBAI**-Gr Floor,Industrial Assurance Building,Opp Churchgate Station, Churchgate, Mumbai (022 - 22885971 / 55719750 /9930718555) , 2nd Floor, Jeevan Chintamani, Near R.T.O., Eastern Express Highway, Thane - 400 604 (022-25804738), F-147,Haware Fantasia, Nano Wing, Sector 30 -A, Opp. Vashi Railway Station, Navi Mumbai 400 703 (022-27812522/27812566) **NAGPUR**-Jeevan Seva Bldg, Mount Road, Sadar, Nagpur-440001 (0712-2542497/9422113800 ) **NASIK**-Shop No-02Ground floor, Rajeev Enclave, New Pandit Colony, Nashik-422002(0253 – 2579507/ 9922996155) **PUNE**-C/o LIC of India, 2nd floor, IT deptt, Jeevan Prakash, 6/7 Shivaji Nagar, University Road, Pune- 411005 (020-25537301/9325523480 ) **RAIPUR**-C-29/A, Sector 1,Beside City Center Mall, Devendra Nagar, Raipur-492001 (0771 - 2236780 /4051137/9937040031/ 9425535664) **RAJKOT**-Jeevan Prakash, LIC Office Building, Tagore Marg, Rajkot-360002 (0281-2461522 / 8690444022 ).

## LIC Mutual Fund : Karvy Offices

**Agartala**: Bidurkarta Chowmuhani, J N Bari Road, Tripura (West), Agartala, Tripura -799001 (9862029365,-,0381-2317519) **Agra**: 1St Floor," Deepak Wasan Plaza, Behind Holiday Inn", "Opp Megdoot Furnitures, Sanjay Place", Agra,Uttar Pradesh – 282002 (9219057111, 9045161870, 9369918603) **Ahmedabad**: 201/202 Shail Complex,"Opp: Madhusudan House, B/H Girish Cold Drink", "Off C G Road, Navrangpura", Ahmedabad,Gujarat-380006 (8140670181,9375127799,079-65445550,079-26402967) **Ajmer**:"S.No.1 & 2, 2nd Floor", Ajmer Tower, Kutchery Road, Ajmer, Rajasthan- 305001 (9982338657, 8769397108,0145-5120725,0145-2628055)**Akola**:"Yamuna Tarang Complex, Shop No 30,","Ground Floor, N.H. No- 06, Murtizapur Road", Opp Radhakrishna Talkies, Akola, Maharashtra-444004 (9767930094, 9767930094, 0724-2451874) **Aligarh**: 1St Floor, Kumar Plaza, Aligarh, Uttar Pradesh-202001 (9897518566,-, 9369918604) **Allahabad**:"Rsa Towers, 2Nd Floor", "Above Sony TV Showroom,","57, S P Marg, Civil Lines", Allahabad, Uttar Pradesh-211001 (9621968292,-,9369918605) **Alleppy**:"X1V 172, Jp Towers", Mullackal, Ksrct Bus Stand, Alleppy, Kerala -688011 (9746526280, 0477 2263055) **Alwar**:"101,Saurabh Tower", "Opp. Uit, Near Bhagat Singh Circle", Road No.2, Alwar, Rajasthan- 301001 (9785791578, 9667486970, 0144-3291200, 0144-3291300) **Amaravathi**:"Shop No. 21, 2nd Floor", "Gulshan Tower,","Near Panchsheel Talkies, Jaistambh Square," Amaravathi, Maharashtra -444601 (9922039981, 9922039981, 0721-3291081, 0721-3291081) **Ambala**:"6349,","Nicholson Road," Adjacent Kos Hospitalambala Cant, Ambala, Haryana-133001 (9416916266,-, 9315017301) **Amritsar**: 72-A, Taylor'S Road, Opp Aga Heritage Club, Amritsar, Punjab - 143001 (9814439422, 9988273070, 0183-5053802) **Anand**: B-42 Vaibhav Commercial Center, Nr Tvs Down Town Shrow Room, Grid Char Rasta , Anand, Gujarat-380001 (9824686552, 9662020623) **Ananthapur**:"#15/149, 1St Floor","S R Towers, Subash Road", Opp. To Lalitha Kala Parishad, Anantapur, Andhra Pradesh - 515001 (9908323683, 9966259531, 08554-244449) **Ankleshwar**: L/2 Keval Shopping Center, Old National Highway, Ankleshwar, Ankleshwar, Gujarat - 393002 (02646 645326,, 02646 645326) **Asansol**: 114/71 G T Road, "Near Sony Centre, Bhanga Pachil",- , Asansol, West Bengal -713303 (9002803986, 956312499, 0341-3266507) **Aurangabad**: Ramkunj Niwas , Railway Station Road, Near Osmanpur Circle, Aurangabad, Maharashtra-431005(9604396113,9604396113,0240-2343414,0240-2343414) **Azamgarh**: 1St Floor, Alkal Building, Opp. Nagaripalika Civil Line, Azamgarh, Uttar Pradesh-276001 (8004781413,-,9307910001) **Malleswaram, Bangalore**: No.337, Gf-3, Karuna Complex, Sampige Road, Opp: New Vegetable Market, Malleshwaram, Bangalore - 560 003; **Koramangala, Bangalore**: No. 408, CITA Bldg, I Floor, Next To Vodafone Office , Koramangala, Bangalore - 560 095; **Bangalore**: "59, "Skanda puttanna Road, Basavanagudi, Bangalore, Karnataka- 560004 (9945814576,9611131412,080-26600785,080-26602852/9625) **Balasure**: M.S Das Street,"Gopalgaon, " ,"Balasure,Orissa",Balasure,Orissa,756001,9937273913,8598883282,06782-260503, **Bankura**: Ambika Market Complex (Ground Floor),"Nutanganj, Post & Dist Bankura,",-,Bankura, West Bengal-722101 (9434480586,8900337733,03242- 255964) **Bareilly**:"1St Floor, 165",Civil Linesopp.Hotel Bareilly Palace, Near Railway Station,Bareilly,Uttar Pradesh-243001 (9015316671,-,9369918607) **Barhampore (Wb)**:"Thakur Market Complex, Gorabazar",Post Berhampore Dist Murshidabad,72 No Nayasarak Road,Barhampore (Wb),West Bengal-742101 (9933345701,03482 274494) **Baroda**:"Sb-5, Mangaldeep Complex, "Opp. Masonic Hall,","Productivity Road, Alkapuri, Baroda, Gujarat- 390007 (8238065427,8866180491,0265-6640870,0265-6640871) **Begusarai**: Near Hotel Diamond Surbhi Complex,O.C Township Gate,Kapasiya Chowk,Begusarai,Bihar,851117,9534999935,-,9308793949 **Belgaum**: Cts No 3939/ A2 A1,Above Raymonds Show Room |Beside Harsha Appliances,Club Road, Belgaum ,Karnataka-590001(9611657824,8884503542, 0831 2402544) **Bellary**:"No. 1, Khb Colony","Gandhi Nagar,",-,Bellary,Karnataka -583103 (9742612169, 7204808722, 08392 – 254750) **Berhampur (Or)**: Opp -Divya Nandan Kalyan Mandap,"3rd Lane Dharam Nagar,","Near Lohiya Motor, Berhampur (Or),Orissa-760001(9937447449,9853333217,0680-2228106) **Betul**:"107,1st Floor, Hotel Utkarsh ","| J. H. College Road ,-,Betul,Madhya Pradesh-460001(9981776781,9981776781,07141- 231301) **Bhagalpur**: 2nd Floor, "Chandralok Complex, Ghantaghar",Radha Rani Sinha Road,Bhagalpur,Bihar-812001 (9905788640,8092825227,9386256100) **Bharuch**: Shop No 147-148,Aditya Complex,Near Kasak Circle,Bharuch,Gujarat-392001 (9033936167,02642- 225022,02642-225022) **Bhatinda**: #2047-A 2Nd Floor,The Mall Road,Above Max New York Life Insurance, New Delhi,Punjab-151001 (7837112112,9988270340,0164-5006725) **Bhavnagar**:"Krushna Darshan Complex, Parimal Chowk","Office No. 306-307, 3Rd Floor",Above Jed Blue Show Room,Bhavnagar,Gujarat-364002(9624542735,,0278-3004116) **Bhilai**:"Shop No -1, First Floor","Plot No -1, Commercial Complex",Nehru Nagar- East,Bhilai, Chatisgarh-490020 (9300051444,9424106597,0788-2295999,0788-2295332) **Bhilwara**: Shop No. 27-28,"1St Floor, Heera Panna Market", Pur Road, Bhilwara, Rajasthan-311001 (9251817523,9928484514,01482-246362,01482-246364) **Bhopal**: Kay Kay Business Centre,"133, Zone I, Mp Nagar", Above City Bank, Bhopal,Madhya Pradesh-462011(9630030107,0755-4092711,0755-4092712,0755-4092715) **Bhubaneswar**:"A/181 , Back Side Of Shivam Honda Show Room", Saheed Nagar,-,Bhubaneswar, Orissa-751007(9777457817,9777457817,0674-6534585) **Bikaner**:"70-71, 2nd Floor | Dr.Chahar Building ","Panchsati Circle,Sadul Ganj, Bikaner, Rajasthan-334001 (8302133850,9928811774,0151- 2200014) **Bilaspur**:"Shop No-201 & 202, 1St Floor, ","V R Plaza, Link Road, Bilaspur, C.G."-,Bilaspur, Chatisgarh-495001 (9302502220, 9685516691, 07752-408436, 9302502220 (Bhishm) **Bokaro** : "B-1, 1St Floor, City Centre,","Sector- 4, "Near Sona Chandii Jewellers,Bokaro, Jharkhand-827004 (9431738862, 9430132980, 9204061959, 06542-233330/31) **Burdwan**: 63 Gt Road,Halder Complex 1St Floor,-,Burdwan,West Bengal,-713101(9732145793,8145519142,0342-2665140) **Calicut**: Iind Floor Soubhagya Shopping

Complex, Arayidathpalam, Mavoor Road, Calicut, Kerala-673004(9846046903,9895407321,0495-4022480) **Chandigarh:** Sco 2423-2424, 01st Floor, Sector 22-C, Chandigarh, Union Territory-160022(9876669990,9850088371,0172-5042279) **Chandrapur:** Rauts Raghuvanshi Complex, "Shop No-1, Office No-2, 1st Floor", Beside Azad Garden Main Road, Chandrapur, Maharashtra-442402 (9730829616,9730829616,07172-270262,07172-277584) **Chennai:** "F-11, Akshaya Plaza, 1st Floor", "108, Adhithanar Salai", "Egmore, Opp To Chief Metropolitan Court", Chennai, Tamil Nadu,-600002 (9444790825,8939033711,044-42028512,044-42028513) **T Nagar, Chennai:** G1, Ground Floor, No 22, Vijayaraghava Road, Swathi Court, T Nagar, Chennai - 600 017; **Adayar, Chennai:** New No 51, Gandhi Nagar, First Main Road, Adyar, Chennai - 600 020; **Annanagar, Chennai:** T 92, Ground Floor, 3rd Avenue Main Road, Annanagar, Chennai - 600 040; **Chinsura :** "J C Ghosh Saranu, Bhanga Gara", "Chinsurah, Hooghly", -, Chinsurah, West Bengal-712101 (9804958032, 9831444407,033-26810164) **Cochin:** "Ali Arcade, 1st Floor, Kizhavana Road", Panampilly Nagar, Near Atlantis Junction, Ernakulam, Kerala-682036(9037765276, 8089580977, 0484 3000232,0484 3000231) **Coimbatore:** "3rd Floor, Jaya Enclave", 1057 Avinashi Road, Coimbatore, Tamil Nadu-641018 (9841439400, 9894941715, 0422 - 4388011,0422 - 4388013/0422 - 4388451/0422 - 4388012/0422 - 4388014) **Cuttack:** "Po - Buxi Bazar, Cuttack", Opp Dargha Bazar Police station, Dargha Bazar, Cuttack, Or issa,753001,9438547866,9437317841,0-9238102118) **Darbhanga:** "Jaya Complex, 2nd Floor", Above Furniture Planet, Donar", Chowk, Darbhanga, Bihar,846003, 9304001509,-,06272-220145 **Davangere:** "#15/9, 1st Floor, Sobagu Complex", 2nd Main Road (Avk College Road) P J Extension, Davangere, Karnataka-577002(9686246222,9880378880,0819-2258714) **Dehradun:** Kaulagarh Road, Near Sirmaur Marg above, Reliance Webworld, Dehradun, Uttaranchal-248001 (9897208863,-,9369918608) **Deoria:** 1st Floor, 1st Floor, "Opp. Zila Panchayat, Civil Lines", Deoria, Uttar Pradesh-274001(8052969750,-,7499496134) **Dewas:** 27 Rmo House, Station Road, Above Maa Chamunda Gaes Agency, Dewas, Madhya Pradesh-455001 (9425681359,9425681359,07272-426010,07272-426010) **Dhanbad:** 208 New Market 2Nd Floor, Bank More,-,Dhanbad,Jharkhand-826001,9334341459,9608989334,0326-6452027) **Dharwad:** "G, 7&8 Banashankari Avenue", "Opp Nttf", "P B Road", Dharwad, Karnat ka-580001(9060509013,-,0836-2744207,0836-2744208) **Dhule:** "Ground Floor Ideal Laundry, Lane No 4", "Khol Galli, Near Muthoot Finance", "Opp Bhavasar General Store, Dhule, Maharashtra-424001 (7709818911,02562-282823,02562-282823,02562-282823) **Dindigul:** "No : 9 Old No:4/B, New Agraharam", "Palani Road", "Dindigul, Tamil Nadu,624001,86955 72383,-,0451- 6451043) **Durgapur:** MWAV-16 BENGAL AMBUJA, 2ND FLOOR CITY CENTRE, 16 DT BURDWAN, Durgapur, West Bengal-713216,9832176004,9800218548,0343-6512111) **Eluru:** "D.No:23B-5-93/1,Savithri Complex, Eadaravari Street", "Near Dr.Prabhavathi Hospital,R.R.Pet", "Eluru, Andhra Pradesh-534002 (9959152347,08812-227851,08812-227852/53/54) **Erode:** "No: 4, Veerappan Traders Complex", "KMY Salai, Sathy Road", Opp. Erode Bus Stand, Erode, Tamil Nadu-638003(95005 48042,0424- 4021212) **Faridabad:** "A-2B, 1st Floor", Nehru Groundnit, Faridabad, Haryana- 121001 (9990711750, 9310448851) **Ferozpur:** "The Mall Road, Chawla Bulding, 1st Floor, Opp. Centrail Jail, Near Hanuman Mandir, Ferozepur, Punjab-152002(7696769181,9814251646,01632-241814) **Gandhidham:** 204 2Nd Floor, Bhagwati Chamber, Kutchkala Road, Gandhidham, Gujarat-382007 (8980671295,02836 651296) **Gandhinagar:** Plot No - 945/2, Sector - 7/C, Opp Pathika, Gandhinagar, Gujarat-382007(079-23244955,079-23244955,079 232 44955) **Gaya:** 1st Floor Lal Bhawan, "Tower Chowk", Near Kiran Cinema, Gaya, Bihar-823001(9234644675,9852090691,0631-2220071) **Ghaziabad:** "1st Floor-7", Lohia Nagar, Ghaziabad, Uttar Pradesh-201001 (9910556029,-,9310448804) **Ghazipur:** 2Nd Floor, Shubhra Hotel Complex, Mahaubagh, Ghazipur, Uttar Pradesh,233001, 9616123936,-,7499496131) **Gonda:** Shri Market, Sahabgunj, Station Road, Gonda, Uttar Pradesh-271001(9721198488,-,7499496127) **Gorakhpur:** Above V.I.P. Houseajdacent, A.D. Girls College, Bank Road, Gorakhpur, Uttar Pradesh-273001( 9792940256, 9792940256, 9369918610) **Gulbarga:** Cts No 2913 1st Floor, "Asian Towers, Jagath Station Main Road", Next To Adithya Hotel, Gulbarga, Karnataka-585105(9844148066,9972898664,0847-2310040) **Guntur:** "D No 6-10-27, Srinilayam", Arundelpet, 10/1, Guntur, Andhra Pradesh-522002(9985932781,9885427877,0863-2339094) **Gurgaon:** "Shop No.18, Ground Floor, Sector - 14", Opp. Akd Tower, Near Huda Office, Gurgaon, Haryana-122001(9210484530,-,9310448806) **Guwahati:** 54 Sagarika Bhawan 2Nd Floor, "R G Barooah Road, Aids", Near Baskin Robbins, Guwahati, Assam-781024(9706058003,-,8811036746) **Gwalior:** "2nd Floor, Rajeev Plaza", "Jayendra Ganj, Lashkar", "Gwalior, Madhya Pradesh-474009 (9754515909, 9300004262) **Haldwani:** Above Kapilaz, Sweet House, "Opp LIC Building ,Pilikothi", Haldwani, Uttaranchal-263139(9012475475,-,9369918611) **Haridwar:** "8, Govind Puri, Opp. LIC - 2", Above Vijay Bank, "Main Road, Ranipur More", Haridwar, Uttaranchal-249401(9412926693,-,9369918612) **Hassan:** St Anthony'S Complex, Ground Floor, H.N. Pura Road, Hassan, Karnataka-573201(9743929779,-,08172 262065) **Hissar:** "Sco-71, 1st Floor", Red Square Market, Hissar, Haryana,125001,9991887653,-,9315017303, **Hoshiarpur:** "1st Floor, The Mall Tower", Opp Kapila Hospital, Sutheri Road, Hoshiarpur, Punjab-146001(9478353322,9569690721,01882-500143) **Hubli:** "22nd & 23rd, 3Rd Floor ", Eureka Junction, Travellers Bungalow , Hubli, Karnataka- 580029 (9916119294, 9845394004, 0836-2252444) **Hyderabad:** "8-2-596, Avenue 4, Karvy Plaza", Street No 1, Banjara Hills, Hyderabad, Andhra Pradesh-500034 (9885608800,040-44677075/ 44677076/44677077/ 44677348) **Indore:** "2nd floor, 203-205 Balaji Corporates", Above ICICI bank, 19/1 New Palasia", "Near Curewell Hospital, Janjeerwala Square Indore", Indore, Madhya Pradesh-452001(9977713382,9977713382, 0731-4266828, 0731-4218902) **Jabalpur:** Grover Chamber, 43 Naya Bazar Malviya Chowk, Opp Shyam Market, Jabalpur, Madhya Pradesh-482002,9827576885,9303580103,0761-3204376) **Jaipur:** S16/A IIIrd Floor, Land Mark Building Opp Jai Club, Mahaver Marg C Scheme, Jaipur, Rajasthan-302001(9829122154,9509556136/9636804612,0141-4167714,0141 - 4167715/17) **Jalandhar:** Arora Prime Tower, Lowe Ground Floor, Office No 3 Plot No 28, Jalandhar, Punjab- 144001 9780951080,9988077368, 0181-5094410) **Jalgaon:** 113, Navi Peth, B/H Mahalaxmi Dairy, Jalgaon, Maharashtra-425001(9421521406,7875803473,0757-2226761) **Jalpaiguri:** D B C Road Opp Nirala Hotel, Opp Nirala Hotel, Jalpaiguri, West Bengal-735101 (9832485813,9832421761,03561-222136) **Jammu:** 5 A/D Extension 2, Near Panama Chowk Petrol Pump, Panama Chowk, Jammu, Jammu & Kashmir-180012 (9796406060,9018335968,0191- 2458820,01912458818) **Jamnagar:** 136-137-138 Madhav Palaza, Opp Sbi Bank, Nr Lal Bunglow, Jamnagar, Gujarat-361001(9725444799,0288-2558887) **Jamshedpur :** "2nd Floor, R R SQUARE", "SB SHOP AREA, NEAR RELIANCE FOOT PRINT & HOTEL- BS PARKPLAZA", "MAIN ROAD", "Jamshedpur, Jharkhand-831001 (9798544088,9934314986,0657-6655000,0657-6655003/6655004/6655005/-6655006/6655007) **Jaunpur:** "R N Complex, 1-1-9-G", In Front Of Pathak Honda, Ummarpur, Jaunpur, Uttar Pradesh, 222002, 9793391873, 9369918613) **Jhansi :** 371/01, "Narayan Plaza, Gwalior Road", Near Jeevan Shah Chauraha, Jhansi, Uttar Pradesh-284001, 9651362328,-, 9369918614) **Jodhpur:** "203, Modi Arcade", Chopasni Road, Jodhpur, Rajasthan-342001 (8003738266, 9251269552, 0291-6454590) **Junagadh:** 124-125 Punit Shopping Center, M.G Road, Ranavav Chowk, Junagadh, Gujarat-362001,9824686601, 0285-2652220, 0285-2652220) **Kannur:** "2 Nd Floor, Prabhath Complex", Fort Road, Nr. Icici Bank, Kannur, Kerala-670001 (9895462756, 9744856894, 0497-2764190) **Kanpur :** "15/46, B, Ground Floor", Opp : Muir Mills, Civil Lines, Kanpur, Uttar Pradesh-208001 (9839122381,9305443189/9336521104,9369918615/6,) **Karaikudi:** "No. 2, Gopi Arcade", "100 Feet Road", "Karaikudi, Tamil Nadu-630001, 99422 08943,-, 04565-237192) **Karimnagar:** "H.No.4-2-130/131, Above Union Bank", "Jafri Road", "Rajeev Chowk, Karimnagar, Andhra Pradesh-505001 (9849963242,-,0878-2261779, 0878- 2244773/ 75 / 79) **Karnal:** "18/369, Char Chaman", Kunjipura Road, Behind Miglani Hospital, Karnal, Haryana-132001(9813607105,9068784639; 8396852122, 0184-2252524) **Karur:** "No.6, old No.1304", "Thiru-vi-ka Road", "Near G.R.Kalyan Mahal", "Karur, Tamil Nadu-639001,04324-241755) **Kharagpur:** "180 Malancha Road", "Beside Axis Bank Ltd", "Kharagpur, West Beng al-721304(9679755405,8945613150,03222-253380) **Kolhapur:** "605/1/4 E Ward, Shahupuri 2Nd Lane", Laxmi Niwas, Near Sultane Chambers, Kolhapur, Maharashtra-416001(9960549938,9423596399,0231 2653656) **Kolkata:** 166 A Rashbihari Avenue 2nd Floor, Opp- Fortish Hospital, Kolkata, West Bengal-700029(9007005094,9007005092,"033-40611135/36; 033-24659263/9267, 24635432, 24669450, 24196462) **Kollam:** Sree Vigneswara Bhavan, Shastrji Junction, Kadapakada, Kollam, Kerala-691001(9744791380,9567614617,0474-2747055) **Korba:** "1st Floor, City Centre", 97 IRCC, "Transport Nagar, Korba, Chatisgarh-495677 (8878213577,9300155683) **Kota:** "29, 1st Floor", Near Lala Lajpat Rai Circle, Shopping Centre, Kota, Rajasthan-324007 (9887159177, 7737345592, 0744-5100964, 0744-5100964) **Kottayam:** 1St Floor Csiascension Square, Railway Station Road, Collectorate P O, Kottayam, Kerala-686002(9744250107,0481-2300868) **Kurnool:** "Shop No.43, 1st Floor, S V Complex", Railway Station Road, Near Sbi Main Branch, Kurnool, Andhra Pradesh-518004 (9000068556, 9704058506, 08158-228550) **Lucknow:** 24, Prem Nagar, Ashok Marg, Lucknow, Uttar Pradesh-226001 (8604398488,9792350554,9369918600) **Ludhiana:** Sco - 136 ,1st Floor Above Airtel Showroom ,Feroze Gandhi Market ,Ludhiana,Punjab-141001(9888880614,7355273067,0161-4648747) **Madurai:** "Rakesh towers, 30-C, 1st floor", "Bye pass Road", "Opp Nagappa motors", Madurai, Tamil

Nadu-625010, 9047081666, 9894341505, 0452-2605856) **Malappuram:** "First Floor,Cholakkal Building", Near U P School,Up Hil,Malappuram,Kerala-676505, 9746378606,, 0483-2731480) **Malda:** "Sahis Tuli, Under Ward No.6,","No.1 Govt Colony,","English Bazar Municipality, Malda, West Bengal-732101 (9232766405, 9733063825, 03512-223763) **Mandi:** 149/11 ,School Bazaar ,-,Mandi ,Uttar Pradesh-175001(9459938186,-,9318873501) **Mangalore:** Mahendra Arcade Opp Court Road, Karangal Padi, Mangalore,Karnata ka-575003(9731154145,7760874571,0824-2496289) **Margao:** 2Nd Floor ,Dalal Commercial Complex, Pajifond,Margao ,Goa-403601(9011285712,-,0832-2731823) **Mathura:** "Ambeey Crown, Iind Floor",In Front Of Bsa College,"Gausihala Road, "Mathura, Uttar Pradesh-281001(8923228412,-,9369918618) **Meerut:** 1St Floor,Medi Centreopp Icici Bank,Hapur Road Near Bachha Park, Meerut, Uttar Pradesh-250002(9760485123,-,9369918619) **Mehsana:** Ul/47 Apollo Enclave,Opp Simandhar Temple,Modhera Cross Road, Mehsana,Gujarat-384002, 9824902519,-,02762- 242950) **Mirzapur:** Above HDFC Bank,"Dankeenganj,"UP,Mirzapur,Uttar Pradesh-231001, 9305132535,-,7499496133) **Moga:** "1St Floor,Dutt Road",Mandir Wali Gali,"Civil Lines, Barat Ghar ",Moga,Punjab-142001(9780756983, 9478108905,01636-230792) **Moradabad:** Om Arcade, Parker Road, "Above Syndicate Bank, Chowk Tari Khana", Moradabad, Uttar Prade sh-244001(9027346471,9027443364/9058791115,9369918620) **Morena:** Moti Palace,Near Ramjanki Mandir, Near Ramjanki Mandir, Morena, Madhya Pradesh-476001 (9981384447, 7489361265) **Mumbai:** "24/B, Raja Bahadur Compound","Ambalal Doshi Marg","Behind Bse Bldg, Fort, Maharashtra-400001 ,-,9004089492,022-66235353,022-66235333) **Andheri :** 6 & 7, Andheri Industrial Estate,Veera Desai Road, Andheri (west) , Mumbai-400 053; **Borivali:** Ground Floor, Himanshu Bldg,Sodawala Cross Lane, Chandawarkar Road,Borivali, Mumbai-400 091; **Chembur:** Shop No 4 , Ground Floor, Shram Saflya Bldg,N G Acharya Marg,Chembur, Mumbai-400 071; **Muzaffarpur:** 1 St Floor,Uma Market, Thana Gumtimoti Jheel, Muzaffarpur,Bihar-842001(9693584015,-,9386256101) **Mysore:** "L-350, Silver Tower,"Ashoka Road, Opp.Clock Tower, Mysore, Karnataka-570001(9902919671,9964123030,0821-2438006) **Nadiad:** 104/105,Near Paras Cinema,City Point Nadiad,Nadiad,Gujarat-387001 (9898635495, 0268-2563245) **Nagercoil:** 3A, South Car Street,Parsons Complex,Nagercoil,Tamil Nadu-629001(04652 -233552) **Nagpur:** Plot No 2/1 House No 102/1,Mata Mandir Road,"Mangaldeep Appartment Opp Khandelwal Jewelers, Dharampeth", Nagpur, Maharashtra-440010 9764719485, 9371160726,0712- 2533040, 0712-2533040) **Namakkal:** "105/2, Arun Towers","Paramathi Street,-,Namakkal,Tamil Nadu,637001,88836 92376,-,04286-234801) **Nanded:** Shop No.4 ,"Santakripa Market, G G Road", Opp. Bank Of India, Nanded, Maharashtra-431601 (8793560595, 9890713616, 02462-237885) **Nasik:** "F-1, Suyojit Sankul", Sharanpur Road,-, Nasik, Maharashtra ra-422002,8237756668,9890918183,0253-6611395) **Navsari:** 1/1 Chinmay Arcade,Opp Sattapir Rd,Tower Rd, Navsari, Gujarat-396445(9429532985,,02637-280367,02637-280367) **Nellore:** "16-2-230 , Room No : 27 , 2Nd Floor",Keizen Heights,"Gandhi Nagar , Pogathota",Nellore,Andhra Pradesh,524001, 9948352011,-,0861-2349940) **New Delhi:** 305 New Delhi House ,27 Barakhamba Road ,-,New Delhi ,New Delhi -110001,9910053511,9910887035,011-43681700,011-43681704) **Nizamabad:** H No:5-6-430,A Bove Bank Of Baroda First Floor,"Beside HDFC Bank, Hyderabad Road", Nizamabad, Andhra Pradesh-503003,9951888991,-,08462-224366) **Noida:** "307 Jaipuria Plazad 68 A, 2Nd Floor",Opp Delhi Public School,Sector 26,Noida,Uttar Prade sh-201301,9873448325,-,9310448805) **Palghat:** No: 20 & 21 ,Metro Complex H.P.O.Road Palakkad, H.P.O. Road, Palakkad, Kerala-678001 (9895968533, 9037411783,491 6061110) **Panipat:** "1St Floor,"Krishna Tower,"Above Amertex,G.T. Road, Panipat,Haryana-132103(8570019906,-,9315017304) **Panjim:** "City Business Centre","Coelho Pereira Building,"Room No 18,19 & 20,Dada Vaidya Road, "Panjim,Goa-403001 (9923261177,7798300457,0832-2426873,0832-2426874) **Pathankot:** "1St Floor, 9 A ",Improvement Trust Building ,Patel Chowk ,Pathankot,Punjab-145001,9646034222,9988164770,0186-5080188) **Patiala:** Sco 27 D ,Chotti Baradari , Near Car Bazaar,Patiala,Punjab-147001 (9872262284, 9041837150,0175-5004349) **Patna:** "3A, 3<sup>rd</sup> Floor Anand Tower",Exhibition Road,Opp ICICI Bank, Patna,Bihar-800001 (7781023134, 9708108821,0612-6453098, 7781023134) **Pollachi:** "146/4,Ramanathan Building "1st Floor New Scheme Road ,-,Pollachi,Tamil Nadu-642002(99521 72658,-,04259- 235111,"235122, 235133) **Pondicherry:** No:7,"Thiayaraj Street","-,Pondicherry,Pondicherry -605001(0413 2220640) **Proddatur:** "Shop No:4, Araveti Complex",Mydukur Road,Beside Syndicate Bank, Proddatur, Andhra Pradesh-16360(9966717997,08564 - 242898) **Pudukottai:** "Sundaram Masilamani Towers, Ts No. 5476 - 5479, Pm Road,"Old Tirumayam Salai,"Near Anna Statue, Jublie Arts","Pudukottai,Tamil Nadu-622001(9865974743,04322 - 220050) **Pune:** "Office # 16, Ground Floor ",Shrinath Plaza,Near Dyaneshwar Paduka Chowk ,"F C Road, Pune",Maharashtra-411005 (9833067872, 9975494895, 020-25533795, 020-25539957) **Raipur:** "Shop No. 31 , Third Floor","Millenium Plaza, Above Indian House","Behind Indian Coffee House","Raipur,Chatisgarh-492001 (9406065221, 8305209298,0771-4052620) **Rajahmundry:** "D.No.6-1-4, Rangachary Street","T.Nagar, Near Axis Bank Street,Rajahmundry, Andhra Pradesh- 533101(9642572477, 7207287911, 0883-2434468,0883-2434470) **Rajapalayam:** "Sri Ganapathy Complex, 14B/5/18,","T P Mills Road","Virudhunagar Dist, Rajapalayam, Tamil Nadu-626117(9944908694,04563 - 232952) **Rajkot:** "104, Siddhi Vinyak Com. Opp Ramkrishna Ashram",Dr Yagnik Road, Rajkot, Rajkot, Gujar at-360001(7359916635,9925619731,2816545888) **Ranchi:** Room No 3073RdFloor,CommerceTower,Beside Mahabir Tower, Ranchi, Jharkhand-834001 (9431371731,9835977889,0651- 2331320) **Ratlam:** "1 Nagpal Bhawan , Free Ganj Road "Do Batti,Near Nokia Care ,Ratlam, Madhya Pradesh-457001(9770285511,9303967657,07412-402007) **Renukoot:** Shop No. 18,Near Complex Birla Market,-,Renukoot,Uttar Pradesh-231217(8948816968,-,7499495854) **Rewa:** "1st Floor, Angoori Building",Besides Allahabad Bank,"Trans University Road, Civil Lines",Rewa, Madhya Pradesh-485001(8818851641,-,7489755878) **Rohtak:** 1St Floor,Ashoka Plaza,Delhi Road,Rohtak,Haryana-124001(8950414951,-,9315017305) **Roorkee:** "Shree Ashadeep Complex, 16",Civil Lines,Near Income Tax Office,Roorkee,Uttaranchal-247667(9927416205,-,9369918621) **Rourkela:** "1St Floor Sandhu Complex","Kachery Road, Uditnagar", Rourekla, Orissa-769012(9776284625,9861120354,0661-2500005) **Sagar:** Above Poshak Garments,5 Civil Lines,Infront Of Income Tax Office,Sagar,Madhya Pradesh-470002 9826674321, 9752879556,07582-402404) **Saharanpur:** 18 Mission Market,Court Road,-,Saharanpur,Uttar Pradesh-247001(9634590304,-,9369918622) **Salem:** No:40,Brindavan Road,"Fairlands, Near Perumal Koil,"Salem,Tamil Nadu-636016,(95240 70720,0427-4020300) **Sambalpur:** Ground Floor Quality Massion, Infront of bazaar kolkata, Nayapara, Sambalpur, Orissa-768001(9861785131,9861114141,0663-2522105); **Satna:** "1St Floor, Gopal Complex", Near Bus Stand,Rewa Road,Satna, Madhya Pradesh-485001( 9329965570,9300004263) **Shaktinagar:** "1St/A-375," V V Colony,Dist Sonebhadra,Shaktinagar,Uttar Pradesh-231222(7890355728,-,7499496129) **Shillong:** Annex Mani Bhawan ,Lower Thana Road ,Near R K M Lp School, Shillong, Meghalaya-793001 (9774226437,-,0364 2506106) **Shimla :** Triveni Building,By Pas ChowkKhallini,-,Shimla,Himachal Prade sh-171002(9805375551,-,9318644501) **Shimoga:** Sri Matra Naika Complex,"1St Floor, Above Shimoga Diagnostic Centre,","Llr Road, Durgigudi," Shimoga, Karnataka-577201 (9741308883, 9448681710, 08182-228799, 08182-227485) **Shivpuri:** 1St Floor,"M.P.R.P. Building, Near Bank Of India, Shivpuri, Madhya Pradesh-473551 (9407562999,-, 9303028921) **Sikar:** "First Floor, Super Tower "Behind Ram Mandir Near Taparya Bagichi ,Sikar, Rajasthan-332001 (9549776841, 01572-250398) **Silchar:** "N.N. Dutta Road,Chowchakra Complex, Premtala, Silchar, Assam-788001 (9435173219, 9678901126,03842 261714) **Siliguri:** Nanak Complex,Sevoke Road,-, Siliguri, West Bengal-734001 (9832521945, 9832510008, 0353-2526393) **Sitapur:** 12/12-A Sura Complex,Arya Nagar Opp,Mal Godam,Sitapur,Uttar Pradesh-261001(9598369111,9369918623) **Sivakasi:** 363,Thiruthangal Road,Opp: TNEB,Sivakasi,Tamil Nadu-626123,80562 14131,-,04562 228816) **Solan:** Sahni Bhawan,Adjacent Anand Cinema Complex,The Mall,Solan,Himachal Pradesh-173212(9817248190,-,9318991871) **Solapur:** Block No 06,"Vaman Nagar, Opp D-Mart",Jule Solapur,Solapur, Maharashtra-413004(9960646865,0217-2300021,0217-2300318) **Sonepat:** 205 R Model Town,Above Central Bank Of India,-,Sonepat,Haryana-131001 (9813821843,-, 9315457164) **Sri Ganganagar:** 35E Block, Opp: Sheetla Mata Vaateka Sri Ganganagar,-, Sri Ganganagar,Rajasthan-335001(9602969753,9462400664,0154-2470177) **Srikakulam:** D.No-4-1-28/1,Venkateswara Colony,Near Income Tax Office, Srikakulam,Andhra Pradesh-532001(988590552,9248009412,08942-225382, 08942-225362) **Sultanpur:** Rama Shankar Complex,Civil Lines,Faizabad Road, Sultanpur, Uttar Pradesh-228001 (9580614908,-,9369918624) **Surat:** G-5 Empire State Building,Nr Udhna Darwaja, Ring Road, Surat,Gujar at-395002(9687697224,9978442596,0261-3042170,0261-3042170) **Thanjavur:** "No. 70, Nalliah Complex","Srinivasam Pillai Road,Tanjore,Tamil Nadu-613001,98945 33238,-,04362-275415) **Thodupuzha:** "First Floor, Pulimootill Pioneer",Pala Road,-,Thodupuzha,Kerala-685584,0486-2211209,04862 - 325051) **Tirunelveli:** "55/18, Jeney Building",S N Road,Near Aravind Eye Hospital,Tirunelveli,Tamil Nadu-627001(9788845514,-,0462 2335137) **Tirupathi:** "D no: 203, II nd Floor","PADMAVATHI NILAYAM ","NOKIA CARE UPSTAIRS,Tilak Road "Tirupathi,Andhra Prade sh-517501(9885995544,9032957583,0877-6544567) **Tirupur:** "First floor, 244 A",Kamaraj Road,Opp to Cotton market complex,Tirupur,Tamil Nadu-641604,0421-2214221) **Tiruvalla:** "2Nd Floor,Erinjery Complex",Ramanchira,Opp Axis Bank,Thiruvalla,Kerala-

689107(9747529499,0469-3205676)**Trichur:** "2nd Floor,Brothers Complex","Naikkanal Junction,Shornur Road",Near Dhanalakshmi Bank H O,Thrissur,Kerala-680001(8606877204,9747982535,0487-3246231)**Trichy:** "60, Sri Krishna Arcade","Thennur High Road",-Trichy,Tamil Nadu- 20017 (9597055087,0431- 4020227) **Trivandrum:** 2Nd Floor,Akshaya Tower,Sasthamangalam,Trivandrum,Kerala- 695010(9995820575,9567607573 0471-2725728) **Tuticorin:** "4 - B, A34 - A37","Mangalmal Mani Nagar","Opp. Rajaji Park, Palayamkottai Road","Tuticorin, Tamil Nadu-628003 (0461-2334603) **Udaipur:** 201-202,Madhav Chambers,"Opp G P O , Chetak Circle ",Udaipur,Rajasthan-313001(9636506469, 9001830400, 0294-2429370) **Ujjain:** 101 Aashta Tower,13/1 Dhanwantri Marg,Freeganj,Ujjain,Madhya Pradesh-456010 (9302373625, 9039507556,0734-4250007,0734-4250008)**Valsad:** "Shop No 2 , Phiroza Corner",Opp Next Show Room,Tithal Road,Valsad,Gujarat-396001(9879166808, 9725539945 ,02632 -258481) **Vapi:** "Shop No-12, Ground Floor",Sheetal Appatment, Near K P Tower,Vapi,Gujarat-396195(922801 2909,9978877183,9228012909) **Varanasi:** D-64/1321St Floor, Anant Complex, Sagra, Varanashi, Uttar Pradesh-221010(9389938800, 9807228126,9369918626) **Vellore:** "1, M N R Arcade",Officers Line, Krishna Nagar,Vellore,Tamil Nadu-632001(9952389697,0416 2215007) **Vijayanagaram:** "Soubhagya, 19-6-1/3","2Nd Floor, Near Fort Branch",Opp: Three Temples, Vizianagaram,Andhra Pradesh-535002(9014392427, 9014392427,08922-236962)**Vijayawada:** 39-10-7,Opp : Municipal Water Tank,Labbipet,Vijayawada,Andhra Pradesh-520010(0866-2475126) **Visakhapatnam:** Door No: 48-8-7,"Dwaraka Diamond, Ground Floor",Srinagar, Visakhapatnam, Andhra Pradesh-530016(9000088322,0891-2714125) **Warangal:** "5-6-95, 1 St Floor","Opp: B.Ed Collage, Lashkar Bazar","Chandra Complex, Hanmakonda," Warangal, Andhra Pradesh-506001 (0870-2501664) **Yamuna Nagar:** Jagdhari Road,Above Uco Bank,Near D.A.V. Girls College, Yamuna Nagar, Haryana-135001(9813627107, 9315017306).



**Registered Office:Industrial Assurance Building,  
4th Floor, Opposite Churchgate Station,  
Mumbai - 400 020  
Telephone: 022 6601 6000  
Fax: 022 22835606  
Email: [service@licmf.com](mailto:service@licmf.com)  
Website: [www.licmf.com](http://www.licmf.com)**

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