



STATEMENT OF ADDITIONAL INFORMATION (SAI)

OF

LIC MUTUAL FUND ASSET MANAGEMENT LIMITED

Sponsor: Life Insurance Corporation of India (LIC)
Registered Office:
Yogakshema Building,
Jeevan Beema Marg,
Nariman Point,
Mumbai 400 021.

Trustee: LIC Mutual Fund Trustee Private Limited
CIN: U65992MH2003PTC139955
Registered Office: 4th Floor,
Industrial Assurance Building,
Opp. Churchgate Station,
Mumbai-400020

Investment Manager: LIC Mutual Fund Asset Management Limited
CIN: U67190MH1994PLC077858
Registered Office: 4th Floor,
Industrial Assurance Building,
Opp. Churchgate Station,
Mumbai-400020

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STATEMENT OF ADDITIONAL INFORMATION

This Statement of Additional Information (SAI) contains details of LIC Mutual Fund, its constitution, and certain tax, legal and general information. It is incorporated by reference (is legally a part of the Scheme Information Document).

This SAI is dated 30th June 2025.

I. INFORMATION ABOUT SPONSOR, AMC AND TRUSTEE COMPANY

A. CONSTITUTION OF THE MUTUAL FUND

LIC Mutual Fund (the “Mutual Fund”) has been constituted as a trust on 20th April 1989 in accordance with the provisions of the Indian Trusts Act, 1882 (2 of 1882) with LIC of India as the Sponsor and the LIC Mutual Fund Trustee Private Limited as the Trustee. The Trust Deed has been registered under the Indian Registration Act, 1908. The Mutual Fund was registered with SEBI on 9th May 1994 vide Registration Code No. MF/012/94/5, which was issued afresh by SEBI in the name of LIC NOMURA Mutual Fund on 6th April 2011 under Registration Code MF/012/94/5 and then subsequently in the name of LIC Mutual Fund on 12th May 2016 under the same registration code.

B. SPONSOR

LIC Mutual Fund Asset Management Limited is sponsored by LIC of India. The Sponsor is the Settler of the Mutual Fund. The Sponsor has entrusted a sum of Rs. 2 Crores to the Trustee as the initial contribution towards the corpus of the Mutual Fund.

Financial Performance of the Sponsor (past three years):

LIC of India, incorporated in 1956 under the LIC Act is in the principal business of providing life insurance. The brief financial position of LIC of India, are as under:

(Rs.in crores)

Particulars	2022-2023	2023-2024	2024-25
Networth	45,669.40	81,938.16	1,26,187.14
Total income*	7,88,052.64	8,53,674.84	8,84,076.15
Profit after tax	36,397.39	40,675.79	48,151.17
Assets under Management	43,97,204.59	51,21,886.90	54,52,296.67

*Includes contribution from Shareholders' account.

C. THE TRUSTEE

LIC Mutual Fund Trustee Private Limited (the “Trustee”), through its Board of Directors, shall discharge its obligations as trustee of the LIC Mutual Fund. The Trustee ensures that the transactions entered into by the AMC are in accordance with the SEBI Regulations and will also review the activities carried on by the AMC.

Details of Trustee Directors:

Name	Age	Educational Qualifications	Brief Experience
Shri Thomas Panamthanath (Independent)	74 years	B. Com (Hons), CAIIB	<ul style="list-style-type: none"> Liquidator, GIC Asset Management Co. Ltd (In Members Voluntary Winding Up) (October 2013 - August 2016) Chief Executive Officer, GIC Asset Management Co. Ltd (May 2001 - October 2013)
Shri Ashok Paranjpe (Independent)	63 years	B. Com, LL.M., Advocate & Solicitor	<ul style="list-style-type: none"> Managing Partner – MDP & Partners, Advocates & Solicitors (June 2011 – till date) Managing Partner – Naik Paranjpe & Co. (May 2010 – May 2011) Senior Partner - Wadia Ghandy & Company (April 1989 – March 2010) <p>Mr. Ashok Paranjpe is also a director on the Board of various companies.</p>
Shri Amit Pandit (Independent)	54 years	B. Com, FCA, DBF	<p>Mr. Amit Pandit is a fellow member of the Institute of Chartered Accountant and also a director on the Board of various companies.</p> <ul style="list-style-type: none"> Director - Sumit Woods Limited (May 2025 till date) Director - D-Link (India) Limited (June 2024 till date) Director - Am Square Partners Private Limited (August 2022 till date) Director – Global Chamber of Saraswat Entrepreneurs (September 2019 – till date) Promoter Director – Trugrow Finvest Services Pvt. Ltd (December 2020 – November 2024) Proprietor - Amit Pandit- Consultant (April 2018 – till date) Independent Director - Saraswat Co-op Bank Ltd (August 2007 – September 2020) Partner - SGCO & CO LLP, Chartered Accountants (September 2015 – April 2018) Partner - CNK & Associates LLP, Chartered Accountants (October 2004 – August 2015) Director - Saraswat Infotech Pvt. Ltd. (August 2008 – October 2016) Director - Omkar Speciality Chemicals Ltd (March 2010 – March 2015) Visiting faculty - NMIMS, IBS, IES, Vidyalankar, Chetana Business Schools (October 2007 – till date)

Substantive Provisions of Trust Deed

- A Director of Trustee Co. in carrying out his responsibilities as Member of the Board of Trustee Co., shall maintain an arm's length relationship with other companies, or institutions or financial intermediaries or any Body Corporate with which he may be associated.
- A member of the Board of Trustee Co. shall not participate in the meetings of the Board or in any decision-making process for any investment in which he may be interested.
- All members of the Board of Trustee Co. shall furnish to Board of Trustee Co., particulars of interest which they may have in any other company or institution or financial intermediary or any corporate by virtue of their position as Directors, Partners or with which they may be associated in any other capacity.
- The Trustee Co. shall take into their custody or under their control all the property of the Schemes of LIC Mutual Fund and shall hold it in trust for the Unit holders.
- It shall be the duty of the Trustee Co. to act in the best interest of the unit holders and shall provide or cause to provide information to Unit holders and SEBI as may be specified by SEBI.
- All Unit holders will have beneficial interest in the trust property to the extent of individual holding in respective schemes only.
- The Trustee Co. shall appoint an AMC with SEBI approval to float schemes after approval by the Trustees and SEBI and manage the funds mobilized under various schemes in accordance with provisions of Trust Deed and Regulations. The Trustee Co. shall enter into an investment management agreement with the AMC for this purpose.
- The Trustee Co. shall appoint a custodian and be responsible for the supervision of its activities in relation to the mutual fund and shall enter into a custodian agreement for this purpose.
- The Trustee Co. shall explicitly forbid the acquisition of any asset out of the trust property, which involves the assumption of any liability, which is unlimited or results in encumbrance of the trust property in any way.
- The trustee Co. shall have the power to dismiss the AMC under the specific events only with the approval of SEBI in accordance with the Regulations.

- The Trustee Co. shall take reasonable care to ensure that the funds under the various schemes floated and managed by the Asset Management Company are in accordance with the Trust Deed and the guidelines issued by SEBI.
- The Trustee Co. shall supervise the collection of any income due to be paid to the scheme and claiming of any repayment of tax and holding of any income received in trust for the holders in accordance with the Trust Deed and guidelines issued by SEBI.
- The Trustee Co. Board shall meet at-least once in every 2 months and at-least 6 such meetings shall be held every year.
- No amendment to the Trust Deed shall be carried out without the prior approval of Unit holders and SEBI, provided however,
 - In case a Board of Trustees is converted into a Trustee Company such a conversion shall not require the approval of Unit holders.
 - In case of change in trust deed consequential to change in control of asset management company as per Regulation 22(e) of SEBI (Mutual Funds) Regulations shall not require the approval of Unit holders.
- The Trustees shall be responsible to supervise the collection of any income due to be paid to the Scheme and for claiming any repayment of tax and holding any income received in trust for the holders in accordance with the Trust Deed and SEBI (Mutual Funds) Regulations, 1996.
- The Mutual Fund shall not make or guarantee loans or take up any activity which is in contravention of SEBI (Mutual Funds) Regulations.

Functions and responsibilities of the Trustee

The Board of Trustee Co. shall discharge the functions and responsibilities as per the Trust Deed and Deed of Modification as mentioned in Schedule III of SEBI (Mutual Funds) Regulations, 1996 and as per SEBI (Mutual Funds) Regulations 1996 as may be amended from time to time and circulars issued thereunder.

Under SEBI (Mutual Funds) Regulations, 1996, the Trustees/Trustee Co. have the following duties and obligations:

- 1) To enter into an investment management agreement with the asset management company with prior approval of the SEBI.
- 2) To ensure that the investment management agreement contains such clauses as are mentioned in the Fourth Schedule of SEBI (Mutual Funds) Regulations, 1996 and such other clauses as are necessary for the purpose of making investment.
- 3) To approve the policy for empanelment of brokers by the asset management company and shall ensure that the Asset Management Company has been diligent in empanelling the brokers, in monitoring securities transactions with brokers and avoiding undue concentration of business with any broker.

- 4) To ensure that the asset management company has not given any undue or unfair advantage to any associates or dealt with any of the associates of the asset management company in any manner detrimental to interest of the Unit holders.
- 5) To ensure that the transactions entered into by the Asset Management Company are in accordance with SEBI (Mutual Funds) Regulations, 1996 and the scheme.
- 6) To ensure that the asset management company has been managing the mutual fund schemes independently of other activities and have taken adequate steps to ensure that the interest of investors of one scheme is not being compromised with those of any other scheme or of other activities of the asset management company.
- 7) To ensure that all the activities of the asset Management Company are in accordance with the provisions of SEBI (Mutual Funds) Regulations, 1996.
- 8) Where the trustee has reason to believe that the conduct of business of the mutual fund is not in accordance with SEBI (Mutual Funds) Regulations, 1996 and the scheme they shall forthwith take such remedial steps as are necessary by them and shall immediately inform the SEBI of the violation and the action taken by them.
- 9) To file the details of his/her transaction of dealing in securities with Mutual Fund within the time and manner as may be specified by SEBI from time to time.
- 10) To be accountable for, and be the custodian of, the funds and property of the respective schemes and to hold the same in trust for the benefit of the unit holders in accordance with SEBI (Mutual Funds) Regulations, 1996 and the provisions of trust deed.
- 11) To take steps to ensure that the transactions of the mutual fund are in accordance with the provisions of the trust deed.
- 12) To ensure that the income calculated by the asset management company under sub-regulation (25) of regulation 25 of SEBI (Mutual Funds) Regulations, 1996 is in accordance with SEBI (Mutual Funds) Regulations, 1996 and the trust deed.
- 13) To obtain the consent of the Unit holders:
 - Whenever required to do so by the SEBI in the interest of the Unit holders; or
 - Whenever required to do so on the requisition made by three-fourths of the Unit holders of any scheme; OR
 - When the majority of the trustees decide to wind up a scheme in terms of clause (a) of sub regulation (2) of regulation 39 SEBI (Mutual Funds) Regulations, 1996 or prematurely redeem the units of a close ended Scheme.
- 14) To ensure that no change in the fundamental attributes of any scheme, the fees and expenses

payable or any other change which would modify the scheme and affect the interest of the unit holders is carried out by the asset management company, unless it complies with sub-regulation (26) of regulation 25 of SEBI (Mutual Funds) Regulations, 1996.

- 15) To call for the details of the transactions in securities by the key personnel of the asset management company in their own name or on behalf of the asset management company and shall report to the SEBI, as and when required.
- 16) To review on a quarterly basis all the transactions carried out between the mutual fund, asset Management Company and its associates.
- 17) To quarterly review the net worth of the asset management company and in case of any shortfall, ensure compliance with the threshold provided in clause (f) of sub-regulation (1) of regulation 21 of SEBI (Mutual Funds) Regulations, 1996 on a continuous basis .
- 18) To periodically review the service contracts relating to custody arrangements and satisfy itself that such contracts are executed in the interest of the Unit holders.
- 19) To ensure that there is no conflict of interest between the manner of deployment of its net worth by the asset management company and the interest of the Unit holders.
- 20) To periodically review the investor complaints received and the redressal of the same by the asset management company.
- 21) To abide by the Code of Conduct as specified in the [PART-A of] Fifth Schedule of SEBI (Mutual Fund) Regulations, 1996.
- 22) To furnish to the SEBI on half yearly basis, -
 - a) A report on the activities of the mutual fund;
 - b) A certificate stating that the trustee has satisfied itself that there have been no instances of self-dealing or front running by any of the trustees, directors and key personnel of the asset management company;
 - c) A certificate to the effect that the asset management company has been managing the schemes independently of any other activities and in case any activities of the nature referred to in clause (b) of the regulation 24 of SEBI (Mutual Funds) Regulations, 1996 have been undertaken by the asset management company, it has taken adequate steps to ensure that the interest of the Unit holders is protected.
- 23) The independent Directors of Trustee Co. shall give their comment on the report received from the AMC regarding the investment by Mutual Fund in the securities of group Company(s) of the sponsor.

Trustees shall exercise due diligence as under:

a) General Due Diligence:

- The Trustee shall be discerning in the appointment of the directors on the Board of the AMC.
- The Trustee shall review the desirability or continuance of the AMC if substantial irregularities are observed in any of the schemes and shall not allow the AMC to float new schemes.
- The Trustee shall ensure that the trust property is properly protected, held and administered by proper persons and by a proper number of such persons.
- The Trustee shall ensure that all service providers are holding appropriate registrations from SEBI or concerned regulatory authority.
- The Trustee shall arrange for test checks of service contracts.
- The Trustee shall immediately report to SEBI of any special developments in the Mutual Fund.

(b) Specific Due Diligence:

- Obtain internal audit reports at regular intervals from independent auditors appointed by the Trustee.
- Obtain compliance certificates at regular intervals from the AMC.
- Hold meetings of Trustee more frequently.
- Consider the reports of the independent auditor and compliance reports of the AMC at the meetings of trustees for appropriate action.
- Maintain records of the decisions of the Trustee at their meetings and of the minutes of the meetings.
- Prescribe and adhere to a code of ethics by the Trustee, AMC and its personnel.
- Communicate in writing to the AMC of the deficiencies and checking on the rectification of deficiencies.

- 24) The independent directors of the trustees or asset management company shall pay specific attention to the following, as may be applicable, namely:—
- (i) the Investment Management Agreement and the compensation paid under the agreement,
 - (ii) service contracts with associates—whether the asset management company has charged higher fees than outside contractors for the same services,
 - (iii) selections of the asset management company's independent directors,
 - (iv) securities transactions involving associates to the extent such transactions are permitted,
 - (v) selecting and nominating individuals to fill independent directors vacancies,
 - (vi) code of ethics must be designed to prevent fraudulent, deceptive or manipulative practices by insiders in connection with personal securities transactions,
 - (vii) the reasonableness of fees paid to sponsors, asset management company and any others for services provided,
 - (viii) principal underwriting contracts and their renewals,
 - (ix) any service contract with the associates of the asset management company.
- 25) The Trustees shall ensure the fairness of the fees and expenses charged by the AMCs.
- 26) The Trustees shall review the performance of AMC in its schemes vis-à-vis performance of peers or the appropriate benchmarks.
- 27) The Trustees shall ensure that the AMCs have put in place adequate systems to prevent mis-selling to increase assets under their management and valuation of the AMCs.

- 28) The Trustees shall ensure that operations of AMCs are not unduly influenced by the AMCs Sponsor, its associates and other stakeholders of AMCs.
- 29) The Trustees shall ensure that undue or unfair advantage is not given by AMCs to any of their associates/group entities.
- 30) The Trustees shall be responsible to address conflicts of interest, if any, between the shareholders/stakeholders/associates of the AMCs and unitholders.
- 31) The Trustees shall ensure that the AMC has put in place adequate systems to prevent misconduct including market abuse/misuse of information by the employees, AMC and connected entities of the AMCs.
- 32) The Trustees shall take steps to ensure that there are system level checks in place at AMCs' end to prevent fraudulent transactions including front running by employees, form splitting/mis-selling by distributors etc. The Trustees shall review such checks periodically.
- 33) The Trustees and their resource persons shall independently evaluate the extent of compliance by AMCs vis-à-vis the identified key areas and not merely rely on AMCs' submissions /external assurances.
- 34) AMCs shall put in place suitable mechanisms/systems to generate system based information/data/reports for evaluation and effective due diligence by the Trustees. AMCs shall provide alerts based automated reports to the Trustees as may be required by the Trustees.
- 35) The Trustees shall ensure that suitable mechanisms/systems are put in place by the AMCs to generate system based information/data/reports for evaluation and effective due diligence by the Trustees. The Trustees shall also ensure that the AMCs periodically review such systems.
- 36) AMCs shall submit exception reports/analytical information to the Trustees, that add value to the process of exercising their oversight role. The Trustees shall evaluate the nature and adequacy of the alerts and the manner of dealing with such alerts by AMCs.
- 37) The Trustees shall require the AMCs to furnish, in a true and fair manner, reports and alerts based on pre-decided parameters including but not limited to the areas specified as core responsibilities at points 24 to 36 above, for taking appropriate action.
- 38) The Trustees shall periodically review the steps taken by AMCs for folios which do not contain all the Know Your Client (KYC) attributes / updated KYC attributes and ensure that the AMCs take remedial steps necessary for updating the KYC attributes especially pertaining to bank details, PAN, mobile phone number.
- 39) The trustees shall also exercise due diligence on such matters as may be specified by the Board from time to time.

Supervisory Role of the Trustee:

During the financial year 2024-2025 (April to March), the Trustee has held Six Board Meetings and two Board Meetings was held till the date of Statement of Additional Information. The supervisory role of the Trustee is discharged by receiving continuous feedback from the AMC on matters of importance, through quarterly and half yearly reports, and a review of the Mutual Fund's operation at Board Meetings.

Trustee - Fees and Expenses

In accordance with the Deed of Trust constituting the Mutual Fund, the Trusteeship fees shall be 50 lakhs or 0.01% of the daily average outstanding in the current year net assets of the Fund. In addition to the aforesaid remuneration, the Trustee shall be entitled for reimbursement of all costs, charges and expenses incurred in or about the administration and execution of the Fund. Such reimbursement from and out of the Trust Funds would always be to the extent permitted under the Regulations

Certificate of registration

In accordance with the Regulation 9 of the Securities & Exchange Board of India Regulations, LIC Mutual Fund Asset Management Ltd. has obtained a Certificate of Registration from SEBI on 9th May 1994 vide Registration Code No. MF/012/94/5, which was issued afresh by SEBI in the name of LIC NOMURA Mutual Fund on 6th April 2011 with the same registration code. i.e. MF/012/94/5 subsequently in the name of LIC Mutual Fund on 12th May 2016 under the same registration code.

II. ASSET MANAGEMENT COMPANY

LIC Mutual Fund Asset Management Ltd. (AMC) is a public limited company incorporated under the Companies Act, 1956 on 20th April 1994, having its Registered Office at 4th Floor, Industrial Assurance Building, Opp. Churchgate Station, Mumbai – 400 020. LIC Mutual Fund Asset Management Limited has been appointed as the Asset Management Company of the LIC Mutual Fund by the Trustee vide Investment Management Agreement (IMA) dated 22nd April 1994 and subsequently executed between LIC Mutual Fund Trustee Private Limited and LIC Mutual Fund Asset Management Limited

SHAREHOLDING PATTERN

- Life Insurance Corporation of India (including 7 nominee shareholders)	: 44.61%
- LIC Housing Finance Ltd.	: 33.52%
- GIC Housing Finance Ltd.	: 9.98%
- Union Bank of India	: 3.40%
- IDBI Asset Management Limited	: 8.49%

Details of AMC Directors:

Name	Age	Educational Qualification	Brief Experience
Shri Praveen Garg (Independent)	63 years	<ul style="list-style-type: none"> • IAS (Retd.) Chartered Accountant 	<ul style="list-style-type: none"> • Advisor – Mobius Foundation, New Delhi, (9th June 2022 till date) • Member, Appellate Authority under CA, CS and CMA Acts (February 2022 till date) • Special Secy & Financial Advisor – Ministry of Environment, Forest & Climate change , New Delhi (23rd January 2021 to 31st October 2021) • Additional Secy & Financial Advisor - Ministry of Environment, Forest & Climate change, New Delhi (1st March 2018 to 23rd January 2021) • Chairman & Managing Director – Security Printing and Minting Corporation of India, New Delhi (12th July 2016 to 30th September 2017) • Joint Secretary – Ministry of Finance, Department of Economic Affairs (3rd December 2015 to 28th February 2018) • Joint Secretary – Ministry of Law and Justice (19th July 2013 to 2nd December 2015) • Principal Secy – Ministry of Law and Justice, Department of Food and Civil Supplies, Bhopal (22nd June 2013 to 8th July 2013) <p>Commissioner Additional Secretary - Food, Civil Supplies and Consumer Protection Deptt, Bhopal (11th March 2013 to 22nd June 2013)</p>
Mr. Sachindra Salvi (Associate)	58 years	<ul style="list-style-type: none"> • Post Graduate in Commerce from Mumbai University • Fellow Member -- Insurance Institute of India 	<ul style="list-style-type: none"> • Managing Director & Chief Executive Officer – GIC Housing Finance Limited, Mumbai (1st March 2025 onwards) • Officer on Special Duty – GIC Housing Finance Limited, Mumbai (2nd January 2025 – 28th February 2025) • General Manager – General Insurance Corporation of India, Mumbai (29th April 2024- 1 st January 2025) • Deputy General Manager – General Insurance Corporation of India, Mumbai (12th July 2021- 28th April 2024) • Assistant General Manager – General Insurance Corporation of India, Mumbai (15th September 2017 – 9th July 2021) • Chief Manager – General Insurance Corporation of India, London (16th September 2013 – 14th September 2017)
Shri Vijay Sharma	72	Masters in History,	<ul style="list-style-type: none"> • Member and Vice Chairman- Income Tax

(Independent)	years	LLB	<p>Settlement Commission (ITSC) New Delhi. (May 2012 - November 2014)</p> <ul style="list-style-type: none"> • Chief Commissioner of Income Tax (Administration) Bihar and Jharkhand - Income Tax Department, Patna (September 2011 - May 2012) • Director General of Income Tax (Investigation) -Income Tax Department Bhopal. (April 2011 - August 2011) • Commissioner of Income Tax, Delhi-1 - Income Tax Department New Delhi (January 2008 - March 2011) • Deputy Director General (DDG) – Central Economic Intelligence Bureau (CEIB) New Delhi. (December 2005 - December 2007)
Shri Raghunandan Maluste (Independent)	75 years	MBA (Manchester), FCA (England & Wales) and FCA (India)	<p>Over 46 years in India, the United Kingdom and the Gulf, he has been public accountant, management consultant, journalist, advertising executive, entrepreneur, angel investor, board member of companies, trusts and societies, researcher and consultant in government, investment and private banker. Some of the organisations he has helped lead are Coopers & Lybrand (now Price Waterhouse Coopers), Lintas, HSBC Securities, Kotak Mahindra Bank, CRY- Child Rights & You, Confederation of Indian Industry, Bombay Natural History Society, Rotary Club of Bombay and Bombay Gymkhana.</p> <p>Apart from speaking regularly at professional, industry and academic, events, he has presented to Parliament's Standing Committee on Finance. He has been published in R&D Management (Oxford), World Affairs (New Delhi), Business India (Mumbai), etc.; been interviewed for the press, TV and radio, and addressed live audiences on three continents.</p> <p>He has been a Director of listed companies and in top management of profits and not for profits since the early 1980s. He helped launch Kotak Mahindra Mutual Fund, Kotak Private Equity and Kotak Life Insurance.</p>
Mr. Tribhuwan Adhikari (Associate)	58 years	B.Com	<ul style="list-style-type: none"> • Managing Director & CEO- LIC Housing Finance Limited (3rd August 2023- Till date) • Chief Operating Officer- LIC Housing Finance

			<p>Limited (22nd June 2023 - 2nd August 2023)</p> <ul style="list-style-type: none"> • Regional Manager Marketing, Eastern Zone, LIC of India, Kolkata (2021 - June 2023) • Regional Manager, NB & Actuarial & IT, Zonal Office, LIC of India, Kanpur (2017-2021) • Senior Divisional Manager, LIC of India, Kanpur Division (2014-2017) Senior Divisional Manager, LIC of India, Dehradun Division (2012-2014)
Ms. Reema Diddee (Independent)	56 years	Chartered Accountant, BCom	<p>Ms. Reema Diddee is a fellow member of the Institute of Chartered Accountant and also a director on the Board of various companies.</p> <ul style="list-style-type: none"> • Promoter Director – RDA Solutions Private Limited (2008 to till date) • Principal Partner – RDA & Associates (1995 to till date)
Mr. Ravi Kumar Jha (Associate)	58 years	B. Com (Hons.)	<ul style="list-style-type: none"> • Managing Director and Chief Executive Officer LIC Mutual Fund Asset Management Limited (From 31st January 2024 onwards) (Last Position held – Associate Director) • Executive Director Corporate Strategy – LIC Mutual Fund Asset Management Limited (18th April 2023 - December 2023) • Executive Director Investments Back office – LIC of India (11th April 2022- 17th April 2023) • Chief Investments M & A – LIC of India (23rd April 2021- 10th April 2022) • Chief Marketing Officer – LIC Mutual Fund Asset Management Limited (10th May 2019- 22nd April 2021) • Secretary Investment Operations – LIC of India (22nd May 2017- 3rd May 2019) • Secretary Marketing – LIC of India (29th April 2015- 22nd May 2017) • SDM (In-charge) Mumbai Divisional Office-III – LIC of India (7th May 2013- 29th April 2015)

Duties and obligations of AMC

Under the SEBI (Mutual Funds) Regulations, 1996, the Asset Management Company has the following obligations:

1. To take all reasonable steps and exercise due diligence to ensure that the investment of funds pertaining to any scheme is not contrary to the provisions of SEBI (Mutual Funds) Regulations, 1996 and the trust deed.
2. To exercise due diligence and care in all its investment decisions as would be exercised by other persons engaged in the same business.
2A) The AMC shall obtain, wherever required under SEBI (Mutual Funds) Regulations, 1996 prior in-principle approval from the recognized stock exchange(s) where units are proposed to be listed.
3. To be responsible for the acts of commission or omission by its employees or the persons whose services the Asset Management Company has procured.
4. To submit to the trustee quarterly reports of each year on its activities and the compliance with SEBI (Mutual Funds) Regulations, 1996.
5. The trustee at the request of the Asset Management Company may terminate the assignment of the Asset Management Company at any time, provided that such termination shall become effective only after the trustees have accepted the termination of assignment and communicated their decision in writing to the Asset Management Company.
6. Notwithstanding anything contained in any contract or agreement or termination, the Asset Management Company or its directors or other officers shall not be absolved of liability to the mutual fund for their acts of commission or omission, while holding such position or office.
(6A) (a) The Chief Executive Officer [whatever be the designation]) of the asset management company shall ensure that the mutual fund complies with all the provisions of SEBI (Mutual Funds) Regulations, 1996 and the guidelines or circulars issued in relation thereto from time to time and that the investments made by the fund managers are in the interest of the unit holders and shall also be responsible for the overall risk management function of the mutual fund.
(b) Chief Executive Officer (whatever be the designation) shall also ensure that the Asset Management Company has adequate systems in place to ensure that the Code of Conduct for Fund Managers and Dealers specified in PART - B of the Fifth Schedule of SEBI (Mutual Funds) Regulations are adhered to in letter and spirit. Any breach of the said Code of Conduct shall be brought to the attention of the Board of Directors of the Asset Management Company and Trustees
(6B) (a) The fund managers (whatever be the designation) shall ensure that the funds of the schemes are invested to achieve the objectives of the scheme and in the interest of the unit holders.
(b) The Fund Managers (whatever be the designation) shall abide by the Code of Conduct for Fund Managers and Dealers specified in PART - B of the Fifth Schedule of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and submit a quarterly self-certification to the Trustees that they have complied with the

said code of conduct or list exceptions, if any.

(6C) (a) The Dealers (whatever be the designation) shall ensure that orders are executed on the best available terms, taking into account the relevant market at the time for transactions of the kind and size concerned to achieve the objectives of the scheme and in the best interest of all the unit holders.

(b) The Dealers (whatever be the designation) shall abide by the Code of Conduct for Fund Managers and Dealers specified in PART - B of the Fifth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and submit a quarterly self-certification to the Trustees that they have complied with the said code of conduct or list exceptions, if any.

(6D) The board of directors of the asset management company shall ensure that all the activities of the asset management company are in accordance with the provisions of SEBI (Mutual Funds) Regulations, 1996.

7. The AMC,

- a) Shall not through any broker associated with the sponsor, purchase or sell securities, which is average of 5% or more of the aggregate purchases and sale of securities made by the mutual fund in all its schemes.

Provided that for this sub-regulation, aggregate purchase and sale of securities shall exclude sale and distribution of units issued by the mutual fund. Provided further that the aforesaid limit of 5% shall apply for a block of any three months.

- b) Shall not purchase or sell securities through any broker (other than a broker referred to in clause (a) above) which is average of 5 % or more of the aggregate purchases and sale of securities made by the mutual fund in all its schemes, unless the AMC has recorded in writing the justification for exceeding the limit of 5% and reports of all such investments are sent to the trustee on a quarterly basis. Provided that the aforesaid limit shall apply for a block of three months.

8. The AMC shall not to utilize the services of the sponsor or any of its associates, employees or their relatives, for the purpose of any securities transaction and distribution and sale of securities provided that the Asset Management Company may utilize such services if disclosure to that effect is made to the unit holders and the brokerage or commission paid is also disclosed in the half yearly annual accounts of the mutual fund.

Provided further that the Mutual Fund shall disclose at the time of declaring half yearly and yearly results:

- any underwriting obligations undertaken by the Scheme for the Mutual Fund with respect to issue of securities of associate companies;
- devolvement, if any;
- subscription by the Scheme in the issues lead managed by associate companies;
- subscription to any issue of equity or debt on private placement basis where the Sponsor or its associate companies have acted as arranger or manager.

9. To file with the trustee the details of transactions in securities by the key personnel of the asset management company in their own name or on behalf of the asset management company and to also report to the SEBI, as and when required by the SEBI.

10. In case the asset management company enters into any securities transactions with any of its associates, a report to that effect shall be sent to the trustees at its next meeting.
11. In case any company has invested more than 5 percent of the net asset value of a scheme, the investment made by that scheme or by any other scheme of the same mutual fund in that company or its subsidiaries to be brought to the notice of the trustee by the asset management company and to be disclosed in the half yearly and annual accounts of the respective schemes with justification for such investment. Provided that the latter investment has been made within 1 year of the date of the former investment calculated on either side.
12. To file with the trustee and the SEBI -
 - a) Detailed bio-data of all its directors along with their interest in other companies within fifteen days of their appointment; and
 - b) Any change in the interests of the directors every six months; and
 - c) a quarterly report to the trustees giving details and adequate justification about the purchase and sale of the securities of the group companies of the sponsor or the asset management company, as the case may be, by the mutual fund during the said quarter.
13. Each director of the AMC shall file the details of his transactions of dealings in securities with the Trustees, on a quarterly basis in accordance with guidelines issued by SEBI.
14. Not to appoint any person as key personnel who has been found guilty of any economic offense or involved in violation of securities laws.
15. To appoint registrars and share transfer agents who are registered with the SEBI. Provided if the work relating to the transfer of units is processed in-house, the charges at competitive market rates may be debited to the scheme and for rates higher than the competitive market rates, prior approval of the trustee shall be obtained and reasons of charging higher rates shall be disclosed in the annual accounts.
16. To abide by the Code of Conduct as specified in the PART-A of Fifth Schedule. 16A. To invest such amounts in such schemes of the mutual fund, based on the risks associated with the schemes, as may be specified by SEBI from time to time.
17. The asset management company shall not invest in any of its scheme, unless full disclosure of its intention to invest has been made in the offer documents, in case of schemes launched after the notification of Securities and Exchange Board of India (Mutual Funds) (Amendment) Regulations, 2011: Provided that an asset management company shall not be entitled to charge any fee on its investment in that scheme.
18. The asset management company shall not carry out its operations including trading desk, unit holder servicing and investment operations outside the territory of India
19. The asset management company shall compute and carry out valuation of

investments made by its scheme(s) in accordance with the investment valuation norms specified in Eighth Schedule and shall publish the same.

20. The AMC and the Sponsor shall be liable to compensate the affected investors and/or the scheme for any unfair treatment to any investor as a result of inappropriate

valuation.

21. The AMC shall report and disclose all the transactions in debt and money market securities, including inter scheme transfers, as may be specified by SEBI from time to time.

22. The board of directors of the asset management company shall exercise due diligence as follows:

(a) The board of directors of the asset management company shall ensure before the launch of any scheme that the asset management company has-

(i) systems in place for its back office, dealing room and accounting;

(ii) appointed all key personnel including fund manager(s) for the scheme(s) and submitted their bio-data which shall contain the educational qualifications and past experience in the securities market with the Trustees, within fifteen days of their appointment;

(iii) appointed auditors to audit its accounts;

(iv) appointed a compliance officer who shall be responsible for monitoring the compliance of the Act, rules and regulations, notifications, guidelines, instructions, etc., issued by the Board or the Central Government and for redressal of investors grievances;

(v) appointed a registrar to an issue and share transfer agent registered under the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and laid down parameters for their supervision;

(vi) prepared a compliance manual and designed internal control mechanisms including internal audit systems;

(vii) specified norms for empanelment of brokers and marketing agents;

(viii) obtained, wherever required under these regulations, prior in principle approval from the recognized stock exchange(s) where units are proposed to be listed.

(b) The board of directors of the asset management company shall ensure that -

(i) the asset management company has been diligent in empanelling the brokers, in monitoring securities transactions with brokers and avoiding undue concentration of business with specific brokers;

(ii) the asset management company has not given any undue or unfair advantage to any associate or dealt with any of the associate of the asset management company in any manner detrimental to interest of the unit holders;

(iii) the transactions entered into by the asset management company are in accordance with these regulations and the respective schemes;

(iv) the transactions of the mutual fund are in accordance with the provisions of the trust deed;

(v) the networth of the asset management company are reviewed on a quarterly basis to ensure compliance with the threshold provided in clause (f) of sub-regulation (1) of regulation 21 on a continuous basis;

(vi) all service contracts including custody arrangements of the assets and transfer agency of the securities are executed in the interest of the unit holders;

(vii) there is no conflict of interest between the manner of deployment of the networth of the asset management company and the interest of the unit holders;

(viii) the investor complaints received are periodically reviewed and redressed;

(ix) all service providers are holding appropriate registrations with the Board or with the concerned regulatory authority;

(x) any special developments in the mutual fund are immediately reported to the trustees;

- (xi) there has been exercise of due diligence on the reports submitted by the asset management company to the trustees;
- (xii) there has been exercise of due diligence on such matters as may be specified by the Board from time to time.

23. The compliance officer appointed under sub-clause (iv) of clause (a) of sub-regulation (22) shall independently and immediately report to the Board any non-compliance observed by him.
24. The asset management company shall constitute a Unit Holder Protection Committee in the form and manner and with a mandate as may be specified by the Board.
25. The asset management company shall be responsible for calculation of any income due to be paid to the mutual fund and also any income received in the mutual fund, for the unit holders of any scheme of the mutual fund, in accordance with these regulations and the trust deed.
26. The asset management company shall ensure that no change in the fundamental attributes of any scheme or the trust, fees and expenses payable or any other change which would modify the scheme and affect the interest of unit holders, shall be carried out unless,—
 - (i) a written communication about the proposed change is sent to each unit holder and an advertisement is issued in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the mutual fund is situated; and
 - (ii) the unit holders are given an option to exit at the prevailing Net Asset Value without any exit load.
27. The asset management company shall put in place an institutional mechanism, as may be specified by SEBI, for the identification and deterrence of potential market abuse including front-running and fraudulent transactions in securities.
28. The Chief Executive Officer or Managing Director or such other person of equivalent or analogous rank and Chief Compliance Officer of the asset management company shall be responsible and accountable for implementation of such an institutional mechanism for deterrence of potential market abuse, including frontrunning and fraudulent transactions in securities.
29. The asset management company shall establish, implement and maintain a documented whistle blower policy that shall —
 - (a) provide for a confidential channel for employees, directors, trustees, and other stakeholders to raise concerns about suspected fraudulent, unfair or unethical practices, violations of regulatory or legal requirements or governance vulnerability, and
 - (b) establish procedures to ensure adequate protection of the whistle blowers.
30. An asset management company shall ensure compliance with the Investor Charter specified by SEBI from time to time.
31. The asset management company shall conduct stress testing for such schemes as specified by SEBI and disclose the results of the stress testing in the form and manner, as may be specified by SEBI.

INFORMATION ON KEY PERSONNEL

The day-to-day operations of the AMC are looked after by experienced and qualified professionals. Apart from Mr. R. K. Jha, Managing Director and Chief Executive Officer of the AMC, the details of other Key Personnels of the AMC are given below:

Name	Age	Designation	Educational Qualification	Total No. of Years of Experience	Nature of past experience including assignments held during the last 10 years
Mr. Nityanand Prabhu	55 years	Executive Director and Business Head	B. Com. LLB	Mr. Nityanand has around 33 years of experience in the Financial Services Industry.	<ul style="list-style-type: none"> • Presently, Executive Director and Business Head at LIC Mutual Fund Asset Management Ltd. (With effect from April 01, 2021 till date) • Chief Operating Officer at LIC Mutual Fund Asset Management Ltd. (April 06, 2015 to 31st March 2021) • COO & Acting CEO at ING Investment Mgt Ltd (2007 to 2015) • AVP Operations & IT at ABN Amro Asset Management Ltd (2004 – 2007)
Mr. Prashant Thakkar	48 years	Chief of Operations & Technology	Diploma Engineering in Computer Technology Diploma in Computer Applications and Internet Technologies Diploma in Oracle & Developer 2000	Mr. Thakkar has around 28 years of experience in the Financial Services Industry.	<ul style="list-style-type: none"> • Presently, Chief of Operations & Technology, LIC Mutual Fund Asset Management Ltd. (November 1, 2021 – Current) • Executive Vice President (EVP) - Operations & Technology, LIC Mutual Fund Asset Management Ltd. (May 17, 2021 – 31st October 2021) • Chief Technology Officer & Head –

					<p>Strategy, LIC Mutual Fund Asset Management Ltd. (April 2016 – May 2021)</p> <ul style="list-style-type: none"> • Head – Information Technology, LIC Mutual Fund Asset Management Ltd. (July 2012 – April 2016) • Head – Information Technology, Mirae Asset Global Investments (India) Pvt. Ltd. (July 2007 – July 2012)
Mr. Raghupathi Sanoor Acharya	61 years	Chief Risk Officer	ACA & B. Com	Mr. Acharya has over 29 years of Professional experience	<ul style="list-style-type: none"> • Presently, Chief Risk Officer – LIC Mutual Fund Asset Management Ltd. (15th November 2021 onwards on long term contractual basis) • Research Consultant – Bond Market & Forex Market – Tata Asset Management Ltd. (December 2016 – February 2018) • Senior Fund Manager (Fixed Income) – Tata Asset Management Ltd. (May 2008 – November 2016) • Chief Manager – Domestic Treasury – Karnataka Bank Ltd. (July 1991 – December 2007)
Mr. Yogesh Patil	49 years	Chief Investment Officer – Equity	<p>MBA (Finance) - Symbiosis Institute of Business Management, Pune</p> <p>B.com - Govt.</p>	Mr. Yogesh Patil has overall 23 years of experience in Financial Services Industry	<ul style="list-style-type: none"> • Presently, Chief Investment Officer – Equity, LIC Mutual Fund Asset Management Limited (25th May 2022 onwards) • Head – Equity, LIC Mutual Fund Asset

					<p>Management Ltd. (1st April 2021 – 24th May 2022)</p> <ul style="list-style-type: none"> Fund Manager (Equity) - LIC Mutual Fund Asset Management Ltd. (October 2018 – March 2021) Senior Fund Manager (Equity) – Canara Robeco Mutual Fund (September 2009 – September 2018) Research Analyst – Sahara Mutual Fund (December 2006 – August 2009)
Mr. Nikhil Rungta	41 years	(Co- Chief Investment Officer – Equity)	<ul style="list-style-type: none"> MBA (Finance) –Narsee Monjee Institute of Management Studies, Mumbai Financial Risk Management –Global Association of Risk Professionals, USA Chartered Accountant – Institute of Chartered Accountants of India (ICAI) B-Com – Narsee Monjee College of Commerce, Mumbai 	Mr. Rungta has over 17 years of experience in the Financial Services Industry.	<ul style="list-style-type: none"> Mr. Rungta is presently the Co-Chief Investment Officer – Equity at LIC Mutual Fund Asset Management Limited (with effect from 19th June 2024). Equity Fund Manager – SBI Pension Funds Private Limited (29th April 2024 – 31st May 2024) Chief Investment Officer - Golden Myriad (Garware Group Family Office) (21st November 2023 – 4th April 2024) Co-Fund Manager and Research Analyst - Nippon India Mutual Fund (25th March 2019 – 20th November 2023) Investment Manager and Research Head – BFSI

					<ul style="list-style-type: none"> - Bajaj Allianz Life Insurance Company (10th March 2016 – 22nd March 2019) • Lead Analyst – BFSI Sector - Anand Rathi Shares & Stock Brokers Limited (16th February 2015 – 29th February 2016) • Equity Research Analyst - Standard Chartered Securities (India) Limited (27th September 2012 – 8th February 2015) • Equity Research Analyst - Religare Capital Markets Limited (19th October 2010 – 21st September 2012)
Mr. Marzban Irani	50	Chief Investment Officer – Fixed Income	PGDBM - Chetana's Institute of Management & Research, Mumbai. B.Com – Mumbai University	Mr. Marzban has overall 25 years of experience in the Financial Services Industry.	<ul style="list-style-type: none"> • Chief Investment Officer – Fixed Income - LIC Mutual Fund Asset Management Ltd. (with effect from 24th April 2019) • Fund Manager Fixed Income - LIC Mutual Fund Asset Management Ltd. (04th August 2016 – 23rd April 2019) • VP Fixed Income - DSP BlackRock Investment Managers (June 2014 – July 2016) • Senior Fund Manager Fixed Income - TATA Asset Management (June 2011- May 2014). • Fund Manager Fixed Income – METLIFE INDIA INSURANCE (September 2010 – May 2011)

					<ul style="list-style-type: none"> • Fund Manager Fixed Income - Mirae Asset Global Investment Mgmt India (January 2008 – July 2010) • Fund Manager Fixed Income – TATA Asset Management (September 2000- November 2007)
Mr. Mayank Arora	44	Chief Compliance, Officer & Company Secretary	M.Com, CS	Mr. Mayank Arora has over two decades of experience.	<ul style="list-style-type: none"> • Chief Compliance Officer & Company Secretary at LIC Mutual Fund Asset Management Ltd (From October 2014 onwards) *Also, was additionally designated as Chief Financial Officer from 28th June 2021 till 31st July 2024. • Company Secretary at Sahara Asset Management Private Ltd. (From January 2007 to October 2014) • Senior Associate-Secretarial & Legal at Kale Consultants Limited (From November 2004 to December 2007) • Management Trainee at Kale Consultants Limited (From August 2003 to November 2004)
Mr. Rahul Singh	43	Senior Fund Manager – Fixed Income	Bsc. Economics Hons., PGDM (MBA) – IIM Ahmedabad	Mr. Rahul Singh has around 21 years of experience in Financial Services Industry.	<ul style="list-style-type: none"> • Presently, Senior Fund Manager – Debt - LIC Mutual Fund Asset Management Ltd (17th May 2021 onwards) • Fund Manager, Debt - LIC Mutual

					<p>Fund Asset Management Ltd (07th September 2015 – 16th May 2021)</p> <ul style="list-style-type: none"> • Dealer - Fixed Income - BOI AXA Investment Managers (August 2009 – August 2015)
Mr. Jaiprakash Toshniwal	39	Fund Manager - Equity	<ul style="list-style-type: none"> • CFA - CFA Institute, USA MS Finance (CFA) - ICFAI, India • B.com 	Mr. Jaiprakash has overall 17 years of experience in the Financial Services Industry.	<ul style="list-style-type: none"> • Presently, Fund Manager – Equity - LIC Mutual Fund Asset Management Ltd (24th July 2024 onwards) • Senior Equity Research Analyst & Fund Manager - LIC Mutual Fund Asset Management Ltd (6th September 2021 onwards) • Senior Equity Research Analyst - LIC Mutual Fund Asset Management Ltd. (28th January 2021 – 5th September 2021) • Equity Research Analyst - India First Life Insurance (16th August 2011 - 27th January 2021) • Equity Research Analyst - Taurus Mutual Fund (December 2009 - August 2011)
Mr. Karan Doshi	36	Fund Manager -- Equity	<ul style="list-style-type: none"> • Bachelor of Engineering. (E.X.T.C), • MMS (Finance) 	Mr. Karan has over 11.7 years of experience in the Financial Services Industry.	<ul style="list-style-type: none"> • Presently, Fund Manager – Equity - LIC Mutual Fund Asset Management Ltd (24th July 2024 onwards) • Presently - Senior Equity Research Analyst & Fund Manager - LIC Mutual Fund Asset

					<p>Management Ltd (6th September 2021 onwards)</p> <ul style="list-style-type: none"> • Co-Fund Manager - Equity & Equity Analyst - LIC Mutual Fund Asset Management Ltd. (January 2021 to 5th September 2021) • Equity Analyst - LIC Mutual Fund Asset Management Ltd. (May 2019 – December 2020) • Equity Analyst – Subhkam Ventures Pvt. Limited. (September 2013 – April 2019)
Mr. Dikshit Mittal	44	Senior Fund Manager - Equity	MBA (Finance) - ICAI Business School, Hyderabad, B.Tech	Mr. Dikshit has over 19 years of experience in the Financial Services Industry.	<ul style="list-style-type: none"> • Presently, Senior Fund Manager – Equity - LIC Mutual Fund Asset Management Ltd (24th July 2024 onwards) • Presently, Senior Equity Research Analyst & Fund Manager - LIC Mutual Fund Asset Management Ltd (6th June 2022 onwards) • Senior Equity Research Analyst & Co - Fund Manager - LIC Mutual Fund Asset Management Ltd (6th September 2021 – 5th June 2022) • Senior Equity Research Analyst - LIC Mutual Fund Asset Management Ltd. (15th December 2020 - 5th September 2021)

					<ul style="list-style-type: none"> Equity Research Analyst - Subhkam Ventures Pvt. Limited. (November 2012 - December 2020) Equity Research Analyst - SBI Capital Securities (July 2011 - October 2012) Equity Research Analyst - Alchemy Shares and Stockbrokers (June 2009 - July 2011)
Mr. Sanjay Vinayak Joshi	44	Equity Dealer	<ul style="list-style-type: none"> Post-Graduate Diploma in Financial Management (PGDFM), Mumbai University Bachelor's in arts, Mumbai University 	Mr. Joshi has over 16 years of experience in the Financial Services Industry.	<ul style="list-style-type: none"> Equity Dealer – LIC Mutual Fund Asset Management Ltd. (6th January 2023 onwards). Manager/Sales Trader, Equity Dealing – Aditya Birla Money (7th August 2020 to 5th January 2023) Manager/Sales Trader, Equity Dealing Indianivesh Securities (January 2018 to July 2020) Manager/Sales Trader, Equity Dealing – Elara Capital Ltd. (June 2015 to January 2018) Manager/Sales Inst., Equity Dealing/Sales - ULJK Securities Ltd (October 2014 to June 2015) Manager/Sales Trader, Equity Dealing – IFCI Financial Services Ltd (February 2010 to October 2014)

					<ul style="list-style-type: none"> • Manager/Trader, Equity Dealing - First Global Stock Broking Pvt Ltd (October 2006 to January 2010)
Mr. Sudarshan Pillai	44	Chief Information Security Officer (CISO)	<ul style="list-style-type: none"> • Diploma in Computer Hardware • BCOM, • CEHv7, • ITIL Foundation, • Cloud Computing Foundation • Certified Web Application 	Mr. Pillai has over 16 years of professional experience.	<ul style="list-style-type: none"> • CISO at LIC Mutual Fund Asset Management Ltd (1st July 2023 onwards) • AVP - Information Security at LIC Mutual Fund Asset Management Ltd (February 2021 to June 2023) • Assistant General Manager - Information Technology Administration and Operations at CEVA Logistics India (July 2018 to Jan 2021) • Sr. Manager -Information Technology Administration and Operations at Mirae Asset Global Investments India Pvt. Ltd. (December 2007 to July 2018)
Mr. Aakash Parash Dhulia	32	Fixed Income Dealer	<ul style="list-style-type: none"> • PGDBM • Finance- NL Dalmia Institute of Management Studies and Research, Mumbai • BE (Computer Science)- Rajiv Gandhi Institute of Technology, Mumbai 	Mr. Aakash has around 8 years of overall experience.	<ul style="list-style-type: none"> • Fixed Income Dealer – LIC Mutual Fund Asset Management Ltd. (8th September 2023 onwards). • Debt Dealer- India First Life Insurance Co. Ltd. (June 2021- 7th September 2023) • Treasury Sales- STCI Primary Dealer Ltd (May 2019 – May 2021)

					<ul style="list-style-type: none"> Wholesale Debt Market Dealing- Almondz Global Securities Ltd (February 2017 – May 2019)
Mr. Pratik Shroff	40	Fund Manager – Fixed Income	<ul style="list-style-type: none"> Executive Programme in Applied Finance – Indian Institute of Management, Calcutta Financial Risk Manager (FRM) - GARP Chartered Financial Analyst (CFA USA)- CFA Institute MS Finance – ICFAI University M.Com – University of Mumbai B.Com– University of Mumbai 	Mr. Pratik has around 18 years of overall experience.	<ul style="list-style-type: none"> Fund Manager (Fixed Income)- LIC Mutual Fund Asset Management Ltd. (w.e.f. 18th September 2023) Senior Associate Director Treasury – CTBC Bank LTD (February 2023 to September 2023) Deputy Vice president GMG – IndusInd Bank Limited (August 2021 to February 2023) Vice President Treasury – Industrial and Commercial Bank of China (November 2018 to August 2021) Dealer Fixed Income – Tata Mutual Fund (October 2012 to November 2018) Associate Vice President – LKP Securities (May 2007 – October 2012)
Mr. Samarth Kumar	24	(Fixed Income Dealer)	<ul style="list-style-type: none"> MBA in Finance – Sahyadri College of Engineering and Management B. Com – Canara Degree College 	Mr. Samarth has around 1.5 years 9 months of experience in the Mutual Fund Industry.	<ul style="list-style-type: none"> Fixed Income Dealer – LIC Mutual Fund Asset Management Ltd. (20th September 2023 onwards).
Mr. Sumit Bhatnagar	48	Fund Manager - Equity	<ul style="list-style-type: none"> CFA – CFA Institute, USA MBA (Finance) – Rotman School of Management, 	Mr. Sumit Bhatnagar has overall experience of 25 years in financial markets.	<ul style="list-style-type: none"> Fund Manager (Equity) – LIC Mutual Fund Asset Management Limited – 26th September 2023)

			university of Toronto <ul style="list-style-type: none"> • MBA (Finance) – I.M.S., Devi Ahilya University, Indore • BBA – P.I.M.R., Devi Ahilya University, Indore 		<ul style="list-style-type: none"> • Fund Manager (Equity) Indiabulls Asset Management Co. Ltd. (May 2021 – June 2023) • Head – Equity - Indiabulls Asset Management Co. Ltd. (February 2009 – January 2019)
Mr. Mahesh Bendre	49	Fund Manager & Senior Equity Analyst	<ul style="list-style-type: none"> • PhD (Finance) - Indian Institute of Management Studies and Research, Pune • MBA (Finance) – Dept of Management Science Pune University (PUMBA), Pune • B.E (Mechanical) – MIT, Pune 	Mr. Bendre has over 13 years of experience in the Financial Services Industry.	<ul style="list-style-type: none"> • Fund Manager – Equity – LIC Mutual Fund Asset Management Limited (1st July 2024 onwards) • Senior Equity Analyst – LIC Mutual Fund Asset Management Limited (April 2024 onwards) • Principal Officer and Head - PMS – LIC Mutual Fund (April 2023 – April 2024) • Senior Equity Analyst – LIC Mutual Fund (Oct 2022 – April 2023) • Senior Equity Analyst – IDBI Capital (June 2021 – Oct 2022) • Senior Equity Analyst – Vervene Asset Management (Aug 2020 – May 2021) • Senior Equity Analyst – Stewart & Mackertich (Dec 2019 – Mar 2020) • Senior Equity Analyst – Karvy Inst. Equity (Oct 2017 – Nov 2019) • Equity Analyst – Way2wealth (Mar 2015 – Sep 2017) • Equity Analyst – Quantum Securities (Mar 2012 – June 2014)

Mr. Siddhesh Parab	40	Equity Dealer	<ul style="list-style-type: none"> • MBA in Finance – Allana Institute of Management, Mumbai • B.Com – Maharshi Dayanand College, Parel 	Mr. Siddhesh has around 18 years of experience in the Financial Services Industry.	<ul style="list-style-type: none"> • Equity Dealer – LIC Mutual Fund Asset Management Limited (12th November onwards) • Equity Dealer – ITI Asset Management Ltd. (September 2023 till November 2024) • Equity Dealer – Mirae Asset Capital Market (India) Pvt. Ltd. (November 2020 till August 2023) • Equity Dealer – Sushil Financial Services Pvt. Ltd. (August 2015 till November 2020) • Equity-Commodity-Currency Dealer – Emkay Global Financial Services Ltd. (December 2006 till August 2015)
Ms. Srividya Baliga	44	Investor Relations Officer	<ul style="list-style-type: none"> • B.com 	Around 16 years of experience in the Financial Services Industry	<ul style="list-style-type: none"> • Investor Relations Officer- LIC Mutual Fund Asset Management Limited with effect from 12th May 2025 • AVP—RTA Operations, Branch Operations and Investor Services — LIC Mutual Fund Asset Management Limited (July 2022 – till date) • Senior Manager— RTA Operations & Customer Service —PGIM Mutual Fund (October 2009 — March 2011 and February 2012 — July 2015) • Manager Treasury Operations — FirstRand Group (June 2008 — October 2009) • Senior Executive — Banking Operations

					— Fidelity Mutual Fund (April 2006 — May 2007)
Mr. Lovnish Manocha	51	Chief Financial Officer	<ul style="list-style-type: none"> • Master Financial Management of • Bachelor of Commerce 	Around 29 years of experience in the Financial Services Industry	<ul style="list-style-type: none"> • Chief Financial Officer – LIC Mutual Fund Asset Management Limited (With effect from 22nd May 2025) • EVP & Financial Controller – Invesco Asset Management India Private Limited (17th March 2008 – 15th May 2025) • Senior Manager Corporate Accounting – ING Investment Management India Private Limited (August 2006 – March 2008) • Manager Financial Control – HDFC Asset Management Co. Limited (December 2005 – August 2006) • Senior Manager Corporate Accounting - Alliance Capital Asset Management India Pvt. Limited (July 2000 – December 2005) • Executive Finance – Arthur Andersen & Co. (August 1998 to June 2000) • Officer Accounts - Merind Limited (August 1995 to August 1998)
Mr. Saurabh Vashistha	37	Head - Product and Corporate Communications	<ul style="list-style-type: none"> • M.M.S (Finance) • Bsc. (Biotechnology) 	He has overall 15 years of experience	<ul style="list-style-type: none"> • Head - Product and Corporate Communications – LIC Mutual Fund Asset Management Limited (With effect from 17th June 2025) • Head-Product and Marketing– ITI Asset Management Limited (August 2024 – June 2025)

					<ul style="list-style-type: none"> • Head-Products-TRUST Asset Management Company Limited (August 2023 – August 2024) • Head-Products-Pharmarack Technologies (July 2021 – August 2023) • Senior Investment Specialist Products-Canara Robeco Asset Management Company Limited (August 2015 - July 2021)
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PROCEDURE AND RECORDING OF INVESTMENTS DECISIONS:

All investment decisions, relating to the Schemes, are undertaken by the AMC in accordance with the Regulations, the investment objectives specified in the Scheme Information Document, the processes specified in the Investment Manual and the Trust Deed. All investment decisions shall be recorded in terms of various applicable Regulations / circulars / guidelines as amended from time to time.

A detailed report is made before taking any decision to invest in a company/issuer for the first time. Individual scrip wise reasons are recorded by the fund manager at the time of placing individual orders.

Performance of the Schemes vis-à-vis their respective benchmark indices are periodically monitored by the Boards of the Trustee and the AMC. Further, the Boards of the Trustee and the AMC also review the performance of the Schemes in the light of performance of the mutual fund industry.

The AMC has appointed an Investment Committee for Debt & Equity respectively comprising of the Managing Director and Chief Executive Officer (CEO), Executive Director and Business Head (ED-BH), Chief Investment Officers (CIOs), Fund Manager(s), Compliance Officer (CO) and Chief Risk Officer (CRO) and members from Debt & Equity teams respectively. The Committee lays down the broad investment policy for the Schemes, review the policy and review the portfolio and performance of the Schemes periodically.

III. SERVICE PROVIDERS

SERVICE PROVIDER	NAME	ADDRESS	SEBI/FIRM REGN. NO.
Custodian	Standard Chartered Bank (For all existing Schemes other than LIC MF Gold Exchange Traded Fund)	CRESCENZO, 3rd Floor, C-38/39, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051	IN/CUS/006

	Stock Holding Corporation of India Limited (For LIC MF Gold Exchange Traded Fund)	SHCIL HOUSE, II Floor, Plot No. P-51, T T C Industrial Area, MIDC Mahape, Navi Mumbai - 400 710.	IN/CUS/011
Registrar & Transfer Agent	KFin Technologies Limited	Principal Business Address Selenium Tower B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad 500032	INR000000221
Statutory Auditor	Deloitte Haskins & Sells LLP	One International Center, Tower 3, 32 nd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai-400 013, Maharashtra, India.	117366W/W-100018
Legal Counsel	The AMC uses the services of renowned legal counsel, if need arises. There are no retained legal counsels to the Mutual Fund or AMC.		
Fund Accountant	Standard Chartered Bank	Ground floor, 90 M.G. Road, Fort, Mumbai-400001	NA
Collecting Bankers	Collection banks may be appointed by the AMC from time to time. Applications for the NFO will also be accepted at Designated Collection Centers.		

The AMC shall have the right to change the Registrars and Transfer agent later.

The Board of Trustees and the Board of AMC have ensured that the Registrar and Transfer Agent KFin Technologies Limited has adequate capacity to discharge responsibilities regarding the processing of applications within the time limit prescribed in the Regulations and also has sufficient capacity to handle investor complaints.

IV. CONDENSED FINANCIAL INFORMATION (for all the schemes launched by MF during the last three fiscal years (excluding redeemed schemes) in the format given below)

The following is the condensed financial information for schemes launched by LIC MF Asset Management Limited during the last three fiscal years (excluding redeemed schemes).

HISTORICAL PER UNIT STATISTICS	LIC MF Money Market Fund (Date of allotment 01-08-2022)		
	2022-2023	2023-2024	2024-2025
NAV at the beginning of the year / period (as on April 1)			
Direct Plan IDCW Option	NA	NA	NA
Direct Plan Growth Option	NA	1,037.2738	1109.3425
Regular Plan IDCW Option	NA	1,034.2925	1101.3728
Regular Plan Growth Option	NA	1,034.2925	1101.3728
IDCWs			
Direct Plan IDCW Option	-	-	-
Regular Plan IDCW Option	-	-	-
NAV at the end of the year (as on March 31)			
Direct Plan IDCW Option	NA	NA	1180.7508
Direct Plan Growth Option	1037.2738	1109.3425	1180.7508
Regular Plan IDCW Option	1034.2925	1101.3728	1167.2570
Regular Plan Growth Option	1034.2925	1101.3728	1167.2570
Annualised return (%)**			
Direct Growth Option	5.5987	6.9283	6.4370
Regular Growth Option	5.1509	6.4673	5.9820
First Tier Benchmark-NIFTY Money Market Index A-I	6.3380	7.4291	7.5566
Additional Benchmark-CRISIL 1 Year T-Bill Index	5.5979	7.2109	7.4861
Net Assets end of period (Rs. Crs.)			
Regular	21.51	9.37	24.60
Direct	30.45	12.08	127.65
Ratio of Recurring Expenses to Net Assets***			
Regular	0.61%	0.61%	0.49%
Direct	0.18%	0.18%	0.19%
Date of allotment 01-08-2022			

HISTORICAL PER UNIT STATISTICS	LIC MF Multi Cap Fund (Date of allotment 31-10-2022)		
	2022-2023	2023-2024	2024-2025
NAV at the beginning of the year / period (as on April 1)			
Direct Plan IDCW Option	NA	9.6529	13.6549
Direct Plan Growth Option	NA	9.6529	13.6549
Regular Plan IDCW Option	NA	9.5806	13.3247
Regular Plan Growth Option	NA	9.5806	13.3246
IDCWs			
Direct Plan IDCW Option	-	-	-
Regular Plan IDCW Option	-	-	-
NAV at the end of the year (as on March 31)			
Direct Plan IDCW Option	9.6529	13.6549	15.9442
Direct Plan Growth Option	9.6529	13.6549	15.9442
Regular Plan IDCW Option	9.5806	13.3247	15.3110
Regular Plan Growth Option	9.5806	13.3246	15.3110
Annualised return (%)**			
Direct Growth Option	NA	41.3251	16.7654
Regular Growth Option	NA	38.9537	14.9078
First Tier Benchmark-NIFTY 500 Multicap 50:25:25 TRI	NA	47.8811	6.8830
Additional Benchmark-NIFTY 50-TRI	NA	30.2732	6.6536
Net Assets end of period (Rs. Crs.)			
Regular	440.02	840.88	1,291.04
Direct	49.85	87.38	92.19
Ratio of Recurring Expenses to Net Assets***			
Regular	2.39%	2.20%	2.07%
Direct	0.73%	0.54%	0.56%
Date of allotment 31-10-2022			

HISTORICAL PER UNIT STATISTICS	LIC MF NIFTY MIDCAP 100 ETF		
	2022-2023	2023-2024	2024-2025
NAV at the beginning of the year / period (as on April 1)			

Growth Option	NA	NA	48.0606
IDCW	NA	NA	NA
NAV at the end of the year (as on March 31)			
Growth Option	NA	48.0606	51.7253
Annualised return (%)**			
Growth Option	NA	NA	7.6252
First Tier Benchmark-Nifty Midcap 100 TRI	NA	NA	8.0091
Additional Benchmark-NIFTY 50-TRI	NA	NA	6.6536
Net Assets end of period (Rs. Crs.)			
Growth	NA	515.64	640.82
Ratio of Recurring Expenses to Net Assets***			
Growth	NA	0.16%	0.16%
Date of allotment 14-02-2024			

HISTORICAL PER UNIT STATISTICS	LIC MF Manufacturing Fund		
LIC MF Manufacturing Fund	2022-2023	2023-2024	2024-2025
NAV at the beginning of the year / period (as on April 1)			
Direct Plan IDCW Option	NA	NA	NA
Direct Plan Growth Option	NA	NA	NA
Regular Plan IDCW Option	NA	NA	NA
Regular Plan Growth Option	NA	NA	NA
IDCWs			
Direct Plan IDCW Option	-	-	-
Regular Plan IDCW Option	-	-	-
NAV at the end of the year (as on March 31)			
Direct Plan IDCW Option	NA	NA	8.6592
Direct Plan Growth Option	NA	NA	8.6592
Regular Plan IDCW Option	NA	NA	8.5881
Regular Plan Growth Option	NA	NA	8.5881
Annualised return (%)**			

Direct Growth Option	NA	NA	NA
Regular Growth Option	NA	NA	NA
First Tier Benchmark-Nifty India Manufacturing Index TRI	NA	NA	NA
Additional Benchmark-Nifty 50 TRI)	NA	NA	NA
Net Assets end of period (Rs. Crs.)			
Regular	NA	NA	610.97
Direct	NA	NA	157.35
Ratio of Recurring Expenses to Net Assets***			
Regular	NA	NA	2.26%
Direct	NA	NA	0.50%
Date of allotment 11-10-2024			

HISTORICAL PER UNIT STATISTICS	LIC MF Multi Asset Allocation Fund		
	2022-2023	2023-2024	2024-2025
NAV at the beginning of the year / period (as on April 1)			
Direct Plan IDCW Option	NA	NA	NA
Direct Plan Growth Option	NA	NA	NA
Regular Plan IDCW Option	NA	NA	NA
Regular Plan Growth Option	NA	NA	NA
IDCWs			
Direct Plan IDCW Option	-	-	-
Regular Plan IDCW Option	-	-	-
NAV at the end of the year (as on March 31)			
Direct Plan IDCW Option	NA	NA	10.4964
Direct Plan Growth Option	NA	NA	10.4964
Regular Plan IDCW Option	NA	NA	10.4732
Regular Plan Growth Option	NA	NA	10.4732
Annualised return (%)**			
Direct Growth Option	NA	NA	NA
Regular Growth Option	NA	NA	NA
First Tier Benchmark-65% Nifty 500 TRI + 25% Nifty Composite Debt Index + 10% Price of Domestic Gold	NA	NA	NA
Additional Benchmark-Nifty 500 TRI	NA	NA	NA

Net Assets end of period (Rs. Crs.)			
Regular	NA	NA	450.33
Direct	NA	NA	49.47
Ratio of Recurring Expenses to Net Assets***			
Regular	NA	NA	2.30%
Direct	NA	NA	0.55%
Date of allotment 14-02-2025			

Note:

1. NAV at the beginning of the year / period as on April 1 or allotment date.
2. **Past performance may or may not be sustained in future-Calculations are based on Regular Plan - Growth Option NAV and Direct Plan – Growth Option NAV.
3. ** Returns for less than one year are computed as absolute returns ^ from the date of allotment of respective Schemes and returns more than 1 year are computed as compounded annualized returns (CAGR) of respective Schemes.
4. ***Recurring Expenses includes GST on management fees and Additional TER
5. Different plans have different expense structure

PERFORMANCE OF THE SCHEMES OF LIC MUTUAL FUND

The performance of the Schemes of LIC Mutual Fund is disclosed at **Annexure 1**.

V. RISK FACTORS

1. Standard Risk Factors

a. Standard Risk Factors for investments in Mutual Fund

- 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 fluctuates, 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.
- The name of the Scheme(s) does not in any manner indicate either the quality of the Scheme(s) or its future prospects and returns.
- The sponsor is not responsible or liable for any loss resulting from the operation of the Scheme(s) beyond the initial contribution of Rs. 2 Crore made by it towards setting up the Fund.
- The existing Schemes are not a guaranteed or assured return scheme.

b. Risk factors of not maintaining average AUM of Rs. 20 crore on half yearly rolling basis (Applicable only for open ended debt-oriented Schemes)

An average AUM of 20 crore on half yearly rolling basis shall be maintained for open ended debt-oriented Scheme.

In case of breach of the aforesaid provisions, the AMC shall scale up the AUM of such scheme within a period of six months so as to comply with the aforesaid provisions, failing which the provisions of Regulation 39 (2) (c) of SEBI (Mutual Funds) Regulations, 1996 would become applicable.

c. Risks associated with different derivative strategies

The Schemes may use various derivative instruments like Equity derivatives, Index derivatives, Interest Rate Swaps, Forward Rate Agreements or other derivative instruments as permitted by SEBI from time to time for the purpose of investments, hedging, portfolio balancing or other strategies as permitted under the regulations, guidelines and offer document of the Scheme.

Usage of derivatives exposes the Scheme to certain risks inherent to such derivative instruments & strategies.

Risks associated with Trading in Equity Derivatives and strategies

Equity derivatives may be used to deploy strategies like Hedging strategy, Arbitrage strategy, , Covered call writing strategy, Investment & portfolio balancing strategy.

Risks associated with investments in Equity Derivatives:

Derivatives require the maintenance of adequate controls to monitor the transactions and the embedded market risks that a derivative adds to the portfolio. Besides the price of the underlying asset, the volatility, tenor and interest rates affect the pricing of derivatives. There may be additional cost attached to buying futures or other derivative instrument. Further there could be an element of settlement risk, which could be different from the risk in settling physical shares

Trading in derivatives carries a high degree of risk although they are traded at a relatively small amount of margin which provides the possibility of great profit or loss in comparison with the principal investment amount. Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme.

Some of the other risks in using derivatives include but are not limited to:

Counterparty Risk - this occurs when a counterparty fails to abide by its contractual obligations and therefore, the Schemes are compelled to negotiate with another counter party, at the then prevailing (possibly unfavourable) market price. For exchange traded derivatives, the risk is mitigated as the exchange provides the guaranteed settlement but one takes the performance risk on the exchange.

Market Liquidity risk where the derivatives cannot be transacted at prices that reflect the underlying assets, rates and indices.

Model Risk, the risk of mis-pricing or improper valuation of derivatives.

Basis Risk arises when the instrument used as a hedge does not match the movement in the instrument/ underlying asset being hedged.

The risks may be inter-related therefore besides the price of the underlying, the tenor, the volatility & interest rates may influence the prices of the derivative instruments.

Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the investment manager to identify such opportunities. Identification and execution of the strategies to be pursued by the investment manager involve uncertainty and decision of investment manager may not always be profitable. No assurance can be given that the investment manager will be able to identify or execute such strategies.

The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

Derivative trades involve execution risks, whereby the rates seen on the screen may not be the rate at which ultimate execution takes place.

The option buyer's risk is limited to the premium paid.

Investments in index futures face the same risk as the investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks.

Risk of loss in trading in futures contracts can be substantial, because of the low margin deposits required, the extremely high degree of leverage involved in futures pricing and potential high volatility of the futures markets.

Risks associated with trading in Debt Derivatives:

The Schemes may use derivatives instruments like Interest Rate Swaps, Forward Rate Agreements or such other derivative instruments as may be introduced from time to time for the purpose that may be permitted by SEBI Mutual Fund Regulations from time to time.

The risk associated with investments in debt derivatives are similar to the “Risks associated with investments in Equity Derivatives” mentioned above.

Risks associated with investments in Debt Derivatives strategies:

The Scheme may use derivative strategies for efficient portfolio management or generating best returns for the investors. The schemes may also attempt to hedge or reduce the risk by deploying various derivative strategies.

The Scheme's ability to use these strategies may be limited by market conditions, regulatory limits and tax considerations (if any). The use of these strategies is further dependent on the ability to predict movements in the prices of securities being hedged and movements in various macro variables such as interest rates, others. Further there exists an imperfect correlation between the derivative instrument and the underlying securities or market sectors being hedged. Thus, due to this inherent risk these strategies if imperfectly used have the risk of the Scheme not realising the maximum gains or incurring losses due to mismatches particularly in a volatile market.

There could be possible absence of a liquid market for any particular instrument at any particular time even though the futures and options may be bought and sold on an exchange. Further the returns from the types of derivative strategies in which the scheme invests may underperform the returns of broader securities markets, respective scheme benchmark or other asset classes where scheme are permitted to invest. Different types of strategies tend to go through cycles of out-performance and under-performance in comparison of securities markets and may thus result in underperformance by the schemes.

Some additional risk related to some debt derivative strategies are as following:

Risks associated with Interest Rate Swaps and Forward Rate Agreements:

Interest rate swap is a strategy in which one party exchanges a stream of interest for another party's stream. Interest rate swaps are normally 'fixed against floating', but can also be 'fixed against fixed' or 'floating against floating' rate swaps.

The risk arising out of uses of the above derivative strategy are as under:

- Lack of opportunities available in the market.
- The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

Risk associated with imperfect hedging using interest rate futures:

An Interest Rate Futures is an agreement to buy or sell a debt instrument at a specified future date at a price that is fixed today. Interest Rate Futures are Exchange traded. These future contracts are cash settled.

Perfect Hedging means hedging the underlying using IRF contract of same underlying.

Imperfect hedging means the underlying being hedged and the IRF contract has correlation of closing prices of more than 90%.

In case of imperfect hedging, the portfolio can be a mix of:

- i) Corporate Bonds and Government securities or
- ii) Only Corporate debt securities or Only government securities with different maturities

Risk associated with imperfect hedging includes:

Basis Risk: The risk arises when the price movements in derivative instrument used to hedge the underlying assets does not match the price movements of the underlying assets being hedged. Such difference may potentially amplify the gains or losses, thus adding risk to the position.

Price Risk: The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

Risk of mismatch between the instruments: The risk arises if there is a mismatch between the prices movements in derivative instrument used to hedge, compared to the price movement of the underlying assets being hedged. For example when IRF which has government security as underlying is used, to hedge a portfolio that contains corporate debt securities.

Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the investment manager to identify such opportunities. Identification and execution of the strategies to be pursued by the investment manager involve uncertainty and decision of investment manager may not always be profitable. No assurance can be given that the investment manager will be able to identify or execute such strategies.

The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

Risks associated with writing covered call options for equity shares

In addition to the risks associated with derivative instruments, listed below are the risks associated with writing covered call options

- **Market Risk:** Appreciation in the underlying equity shares could lead to loss of opportunity in case of writing of covered call option. In case if the appreciation in equity share price is more than the option premium received, the appreciation in the scheme would be capped.
- **Liquidity Risk:** This strategy of writing covered call in a scheme will be used, provided the scheme has adequate number of underlying equity shares as per regulatory requirement. Subsequently, the scheme will have to set aside a portion of investment in the underlying equity shares. Further, in case the covered call options are sold to the maximum extent as allowed under the purview of regulations, the scheme would be unable to sell the shares of the respective stock, to the extent that would be blocked under the covered call. Hence, if the call option contracts which have been written become illiquid, it may lead to a loss of opportunity or can cause exit issues
- As a result, it may happen that the scheme is not able to sell the underlying equity shares

immediately, which can lead to temporary illiquidity of the underlying equity shares and may result in loss of opportunity.

d. Other risk factors (viz. Swing pricing, investment in CDMDF, LRM etc.)

Risk Factors associated with Swing Pricing

Swing pricing refers to a process for adjusting a fund's net asset value (NAV) to effectively pass on transaction costs stemming from net capital activity (i.e., flows into or out of the fund) to the investors associated with that activity during the life of a fund, excluding ramp-up period or termination. In a liquidity-challenged environment, quoted bid/ask spreads and overall trading cost can widen and may not be representative of the executed prices that can be achieved in the market

When swing pricing framework is triggered and swing factor is made applicable (for normal time or market dislocation, as the case may be), both incoming and outgoing investors shall get NAV adjusted for swing factor. However, Swing pricing shall be made applicable to all unitholders at PAN level with an exemption for redemptions upto Rs. 2 lacs for each mutual fund scheme for both normal times and market dislocation.

For complete details in this regard, please refer the paragraph on 'Swing Pricing' given under the heading Section 'D. Information pertaining to Investments by the Schemes of the Fund'

Risk Factors associated with investment in Corporate Debt Market Development Fund (CDMDF):

Backstop facility in form of investment in Corporate Debt Market Development Fund:

CDMDF is set up as a scheme of the Trust registered as an Alternative Investment Fund ('AIF') in accordance with the SEBI (Alternative Investment Funds) Regulations, 2012 ("AIF Regulations"). The objective of the CDMDF is to help to develop the corporate debt market by providing backstop facility to instill confidence amongst the market participants in the corporate debt/bond market during times of market dislocation and to enhance the secondary market liquidity. In times of market dislocation, CDMDF shall purchase and hold eligible corporate debt securities from the participating investors (i.e., specified debt-oriented MF schemes to begin with) and sell as markets recover. The CDMDF will thus act as a key enabler for facilitating liquidity in the corporate debt market and to respond quickly in times of market dislocation. The trigger and period for which the backstop facility will be open shall be as decided by SEBI. Thus, this backstop facility will help fund managers of the scheme to better generate liquidity during market dislocation to help the schemes fulfill liquidity obligations under stress situation.

Mandatory liquidity requirement under the Liquidity Risk Framework mandated by SEBI:

The Investment Manager adopts the Liquidity Risk Management framework mandated for open ended debt schemes by SEBI and AMFI which helps estimates liquidity requirement by determining liquidity risk arising from the liability side and tries to covers all potential liquidity risk scenarios up to agreed confidence interval and has mandated remedial measures both for managing the risk on an ongoing basis (LRaR & LCRaR) as well as action plan in case there is a difference between actual outcome and projected outcome. Investors can refer to the circular 135/BP/93/ 2021-22 dated July 24, 2021 and subsequent circulars for detail understanding on the Liquidity Risk Management Framework.

Further Investment manager also evaluates and monitors the Asset Liability Mismatch (ALM) which addresses the gap in the estimated potential liquidity requirement over a 90-day period and schemes investment / assets liquidity to meet the potential requirement and best ensures that scheme has necessary liquidity to meets its liability obligations.

Risk Management framework to mitigate liquidity risk:

- **Potential Risk Class** – Defines to maximum potential risk a fund may take based on the credit rating and duration of the debt securities
- **Diversified portfolio** – The portfolio held is well diversified in terms of issuer, group and sector, in line with regulatory guidelines and internal Risk Metrics.
- **Liquid assets** – Based on the profile of the investors and concentration of distributors, the

following type of liquid assets are maintained to address potential Liquidity requirement over a 30-day period.

- Liquid assets to address 95 percentile Redemption at Risk (maintained in the form of Cash, Government Securities, T-bills and Repo on Government Securities)
- Liquid assets to address 95 percentile Conditional Redemption at Risk (maintained in the form of above assets and highest rated debt securities)
- **Asset Liability Management** – ALM to address potential Liquidity requirement over a 90-day period, based on the putative liabilities vis-à-vis secondary market liquidity of the portfolio
- **Borrowing** – A fund may borrow up to 20% of AUM (or such higher limits as may be allowed by the regulator from time to time) to meet redemption requirements.
- **Stress testing** – Stress Testing is an exercise to simulate adverse scenario on our portfolio

based on the past events, and assess the impact such event on the portfolio. This helps in raising timely alerts to take necessary action to address the situation.

- **Swing Pricing** – The swing pricing framework ensures that the impact cost of high redemption is passed on the investors exiting the scheme, while incoming investors in such time benefit due to lower NAV.

2. 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 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. Any information or representation in connection with this offering not authorized by the Mutual Fund and not contained herein must not be relied upon as having been authorized by the Mutual Fund.

VI. HOW TO APPLY?

1. New investors can purchase units by using an application form or through such other modes as may be offered by the AMC and/or its Registrar and Transfer Agents (RTA), subject to compliance with KYC and various regulatory guidelines applicable from time to time. Existing unit holders may use i.e. Transaction Slip or use a Common Application Form or through such other

modes as may be offered by the AMC. Application forms or common transaction forms are generally available at the official points of acceptance of transactions during business hours. The same can also be downloaded from the website of the Mutual Fund, www.licmf.com.

2. Application Forms duly completed along with the Cheque /Demand Draft/ Fund transfer instruction may be submitted at Official Points of Acceptance (OPA) or Investor Service Centres (ISC), of **LIC Mutual Fund Asset Management Ltd** or RTA or other such collecting centers as may be designated by the AMC. Cheques / DDs should be drawn in favour of "Scheme Name" as per the respective Scheme Information Document and should be payable at the Center where the application is lodged.
3. Investors are required to ensure that (ARN) and Employee Unique Identification Number (EUIN) is correctly filled up in the application form for investments routed through the distributor (ARN holder). EUIN, particularly in advisory transactions, would assist in addressing any instance of mis-selling even if the employee/relationship manager/ sales person later leaves the employment of the distributor. In case, the distributor has not given any advice to investor pertaining to the investment made, the EUIN box may be left blank wherein the investor will be required to provide a duly signed declaration to this effect, as given in the application form. SEBI has made it compulsory for every employee/ relationship manager/ sales person of the distributor of mutual fund products to quote the EUIN obtained by him/ her from AMFI in the Application Form.
4. No outstation cheques will be accepted. If there are no authorized investor services centers where the investor resides, the application form duly completed along with a Demand Draft, payable at / from locations where LIC Mutual Fund has its designated Authorized Investor Service Centers, may be submitted to authorized collection centers. If such bank charges / commission are not deducted by the applicant, then the same may not be reimbursed. However, in case of application along with local Cheque or Bank Draft payable at / from locations where LIC Mutual Fund has its designated Authorized Investor Service Centers, Bank Draft charges/ commission may have to be borne by the applicant. In such cases the Trustee Company is entitled, in its sole and absolute discretion, to reject or accept any application.
5. Investors can carry out financial and non-financial transactions pertaining to Scheme(s) of LIC Mutual Fund through MF Utilities at the authorized Points of Service of MF Utilities India Private Limited (MFUI). The details of Points of Service with effect from the respective dates published on MFU website at www.mfuindia.com will be considered as Official Point of Acceptance (OPA) for transactions in the Scheme(s) of the Fund. The transactions carried out through MFU shall be subject to the terms & conditions as may be stipulated by MFUI / Fund / LIC MF AMC from time to time.
6. In line with paragraph 16.6 of SEBI Master Circular for Mutual Funds on RTA (Registrar & Transfer Agent) inter-operable Platform for enhancing investors' experience in Mutual Fund transactions / service requests, the RTA's, Kfin Technologies Limited and Computer Age Management Services Limited (CAMS) have jointly developed MF Central – A digital platform for Mutual Fund investors. MF Central was created with an intent to be a one stop portal / mobile app for all Mutual fund investments and service related needs that significantly reduces the need for submission of physical documents by enabling various digital / physical services to Mutual fund investors across fund houses subject to applicable T&Cs of the Platform. MF Central can be accessed using <https://mfcentral.com/> and Mobile App.

Any registered user of MFCentral, requiring submission of physical document as per the requirements of MFCentral and/or as per regulatory requirements, may do so at any of the designated Investor Service centres or collection centres of Kfintech or CAMS.

7. Investors may undertake transactions viz. purchase / redemption / switch through the online/electronic modes/ other digital sources like its official website - www.licmf.com, through email (Only for Non individual Investor)* etc and may also submit transactions in electronic mode offered by specified banks, financial institutions, distributors etc., with whom AMC has entered or may enter into specific arrangements including through secured internet sites operated by RTA. Accordingly, the servers (maintained at various locations) of the AMC and RTA will be the official point of acceptance for all such online / electronic transaction facilities offered by the AMC. The time of receipt of funds in the scheme's collection account and the time of receipt of application with all the correct details at AMC's /RTA server shall be taken into consideration for the purpose of NAV applicability.

*** ACCEPTANCE OF FINANCIAL TRANSACTIONS THROUGH ELECTRONIC MAIL FROM NON- INDIVIDUAL INVESTORS:**

In line with AMFI Best Practice Guidelines No. 118/2024-25 dated January 31, 2025 and AMFI email dated February 27, 2025, the practice to accept financial transactions has been standardized and the following requirements will be applicable w.e.f. May 1, 2025 for financial transactions received from Non-Individual Investors in schemes of LIC Mutual Fund.

The Mutual Fund / AMC / Trustee Company / Registrar or any other agents or representatives of the Mutual Fund / AMC / Trustee Company / Registrar ("Receiver") may accept Financial Transaction Request through Electronic Mail (Email) from Non - Individual Investor ("Sender / Entity"), as may be permitted by the AMC from time to time and subject to the Sender fulfilling applicable terms and conditions as may be stipulated / prescribed in the Scheme Information Document(s) of the scheme and by the AMC from time to time:

- A. The Entity shall provide a copy of the Board resolution or an authority letter on the Entity's letter head, granting appropriate authority to the designated officials of the Entity. The board resolution/ authority letter shall explicitly mention the following:
 - a. List of approved authorized officials who are authorized to transact on behalf of non - individual investors along with their designation and email IDs.
 - b. An undertaking that the instructions for any financial transactions sent by email by the authorized officials shall be binding upon the entity as if it were a written agreement.
- B. In case the document is executed electronically with a valid Digital Signature Certificate (DSC) or through Aadhaar based e-signature by the authorized official/s, the same shall be considered as valid and acceptable, and shall be binding on the non-individual investor even if the transaction request is not received from the registered email id. of the authorized official/s. However, in such cases, the domain name of the email ID should be from the same organization's official domain name.

- C. The Financial Transaction request with requisite information and complete in all respects shall be required to be sent to the designated email address only as may be notified by the AMC at the time of permitting the use of this facility, post completion of the requisite process.
- D. In addition to the acceptance of financial transactions via email, scanned copy of duly signed transaction form/request letter bearing wet signatures of the authorized signatories of the entity, received from some other official / employee of the non-individual investor will be accepted, and shall be binding on the Entity provided –
- a. The email is also CC'd (copied) to the registered email ID of the authorized official / signatory of the non-individual unitholder; and
- b. The domain name of the email ID of the sender of the email is from the same organization's / Entity official domain name.
- E. No non-financial transactions including but not limited to change in bank details or addition of bank account of the entity etc., shall be allowed / accepted via email.
- F. Request for change in bank details or addition of bank account of the Entity shall be submitted by the Entity using the prescribed service request form duly signed by the Entity's authorized signatories.
- G. Further, any change in the registered email address / contact details of the Entity shall be accepted only through a physical letter (including scan copy thereof) with wet signature of the designated authorized officials of the Entity, duly supported by copy of the board resolutions/authority letter on the Entity's letter head.
- H. In addition to the acceptance of financial transactions via email, scanned copies of signed transaction form/request letter bearing wet signatures of the authorized signatories of the Entity, received from the registered mutual fund distributor of the Entity or a third party duly authorized by the Entity will be accepted subject to fulfilment of the following requirements:
- a. Authorization letter from the non-individual unitholder authorizing the MFD/person to send the scanned copies of signed transaction form/request letter on behalf of the Entity.
- b. In such cases, the non-individual unitholder's registered email ID shall also be copied in the email sent by the MFD/person sending the scanned copies of the duly signed transaction form/request letter.
- I. For the purpose of determining the applicable NAV the system recorded date and time of the Email received by the Server of the AMC / Registrar will be considered subject to the entire amount of subscription / purchase as per the request are credited to the bank account of the scheme and are available for utilization before the cut-off timing.
- J. The Sender / Entity agrees and acknowledges and is aware that there may be delays in delivery / difference in the date and time of the email received at the server of the AMC / Receiver and the date and time of the server through which investor has sent the email and also the AMC / Receiver server may not receive / reject the email sent by the Sender at all. The transaction receipt time will be the date and time of the email received at the server of the AMC/ receiver. All other terms and conditions of NAV applicability will be as per the applicable regulatory guidelines.

K. The Sender / Entity shall retain records of transactions submitted through email in line with the applicable laws / regulations.

L. The AMC shall collect the board resolution or an authority letter or an undertaking from existing Non-Individual Investors if the same are not available in its records.

M. All the terms and conditions specified in the Statement of Additional Information with respect to acceptance of transactions through electronic mode shall be applicable to this Facility.

- Transaction Platforms of Bombay Stock Exchange (BSE) and National Stock Exchange (NSE)

Mutual Fund also offers an alternate transaction platform to facilitate purchase / subscription and redemption / repurchase of units of all its open-ended schemes (except for LIC MF Unit Linked Insurance Scheme) through the platforms of NSE & BSE. Under this facility, Trading Member of NSE/BSE can facilitate eligible investors to subscribe and redeem the mutual fund units using their existing network and order collection mechanism as provided by respective stock exchange.

The Mutual Fund will not accept any request for transactions or service requests in respect of Units bought under this facility in demat mode directly. The AMC/Fund will not send any account statement in respect of Units bought in demat mode or accept any request for statement as the units will be credited in demat account of the investor and investors should approach their DPs for issuance of statement. For any grievances with respect to transactions through stock exchange mechanism, Unit Holders must approach either stock broker or their Distributors or RIA or the investor grievances cell of the respective stock exchange. The Fund or the AMC will not be liable for any transactions processed based on the transaction details provided by the stock exchanges.

- Option to hold in Demat Form:

Investors subscribing for Units in any of the schemes of the Fund may opt to hold Units in dematerialized mode by filling and providing details of their demat account in the specified section of the application form. Units shall be allotted in physical form by default, unless the investors indicate their intention of holding Units in demat form by filling in the specified section of the application form. This option shall be available in accordance with the provisions laid under the respective scheme(s) and in terms of guidelines/ procedural requirements as laid by the depositories (NSDL/ CDSL) from time to time. Investors intending to hold the Units in Demat form are required to have a beneficiary account with the Depository Participant (DP) registered with NSDL/CDSL and will be required to indicate in the specified section of the application form, the DP's name, DP ID number and the beneficiary account number of the Unit holder with the DP. Investors should attach copy of either Client Master List / Transaction Holding Statement / Delivery Instruction Slip

(DIS) to verify the demat details provided in the form. In case the Demat account details are not provided or the details are incomplete or the details do not match with the records as per Depository(ies), Units will be allotted in physical form.

The sequence of names/pattern of holding mentioned in the application form must be same as that in the demat account. Units shall be credited to the investors' demat account only after the funds are credited into the Mutual Fund's scheme(s) account to the satisfaction of the AMC. In case of credit of Units to depository account, applicants' details like the mode of holding, bank account, correspondence address, payment bank, nomination etc. as appearing in the depository account will be considered for various purposes.

In case, the Unit holder desires to hold the Units in a Dematerialized/Rematerialized form at a later date, the request for conversion of units held in nondemat form into Demat (electronic) form or vice-versa should be submitted alongwith a Demat/Remat Request Form to their Depository Participants. Rematerialization of Units will be in accordance with the provisions of SEBI (Depositories & Participants) Regulations, 1996 as may be amended from time to time. Units held in demat form will be transferable subject to the provisions laid under the respective Scheme(s)/Plan(s) and in accordance with provisions of Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as may be amended from time to time.

The Mutual Fund/AMC will not send any account statement in respect of Units bought in demat mode or accept any request for statement as the units will be credited in demat account of the investor and the investor should approach their DPs for issuance of statement.

8. Mode of Payment:

The following mode of payment can be used by Resident Investors:

- Electronic Funds Transfer (EFT) over the internet or by way of direct credit/ Real Time Gross Settlement (RTGS)/National Electronic Funds Transfer (NEFT) / IMPS to designated scheme collection account by clearly mentioning the name of the investor and application number in the remark.
- Through MICR cheque / demand draft/ pay order drawn on any bank which is situated at and is member of the Banker's Clearing House /Zone in a city where the application is submitted to a designated Collection Centre. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques and or any delay /loss in transit.
- With respect to online transactions, payment can also be made through NEFT, RTGS, UPI or such other electronic modes as specified by AMC from time to time.
- In addition to the existing facility available for payments through Direct Debits/ Postdated cheques/Standing Instructions for investments in SIP, the NACH (OTM) facility can also be used to make payment of SIP installments. NACH is a centralized system, launched by National Payments Corporation of India (NPCI) with an aim to consolidate multiple

Electronic Clearing Service (ECS) mandates. This facility will enable the unit holders of the Fund to make SIP investments through NACH by filling up the SIP Registration cum mandate form. A Unique number will be allotted to every mandate registered under NACH called as Unique Mandate Reference Number ("UMRN") which can be used for SIP transactions. The NACH facility shall be available subject to terms and conditions contained in Debit Mandate Form and as prescribed by NPCI from time to time.

9. Cash Investment in Mutual Fund Schemes:

In accordance with paragraph 16.7 of SEBI Master Circular for Mutual Funds, the limit of cash transactions in Mutual Funds was increased 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 thereunder, the SEBI Circular(s) on Anti Money Laundering (AML) and other applicable AML rules, regulations and guidelines.

a) Eligible Investors-

- Only resident individuals,
- Sole proprietorships and minors (through guardians)
- who are KYC Compliant and have a Bank Account (for remitting redemption proceeds) can make Cash Investments

b) Subscription Limit:

Rs. 50,000/- limit would be tracked on the basis PAN (Permanent Account Number) or PEKRN (PAN Exempted KYC Reference Number) issued by KRA.

d) Mode of application:

Applications for subscription with 'Cash' as mode of payment can be submitted in physical form only at any Branch Offices of LIC Mutual Fund and Registrar & Transfer Agent (KFin) 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.

e) Cash collection facility with Union Bank of India:

Currently, the Asset Management Company has made arrangement with Union Bank of India to collect cash at all its branches from investors (accompanied by a deposit slip issued and verified by the Asset Management Company).

f) Procedure for Subscription through Cash:

An Investor who wishes 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 any Branch Offices of LIC Mutual Fund and Registrar & Transfer Agent (KFin) 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 Union Bank of India 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 must be submitted to branches of LIC Mutual Fund or Registrar & Transfer Agent (KFin) 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, Income Distribution cum capital withdrawal, 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.

g) Applicability of NAV:

Applicability of NAV shall be based on receipt and time stamping of application form along with Bank-acknowledged deposit slip.

h) Other Conditions:

- 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.

- Payment of proceeds pertaining to redemptions, Income Distribution cum capital withdrawal, 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.

- 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.

- Cash deposited but application not submitted: If cash is deposited directly at branch of Union Bank of India and application is not submitted at LIC Mutual Fund/KFin Offices, amount shall be refunded to investor based on receipt of following documents:

- Existing Investor: Request letter, Bank acknowledged deposit slip copy.

- New Investor: Request letter containing the bank details along with personalized 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.

- Following schemes are available for CASH Transaction:

- 1) LIC MF Banking & PSU Fund (Erstwhile LIC MF Banking & PSU Debt Fund)

- 2) LIC MF Conservative Hybrid Fund

- 3) LIC MF Aggressive Hybrid Fund

- 4) LIC MF Flexi Cap Fund

- 5) LIC MF Large Cap Fund

- 6) LIC MF Low Duration Fund

- 7) LIC MF Banking and Financial Services Fund

- 8) LIC MF Children's Fund (Erstwhile LIC MF Children's Gift Fund)

- 9) LIC MF Infrastructure Fund

- 10) LIC MF Large & Mid Cap Fund

- 11) LIC MF Overnight Fund

- 12) LIC MF Short Duration Fund

- 13) LIC MF Ultra Short Duration Fund

- 14) LIC MF Balanced Advantage Fund

- 15) LIC MF Multicap Fund

- 16) LIC MF Small Cap Fund
- 17) LIC MF Dividend Yield Fund
- 18) LIC MF Focused Fund (Erstwhile LIC MF Focused 30 Equity Fund)
- 19) LIC MF Midcap Fund
- 20) LIC MF Healthcare Fund
- 21) LIC MF Value Fund (Erstwhile LIC MF Long Term Value Fund)
- 22) LIC MF Equity Savings Fund

• **Note for NRI, PIO and FPI**

NRIs and PIOs may purchase units on a repatriation and non-repatriation basis, while FIIs and FPIs may purchase units only on a repatriation basis. They shall enclose along with the application form a copy of the payment cheque / FIRC / Debit Certificate, to enable the AMC to ascertain the repatriation status of the amount invested. The account type shall be clearly ticked as NRE or NRO or FCNR, to enable the AMC to determine the repatriation status of the investment amount. The AMC and the Registrar may ascertain the repatriation status purely based on the details provided in the application form.

(i) Repatriation basis

NRIs and PIOs may pay their subscription amounts by way of Indian Rupee drafts purchased abroad, cheques drawn on Nonresident (External) (NRE) Accounts or Indian Rupee drafts payable at / from locations where LIC Mutual Fund has its designated Authorized Investor Service Centers and purchased out of funds held in NRE Accounts / FCNR Accounts. FIIs/ FPIs may pay their subscription amounts either by way of inward remittance through normal banking channels or out of funds held in Foreign Currency Accounts or Non-resident Rupee Accounts maintained with a designated branch of an authorized dealer with the approval of RBI. In case Indian Rupee drafts are purchased abroad or from FCNR/ NRE accounts, an account debit certificate from the bank issuing the draft confirming the debit shall also be enclosed. NRIs shall also be required to furnish such other documents as may be necessary and as desired by the AMC/Mutual Fund/Registrar, in connection with the investment in the schemes. Where redemption is received for units held by NRI and requiring credit of redemption proceeds to a NRE account, the fund may reject the redemption if the necessary documents like FIRC evidencing payment of subscription of units through NRE account are not provided by the investor.

(ii) Non-Repatriation basis

NRIs and PIOs may pay their subscription amounts by cheques/demand drafts drawn out of Non-Resident Ordinary (NRO) accounts/Non-Resident Special Rupee (NRSR) accounts and Non-Resident Non-Repatriable (NRNR) accounts payable at the city where the application form is accepted.

FPI (Foreign Portfolio Investors):

In terms of Schedule 5 of Notification no. FEMA 20/2000 dated May 3, 2000, RBI has granted general permission to a registered FII to purchase on a repatriation basis units of domestic mutual funds subject to the conditions set out in the aforesaid notification. Further, the general permission is also granted to FIIs to sell the units to the mutual funds for repurchase or for the payment of maturity proceeds, provided that the units have been purchased in accordance with the conditions set out in the aforesaid notification. For the purpose of this section, the term "mutual funds" is as referred to in Clause (23D) of Section 10 of Income-Tax Act 1961. Further, Foreign Portfolio

Investor can transact in the schemes of the Fund subject to applicable guidelines. Foreign Portfolio Investor means a person who satisfies the eligibility criteria prescribed under regulation 4 of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 as amended from time to time. The Rupee Draft in case of NRI and FPI investments should be drawn in favor of – “Respective Scheme Name – NRI/FPI A/c”

FPIs may pay their subscription amounts either by way of inward remittance through normal banking channels or out of funds held in Foreign Currency Account or Non-resident Rupee Account maintained by the FII with a designated branch of an authorized dealer with the approval of the RBI subject to the terms and conditions set out in the aforesaid notification.

Note:

1. The AMC, at its discretion later, may choose to alter or add other modes of payment.
2. The application form no., name of the applicant or PAN number should be noted on the reverse of all Cheques and Bank Drafts accompanying the application form.

- **Application under Power of Attorney (POA)/ Body Corporate/Registered Society/Trust/Partnership**

In case of an application under POA or by a Limited Company, Body Corporate, Registered Society Trust or Partnership etc., the relevant POA or the Resolution or Authority to make the application as the case may be, or duly certified copy thereof, along with the Memorandum and Articles of Association /Bye-laws must be lodged at the authorized center along with the application form.

- **Right to Accept or Reject Applications**

Applications received for allotments of units under the scheme, which are not complete in any respect, are liable to be rejected and LIC Mutual Fund/AMC would not be responsible for consequences thereof.

- **Redemptions**

The redemption or repurchase proceeds shall be made to the unitholders within 3 working days from the date of redemption or repurchase.

In accordance with AMFI circular no. AMFI/ 35P/ MEM-COR/ 74 / 2022-23 dated 16th January 2023, in exceptional situations mentioned below, the scheme shall be allowed additional timelines for transfer of redemption or repurchase proceeds to the unitholders.

Sr. No.	Exceptional Situations	Additional Timelines allowed
(i)	Payment of redemption proceeds through physical instruments (cheque / DD) where electronic fund transfer is not possible (such as old / non-Core Banking account / IFSC non-available records / IMPS failed records for reasons like name mismatch*, technical error / Investor Bank not	Additional 2 working days

Sr. No.	Exceptional Situations	Additional Timelines allowed
	<p>participating in Electronic Fund transfers or failure of electronic credit for any reason which are at the bank's end.</p> <p><i>* Name mismatch typically occurs where the bank account is held jointly, but the 1st holder in MF Folio may not be first holder in the bank account or the investor's name in MF folio and his/her bank account may not be exactly identical e.g., MF folio is held by A+B, but the bank account is in the name of B +A; OR the name as per bank a/c & MF folio are recorded a bit differently e.g.,</i></p> <p><i>(i) Given Name + Middle Name + Surname</i></p> <p><i>(ii) Given Name + Surname</i></p> <p><i>(iii) Surname + Given Name etc.</i></p> <p><i>Note: When payment is made through cheque / DD, the investor's bank account details registered with the RTA shall be printed on the cheque/DD, so that the amount is paid only through the investor's bank account to mitigate the risk of fraudulent encashment.</i></p>	
(ii)	<p>Redemption in case of funds where payout schedule of underlying instruments/ funds is different e.g., Domestic Fund of Funds, Overseas funds, Overseas FOF scheme, wherein the redemption proceeds can be paid after 1 day of payout schedule</p>	<p>Additional 1 working day after receiving proceeds from underlying instruments/ schemes for electronic payouts.</p> <p>{For physical payouts, i.e., issuance and dispatch of cheque/ DD, additional days as per (i) above would also be allowed, after receiving proceeds from underlying instruments/ schemes}.</p> <p>For example, in case of Domestic FoFs, where funds are received on T+3 days, timeline applicable would be –</p> <p>a) T+4 days for Electronic payment; and</p> <p>b) T+6 days physical payout.</p>
(iii)	<p>On such days, where it is a bank holiday in some or all the states, but a business day for the stock exchanges.</p>	<p>Additional 1 working day following the bank holiday(s) in the State where the investor has bank account.</p>

Sr. No.	Exceptional Situations	Additional Timelines allowed
(iv)	Exceptional circumstances such as a sudden declaration of a business day as a holiday or as a non- business day due to any unexpected reason / Force Majeure events.	In all such exceptional situations, the timelines prescribed in Paragraph 14.2 of SEBI Master Circular for Mutual Funds dated May 19, 2023 shall be counted from the date the situation becomes normal.
(v)	In all such cases where a request for Change of Bank account has been received just prior to (upto 10 days prior) OR simultaneously with redemption request.	<p>In all such cases, the AMCs / RTAs can make the redemption payment after the cooling off period of 10 days from the date of receipt of COBM.</p> <p>The redemption transaction shall be processed as per the applicable NAV on the basis time stamp.</p> <p>The credit may either be given in the existing bank account or the new bank account post due diligence within 1 working day after cooling off period.</p>
(vi)	Need for additional due diligence in instances such as Transmission reported in one fund, but not in the current fund, proceedings by Income Tax authorities, Folio under lock/bank lien etc.	Additional 3 working days

• Refunds

Where an application is rejected in full or in part, application money received will accordingly be refunded to the applicant within five business days from the closure of the New Fund/Ongoing offer period. If refunds are not made for any reason within the above period, interest at 15% p.a. will be paid on the amounts due for refund.

In case the Fund does not receive the minimum targeted subscription during the New Fund Offer period, the subscription money received will be refunded within a period of five business days from the close of the New Fund Offer period. The interest earned upon Investments of NFO proceeds in Triparty Repo shall be returned to the Investor.

• Switch Over Facility

Facility of switchover to other LIC Mutual Fund schemes are available on all Business Days. Where there is a switch application from one scheme to another, 'Switch out' shall be treated as redemption in one scheme and the Applicable NAV based on the cut off time for redemption and payout rules shall be applied. Similarly, the 'switch in' shall be treated as purchase and the Applicable NAV based on the cut off time for purchase and realization of funds by the 'switch in' scheme related rules shall be applied.

The Trustees shall have absolute discretion to reject any application for purchase of Units, if in

its opinion, increasing the size of the Unit Capital is not in the general interest of the Unit Holders, or if for any other reason it does not believe it would be in the best interest of the Scheme or its Unit Holders to accept such an application.

- **RESTRICTION ON ACCEPTANCE OF THE THIRD-PARTY PAYMENTS FOR SUBSCRIPTION OF UNITS OF SCHEMES OF LIC MUTUAL FUND**

LIC Mutual Fund Trustee Pvt. Ltd., the Trustee to LIC Mutual Fund, had decided to restrict the acceptance of Third Party Payments with effect from 15th November 2010 (Effective Date), in order to comply with AMFI (Association of Mutual Funds in India) best practices guidelines on 'Risk mitigation process against Third-Party Instruments for mutual fund subscriptions' and also to enhance compliance with 'Know Your Customer (KYC)' norms under the Prevention of Money Laundering Act, 2002 (PMLA).

- (i) LIC Mutual Fund Asset Management Ltd. ("AMC") / LIC Mutual Fund ("Mutual Fund"), shall not accept applications for subscription of units accompanied with Third Party Payments, except in cases as detailed below. When payment is made through instruments issued from an account other than that of the beneficiary investor, the same is referred to as **Third Party Payment**. It is clarified that in case of payments from a joint bank account, the first holder of the mutual fund folio must be one of the joint holders of the bank account from which payment is made.

- AMC shall not accept subscriptions with Third Party Payments except in the following exceptional cases: -
 - Payment by Employer on behalf of employee under Systematic Investment Plans through Payroll deductions.
 - Custodian on behalf of an FII or a client.
 - Parent or legal guardian on behalf of minor
- Investors submitting their applications through the above mentioned 'exceptional cases' are required to comply with the following, without which applications for subscription of units will be rejected / refunded / not processed: -
Mandatory KYC FATCA & CRS - Self Certification for all investors 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 Acknowledgement Letter to the application form.

Submission of a separate, complete and valid 'Third Party Declaration Payment Form' from the investors and the person making the payment i.e. Third Party (except for payment made by parent or legal guardian on behalf of minor). The said Declaration Form shall, inter-alia, contain the details of the bank account from which the payment is made and the relationship with the investor(s). For Declaration Form, please contact any of Investor Service Centers (ISCs) of LIC Mutual Fund/RTA or visit our website www.licmf.com.

- (ii) The Mutual Fund shall adopt the following process to ascertain whether payments are Third Party Payments and investors are therefore required to comply with the following:

- a) Source of Funds – if paid by cheque**

- An investor at the time of purchase must provide the details of pay-in- bank account (i.e.

account from which a subscription payment is made) and pay- out bank account (i.e. account into which redemption / IDCW proceeds are to be paid).

Identification of third-party cheques by the AMC / Mutual Fund / Registrar & Transfer Agent (RTA) will be on the basis of either matching of pay-in bank account details with pay-out bank account details or by matching the bank account number / name/ signature of the first named applicant / investor with the name / account number / signature available on the cheque. If the name is not pre-printed on the cheque or signature on the cheque does not match, then the first named applicant / investor should submit any of the following documents.

(i) a copy* of the bank pass-book or a statement of bank account having the name and address of the account holder and account number.

(ii) a letter ** (in original) from the bank on its letterhead certifying that the investor maintains an account with the bank, along with information like bank account number, bank branch, account type, the MICR Code of the branch & IFSC Code (where available)

* Investors should also bring the original documents along with the documents mentioned in (i) above to the ISCs of LIC Mutual Fund for verification purpose to the satisfaction of the AMC / Mutual Fund / RTA and the same will be returned to the investors after due verification.

** In respect of (ii) above, it should be certified by the bank manager with his / her full signature, name, employee code, bank seal and contact number.

Investors should note that where the bank account numbers have changed on account of the implementation of the Core Banking System (CBS) at their banks, any related communication from the bank towards a change in bank account number should accompany the application form for subscription of mutual fund units.

The Mutual Fund has also provided a facility to the investors to register multiple bank accounts. By registering multiple bank accounts, the investors can use any of the registered bank accounts to receive redemption / IDCW proceeds. These account details will be used by the AMC / Mutual Fund / RTA for verification of instruments used for subscription to ensure that third party payments are not used for mutual fund unit subscription, except where permitted as detailed above. Investors are requested to avail the facility of registering multiple bank accounts by filling in the Application Form for registration of Multiple Bank Accounts available at any official points of acceptance of LIC Mutual Fund or visit our website www.licmf.com

b) Source of funds – if funded by pre-funded instruments such as Pay Order, Demand Draft, Banker's Cheque etc.

Investors should attach a Certificate (in original) from the issuing banker with the purchase application, stating the Account holder's name and the Account Number which has been debited for issue of the instrument. The said certificate should be duly certified by the bank manager with his/her full signature, name, employee code, bank seal and contact number. The account number mentioned in the Certificate should be a registered bank account or the first named applicant / investor should be one of the account holders to the bank account debited for issue of such instruments

c) Source of funds – if paid by a pre-funded instrument issued by the Bank against Cash

The AMC/ Mutual Fund / RTA will not accept any purchase applications from investors, if accompanied by a pre-funded instrument issued by a Bank against cash for investments of INR50,000/- or more. The investor shall submit a Certificate (in original) obtained from the bank giving name, address and PAN (if available) of the person who has requested for the payment instrument. The said Certificate should be duly certified by the bank manager with his / her full signature, name, employee code, bank seal and contact number. The AMC / Mutual Fund / RTA will check that the name mentioned in the Certificate matches with the first named investor.

d) Source of funds – if paid by RTGS, Bank Account-to-Account Transfer, NEFT, ECS etc.

Investors shall attach to the purchase application form; an acknowledgement copy of the instruction to the bank also stating the account number debited. The account number mentioned on the transfer instruction copy should be a registered bank account or the first named applicant / investor should be one of the account holders in the bank account debited for such electronic transfer of funds.

The above broadly covers various modes of payment and is not a complete list. The same is only indicative in nature and not exhaustive. Any other method of payment introduced in future by the mutual fund will also be covered under the aforesaid provisions.

- (iii) Investors transacting through Stock Exchange Platforms for schemes which are unlisted and on Stock Exchange(s) for the listed schemes will have to comply with norms / rules as prescribed by Stock Exchange(s). In order to check whether a payment is a third-party payment, the AMC reserves the right to call for additional documents/ information from the Investor . In case the application for subscription does not comply with the above provisions, the AMC/Trustee retains the sole and absolute discretion to reject / not process such application and refund the subscription money and shall not be liable for any such rejection.

BANK DETAILS:

1) Pay - Out Bank Account Details: In order to protect the interest of Unit holders from fraudulent encashment of redemption / IDCW cheques, SEBI has made it mandatory for investors to provide their payout bank details (i.e. account into which redemption / IDCW proceeds are to be paid) viz. name of bank, branch, address, account type and number, etc. to the Mutual Fund. Investors are encouraged to provide their Core Banking System (CBS) Account details and IFSC* details for seamless payouts through electronic medium. 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.

***Indian Financial System Code (IFSC):** IFSC is a 11-digit number given by some of the banks on the cheques. IFSC will help to secure transfer of redemption and dividend payouts via the various electronic modes of transfers that are available with the banks.

2) Change in Bank Details:

Unit holders are free to change their bank details registered with the Mutual Fund subject to adherence with the following procedure:

(i). Unit holders will be required to submit a valid request for a change in bank account details

along with a cancelled original cheque leaf of the new bank account as well as the bank account currently registered with the Mutual Fund (where the account number and first unit holder name is printed on the face of the cheque). Unit holders should without fail cancel the cheque and write 'Cancelled' on the face of it to prevent any possible misuse.

(ii). Where such name is not printed on the original cheque, the Unit holder may submit a letter from the bank on its letterhead certifying that the Unit holder maintains/maintained an account with the bank, the bank account information like bank account number, bank branch, account type, the MICR code of the branch & IFSC Code (where available).

(iii). In case of non-availability of any of these documents, a copy of the bank pass book or a statement of bank account having the name and address of the account holder and account number not older than 3 months.

(In respect of (ii) and (iii) above, they should be certified by the bank manager with his / her full signature, name, employee code, bank seal and contact number)

(iv) Unit holders may also bring a copy of any of the documents mentioned in (iii) above along with the original documents to the ISCs/Official Points of acceptance of LIC Mutual Fund. The copy of such documents will be verified with the original documents to the satisfaction of LIC Mutual Fund. The originals documents will be returned across the counter to the Unit holder after due verification. In the event of a request for change in bank account information being invalid /incomplete / not satisfactory in respect of signature mismatch/document insufficiency/not meeting any requirements more specifically as indicated in clauses (i) - (iv) above, the request for such change will not be processed. Redemptions / IDCW payments, if any, will be processed and the last registered bank account information will be used for such payments to Unit holders. Unit holders may note that it is desirable to submit their requests for change in bank details at least 10 days prior to date of redemption / IDCW payment, if any. Further, in the event of a request for redemption of units being received within 10 days of a request for change in bank account details, the normal processing time as specified in the Scheme Information Document, may not necessarily apply, however it shall be within the regulatory limits. Unit holders are advised to provide their contact details like telephone numbers, mobile numbers and email IDs to LIC Mutual Fund in writing.

3. Multiple Bank Account Registration: The Mutual Fund has also provided a facility to the investors to register multiple bank accounts. By registering multiple bank accounts, the investors can use any of the registered bank accounts to receive redemption / IDCW proceeds. These account details will be used by the AMC/ Mutual Fund /R&TA for verification of instrument used for subscription to ensure that a third-party payment instrument is not used for mutual fund subscription, except as cases mentioned above. Investors are requested to avail the facility of registering multiple bank accounts by filling in the 'Multiple Bank Accounts Registration Form' available at our Investor Service Centers (ISCs) or on our website www.licmf.com. and submitting the form along with a cancelled original cheque leaf of the new bank account(s) as well as proof of any one of the existing bank account(s) in the folio(s). (where the account number and first unit holder name is printed on the face of the cheque).

Pursuant to the AMFI Circular No. 135/BP/20/10-11 dated February 9, 2011 and No.135/BP/22/10-122 dated March 31, 2011 read with paragraph 17.6 of SEBI Master Circular for Mutual Funds on implementation of standardized procedures with regard to investments by minor and change in status of minor on attaining majority, change in guardian, registration of nominee and transmission of units,the following changes are applicable to schemes of LIC Mutual Fund.

I) "On Behalf of Minor" Accounts

1) The minor shall be the sole holder in a mutual fund folio.

2) Guardian in the folio on behalf of the minor should be a natural guardian (i.e. father or mother) or a court appointed legal guardian and should mandatorily submit requisite documentation

evidencing the relationship/status of the guardian.

3) Date of Birth of the minor along with photocopy of supporting documents viz. Birth Certificate, School Leaving Certificate, Passport or any other document evidencing the date of birth of the minor should be mandatorily provided while opening the account/folio.

4) Payment for investment by any mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian. All redemption proceeds, including Income Distribution cum Capital Withdrawal (IDCW) payouts, shall be credited only to the minor's verified bank account held solely by minor or jointly by minor and guardian. For existing folios, in case the pay-out bank mandate is not held solely by minor or jointly by minor and guardian, the investors are requested to provide a change of Pay-out Bankmandate request for receiving redemption/ IDCW payout.

II) Minor Attaining Majority – Status Change

1) The AMC/Registrar will send advance notice to the registered correspondence address advising the guardian and the minor to submit an application form along with prescribed documents to change the status of the account from "minor" to "major".

2) The guardian cannot undertake any financial and non-financial transactions including fresh registration of Systematic Investment Plan (SIP), Systematic Transfer Plan (STP) and Systematic Withdrawal Plan (SWP) after the date of the minor attaining majority. The major can operate the account after the prescribed documents are received by the AMC / Registrar and the account status is changed from minor to major.

3) In case of existing standing instructions like SIPs, SWPs and STPs registered prior to the minor attaining majority, the standing instruction automatically stand terminated upon the Unit Holder attaining 18 years of age..

4) Upon the minor attaining the status of major, the minor in whose name the investment was made, shall be required to provide all the PAN ,KYC and FATCA details, updated bank account details including cancelled original cheque leaf of the new account and his/her specimen signature duly authenticated by banker or guardian. Investors / Unit holders /Guardians shall additionally note that, upon the minor attaining the status of major, no further transactions shall be allowed till the status of the minor is changed to major.

5) List of standard documents to change account status from minor to major:

- Service Request form, duly filled and containing details like name of major, folio numbers, PAN etc.;
- New Bank mandate where account changed from minor to major;
- Signature attestation of the major by a manager of a scheduled bank / Bank Certificate/Letter;
- KYC acknowledgement of the major.
- FATCA & CRS - Self Certification of the major
- Nomination (Opt-in /Opt-out) Form

III) Change in Guardian

In case of change in guardian, the new guardian must be a natural guardian (i.e. father or mother) or a court appointed legal guardian and such guardian shall mandatorily submit prescribed documentation to the AMC evidencing the relationship/status of the guardian, proof of KYC compliance, attestation from the bank maintaining the minor's account where the new guardian is registered as the guardian etc. FATCA & CRS - Self Certification of the Guardian etc

IV) Nomination Facility – Kindly refer point B – Legal Information

Deduction of Transaction Charges for investments through Distributor / Agents

SEBI has allowed Asset Management Companies (AMCs) to deduct transaction charges per subscription of INR 10,000/- and above:

(i) First Time Mutual Fund Investor (across Mutual Funds): Transaction charge of INR 150/- for subscription of INR 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 INR 100/- for subscription of INR 10000/- and above will be deducted from the subscription amount and paid to the distributor/agent of the investor and 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 installment x No. of installments) amounts to INR 10,000/- or more. The Transaction Charges shall be deducted in 3-4 installments.

(iii) Transaction Charges shall not be deducted for:

- (a) Purchase / Subscription for an amount less than INR 10, 000/-
- (b) Transaction other than purchase/subscription relating to new inflows such as Switch/STP/DTP etc.
- (c) Purchases/subscriptions made directly with the Fund (i.e. not through any distributor/agent).
- (d) Purchases/subscriptions carried out through stock exchange platform(s) added from time to time.

With effect from 16th November 2023, the transactions charges shall not be deducted on transactions in the Schemes of LIC Mutual Fund.

Consolidated Account Statement: Kindly refer section on X. DISCLOSURES AND REPORTS BY THE FUND - 1. Account Statement/Consolidated Account Statement

Know Your Customer (KYC):

Know Your Client ("KYC") formalities under the Prevention of Money laundering Act, 2002 ("PMLA") and the related guidelines issued by SEBI, are to be completed by all investors, (including Power of Attorney holders and guardian in case of a minor) intending to invest any amounts in units of the Mutual fund. Investments through micro investments, i.e. lump sum investment (fresh purchase & additional purchase) for amount less than Rs. 50,000/- (Rupees fifty thousand) or Micro SIP installments by an investor in rolling 12 months period or financial year i.e. April to March less than Rs. 50,000/- (Rupees fifty thousand) and investors residing in the state of Sikkim are exempt from the requirement of PAN. The exemption for Micro investments will be applicable only to investments by individuals (Including Non- Resident Indian (NRIs), Joint holders, minors acting through guardian and sole proprietary firms). Person of Indian Origin (PIOs), Hindu Undivided Family (HUFs), Qualified Foreign Investor (QFIs) and other categories of investors will not be eligible for this exemption.

To bring about uniformity in the Know Your Client (KYC) requirement and a mechanism for centralization of the KYC records in the securities market, the SEBI (KYC Registration Agency) Regulations, 2011 mandate that an investor who deals with any of the SEBI registered intermediaries ("Intermediary/ ies"), viz. stock brokers, depository participants (DPs), Mutual funds, Portfolio Managers, etc. shall be required to fill the common KYC form and submit the same along with the specified documents at the account opening stage with any of the intermediaries.

The Mutual fund/ Registrar and transfer Agent (RTA) shall perform the KYC of its new investors. The KYC process is a one-time exercise across all intermediaries in the securities market. Investors may however, note that the fund reserves the right to conduct enhanced KYC of its investors as may be commensurate with their respective risk profiles.

SEBI has mandated that In Person Verification (IPV) of clients be carried out by the Intermediaries through a process specified in this behalf. The IPV shall be a one-time process and IPV carried out by a client with any of the intermediaries shall be relied upon by the all the other intermediaries with respect to the dealing of such client with such other intermediaries. With respect to the Mutual fund investors, additionally, IPV carried out by the Know Your Distributor (KYD) compliant Distributors who hold valid certifications issued by the National Institute of Securities Market (NISM)/Association of Mutual funds in India (AMFI).

SEBI vide circular no. CIR/MIRSD/ 66 /2016 dated July 21, 2016 read along with SEBI Circular no. CIR/MIRSD/120 /2016 dated November 10, 2016, has introduced Central KYC Records Registry (CKYCR). Further, AMFI vide circular dated December 22, 2016 has prescribed new CKYC forms which shall be applicable for prospective customers.

KYC requirement is mandatory for all unit holders, including all joint holders and the guardian in case of folio of a minor investor and POA holders.

Accordingly, financial transactions (including redemptions, switches and all types of systematic plans) and non-financial requests will not be processed if the unit holders have not completed KYC requirements.

It may be noted that PAN is mandatory for investments greater than Rs. 50,000 in mutual fund units, hence the requirement of submitting Form 60 as prescribed in the aforesaid notification is not applicable for investment in mutual fund units.

The following process shall be applicable from April 1, 2023:

- a) No investments (Systematic transaction, lumpsum, redemption) shall be permitted in folios wherein PAN/ PEKRN details are not available.
- b) Non-PAN and Non-PEKRN folios are liable to be frozen from April 01, 2023.
- c) Further, non-investor-initiated transactions such as dividend pay-out, if any, declared by the Mutual Fund schemes shall also be disallowed.
- d) Unitholders whose folio(s) has/have been frozen due to the above requirement shall be able to (permitted to) lodge grievance or avail service request only after furnishing the above details

A. Special Products / Facilities offered by the AMC / Schemes

1. Systematic Investment Plan (SIP)
2. Systematic Transfer Plan (STP)
3. Systematic Withdrawal Plan (SWP)
4. Automatic withdrawal of capital appreciation (AWOCA)
5. Transfer of Income Distribution cum capital withdrawal plan (IDCW Transfer Facility)
6. Insta Redemption Facility
7. Transactions through Electronic Mode

1. Systematic Investment Plan (SIP)

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 Income Distribution cum Capital Withdrawal.

The minimum amount and minimum number of instalments applicable for SIP (Applicable to all the existing Schemes offering SIP except *LIC MF ELSS Tax Saver and LIC MF Unit Linked Insurance Plan)

SIP Frequency	Cycle Date	Minimum Amount (in Rs.)	Minimum Installment
Daily	All business days	Rs. 100/- and in multiples of Rs.1/- thereafter.	60
Monthly	Any date between (1st to 28th)	Rs. 200/- and in multiples of Rs.1/- thereafter.	30
Quarterly	Any date between (1st to 28th)	Rs. 1,000/- and in multiples of Rs.1/- thereafter.	6

*For LIC MF ELSS Tax Saver

SIP Frequency	Cycle Date	Minimum Amount (in Rs.)	Minimum Installment
Daily	All business days	Rs. 500/- and in multiples of Rs.500/- thereafter.	60
Monthly	Any date between (1st to 28th)	Rs. 500/- and in multiples of Rs.500/- thereafter	30
Quarterly	Any date between (1st to 28th)	Rs.1,000/- and in multiples of Rs.500/- thereafter.	6

The Investors are requested to refer to the Scheme Information Document of the respective scheme for the SIP frequency offered under the Scheme.

The investors can choose any date between 1st to 28th 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 within 30 days from the time stamp date.

In case the SIP date is not specified or in case of ambiguity the default SIP date will be 10th of every month. In case the SIP frequency is not specified, it will be considered as monthly frequency.

SIP Pause

Under this facility, investor has an option to stop his SIP temporarily (at a folio level) for specified number of instalments. SIP would restart automatically after completion of Pause period specified by investor. The features, terms and conditions for availing 'SIP Pause' facility are as follows:

Under this facility, Investor has an option to temporarily stop his SIP for specific number of instalments. i.e. Minimum 1 instalment and Maximum 6 instalments. SIP would restart upon completion of the period specified by Investor.

- Investor can request for pause only after 6 SIP instalments are processed. Investor can opt for pause facility only from 7th instalment onwards.
- Investor can opt for pause facility only twice during the tenure of particular SIP.
- If the SIP pause period is coinciding with the Step-Up facility, the SIP instalment amount post completion of pause period would be inclusive of SIP Step-up amount. For e.g. SIP instalment amount prior to Pause period is Rs 5,000/- and Step-up amount is Rs 1,000/-. If the pause period is completed after date of Step-up, then the SIP instalment amount post completion of pause period shall be Rs 6,000/-.
- Pause facility is not available for SIP registered through Standing Instructions at the bank's end.

- Pause facility shall be available only for SIP registered under monthly frequency.
- The minimum gap between the pause request and next SIP instalment date should be at least 10 days.
- Pause facility shall get activated from immediate next eligible instalment from the date of receipt of SIP Pause request.
- Investors need to give the SIP pause request at least 10 calendar days in advance.
- Investors can request for pause request for SIP amount Rs 500/- and above in LIC MF ELSS Tax Saver and for SIP amount Rs 1000/- and above under other schemes.

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.100/- and in multiples of Re. 1/- thereafter for all the schemes of the Fund that offer SIP facility except LIC MF Unit Linked Insurance Plan and LIC MF ELSS Tax Saver. For LIC MF ELSS Tax Saver the 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. 100/- will be considered as the STEP- UP for all the schemes of the Fund that offer SIP facility except (LIC MF Unit Linked Insurance Plan and LIC MF ELSS Tax Saver) and the amount and the request will be processed accordingly. For LIC MF ELSS Tax Saver in case the investor does not specify STEP-UP amount, Rs. 500/- will be considered as the STEP- UP amount.

STEP-UP facility would be available to all new SIP enrolments. Existing investors registered for SIP through OTM/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) up to which he wishes to avail STEP-UP facility.

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

Investment in mutual fund schemes [including through Systematic Investment Plan (SIP)] up to 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

All terms and conditions (including load structure and Transaction Charges) of Systematic Investment Plans (SIPs) (except availability of SIP STEP-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.

Multiple SIPs Registration Mandate

Unitholders can enroll multiple SIPs in different schemes by submitting one single application form/

payment instruction. All other terms and conditions applicable to SIP Facility shall be applicable for the facility.

The facility is available under all schemes offering SIP. All other terms and conditions applicable to SIP Facility shall be applicable for Multiple SIP registration facility.

SIP through post-dated cheques

The date of the first cheque shall be the same as the date of the application while the remaining cheques shall be postdated cheques which shall be dated uniformly. Currently the SIP postdated cheques cycle dates are any date between 1st to 28th 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 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 One Time Mandate (OTM) / Electronic Clearing Service (ECS)/ Direct Debit

Investors / unit holders may also enrol for SIP facility through One Time Mandate (OTM)/ of the NPCI and RBI respectively or for SIP Direct Debit Facility available with specified Banks / Branches.

Note - AMC may choose any mode such as NACH/ECS/DIRECT DEBIT/Standing Instruction (SI) as per arrangements with banks or payment aggregators. For online transactions, AMC may provide various payment modes, as available from time to time for SIP Enrolments.

To avail this facility, an investor must fill-up the SIP Application Form for SIP OTM / Direct Debit facility. The first investment in SIP through the OTM/ Direct Debit Facility needs to be made by issuance of a cheque from the account from which the OTM/ Direct Debit is requested or the investor can submit a cancelled cheque or a photocopy of a cheque of the bank account for which the OTM/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 OTM / Auto Debit is allowed any dates between 1st to 28th of every month. 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.

SIP Cancellation –

Terms and conditions applicable in case of Auto Cancellation of SIP:

Frequency of SIP	Terms for Auto Cancellation of SIP
Daily and Monthly frequency	The SIP registration will stand cancelled in case of 3 consecutive failed debits attempts.
Quarterly frequency	The SIP registration will stand cancelled in case of 2 consecutive failed debits attempts.

Investors are further requested to note that if the investor has one or more failed debit attempts prior to 1st April 2022, then SIP registration shall be auto cancelled if the subsequent debit attempt, if any, also

fails as per the table given above.

In accordance with SEBI Letter No. SEBI/HO/OW/IMD/IMD-SEC1/P/2024/33679/1 dated 25th October 2024, pertaining to 'Uniformity in Cancellation of SIPs across Mutual Funds', the terms and conditions for SIP cancellation requests submitted by investor shall stand revised as hereunder with effect from 1st December 2024 ("Effective Date").

Existing timeline for cancellation of SIP	Revised timeline for cancellation of SIP
T+10 calendar days	T+2 working days

2. 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), in existence at the time of availing the STP facility, 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 & Income Distribution cum capital withdrawal Plan (only for Reinvestment of Income Distribution cum capital withdrawal option and not for Payout of Income Distribution cum capital withdrawal option). Under this facility LIC Mutual Fund offers two plans i.e., Fixed Systematic Transfer Plan (FSTP) and Capital Appreciation Systematic Transfer Plan (CASTP).

If the unitholder wants to opt for daily STP 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 period of 12 months. In case the end date is not specified, the Fund will continue STP till it receives termination notice.

STP will register within 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.

• Fixed Systematic Transfer Plan (FSTP)

The following are the options available under FSTP:

Frequency	Cycle Date	Default date/day	Minimum Amount (in Rs.)	Minimum Instalment
Daily	All business days	All business days	100/- (For LIC MF ELSS Tax Saver – 500/-)	60
Weekly	Monday to Friday	Friday	500/-	12

Monthly	Any date between 1st to 28th of every month	10 th of the month	500/-	12
Quarterly	Any date between 1st to 28th of every month	10 th of the month	500/-	12

*Minimum STP instalment amount and in multiples of Rs. 1 thereafter, except LIC MF ELSS Tax Saver where in multiples of Rs. 500/- thereafter. **If the unitholder wants to opt for Daily STP 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.

In case any of the STP day/date fall on a non- business day, the transaction will be effected on the next business day of the Scheme.

- **Capital Appreciation Systematic Transfer Plan (CASTP)**

Under this facility, the 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 capital appreciation at regular intervals Monthly and Quarterly into any other scheme (as maybe permitted by the Scheme Information Document of the respective schemes) of LIC Mutual Fund.

There are two options available under CASTP viz. Monthly & Quarterly option, the details of which are as follows:

CASTP Frequency	Cycle Date	Minimum Amount (Rs.)	Minimum Instalment
Monthly	15 th	500	12
Quarterly	15 th	500	4

Please refer to the Scheme Information Document of the respective Scheme for availability of the facility in the Scheme.

Further, in case of Monthly and Quarterly Frequency, if the STP Frequency has not been indicated, Monthly frequency shall be treated as Default frequency. In case the end date is not specified, the Fund will continue STP till it receives termination notice.

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. However systematic transfer from another scheme to LIC MF Unit Linked Insurance Scheme is allowed.

3. Systematic Withdrawal Plan (SWP):

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 only under Growth Plan and Reinvestment of IDCW Option. 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.

Particulars	Monthly	Quarterly	Half Yearly \$	Yearly \$
Minimum value of SWP instalment	Rs 500 and in multiples of Rs. 1 thereafter	Rs 500 and in multiples of Rs. 1 thereafter	Rs 500 and in multiples of Rs. 1 thereafter	Rs 500 and in multiples of Rs. 1 thereafter
Dates of SWP Instalment	Any date between 1 st to 28 th	Any date between 1st to 28th	Any date between 1st to 28th	Any date between 1 st to 28th
Minimum No. of SWP	6	4	4	4

Please refer to the Scheme Information Document of the respective Scheme for availability of the facility in the Scheme.

The investors can choose any date between 1st to 28th of every month as the SWP 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)

In case the SWP date is not specified or in case of ambiguity, the default SWP date will be 10th 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, quarterly, half yearly and yearly. In case SWP frequency is not specified, the default frequency will be monthly.

Registration can happen in 7 working days and maximum 30 days before the 1st 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.

The SWP facility is allowed only for Growth Plan and Reinvestment of IDCW Option.

SWP Facility is currently available in all plans and options except LIC MF Unit Linked Insurance Scheme and LIC MF ELSS Tax Saver subject to completion of lock in/maturity period.

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.

4. 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, if any), on any date between 1st to 28th 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 any date between 1st to 28th of every month.

5. Transfer of Income Distribution cum capital withdrawal plan (IDCW Transfer Facility):

IDCW transfer facility is a facility wherein unit holder(s) of eligible scheme(s) ["Source Scheme(s)"] of LIC Mutual Fund can opt to automatically invest the IDCW (as reduced by the amount of applicable statutory levy) declared by the eligible Source Scheme(s) into other eligible Scheme(s) ["Target Scheme(s)"] of LIC Mutual Fund.

The IDCW Transfer Facility is available only for units held / to be held in Non - demat Mode in the source and the target Scheme.

The IDCW Transfer facility will not be available to unit holder(s) under the Daily IDCW Option in the Source Scheme(s).

Unit holder(s)' enrolment under the IDCW Transfer facility will automatically override any previous instructions for 'Payout of IDCW' or 'Reinvestment of IDCW' facility in the Source Scheme.

If an investor wants to opt for IDCW transfer facility, he can do so by filing the transaction slip available at our offices and submitting it to any of ISCs of AMC or Registrar.

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.

IDCW transfer facility will be registered in a folio held by a minor only till the date of the minor attaining majority, even though the instructions may be for a period beyond that date. The facility will automatically stand terminated upon the Unit Holder attaining 18 years of age.

6. Insta Redemption Facility ('the Facility'):

In accordance with Paragraph 14.9 of SEBI Master Circular for Mutual Funds dated May 19, 2023, Insta Redemption facility ('Facility') is as under:

Eligible scheme	LIC MF Liquid Fund - Growth (Regular and Direct both options are available).	LIC MF Overnight Fund - Growth (Regular and Direct both options are available).
Eligible investors & Pre-requisites	<p>Insta Redemption facility shall be available only to the investors whose:</p> <ul style="list-style-type: none"> • Status is resident individual investors • Complete Core Banking System (CBS) account number is registered in the folio along with IFSC code. • Unitholder's bank is Immediate payment service (IMPS) enabled. 	<p>Insta Redemption facility shall be available only to the investors whose:</p> <ul style="list-style-type: none"> • Status is resident individual investors. No Minor, HUF and Corporate investors are allowed. • Complete Core Banking System (CBS) account number is registered in the folio along with IFSC code. <p>Unitholder's bank is Immediate payment service (IMPS) enabled.</p>
Mode of transaction	<p>The facility of Insta Redemption shall currently be available only through the online transaction Portal of LIC Mutual Fund website i.e. www.licmf.com</p> <p>The AMC reserves the right to extend the same to other digital platforms and a suitable communication shall be issued on the website in this regard.</p>	<p>The facility of Insta Redemption shall currently be available only through the online transaction Portal of LIC Mutual Fund website i.e. www.licmf.com</p> <p>The AMC reserves the right to extend the same to other digital platforms and a suitable communication shall be issued on the website in this regard.</p>
Minimum Redemption amount	Investor can submit redemption only in terms of amount. Minimum Redemption amount shall be Rs.500/- and in multiples of Re.1/- thereafter. This limit shall be applicable per day per scheme per investor.	Investor can submit redemption only in terms of amount. Minimum Redemption amount shall be Rs.500/- and in multiples of Re.1/- thereafter.

Maximum Redemption Amount	Investor can submit Insta Redemption for a maximum of Rs. 50,000 or 90% of redeemable Balance of the scheme at PAN level, whichever is lower.	Investor can submit Insta Redemption for a maximum of Rs. 50,000 or 90% of redeemable Balance of the scheme at PAN level, whichever is lower. This limit shall be applicable per day per scheme per investor.
Redeemable Balance	<p>90% of the Current Value of Available Units Current Value of Available Units shall be value of available units as per the latest declared NAV (Number of Available Units X Latest declared NAV). (refer illustration below)</p> <p>Available units are such units in the folio for which the investor can place a redemption request at any point of time after considering units which are un-cleared for funds realization or reconciliation, or are under lien, or are in dematerialized mode and after considering any transaction/s pending for unit adjustments.</p>	<p>90% of the Current Value of Available Units Current Value of Available Units shall be value of available units as per the latest declared NAV (Number of Available Units X Latest declared NAV). (refer illustration below)</p> <p>Available units are such units in the folio for which the investor can place a redemption request at any point of time after considering units which are un-cleared for funds realization or reconciliation, or are under lien, or are in dematerialized mode and after considering any transaction/s pending for unit adjustments.</p>
Cut-off timings	<p>The cut off timings for NAV applicability for redemption through the Facility shall be applicable as under:</p> <p>where the application is received up to 3.00 pm – the lower of (i) NAV of previous calendar day and (ii) NAV of calendar day on which application is received;</p> <p>where the application is received after 3.00 pm – the lower of (i) NAV of calendar day on which such application is received, and (ii) NAV of the next calendar day</p>	<p>The cut off timings for NAV applicability for redemption through the Facility shall be applicable as under:</p> <ul style="list-style-type: none"> where the application is received up to 3.00 pm – the lower of (i) NAV of previous calendar day and (ii) NAV of calendar day on which application is received; <p>where the application is received after 3.00 pm – the lower of (i) NAV of calendar day on which such application is received, and (ii) NAV of the next calendar day.</p>
Demat Unit Holders	This facility is not available for Demat Unit Holders	This facility is not available for Demat Unit Holders

The facility may get impacted due to technical / Internet / network issues or software / hardware challenges or other reasons beyond the control of the AMC. In case the insta redemption is not completed, units shall be reinstated in the Folio.

Insta redemption will have preference over other modes of offline and online redemption even if redemption requests for other modes are received before the instant redemption.

Illustration:

Particulars	Amount in Rs.	
	Scenario 1	Scenario 2
(A) Current Value of Available Units (Number of Available Units X Latest NAV)	52,000	1,00,000
(B) Redeemable Balance (A X 90%)	46,800	90,000
Redeemable Amount (B) or 50,000, whichever is lower	46,800	50,000

The AMC reserves the right to change the terms and conditions of this Facility/withdraw/suspend the Facility without any notice.

7. 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.

- a) Transaction through Stock Exchange Infrastructure Investors can subscribe to the Units of LIC Mutual Fund through the mutual fund trading platforms of the Bombay Stock Exchange (“BSE”) and National Stock Exchange (“NSE”) with NSDL and CDSL as depositories for such units of the mutual fund.**

NSE has introduced Mutual Fund Service System (“MFSS”) Platform and BSE has introduced BSE StAR MF Platform.

The following are the salient features of the MFSS / BSE StAR MF Platform:

- The facility i.e. purchase/redemption/SIP (Systematic Investment Plan) is available for both existing and new investors.
- The Investors will be eligible to purchase/redeem units of the Scheme.
- Maximum subscription:
- The investors can purchase units of the Scheme by using NSE MFSS/ BSE StAR Platform for transaction value less than Rs. 1 Crore.
- List of additional Official Point of Acceptance

The following shall be the additional Official Point of Acceptance of Transactions for the Scheme:

All trading members of BSE & NSE who are registered with AMFI as Mutual Fund Advisors and also registered with BSE &/or NSE as Participants ("AMFI registered stock exchange brokers") will be eligible to offer this facility to investors and shall be treated as official point of acceptance.

Units of mutual fund schemes shall be permitted to be transacted through clearing members of the registered Stock Exchanges. Further, the Depository Participants of registered Depositories are permitted to process only redemption request of units held in demat form.

Clearing members and Depository participants will be considered as Official Points of Acceptance (OPA) of LIC Mutual Fund and conditions stipulated in Paragraph 16.2 of SEBI Master Circular for Mutual Funds for stock brokers viz. AMFI /NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund, shall be applicable for such Clearing members and Depository participants as well.

- a) The units of the Scheme are not listed on BSE & NSE and the same cannot be traded on the Stock Exchange. The window for purchase/redemption of units on MFSS / BSE StAR Platform will be available timings as may be decided.
- b) Investors shall be able to purchase/redeem units in the Scheme in the following manner:
- c) Investors shall receive redemption amount (if units are redeemed) and units (if units are purchased) through broker/ clearing member's pool account. LIC Mutual Fund Asset Management Limited (the "AMC")/LIC Mutual Fund (the "Mutual Fund") shall pay proceeds to the broker/clearing member (in case of redemption) and broker/clearing member in turn to the respective investor and similarly units shall be credited by the AMC/ Mutual Fund into broker/clearing member's pool account (in case of purchase) and broker/clearing member in turn shall credit the units to the respective investor's demat account
- d) Payment of redemption proceeds to the broker/clearing members by AMC/Mutual Fund shall discharge AMC/Mutual Fund of its obligation of payment to individual investor. Similarly, in case of purchase of units, crediting units into broker/clearing member pool account shall discharge AMC/Mutual Fund of its obligation to allot units to individual investor

In case of transaction through distributors using BSE Star/ MFSS, the distributor shall not handle payout

and pay in of funds as well as units on behalf of investor. The pay in such cases will be directly received by recognized clearing corporation and payout will be directly made to investor account. In the same manner, units shall be credited and debited directly from the demat account of investors.

Applications for purchase/redemption of units which are incomplete /invalid are liable to be rejected.

For all the transactions done through these platforms, separate Folio. No. shall be allotted to the existing and the new investors. The bank a/c number, address, nomination details etc. shall be the same as per the Demat account of the investor. In case of non-financial requests/applications such as change of address, change of bank details, etc. for units held in demat mode investors should approach the respective Depository Participant(s) and OPAT of AMC for units held in physical mode.

Investors will have to comply with Know Your Customer (KYC) norms as prescribed by BSE/NSE/CDSL/ NSDL and LIC Mutual Fund to participate in this facility.

Investors should get in touch with Investor Service Centre's (ISCs) of LIC Mutual Fund for further details.

b) Transaction routed through Distributor/ SEBI Registered Investment Advisor

As per Paragraph 16.2.7, 16.2.10 and 16.2.6 of SEBI Master Circular for Mutual Funds, Mutual Fund Distributors ("MF Distributors") and SEBI Registered Investment Advisors ("RIAs") are permitted to use recognized Stock Exchange infrastructure to purchase/redeem units directly from Mutual Fund/AMC on behalf of their clients.

MF Distributor registered with AMFI or RIAs, will be eligible to use NMF-II platform of NSE (in addition to other intermediaries) and / or of BSE StAR MF platform of BSE to purchase and redeem units of schemes of the Fund.

In addition to the guidelines specified for transacting through MFSS/BSE StAR MF Platform above, following guidelines shall be applicable for transactions executed through MF Distributors/ RIAs on NMF-II / BSE StAR MF Platform:

MF distributors/RIAs shall not handle pay out/pay in of funds as well as units on behalf of investor. Pay in will be directly received by recognized clearing corporation and payout will be directly made to investor account. In the same manner, units shall be credited and debited directly from the demat account of investors.

The facility of transacting in mutual fund schemes through stock exchange infrastructure is available subject to such operating guidelines, terms and conditions as may be prescribed by the respective Stock Exchanges from time to time.

c) ONLINE TRANSACTIONS

LIC Mutual Fund will allow Transactions including by way of Lumpsum Purchase/ Redemption / Switch of Units by electronic mode through the AMC website / Any other online medium. The Subscription proceeds, when invested through this mode, are by way of direct debits to the designated bank through payment gateway. The Redemption proceeds, (subject to deduction of tax at source, if any) through this mode, are directly credited to the bank account of the Investors who have an account at the designated banks with whom the AMC has made arrangements from time to time or through NEFT/RTGS or through cheque/Payorder/Demand draft issuance. The AMC will have right to modify the procedure of transaction processing without any prior intimation to the Investor.

Investment amount through this facility may be restricted by the AMC from time to time in line with

prudent risk management requirements and to protect the overall interest of the Investors

d) Transactions through electronic platform(s) of KFin Technologies Ltd.

Investors will be allowed to transact through <https://mfs.kfintech.com/mfs/>, an electronic platform provided by M/s. Kfin Technologies Ltd. ('Kfin'), Registrar & Transfer Agent, in Schemes of LIC Mutual Fund ('Fund'). The facility will also be available through mobile application of Kfin from time to time.

The facility is subject to operating guidelines, terms and conditions as may be prescribed by Kfin or as may be specified by LIC Mutual Fund Asset Management Ltd. From time to time. For operating guidelines and terms and conditions, investors are requested to visit <https://mfs.kfintech.com/mfs/>.

Time of receipt of transaction recorded on the server(s) of Kfin will continue to be reckoned for electronic transactions received through AMC website/ Distributor website/ applications etc. subject to credit of funds to bank account of scheme, wherever applicable.

e) Transactions through MF Utility portal & MFUI Points of Services pursuant to appointment of MF Utilities India Pvt. Ltd.

Investors may be provided facility to subscribe to Units of the Scheme through MF Utility ("MFU") - a shared services initiative of various Asset Management Companies, which acts as a transaction aggregation portal for transacting in multiple Schemes of various Mutual Funds with a single form and a single payment instrument.

The AMC reserves the right to discontinue the facility(ies) at any point of time.

f) Transactions through MFCentral.

In line with Paragraph 16.6 of SEBI Master Circular for Mutual Funds dated May 19, 2023, on RTA inter-operable Platform for enhancing investors' experience in Mutual Fund transactions / service requests, the QRTA's, KFin Technologies Ltd and Computer Age Management Services Limited (CAMS) have jointly developed MFCentral – A digital platform for Mutual Fund investors. MFCentral is created with an intent to be a one stop portal / mobile app for all Mutual fund investments and service related needs that significantly reduces the need for submission of physical documents by enabling various digital / physical services to Mutual fund investors across fund houses subject to applicable T&Cs of the Platform. MFCentral will be enabling various features and services in a phased manner. MFCentral may be accessed using <https://mfcentral.com/> and as a Mobile App in future.

Any registered user of MFCentral, requiring submission of physical document as per the requirements of MFCentral, may do so at any of the designated Investor Service centres or collection centres of Kfintech or CAMS.

APPLICATION VIA ELECTRONIC MODE:

Subject to the Investor fulfilling certain terms and conditions stipulated by the AMC as under, LIC Mutual Fund Asset Management Limited, LIC Mutual Fund or any other agent or representative of the AMC, Mutual Fund, the Registrar & Transfer Agents may accept transactions through any electronic mode including web/ electronic transactions as permitted by SEBI or other regulatory authorities:

a) The acceptance of the web/electronic transactions will be solely at the risk of the transmitter of the fax/web/ electronic transactions and the Recipient shall not in any way be liable or responsible for any loss, damage caused to the transmitter directly or indirectly, as a result of the transmitter sending

or purporting to send such transactions.

b) The recipient will also not be liable in the case where the transaction sent or purported to be sent is not processed on account of the fact that it was not received by the Recipient.

c) The transmitter's request to the Recipient to act on any web/electronic transmission is for the transmitter's convenience and the Recipient is not obliged or bound to act on the same.

d) The transmitter acknowledges that fax/web/electronic transactions is not a secure means of giving instructions/ transactions requests and that the transmitter is aware of the risks involved including those arising out of such transmission.

e) The transmitter authorizes the recipient to accept and act on any web/ electronic transmission which the recipient believes in good faith to be given by the transmitter and the recipient shall be entitled to treat any such web/ electronic transaction as if the same was given to the recipient under the transmitter's original signature.

f) The transmitter agrees that security procedures adopted by the recipient may include signature verification, telephone call backs which may be recorded by tape recording device and the transmitter consents to such recording and agrees to cooperate with the recipient to enable confirmation of such web/ electronic transaction requests.

g) The transmitter accepts that the web/ electronic transactions, where applicable shall not be considered until time stamped as a valid transaction request in the Scheme in line with the Regulations.

In consideration of the recipient from time to time accepting and at its sole discretion acting on any web/electronic transaction request received / purporting to be received from the transmitter, the transmitter agrees to indemnify and keep indemnified the AMC, Directors, employees, agents, representatives of the AMC, LIC Mutual Fund and Trustee from and against all actions, claims, demands, liabilities, obligations, losses, damages, costs and expenses of whatever nature (whether actual or contingent) directly or indirectly suffered or incurred, sustained by or threatened against the indemnified parties whatsoever arising from or in connection with or any way relating to the indemnified parties in good faith accepting and acting on fax/web/ electronic transaction requests including relying upon such fax/ electronic transaction requests purporting to come from the Transmitter even though it may not come from the Transmitter.

The AMC reserves the right to discontinue the facility (ies) at any point of time.

The Investors are requested to refer the Scheme Information Document of the respective Schemes for the special products and facilities offered under the Scheme.

B. Default scenarios available to the investors under plans/options of the Schemes.

The Schemes of LIC Mutual Fund (except Exchange Traded Funds and LIC MF Unit Linked Insurance Scheme*) offer Regular and Direct Plan. Both the plans have a common portfolio.

**Note – In line with SEBI letter ref no. SEBI/HO/OW/IMD-II/DOF3/P/2022/26168/1 dated June 27, 2022, LIC MF AMC has stopped accepting new subscriptions in LIC MF Unit Linked Insurance Scheme. For further detail kindly refer Scheme Information Document of the said Scheme.*

Options available under both the Plans are as follows:

- **Growth Option:** This option is suitable for investors who are not looking for current income but who invest only with the intention of capital appreciation.
- **Income Distribution cum Capital Withdrawal (IDCW) Option:** This option is suitable for investors seeking income through Income Distribution cum capital withdrawal declared by the Scheme. Under this Option, the Scheme will endeavour to declare Income Distribution cum capital withdrawal from

time to time. The Income Distribution cum capital withdrawal shall be dependent on the availability of distributable surplus.

The Income Distribution cum capital withdrawal option has the following facilities:

- (i) Reinvestment of Income Distribution cum capital withdrawal option.
- (ii) Payout of Income Distribution cum capital withdrawal option.

Default Investment option is Growth Option.

Treatment of applications under "Direct" / "Regular" Plans

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

In cases of invalid ARN codes mentioned on the application form, the application shall be processed as under:

Transaction Type	Primary ARN			SUB distributor ARN		EUIN*	Execution Only Mentioned	Regular Plan / Direct Plan
	Valid	Invalid	Empanelled	Valid	Invalid	Valid	Yes	
Lump Sum/Registration	Y		Y				Y	
	Y		N	Not applicable				Direct
	Y		Y	N.A.	N.A.	N.A.	N	Regular*
	Y		Y	Y		Y		
		Y						
	Y		Y	Y			Y	
	Y		Y		Y			
Trigger	Y			Not applicable				
		Y		Not applicable				

Treatment of purchase/switch/Systematic Investment Plan ("SIP") / Systematic Transfer Plan ("STP") transactions received through distributors who are suspended by AMFI shall be as follows:

- (a) During the period of suspension, no commission shall be accrued or payable to the distributor whose ARN is suspended. During the period of suspension, commission on the business

Sourced prior to the date of suspension shall stand forfeited, irrespective of whether the suspended distributor is the main AMFI Registration Number ("ARN") holder or a sub-distributor.

- (b) All Purchase and Switch transactions, including SIP/STP registered prior to the date of suspension and fresh SIP / STP registrations received under the ARN code of a suspended distributor during the period of suspension, shall be processed under "Direct" Plan" and shall be continued under Direct Plan perpetually*. AMC shall suitably intimate to the unitholder(s).

*Note: If the AMC receives a written request / instruction from the first/sole unitholder to shift back existing assets, future SIP/STP instalments or both to Regular Plan under the ARN of the distributor post the revocation of suspension of ARN, the same shall be honored. Investors may be liable to bear capital gains taxes as per their individual tax position for such transactions.

- (c) All Purchase and Switch transactions including SIP/STP transactions received through the stock exchange platforms through a distributor whose ARN is suspended shall be rejected.

- (d) In cases where the ARN of the distributor is permanently terminated, the unitholders have the following options:

- Switch their existing investments under the Regular Plan to Direct Plan (Investors may be liable to bear capital gains taxes as per their individual tax position for such transactions); or Continue their existing investments under the Regular Plan under ARN of another distributor of their choice

VII. RIGHTS OF UNITHOLDERS OF THE SCHEME

1. Unit holders of the Scheme have a proportionate right in the beneficial ownership of the assets of the Scheme.
2. When the Mutual Fund declares an Income Distribution cum Capital Withdrawal (IDCW)/dividend under a scheme, IDCW/ dividend warrants shall be dispatched to the Unit Holders within 7 working days from the record date of IDCW/dividend. Consolidated Account Statement ('CAS') at mutual fund industry level for each calendar month will be issued on or before 15th day of succeeding month to all unit holders having financial transactions and who have provided valid Permanent Account Number (PAN). For folios not included in the CAS, the AMC shall issue a monthly account statement to the unit holders, pursuant to any financial transaction done in such folios; the monthly statement will be send on or before 15th day of succeeding month. In case of a specific request received from the unit holders, the AMC shall provide the account statement to the unit holder within 5 business days from the receipt of such request. If a Unit holder so desires the Mutual Fund shall issue a Unit certificate (non- transferable) within 5 Business Days of the receipt of request for the certificate.
3. The Mutual Fund shall dispatch redemption or repurchase proceeds within 3 working days of accepting the valid redemption or repurchase request. For schemes investing at least 80% of total assets in such permissible overseas investments, 5 Working Days of accepting the valid redemption or repurchase request. Further, in case of exceptional scenarios as prescribed by AMFI vide its communication no. AMFI/ 35P/ MEM-COR/ 74 / 2022-23 dated January 16, 2023, read with clause 14.1.3 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 (SEBI Master Circular), the AMC may not be able to adhere with the timelines prescribed above.
4. The Trustee is bound to make such disclosures to the Unit holders as are essential in order to keep the unitholders informed about any information known to the Trustee which may have a material adverse bearing on their investments.
5. The appointment of the AMC for the Mutual Fund can be terminated by majority of the Directors of the Trustee Board or by 75% of the Unit holders of the Scheme.
6. 75% of the Unit holders of a Scheme can pass a resolution to wind- up a Scheme.
7. The Trustee shall obtain the consent of the Unit holders:

- whenever required to do so by SEBI, in the interest of the Unit holders.
- whenever required to do so if a requisition is made by three- fourths of the Unit holders of the Scheme.
- when the majority of the trustees decide to wind up a scheme in terms of clause (a) of sub regulation (2) of regulation 39 of SEBI (Mutual Funds) Regulations, 1996 or prematurely redeem the units of a close ended scheme.

8. The trustees shall ensure that no change in the fundamental attributes of any scheme, the fees and expenses payable or any other change which would modify the scheme and affect the interest of the unit holders is carried out by the asset management company, unless it complies with sub-regulation (26) of regulation 25 of SEBI (Mutual Funds) Regulations, 1996.

9. In specific circumstances, where the approval of unitholders is sought on any matter, the same shall be obtained by way of a postal ballot or such other means as may be approved by SEBI.

VIII. INVESTMENT VALUATION NORMS FOR SECURITIES AND OTHER ASSETS-

Kindly refer **Annexure 2** - Investment Valuation Policy

COMPUTATION OF NAV

A. Policy of computation of NAV

The Net Asset Value (NAV) per unit of the Scheme will be computed by dividing the net assets of the Scheme

by the number of units outstanding under the Scheme on the valuation date. The Mutual Fund will value its investments according to the valuation norms, as specified in Schedule VIII of the SEBI (Mutual Funds) Regulations, 1996 or such norms as may be specified by SEBI from time to time.

NAV of units under Scheme shall be calculated as shown below:

$$\text{NAV per unit} = \frac{\text{Market or Fair Value of the Scheme's Investments} + \text{Current Assets} - \text{Current Liabilities and Provisions}}{\text{No. of Units outstanding under the Scheme}}$$

The NAV of the Scheme will be calculated and disclosed at the close of every Business Day. 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 NAV will be calculated upto 4 decimals.

Illustration of NAV: If the net assets of the Scheme, after considering applicable expenses, are Rs.10,05,55,700 and units outstanding are 1,00,00,000 then the NAV per unit will be computed as follows: Rs. 10,05,55,700 / 1,00,00,000 units = Rs. 10.0556 per unit (rounded off to four decimals).

B. Policy for computation of NAV in foreign securities

Not applicable at present as none of the Schemes of LIC Mutual Fund invests in Foreign Securities.

C. Procedure in case of delay in disclosure of NAV

The AMC shall update the NAV of the Scheme on the website of LIC Mutual Fund (www.licmf.com) and on the website of Association of Mutual Funds in India (AMFI) (www.amfiindia.com) by 11.00 p.m. on every Business Day. In case of Schemes investing in Corporate Debt Market Development Fund if the NAV of Corporate Debt Market Development Fund units is not available by 9:30 p.m. of same Business Day, the NAV of the Scheme shall be declared by 10 a.m. on next business day instead of 11 p.m. on same Business Day.

In case of any delay beyond the aforesaid timelines, the reasons for such delay would be explained to AMFI in writing. If the NAVs are not available before 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 NAVs.

IX. TAX & LEGAL & GENERAL INFORMATION –

A. Taxation on investing in Mutual Funds - Refer Annexure - 3

B. LEGAL INFORMATION

NOMINATION FACILITY

In terms of Regulation 29A of the SEBI (Mutual Funds) Regulations the unit holders have an option for making nomination.

(a) Who can nominate/be nominees?

Individuals, on their own behalf, singly or jointly can nominate.

Following is an illustrative list of the categories of investors who cannot nominate:

- i) company
- ii) body corporate
- iii) PSU
- iv) AOP, BOI
- v) society
- vi) trust (other than religious or charitable trust)
- vii) partnership firm
- viii) karta of HUF
- ix) bank
- x) FII/Foreign Portfolio Investors (FPI)
- xi) holder of POA

A minor can be nominated and in that event, the name and address of the guardian of the minor nominee shall be provided by the Unit holder. Nomination can also be in favour of the Central Government, State Government, a local authority, any person designated by virtue of his office or a religious or charitable trust. For nomination to a religious or charitable trust, the investor should attach a proof or certificate that the trust being nominated is religious or charitable trust. The Nominee shall not be a trust, other than a religious or charitable trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family or a Power of Attorney holder. A non-resident Indian can be a Nominee subject to the exchange controls in force, from time to time. Legal heir(s) of nominee shall not be eligible to inherit the assets of the investor, if the nominee predeceases the investor.

. A minor can be nominated and, in that event, providing date of birth of the nominee is mandatory. The name and address of the Guardian of the minor Nominee can be provided but is optional. Nomination can also be in favour of Central / State Government, a local authority, any person designated by a virtue of his office or a religious or a charitable trust. The Nominee shall not be a trust (other than a religious or charitable trust), society, body corporate, partnership firm, Karta of Hindu Undivided Family or a Power of Attorney holder. A Non-Resident Indian (NRI) can be a Nominee subject to the exchange controls in force from time to time. In case of transmission of units and payment of redemption proceeds where investment made by an Indian Resident through Indian banking channel and nominee is NRI, the AMC shall transfer the redemption proceeds to NRI's Non-Resident Ordinary (NRO) Rupee Account (NRO Account) only, subject to compliance with other applicable procedure.

Nomination in respect of the Units stands rescinded upon the transfer of Units. The nomination facility extended under the Scheme is in accordance with the SEBI Regulations and subject to other applicable laws. Transmission of the Units in the name of the nominee shall discharge the Mutual Fund, the Trustee and the AMC from any liability towards the successor(s) / heir(s) of the deceased Unit holder(s). However, the Mutual Fund / Trustee / AMC may request the nominee to execute suitable indemnities in favour of the Mutual Fund and

/ or the Trustee and / or the AMC, and to submit necessary documentation to the satisfaction of the Mutual Fund before transmitting Units to his / her favour.

Any investor, investing in Mutual Fund Units will have to provide nomination or Opt out of nomination through a signed Declaration form except for jointly held folios.

The AMC provides both online and offline option for nomination:

a. In case of offline/physical form option, nomination forms shall have wet signatures from all the unit holders. Nomination Forms are available along with the application forms at any of the Investor Service Centers and on the website of the AMC & Kfint at

• <https://www.licmf.com/investor-services/transaction-services/non-commercial-transaction>

• <https://mfs.kfintech.com/investor/General/NCTNomineeUpdate>

• <https://mfs.kfintech.com/investor/General/NomineeFormUpload>

b. In case of Online option, the same can be provided through two factor authentication (2FA) in which one of the factors shall be a One-Time Password sent to the unit holder at his/her email/ phone number registered with the AMC.

Nominations received in the form prescribed by the AMC alone shall be valid.

Nomination form can be signed by the unit holder(s) as per the mode of holding registered in the folio

If the nomination form is affixed with the thumb impression of any of the unit holder(s), name, signature and address of two witness will be required

Unit holders can choose either one of the below-mentioned nomination information to be printed in their statement of account

a) name(s) of the nominee(s) or

b) whether or not nomination has been made by the investor – Yes/No

Unit holders are requested to note that in case of multiple nominations:

It is mandatory to clearly indicate the percentage of allocation in favour each of the nominees against their Name and such allocation should be in whole numbers without any decimals making a total of 100 percent. It may be noted that if the percentage allocation is not mentioned or is left blank, in the Nomination Form then the AMC shall apply the default option of equal distribution among all the nominees as designated by

the deceased Unitholder. Further, any odd lot after division/ fraction of percentage shall be transferred to the first nominee mentioned in the nomination form.

Upon demise of one of the nominees prior to the demise of the investor and if no change is made in the nomination, then the assets shall be distributed to the surviving nominees on pro rata basis upon demise of the investor, as illustrated below:

% share as specified by investor at the time of nomination		% assets to be apportioned to surviving nominees upon demise of investor and nominee 'A'			
Nominee	% share	Nominee	% initial share	% of A's share to be apportioned	Total % share
A	60%	A	0	0	0
B	30%	B	30%	45%	75%
C	10%	C	10%	15%	25%
Total	100%	-	40%	60%	100%

Further, any odd lot after division/ fraction of percentage in either of above scenarios, shall be transferred to the first nominee mentioned in the nomination form.

Effects of nomination/cancellation of nomination:

Nomination in respect of units stands rescinded upon redemption of units. Cancellation of nomination can be made only by those individuals who hold units on their own behalf, singly or jointly, and who made the original nomination. On cancellation, the nomination shall stand rescinded and the AMC/Mutual Fund shall not be under any obligation to transfer the units in favour of any of the nominees. Transfer of units/payment to a nominee of the sums shall be valid and effectual against any demand made upon the Trust/AMC, and shall discharge the Trust/AMC of all liability towards the estate of the deceased unit holder and his/her successors and legal heirs, executors and administrators.

If the Mutual Fund or the AMC or the Trustee were to incur or suffer any claim, demand, liabilities, proceedings or if any actions are filed or made or initiated against any of them in respect of or in connection with the nomination, they shall be entitled to be indemnified absolutely for any loss, expenses, costs, and charges that any of them may suffer or incur absolutely from the investor's estate.

TRANSFERABILITY / TRANSMISSION OF UNITS

Transfer 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 paragraph 14.4.4 of SEBI Master Circular for Mutual Funds, the units held by way of unit certificate can be transferred when instrument of transfer is produced along with the unit certificate and relevant stamp duty is paid thereon in accordance with the provisions of the Indian Stamp Act, 1899, as amended from time to time.

The units of the Schemes of LIC Mutual Fund held in Statement of Account (SOA) mode are transferable subject to compliance of the following provisions:

1. The facility would be available to individual unitholders (under Resident/non- resident Individual investors _) falling under the following categories:

- Surviving joint unitholder, who wants to add new joint holder(s) in the folio upon demise of one or more joint unitholder(s).
 - A nominee of a deceased unitholder, who wants to transfer the units to the legal heirs of the deceased unitholder, post the transmission of units in the name of the nominee.
 - A minor unitholder who has turned a major and has changed his/her status from minor to major, wants to add the name of the parent / guardian, sibling, spouse etc. in the folio as joint holder(s).
 - Transfer units to siblings
 - Gifting of units
 - Transfer of units to third party
 - Addition/deletion of the unit holder.
2. Partial transfer of units held in a folio shall be allowed. If the request for transfer of units is lodged on the record date, the payout under Income Distribution cum Capital Withdrawal (IDCW) option/ reinvestment shall be made to the transferor.
3. To mitigate the risk, redemption under the transferred units shall not be allowed for 10 days from the date of transfer.
4. **Mode of submitting / accepting the Transfer Request:**
The facility for transfer of units held in SoA mode shall be available only through online mode via the transaction portal(s) of KFin Technologies Limited and the MF Central Platform. The transfer of units held in SoA mode shall not be allowed through physical/paper based mode or via the stock exchange platforms, Mutual Fund Utility Platform, channel partners and EOPs etc.
5. **Pre-requisites:**
- The surviving unit holder /nominee/minor unitholder who has turned major, should be registered as the rightful unitholder of the units in the folio to be eligible to apply for transfer of units held in SoA mode.
 - There should be no “lien” or freeze on the units being transferred for any reason whatsoever. Also, the Units should not be under any lock-in period.
 - The transferee(s) should mandatorily be an individual / individual(s) with a valid folio in the mutual fund in which the transferor wishes to transfer the units. Transferee should be eligible to hold the Units as per the respective SID and fulfil any other regulatory requirement as may be applicable.
 - The primary holder, Plan, Option, and the ARN (in case of Regular Plan) in the transferor’s Folio shall remain unchanged upon transfer of units in the transferee folio.
6. **Payment of Stamp duty on Transfer of Units:**
- The Stamp duty for transfer of units, if/where applicable, shall be payable by the transferor.
 - For calculation of the amount of stamp duty, the consideration value will be calculated as per the last available NAV (irrespective of the amount of consideration mentioned by the transferor in the transfer request).
 - The stamp duty, if/where applicable, shall be collected by the RTAs from the transferor through online mode by ensuring that the payment is received from the bank account registered in the folio.

Transmission Facility

In case of unfortunate death of first unit holder of LIC Mutual Fund, the units are transmitted to the second unit holder. In case there is only one holder, the units are transmitted to the registered nominee. The surviving unit holders or nominee must submit a letter/form informing about the death of the first unit holder to LIC MF, along with the death certificate, KYC FATCA details, Nominee and bank account number.

In case of unfortunate death of Second/Third Unit holder, the first unit holder will inform the same to the LIC Mutual Fund for deletion of name/s in the respective folio/s.

In case of no nomination is registered in the folio, claimant will submit prescribed form and requisite documents for transmitting units in his/ her name.

Applicants claiming units in his/her name shall be required to submit the prescribed documents depending on the requirements under various situations as stipulated below:

A. Deletion of names of the deceased unit holders in case of death of 2nd and/or 3rd Holder :

- (i) Request Form (Form T1) from surviving unitholder(s) requesting for Deletion of Name of Deceased 2nd and/or 3rd Holder.
- (ii) Death Certificate in original or photocopy duly attested by a Notary Public or a Gazetted Officer. (Apostille of death certificate is mandatory if the same is issued outside India.).
- (iii) Fresh Bank Mandate Form along with existing bank account proof and cancelled cheque of the new bank account (only if there is a change in existing bank mandate).
- (iv) Fresh Nomination Form in case there is no nomination or a change in existing nomination is desired by the surviving unit holders.
- (v) KYC Acknowledgment or KYC form of the surviving unit holder(s), if not KYC compliant. Transmission will be completed only once the status of the KYC is "KYC complied".

Additional documentation required:

ID proof [PAN/Redacted Aadhaar/Voter ID / Passport or any other valid Officially Valid Document (OVD) as per PMLA guidelines] of the deceased person attested by the claimant(s), duly notarized or originals can be shown at the AMC branches and Original Seen and verified (OSV) seal attested by them

B. Transmission of Units to surviving unit holder(s) in case of death of the 1st holder:

- (i) Transmission Request Form (Form T2) for Transmission of Units to the surviving unitholder/s.
- (ii) Death Certificate of the deceased unitholder(s) in original OR photocopy of the death certificate self-attested and attested by a notary public/gazette officer (Apostille of death certificate is mandatory if the same is issued outside India.).
- (iii) Original Self-attested Copy of PAN Card of the Surviving Joint Holder(s) (if PAN is not provided already)
- (iv) Cancelled cheque of the new first unitholder, with the claimant's name pre-printed OR recent Bank Statement/Passbook (not more than 3 months old) of the new first holder.
- (v) KYC Acknowledgment OR KYC form of the surviving unit holder(s), if not KYC compliant. Transmission will be completed only once the status of the KYC is "KYC complied".
- (vii) Additional documentation required: ID proof [PAN/Redacted Aadhaar/Voter ID / Passport or any other valid OVD as per PMLA guidelines] of the deceased person attested by the claimant(s), duly notarized or originals can be shown at the AMC branches and OSV seal attested by them.

C. Transmission of Units to the registered Nominee/s in case of death of Sole or All unitholders:

- (i) Transmission Request Form (Form T3) for Transmission of Units in favour of the Nominee(s).

- (ii) Death Certificate of the deceased unitholder(s) in original OR photocopy of the death certificate self-attested and attested by a Notary Public or a Gazetted Officer. (Apostille of death certificate is mandatory if the same is issued outside India.).
- (iii) Original Copy of Birth Certificate, in case the Nominee is a minor..
- (iv) Self-attested Copy of PAN Card of the Nominee(s) / Guardian (in case the Nominee is a minor).
- (v) KYC Acknowledgment OR KYC form of the Nominee(s) / Guardian (where Nominee is a Minor). Transmission will be completed only once the status of the KYC is "KYC complied".
- (vi) Cancelled cheque with the Nominee's name pre-printed OR Copy of the Nominee's recent Bank Statement/Passbook (which is not more than 3 months old).
- (vii) If the transmission amount is up to ₹5 Lakh, Nominee's signature attested by the Bank Manager as per Annexure-I(a). In case the Nominee is a Minor, signature of the Guardian (as per the bank account of the Minor or the joint account of the Minor with the Guardian) shall be attested. If the transmission amount is for more than ₹5 Lakh, as an operational risk mitigation measure, signature of the Nominee shall be attested by a Notary Public or a Judicial Magistrate First Class (JMFC) with seal and date in the space provided for signature attestation in the TRF itself below the signature of the claimant.

Additional documentation required:

ID proof [PAN/Redacted Aadhaar/Voter ID / Passport or any other valid Officially Valid Document (OVD) as per PMLA guidelines] of the deceased person attested by the claimant(s), duly notarized or originals can be shown at the AMC branches and Original Seen and verified (OSV) seal attested by them.

D. Transmission of Units to the Claimant/s on death of Sole unitholder or All unitholders, where there is NO NOMINATION registered:

- (i) Transmission Request Form (Form T3) for Transmission of Units to the Claimant
- (ii) Death Certificate of the deceased unitholder(s) in original OR photocopy of the death certificate self-attested and attested by a Notary Public or a Gazette Officer. (Apostille of death certificate is mandatory if the same is issued outside India.).
- (iii) Original Copy of Birth Certificate in case the Claimant is a minor.
- (iv) Self-attested copy of PAN card of the claimant / guardian (in case the claimant is a minor).
- (v) KYC Acknowledgment OR KYC form of the claimant / guardian (in case the claimant is a minor). Transmission will be completed only after the KYC status is updated as "KYC complied".
- (vi) Cancelled cheque with the claimant's name pre-printed OR Copy of the Claimant's recent Bank Statement/Passbook (which is not more than 3 months old).

Additional documentation required:

ID proof [PAN/Redacted Aadhaar/Voter ID / Passport or any other valid Officially Valid Document (OVD) as per PMLA guidelines] of the deceased person attested by the claimant(s), duly notarized or originals can be shown at the AMC branches and Original Seen and verified (OSV) seal attested by them

1. If the transmission amount is up to ₹5 Lakh –

- a. Bank Attestation of signature of the Claimant by the Bank Manager as per Annexure-1a. In case the Claimant is a Minor, the signature of the Guardian (as per the bank account of the Minor or the joint account of the Minor with the Guardian) shall be attested.
- b. Any appropriate document evidencing relationship of the claimant/s with the deceased unitholder/s.
- c. Bond of Indemnity - as per Annexure II → to be furnished by Legal Heirs for Transmission of Units without production of Legal Representation. Provided that in case the legal heir(s)/claimant(s) is submitting the Succession Certificate or Probate of Will or Letter of Administration or appropriate Court order wherein the claimant is named as a beneficiary, an affidavit as per Annexure III from such legal heir/claimant(s) alone would be sufficient; i.e., Bond of Indemnity is not required.
- d. Individual Affidavits to be given by each legal heir as per Annexure III.
- e. NOC from other Legal Heirs as per Annexure IV, where applicable.

2. If the transmission amount is more than ₹5 Lakh –

- a. Signature of the Claimant duly attested by a Notary Public or a Judicial Magistrate First Class (JMFC) in the space provided for signature attestation in the Form T3 itself below the signature of the claimant. In

case the Claimant is a Minor, the signature of the Guardian (as per the bank account of the Minor or the joint account of the Minor with the Guardian) shall be attested.

b. Individual Affidavits to be given each legal heir as per Annexure III.

c. Where transmission value at the PAN-level is more than ₹5 lakh, but less than ₹10 lakhs, any one of the documents mentioned below:

d. Notarised copy of Registered Will along with a Notarized indemnity bond from the claimant (appropriate beneficiary of the will) to whom the securities are to be transmitted, as per the format specified; OR

✓ **Legal Heirship Certificate or its equivalent, along with :**

(i) a Notarized indemnity bond from the legal heir(s) / claimant(s) to whom the securities are to be transmitted, as per the format specified provided and

(ii) No Objection Certificate from all the non-claimants (i.e., remaining legal-heirs),

(iii) duly attested by a Notary Public, JFMC or by a Gazetted Officer as per the format specified .

(iv) Where transmission value at the PAN-level is more than ₹10 lakhs, any one of the documents mentioned below:

✓ Notarised copy of Probated Will; OR

✓ Succession Certificate issued by a competent court; OR

✓ Letter of Administration or court decree, in case of Intestate Succession.

(v) Identity proof (e.g., copy of PAN card, redacted Aadhaar card, passport) of all legal heirs signing the NOC/affidavit other than claimant/s (i.e., legal heirs other than the claimant mentioned in Probate or Letters of Administration or Succession Certificate).

E. Change of Karta upon death of the Karta of Hindu Undivided Family (HUF) If the case of a HUF, the property of the HUF is managed by the Karta and the HUF does not come to an end in the event of death of the Karta. In such a case, the members of the HUF will need to appoint a new Karta, who needs to submit following documents for transmission:

(i) Request Form (Form T4) for change of Karta upon demise of the registered Karta.

(ii) Death Certificate of the deceased Karta in original OR photocopy of the death certificate self-attested and attested by a notary public/gazette officer in original.(Apostille of death certificate is mandatory if the same is issued outside India.)

(iii) Bank's letter certifying that the signature and details of new Karta have been updated in the bank account of the HUF & attesting the Signature of the new Karta as per Annexure-1b.

(iv) KYC acknowledgment OR KYC form of the new Karta and the HUF, if not KYC-compliant. Please download Individual KYC form(For KARTA).

Please download NON Individual KYC form (For HUF)

(v) Transmission will be completed only after the KYC status is updated as "KYC complied".

(vi) Indemnity Bond as per Annexure-V signed by all surviving coparceners (including new Karta).

(vii) Any appropriate document evidencing relationship of the new Karta and the other coparceners with the deceased Karta or declaration in our standard format.

Additional documentation required:

a) ID proof [PAN/Redacted Aadhaar/Voter ID / Passport or any other valid OVD as per PMLA guidelines] of the deceased Karta attested by the new Karta , duly notarized or originals to be shown at the AMC branches.

b) If the transmission amount is for more than . 5 lakh, the signature of the new Karta shall be attested by a Notary Public or a JMFC in the space provided for signature attestation in the TRF itself below the signature of the claimant

F. Transmission of Units to the Claimant/s upon death of the Karta of HUF, where there is no surviving co-parcener or the HUF has been dissolved/partitioned after demise of the Karta:

(i)Transmission Request Form (Form T5) for Transmission of Units to the Claimant.

(ii) Death Certificate of the deceased Karta in original OR photocopy thereof attested by a Notary Public or a Gazette Officer. (Apostille of death certificate is mandatory if the same is issued outside India.).

- (iii) Original Copy of Birth Certificate in case the Claimant is a minor.
- (vi) Self -attested Copy of PAN Card of the Claimant(s) / Guardian (in case the Claimant is a minor).
- (v) KYC acknowledgment or KYC form of the claimant(s) /guardian (in case the claimant is a minor). Transmission will be completed only after the status of the KYC is updated as "KYC complied".
- (vi) Cancelled cheque with the claimant's name pre-printed OR Copy of the Claimant's recent Bank Statement/Passbook (which is not more than 3 months old).
- (vii) If the transmission amount is up to ₹5 Lakh, attestation of signature of the claimant by Bank Manager as per Annexure-1a. In case the claimant is a Minor, the signature of the Guardian (as per the Minor's bank account / Minors joint account with the Guardian) shall be attested.
- (viii) If the transmission amount is for more than ₹5 Lakh, signature of the claimant shall be attested by a Notary Public or a Judicial Magistrate First Class (JMFC) in the space provided for signature attestation in the TRF itself below the signature of the claimant.
- (ix) Bond of Indemnity to be furnished by the Claimant as per Annexure VI.
- (x) If the HUF has been dissolved/partitioned by the surviving members after demise of the Karta, the transmission of units should be processed on the basis of any of the following documents
→ Notarized copy of Settlement Deed, OR → Notarized copy of Deed of Partition, OR → Notarized copy of Decree of the relevant competent Court.

Additional Documentation required:

ID proof [PAN/Redacted Aadhaar/Voter ID / Passport or any other valid OVD as per PMLA guidelines] of the deceased person attested by the claimant(s), duly notarized or originals can be shown at the AMC branches and Original Seen & Verified stamp attested by them.

G. Additional Guidelines / Risk Mitigation Measures:

- * All the documents (Death certificate, Marriage Certificate, Birth Certificate, etc) issued outside India, Need to be apostille before submitting the same.
- (i) In case of death of the 1st holder, if there are two surviving joint holders, the surviving 2nd holder shall be treated as the new primary / 1st holder.
Self-attested copy of PAN card of claimant(s) is mandatory and Name(s) as per PAN card should match with claimant's name(s). Additionally, AMC/ RTA to validate such PAN independently with Income Tax database to check the validity of PAN, status and name, including PAN-Aadhaar linking
- (ii) KYC status of the claimant(s) should be 'Verified' / 'Complied'. Else, the original KYC form duly filled, supported by the documentary proof should be submitted. If Aadhaar is provided as OVD, transmission request shall be processed only after KYC status is updated in KRA system as valid.
- (iii) ID proof (PAN/Redacted Aadhaar/Voter ID/Passport) or any other valid OVD as per PMLA guidelines] of the deceased person should be submitted along with the transmission request (as a risk mitigation measure).
- (iv) If the original is not produced for verification, the photocopies of the supporting documents submitted for transmission of units, such as the death certificate of the deceased, birth certificate of the minor, Probate of Will, Succession Certificate, Letter of Administration etc. shall be duly attested by a Notary Public or a Gazette Officer.
- (v) Apart from the name of the deceased, any one other factor (such as Father's name / Spouse's Name, Address] as per the death certificate should match with the records available in the respective folio(s) or as per KYC records of the deceased person / claimant(s). If there is any mismatch, the claimant should be advised to substantiate with suitable evidence.
- (vi) Where the units are to be transmitted to a minor beneficiary, various documents like KYC, PAN, Indemnity should be obtained from the guardian of the minor nominee / legal heir. Bank attestation of the signature of the guardian of the minor should be as per the bank account of the minor or the joint account of the minor with the guardian.
- (vii) Where there are more than one claimants (nominee or legal heir) in a folio or set of folios, the nominees / legal heirs should be encouraged/ requested to submit the transmission request together so that all the Units held by the deceased unitholder(s) could be transmitted in one-go to for operational efficiency and convenience.

(viii) In such cases where the deceased was the 1st holder in respect any one of the folios/funds, units in all other holdings across all other folios/schemes, where the deceased was the 1st unitholder will be 'Stop' marked/blocked against any further transactions on the basis of PAN or PEKRN.

(ix) If the deceased unitholder(s) held units in multiple folios, e.g, as the 1st holder(s) in some folios and as the joint holder in others, a single Transmission Request form may be accepted for operational ease, provided all the deceased holders are common across the multiple folios (irrespective of the order of names of the deceased) AND the nominee(s) / claimant(s) is/are also common/same across ALL the folios.

(x) The process and documentation for transmission of units where the claimant / nominee is a mentally unsound person, shall be the same as applicable to a Minor claimant, except that the Guardian shall be a court appointed guardian. Additionally, a Medical Certificate from an appropriate registered medical practitioner may be obtained regarding the mentally unsound person.

(xi) If the transmission amount is for more than ₹ 5 Lakh, as an operational risk mitigation measure, the signature of the Nominee/ Claimant shall be attested only by a Notary Public or a JMFC (and not banker's attestation). For this purpose, space has been provided for signature in the transmission request form below the signature of the claimant.

(xii) Where the units are to be transmitted to a claimant who is a minor, various documents like KYC, PAN, Bank details, indemnity should be of the guardian of the nominee.

Unit holders may please note that, in addition to the abovementioned documents, the AMC/Registrar may, depending on the circumstance of each case seek additional documents.

Additional risk mitigation measures:

To avoid the risk of frauds and enhance operational efficiency, AMC shall not accept any 'Transmission cum Redemption' request. AMC shall first accept and process the request for transmission of units with proper documentation and thereafter accept and process redemption request.

1. In case of transmission of units, the claimant(s) of units will be required to submit the prescribed documents as may be applicable. Investors may refer to our website www.licmf.com for various documents required under different transmission scenarios.
2. In case of transmission of units to a claimant who is a minor, the prescribed documents like PAN, KYC, Bank Details, Indemnity etc. of the guardian (father/mother/court appointed guardian) will be required. Bank Attestation of the Signature of the Guardian of the minor shall be as per the bank account of the Minor or the joint account of the Minor with the Guardian.
3. If the amount involved in transmission exceeds Rs. lakh, the AMC/Mutual Fund may, on a case-to-case basis, seek additional documents from the claimant(s) of units.

For any clarification on Transmission of Units, please contact the AMC's Investor Servicing & Branch Ops Teams (022-66016000) or write to us on service_licmf@kfintech.com

PREVENTION OF MONEY LAUNDERING:

Prevention of Money Laundering Act, 2002 (hereinafter referred to as "Act") came into effect from July 1, 2005 vide Notification No. GSR 436(E) dated July 1, 2005 issued by Department of Revenue, Ministry of Finance, Government of India. Further, SEBI vide Circular No. CIR/ISD/AML/3/2010 dated December 31, 2010 issued a 'Master Circular on Anti Money Laundering (AML) Standards/ Combating the Financing of Terrorism (CFT)/Obligations of Securities Market Intermediaries under the Prevention of Money Laundering Act, 2002' consolidating all the requirements / instructions / obligations of Securities Market Intermediaries issued under the various circulars issued by SEBI with regard to AML/CFT till January 31, 2010, whereby all intermediaries are advised to take necessary steps to ensure compliance with the requirement of the PML Act inter-alia for the maintenance and preservation of records and reporting of information relating to cash and suspicious transactions to Financial Intelligence Unit-India (FIU-IND), New Delhi.

The Mutual fund/ Registrar and Transfer Agent (RTA) shall perform the KYC of its new investors. Investors may however, note that the fund reserves the right to conduct enhanced KYC of its investors as may be commensurate with their respective risk profiles.

The investor(s) should ensure that the amount invested in the scheme is through legitimate sources only and does not involve and is not designated for the purpose of any contravention or evasion of the provisions of the Income Tax Act, Prevention of Money Laundering Act, Prevention of Corruption Act and / or any other applicable law in force and also any laws enacted by the Government of India from time to time or any rules, regulations, notifications or directions issued there under.

To ensure appropriate identification of the investor(s) under its KYC policy and with a view to monitor transactions for the prevention of money laundering, LIC Mutual Fund Asset Management Limited ("the AMC") / LIC Mutual Fund ("the Mutual Fund") reserves the right to seek information, and / or obtain and retain documentation for establishing the identity of the investor, proof of residence, source of funds, etc. It may re-verify identity and obtain any incomplete or additional information for this purpose.

In order to bring about uniformity in the Know Your Customer (KYC) process in the securities market, Common KYC Application form and supporting documents shall be used by all SEBI registered intermediaries viz. intermediaries viz. Mutual Funds, Portfolio Managers, Depository Participants, Stock Brokers, Venture Capital Funds, Collective Investors Schemes, etc. Further, to avoid duplication of KYC process across SEBI registered intermediaries, a mechanism for centralization of the KYC records in the securities market has been developed. Accordingly, we will be performing the initial KYC of our clients and upload the details on the system of the KYC Registration Agency (KRA). The data from the KRA shall be checked and passed onto the Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI) for generation of the KYC Identification number (KIN) of the investor. The KYC details of the client can be accessed by other intermediaries by accessing the KRA system. As a result, once the client has done KYC with a SEBI registered intermediary, he need not undergo the same process again with another intermediary. For regulating KRAs, SEBI has formulated the KYC Registration Agency (KRA) Regulations, 2011 which covers the registration of KRAs, functions and responsibilities of the KRAs and intermediaries, code of conduct, data security, etc. However, to comply with prevailing regulatory guidelines, the AMC reserves the right to carryout fresh KYC to the investors or undertake enhanced KYC measures commensuration with the risk profile of the investor.

In-Person' Verification (IPV) of clients has been made mandatory for all SEBI registered intermediaries. Asset Management Companies (AMCs) and the distributors who comply with the certification process of National Institute of Securities Market (NISM) or Association of Mutual Funds (AMFI) and have undergone the process of 'Know Your Distributor (KYD)' can perform the IPV for mutual fund investors. However, where applications are received by the mutual funds directly from the clients (i.e. not through any distributor), the IPV performed by the scheduled commercial banks can be relied on. The IPV carried out by any SEBI registered intermediary can be relied upon.

All investors (both individual and non-individual) can apply for KYC compliance. However, applicants should note that minors cannot apply for KYC compliance and any investment in the name of minors should be through a Guardian, who should be KYC compliant for the purpose of investing with a Mutual Fund. Also, applicants / unitholders intending to apply for Units / currently holding Units and operating their Mutual Fund folios through a Power of Attorney (PoA) must ensure that the issuer of the PoA and the holder of the PoA must mention their KYC compliance status at the time of investment. PoA holders are not permitted to apply for KYC compliance on behalf of the issuer of the PoA. Separate procedures are prescribed for change in name, address and other KYC related details, should the applicant desire to change such information.

Financial transactions (including redemptions, switches and all types of systematic plans) and non-financial requests will not be processed if the unitholders have not completed KYC requirements.

- **Update on Folios without PAN/PEKRN (PAN exempted KYC Reference Number)**

SEBI vide its letter No. SEBI/HO/OW/IMD/PoD/2022/48112/1 dated September 12, 2022 has advised that no investments (Systematic transaction, Lumpsum, Redemption) shall be permitted in such folios wherein PAN/ PEKRN details are not available.

All such Non-compliant Non-PAN and Non-PEKRN folios shall be liable to be frozen from April 01, 2023. Further, IDCW will not be paid or reinvested for any IDCW declared by schemes of Mutual Fund and will be invested in Unclaimed Scheme and units shall be allotted in the Investor folio for the IDCW amount.

Unitholders whose folio(s) has/have been frozen due to the above requirement shall be able to (permit to) lodge grievance or avail service request only after furnishing the above details. Please note that the PAN / PEKRN (as may be applicable) needs to be provided in respect of all joint holders.

LIC Mutual Fund, LIC MF Asset Management Limited, LIC Mutual Fund Trustee Pvt. Limited and their Directors, employees and agents shall not be liable in any manner for any claims arising whatsoever on account of freezing the folios / rejection of any application / allotment of units or mandatory redemption of units due to non-compliance with the provisions of the Act, SEBI circular(s) and KYC policy and / or where the AMC believes that transaction is suspicious in nature within the purview of the Act and SEBI circular(s) and reporting the same to FIU-IND.

PERMANENT ACCOUNT NUMBER:

Investors should note that it is mandatory for all applicants (in the case of application in joint names, each of the applicants) to mention his/her Permanent Account Number (PAN) irrespective of the amount of purchase in the Application Form. Investors who do not have PAN, have to provide other approved proof of identity in lieu of PAN i.e. PAN-exempt KYC reference number (PEKRN) who can invest up to ₹50,000 per year per mutual fund. Where the applicant is a minor, and does not possess his / her own PAN/PEKRN, he / she shall quote the PAN/PEKRN of his/her father or mother or the guardian, as the case may be.

SUSPENSION OF REDEMPTION OF UNITS

The suspension of redemption of units under the scheme shall be made applicable only after the approval of the Trustee. The approval from the AMC Board and the Trustee giving details of the circumstances and the justification for the proposed action shall be informed to SEBI.

When one or more stock exchanges or markets which provides basis of valuation for substantial portion of the assets of the scheme is closed otherwise than for ordinary holidays.

In circumstances outside the control of the Trustee and AMC the disposal of the assets of the scheme is not reasonable or would not reasonably be practicable without being detrimental to the interests of the Unit holders.

During Periods of extreme volatility in the stock market, which, in the opinion of the investment manager is prejudicial to the interest of the investors

- In case of Natural calamity, strikes riots etc.
- If so directed by SEBI.
- During the period of Book closure, if any.

In the above eventualities the time limit for processing requests for redemption of units will not be applicable.

However, to bring more clarity and to protect the interest of the investors, SEBI vide paragraph 1.12 of SEBI Master Circular for Mutual Funds, prescribed 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 can 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 AMC's and Trustees and the same will be informed to SEBI immediately.

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

i. No redemption requests upto INR 2 lakh shall be subject to such restriction.

ii. Where redemption requests are above INR 2 lakh, the AMC will redeem the first INR 2 lakh without such restriction and remaining part over and above INR 2 lakh shall be subject to such restriction.

UNCLAIMED REDEMPTION AND DIVIDEND AMOUNTS

As per paragraph 14.3 of SEBI Master Circular for Mutual Funds, the unclaimed redemption amount and dividend amounts may be deployed by the Mutual Fund in call money market or money market instruments only and the investors who claim these amounts during a period of three years from due date shall be paid at the prevailing Net Assets Value. After a period of three years, this amount will be transferred to a pool account and the investors can claim the amount at NAV prevailing at the end of third year. The income earned on such investments will be used for investor education. The AMC will make a continuous effort to remind the investors through letters to take their unclaimed amounts. Further, the investment management fee charged by the AMC for managing unclaimed amounts shall not exceed 50 basis points

1. The unclaimed redemption and dividend amounts, can be deployed in call money market or money market instruments, or a separate plan of Overnight scheme/Liquid scheme / Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts. Provided that such schemes where the unclaimed redemption and dividend amounts are deployed shall be only those Overnight scheme/ Liquid scheme / Money Market Mutual Fund schemes which are placed in A-1 cell (Relatively Low Interest Rate Risk and Relatively Low Credit Risk) of *Potential Risk Class matrix*. AMC's shall not be permitted to charge any exit load in this plan and TER (Total Expense Ratio) of such plan shall be capped as per the TER of direct plan of such scheme or at 50bps whichever is lower.

2. To ensure Mutual Funds play a pro-active role in tracing the rightful owner of the unclaimed amounts:

a. Mutual Funds shall be required to provide on their website, the list of names and addresses of investors in whose folios there are unclaimed amounts.

b. AMFI shall also provide on its website, the consolidated list of investors across Mutual Fund industry, in whose folios there are unclaimed amounts. The information provided herein shall contain name of investor, address of investor and name of Mutual Fund/s with whom unclaimed amount lies.

c. Information at point 2(a) & 2(b) above may be obtained by investor only upon providing his proper credentials (like PAN, date of birth, etc.) along-with adequate security control measures being put in place

by Mutual Fund / AMFI.

Necessary forms / documents required for claiming unclaimed redemption and dividend amounts are available on the website of LIC Mutual Fund. Further, the information on unclaimed amount along-with its prevailing value (based on income earned on deployment of such unclaimed amount), shall be separately disclosed to investors through the periodic statement of accounts / Consolidated Account Statement sent to the investors.

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 investor education.

DURATION OF OPEN ENDED SCHEMES

The duration of the Scheme is perpetual. The AMC, the Fund and the Trustee reserve the right to make such changes/alterations in the Scheme (including the charging of fees and expenses) offered under respective Scheme Information Document to the extent permitted by the applicable Regulations.

DURATION OF CLOSE ENDED SCHEMES / (SCHEMES)

The duration of the Scheme is limited till the maturity of the plan under the scheme unless rolled over. The AMC, the Fund and the Trustee reserve the right to make such changes/alterations in the Scheme (including the charging of fees and expenses) offered under respective Scheme Information Document to the extent permitted by the applicable Regulations.

WINDING UP

In terms of the Regulations, a Scheme is to be wound up after repaying the amount due to the Unitholders:

1. On happening of any event, which in the opinion of the Trustee, requires the Scheme to be wound up, OR
2. If seventy five percent (75%) of the Unitholders of the Scheme pass a resolution that the Scheme be wound up, OR
3. If SEBI so directs in the interest of the Unitholders or
4. In case of non-fulfillment of condition prescribed in terms of minimum number of investors vide paragraph 6.11 of SEBI Master Circular for Mutual Funds.

Where the Scheme is to be wound up, the Trustee shall give notice within one day of the circumstances leading to the winding up of the Scheme to:

- (I) SEBI and,
- (II) In two daily newspapers with circulation all over India and in one vernacular newspaper with circulation in Mumbai

Provided that where a scheme is to be wound up, the trustees shall obtain consent of the unit holders participating in the voting by simple majority on the basis of one vote per unit and publish the results of voting within forty five days from the publication of notice.

Provided further that in case the trustees fail to obtain the required consent of the unitholders, the scheme shall be reopened for business activities from the second business day after publication of results of the voting.

- (III) On and from the date of the publication of notice of winding up, the Trustee or the AMC shall:
- a) Cease to carry on any business activities in respect of the Scheme so wound up;
 - b) Cease to create or cancel Units in the Scheme;
 - c) Cease to issue or redeem Units in the Scheme.

PROCEDURE FOR WINDING UP

The Trustee shall call a meeting of the Unitholders of the Scheme to approve by simple majority of the Unitholders present and voting at the meeting for authorizing the Trustee or any other person to take steps for the winding up of the Scheme.

The Trustee or the person authorized above shall dispose of the assets of the Scheme in the best interest of the Unitholders of the Scheme.

The proceeds of sale realized in pursuance of the above, shall be first utilized towards discharge of such liabilities as are due and payable under the Scheme and after meeting the expenses connected with such winding up, the balance shall be paid to Unitholders in proportion to their respective interest in the assets of the Scheme, as on the date the decision for winding up was taken.

On completion of the winding up, the Trustee shall forward to SEBI and the Unitholders a report on the winding up, detailing the circumstances leading to the winding up, the steps taken for disposal of the assets of the Scheme before winding up, net assets available for distribution to the Unitholders and a certificate from the auditors of the Fund.

Notwithstanding anything contained herein above, the provisions of the Regulations in respect of disclosures of half-yearly reports and annual reports shall continue to be applicable until winding up is completed or the Scheme ceases to exist.

After the receipt of the report referred to above, if SEBI is satisfied that all measures for winding up of the Scheme have been complied with, the Scheme shall cease to exist.

C. GENERAL INFORMATION

1. INTER SCHEME TRANSFERS OF INVESTMENTS

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

- (a) such transfers are done at the prevailing market price for quoted instruments on spot basis.

Explanation : "spot basis" shall have same meaning as specified by stock exchange for spot transactions.

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

The interscheme transfer shall be done in compliance with paragraph 12.30 of SEBI Master Circular for Mutual Funds, as amended from time to time.

2. Aggregate investment in the Scheme under the following categories:

In accordance with Paragraph on 'Scheme Related Disclosures' of SEBI Master Circular for Mutual Funds, please find below the aggregate investment in the respective Scheme(s) by Board of Directors of LIC Mutual Fund Asset Management Limited (AMC) and key personnel as on May 31, 2025:

Scheme Name	Aggregate amount invested in the Scheme as on May 31, 2025 (market value in Rs.)		
	Key personnel (excluding Fund Manager)	Fund Manager	AMC's Board of Directors
LIC MF Arbitrage Fund	1,02,367.94	3,84,956.44	-
LIC MF Balanced Advantage Fund	22,52,848.73	32,18,194.59	-
LIC MF Medium to Long Duration Fund	1,96,842.30	1,46,923.83	-
LIC MF Banking and Financial Services Fund	3,20,185.81	6,19,630.71	-
LIC MF Aggressive Hybrid Fund	7,20,611.20	23,08,983.11	-
LIC MF Dividend Yield Fund	1,60,275.56	2,63,644.66	-
LIC MF Flexi Cap Fund	12,43,771.69	18,93,461.21	48209.07
LIC MF Focused Fund	86,362.26	1,37,726.99	-
LIC MF Large Cap Fund	14,58,121.73	15,68,236.08	-
LIC MF Gilt Fund	75,555.26	54,228.94	-
LIC MF Healthcare Fund	43,296.86	60,025.20	-
LIC MF BSE Sensex Index Fund	13,425.19	-	-
LIC MF Equity Savings Fund	10,700.51	22,119.68	-
LIC MF Mid cap Fund	1,73,599.48	3,02,465.20	-
LIC MF Infrastructure Fund	3,91,068.16	10,97,242.45	2227237.8
LIC MF Liquid Fund	92,69,732.39	58,14,943.89	-
LIC MF Banking and PSU Fund	17,22,128.56	11,98,252.88	-
LIC MF Value Fund	71,981.40	1,27,418.73	-
LIC MF Multi Asset Allocation Fund	28,457.54	2,37,324.00	-
LIC MF Large and Midcap Fund	62,98,380.78	52,81,786.00	5003379.97

LIC MF Manufacturing Fund	2,27,407.52	6,39,477.37	-
LIC MF Conservative Hybrid Fund	81,029.77	2,42,340.38	-
LIC MF Multi Cap Fund	9,63,839.69	18,08,519.91	-
LIC MF Money Market Fund	58,145.16	40,552.06	-
LIC MF Small Cap Fund	1,73,653.71	2,50,644.04	-
LIC MF Short Duration Fund	1,75,052.87	1,03,604.49	-
LIC MF Low Duration Fund	15,27,749.40	9,91,893.23	896.88
LIC MF ELSS Tax Saver	10,50,547.10	12,73,334.95	-
LIC MF Ultra Short Duration Fund	1,67,331.33	1,04,912.35	-
LIC MF UNIT LINKED INSURANCE SCHEME	-	-	55,498.56

3. Dematerialisation and Rematerialisation procedures

Investors shall have an option to receive allotment of Mutual Fund units in their demat account while subscribing to the Units of the Scheme in terms of the guidelines/ procedural requirements as laid by the Depositories (NSDL/CDSL) from time to time.

Investors desirous of having the Units of the Scheme in dematerialized form should contact the ISCs of the AMC/Registrar.

Where units are held by investor in dematerialized form, the demat statement issued by the Depository Participant would be deemed adequate compliance with the requirements in respect of dispatch of statements of account.

In case investors desire to convert their existing physical units (represented by statement of account) into dematerialized form or vice versa, the request for conversion of units held in physical form into Demat (electronic) form or vice versa should be submitted along with a Demat/Remat Request Form to their Depository Participants. In case the units are desired to be held by investor in dematerialized form, the KYC performed by Depository Participant shall be considered compliance of the applicable SEBI norms.

Units held in Demat form are freely transferable in accordance with the provisions of SEBI (Depositories and Participants) Regulations, as may be amended from time to time. Transfer can be made only in favour of transferees who are capable of holding units and having a Demat Account. The delivery instructions for transfer of units will have to be lodged with the Depository Participant in requisite form as may be required from time to time and transfer will be affected in accordance with such rules / regulations as may be in force governing transfer of securities in dematerialized mode.

How to apply for / get allotment of units in Demat mode?

Investors/applicants desiring to get allotment of units in demat mode must have a beneficiary account with a Depository Participant (DP) of the Depositories i.e. National Securities Depositories Limited (NSDL) / Central Depository Services Limited (CDSL).

At the time of making application to apply for Mutual fund units, investors/applicants must provide the demat Account details i.e. the DP's name, DP ID Number and the beneficiary account number in the specified section

of the application form.

Units shall be directly credited to the investor's demat account after the realization of funds and depositories will issue a statement.

Investors/ applicants must ensure that sequence of Name(s) of the applicants, PAN, tax status, holding pattern mentioned in the mutual fund scheme application form matches with that of the account held with the Depository Participant. If the details mentioned in the application form are incomplete/incorrect or do not match with the Depository data, the AMC reserves the right to allot units in Non Demat mode.

Demat option will not be available for Daily/Weekly/Fortnightly Income Distribution cum Capital Withdrawal options.

The investors shall note that for holding the units in demat form, the provisions laid in the SID of respective Scheme and guidelines/procedural requirements as laid by the Depositories (NSDL/CDSL) shall be applicable.

How to convert the units held in SoA (Physical) mode to Demat mode and vice-versa i.e. Demat mode

to SOA (Physical) mode?

In case the unit holder wishes to convert the units held in non-demat mode to demat mode at a later date, a Conversion Request Form signed as per mode of holding together with the Statement of Account issued by the AMC should be submitted to their Depository Participant(s).

To convert units held in demat mode to non-demat mode, a Conversion Request Form signed as per mode of holding should be submitted to their Depository Participant(s).

The DP would transmit the Conversion Request to the Depositories after proper verification for processing by RTA/AMC.

How to redeem the units held in Demat mode?

Unit holders of mutual fund units held in demat form can redeem the units through Depository or stockbroker through exchange platforms i.e. BSE (BSE STAR MF Platform) and NSE (Mutual Fund Service System (MFSS))

The Investor would be required to submit all requisite information/documents as requested by the Depository or stockbroker.

After receipt of such redemption request from the respective source, AMC/RTA will process the redemption request post due validations.

Is switch-transaction permissible if the units are held in Demat?

The investors are requested to check with their Depository Participant (DP) for the availability of switch transaction in demat mode at their end and accordingly refer the guidelines/procedure for the same.

The procedure for change in investor's profile / bank account details etc. in respect of units held in demat mode (i.e., To whom the investor is required to approach, in case of such requests)?

In case of request pertaining to change in profile or Bank Account Details, etc in respect of Units held in Demat mode, investor is required to approach the depository participant (DP).

4. ASBA disclosures**ASBA Facility**

In respect of New Fund Offer (NFO) of Schemes/Plan(s) an investor can subscribe to the NFO through Applications Supported by Blocked Amount (ASBA) facility by applying for the Units offered under the Option(s) of the Scheme(s) in the ASBA Application Form and following the procedure as prescribed in the form.

Additional mode of payment through applications supported by blocked amount (ASBA) facility:

Pursuant to paragraph 14.8 of SEBI Master Circular for Mutual Funds dated 19th May 2023, an investor can subscribe to the New Fund Offer (NFO) launched on or after October 1, 2010 through ASBA facility by applying for the Units offered under the Option(s)/Plan(s) of the Scheme(s) in the ASBA Application Form and following the procedure as prescribed in the form.

ASBA is an application containing an authorization given by the Investor to block the application money in his specified bank account towards the subscription of Units offered during the NFO of the Scheme of LIC Mutual Fund.

Thus, for an investor who applies through ASBA facility, the application money towards the subscription of Units shall be debited from his specified bank account only if his/her application is selected for allotment of Units.

Benefits of Applying through ASBA facility

- i. Writing cheques and demand drafts is not required, as investor needs to submit ASBA application form accompanying an authorization to block the account to the extent of application money towards subscription of Units. The balance money, if any, in the account can be used for other purposes by the investors.
- ii. Release/Unblocking of blocked funds after allotment is done instantaneously.
- iii. Unlike other modes of payment, ASBA facility prevents the loss of interest income on the application money towards subscription of Units as it remains in the bank account of the investor till the allotment is made.
- iv. Refund of money to the investors does not arise as the application money towards subscription of Units gets debited from investor's bank account only on the allotment of Units.
- v. The investor deals with the known intermediary i.e. his/her own bank.
- vi. The application form is simpler as the application form for ASBA will be different from the NFO application form.

ASBA Procedure

- (a) An Investor intending to subscribe to the Units of the NFO through ASBA shall submit a duly completed ASBA Application Form to a Self-Certified Syndicate Bank (SCSB), with whom his/her bank account is maintained.
- (b) The ASBA Application Form towards the subscription of Units can be submitted through one of the following modes
 - i. Submit the form physically with the Designated Branches (DBs) of the SCSB ("Physical ASBA"); or
 - ii. Submit the form electronically through the internet banking facility offered by the SCSB ("Electronic ASBA").
- (c) An acknowledgement will be given by the SCSB in the form of the counter foil or specifying the application number for reference. Such acknowledgement does not guarantee, in any manner that the investors will be allotted the Units applied for.
 - i. Note: if the bank account specified in the ASBA Application Form does not have sufficient credit balance to meet the application money towards the subscription of Units, the Bank shall reject the ASBA Application form.
- (d) On acceptance of Physical or Electronic ASBA, the SCSB shall block funds available in the bank account specified to the extent of the application money specified in the ASBA Application Form.
- (e) The application money towards the Subscription of Units shall be blocked in the account until (i) Allotment of Units is made or (ii) Rejection of the application or (iii) Winding up of the Scheme, as the case may be.
- (f) SCSBs shall unblock the application amount in bank accounts for (i) Transfer of requisite money to the Mutual Fund / Scheme bank account against each valid application on allotment or (ii) in case the application is rejected.
- (g) The list of SCSBs and their DBs where ASBA application form can be submitted is available on the websites of BSE (www.bseindia.com), NSE (www.nseindia.com) and SEBI (www.sebi.gov.in).

Note: No request for withdrawal of ASBA application form made during the NFO Period will be allowed.

Grounds for Technical Rejections of ASBA application forms

ASBA Application Forms can be rejected, at the discretion of Registrar and Transfer Agent of LIC Mutual Fund or SCSBs including but not limited on the following grounds:-

1. Applications by persons not competent to contract under the Indian Contract Act, 1872, including but not limited to minors, insane persons etc.
2. Mode of ASBA i.e. either Physical ASBA or Electronic ASBA, not selected or ticked
3. ASBA Application Form without the stamp of the SCSB.
4. Application by any person outside India if not in compliance with applicable foreign and Indian laws.
5. Bank account details not given/incorrect details given.
6. Duly certified Power of Attorney, if applicable, not submitted along with the ASBA application form.

No corresponding records available with the Depositories matching the parameters namely (a) Names of the ASBA applicants (including the order of names of joint holders) (b) DP ID (c) Beneficiary account number or any other relevant details pertaining to the Depository Account.

5. Portfolio Turnover Details

Portfolio Turnover is defined as the lower of the value of purchases or sales as a percentage of the average corpus of the Scheme during a specified period of time.

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.

A. ASSOCIATE TRANSACTIONS

- i. The schemes of the Mutual Fund have not entered into any underwriting obligation with respect to issues of associate companies and have no devolvement.
- ii. The schemes have not subscribed/tendered to certain privately placed/public issues of debentures/bonds/equity shares, lead managed by any of the associates.
- iii. The total business given to associate broker and Brokerage paid to associates/related parties/group companies of Sponsor/AMC, is as under (brokerage in line with the amounts paid to non-associate brokers): **NIL**

Name of associate/related parties/group companies of the Sponsor/AMC	Nature of Association/ Nature of relation	Period Covered	Value of transaction (in Rs. Cr & % of total value of transaction of the fund)		Brokerage (Rs. Cr & % of total brokerage paid by the fund)	
NIL	NIL	2022-2023	NIL	NIL	NIL	NIL
NIL	NIL	2023-2024	NIL	NIL	NIL	NIL
NIL	NIL	2024-2025	NIL	NIL	NIL	NIL

iv. Commission paid to sponsor or its associates / employees or their relatives of the Asset Management Company (AMC)

Name of associate/related parties/group companies of the Sponsor/AMC	Nature of Association/ Nature of relation	Period Covered	Value of transaction (Rs. Cr & % of total value of transaction of the fund)		Commission paid (Rs. Cr & % of total commission paid by the fund)	
IDBI Bank Ltd.	Group company of Sponsor	2022-2023	1,073.09	1.28%	7.70	11.59%
Union Bank of India	Group company associate	2022-2023	1.22	0.00%	0.03	0.00%
LICHFL Financial Services Ltd.	Group company of Sponsor	2022-2023	22,619.18	27.05%	0.09	0.13%
Bhaktmali Services Private Ltd	Relative of AMC employee	2022-2023	0.11	0.00%	0.01	0.02%
Ravi Jadav	Relative of AMC employee	2022-2023	3.93	0.00%	0.15	0.23%
IDBI Bank Ltd.	Group Company of Sponsor	2023-2024	3,403.32	2.21%	14.94	17.14%
Bhaktmali Services Private Ltd	Relative of AMC employee	2023-2024	0.02	0.00%	0.01	0.01%
LICHFL Financial Services Ltd.	Group Company of Sponsor	2023-2024	15,434.34	10.02%	0.08	0.09%
Ravi Bharatbhai Jadav HUF	Relative of AMC employee	2023-2024	4.51	0.00%	0.06	0.07%
Ravi Jadav	Relative of AMC employee	2023-2024	0.72	0.00%	0.26	0.30%
Union Bank of India	Group Company Associate	2023-2024	3.62	0.00%	0.03	0.04%
IDBI Bank Ltd.	Group Company of Sponsor	2024-2025	1,958.50	0.01%	24.80	0.18%
LICHFL Financial Services Ltd.	Group Company of Sponsor	2024-2025	15,398.26	0.10%	0.11	0.00%
Ravi Bharatbhai Jadav HUF	Relative of AMC employee	2024-2025	3.22	0.00%	0.18	0.00%
Ravi Jadav	Relative of AMC employee	2024-2025	0.31	0.00%	0.25	0.00%
Union Bank of India	Group Company Associate	2024-2025	2.46	0.00%	0.05	0.00%

v. Investments made in the securities of Sponsors / Group Companies/ Associate Companies during the last 3 years:

YEAR	Name of the Company	Particulars	Transaction type	Scheme Name	Quantity (Nos.)	Grand Total (in Rs. Crs)
2022-2023	Refer Annexure 4					

2023-2024	Refer Annexure 4
2024-2025	Refer Annexure 4

vi.Charges paid to associate/ related parties/ group companies of Sponsor/ AMC:

Name of associate/ related parties/ group companies of Sponsor/ AMC	Nature of association/ nature of relation	Nature of transaction	Period Covered	Amount (Rs. Cr.)
National Securities Depository Ltd.	Group company of Sponsor	Listing fees	2022-2023	0.01
Union Bank of India	Group company associate	Bank charges	2022-2023	0.00
IDBI Bank Ltd.	Group company of Sponsor	Bank charges	2022-2023	0.00
The Clearing Corporation of India Ltd.	Group company of Sponsor	CCIL charges/ other charges	2022-2023	0.17
Union Bank of India	Group company associate	Bank charges	2023-2024	0.00
IDBI Bank Ltd.	Group company of Sponsor	Bank charges	2023-2024	0.00
Union Bank of India	Group company associate	Bank charges	2024-2025	0.00
IDBI Bank Ltd.	Group company of Sponsor	Bank charges	2024-2025	0.00

Transactions with group companies:

- The schemes of the Mutual Fund have not made any investments in the unlisted securities of group companies.
- The schemes will not invest in unlisted securities or securities issued by way of private placement by an associate or group company of the Sponsor or the AMC.
- The schemes will not invest in the listed securities of the group companies of the Sponsors in excess of 25% of the net assets.

The AMC, on behalf of the Fund, may utilise the services of Sponsors, group companies and any other subsidiary or associate company of the Sponsors established or to be established at a later date, in case such a company (including their employees or relatives) is in a position to provide the requisite services to the AMC. The AMC will conduct its business with the aforesaid companies (including their employees or relatives) on commercial terms and on arms-length basis and at a mutually agreed terms and conditions to the extent and limits permitted under the SEBI Regulations. Appropriate disclosures, wherever required, shall be made by the AMC. . Further, the details of the group companies of the AMC and the sponsor are uploaded on the website of the AMC i.e. <https://www.licmf.com/statutory-disclosure> and also updated on a

periodic basis.

The AMC will, before investing in the securities of the group companies of the Sponsor, evaluate such investments, the criteria for the evaluation being the same as is applied to other similar investments to be made under the Scheme. Investments by the Scheme in the securities of the group companies will be subject to the limits under the Regulations.

Disclosure to Unit holders

As per regulation 60 prescribed under SEBI (Mutual Funds) Regulations, 1996, investors are requested to refer the Fund's website (www.licmf.com) for information which may have an adverse bearing on investors investments e.g. - downgrade of securities or fair valuation.

B. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents will be available for inspection at the office of the Mutual Fund at Industrial Assurance Bldg., 4th Floor, Opp. Churchgate Station, Mumbai – 400 020 during business hours of any day (excluding Saturdays, Sunday and public holidays).

1. Memorandum and Articles of Association of the AMC.
2. Investment Management Agreement.
3. Trust Deed and amendments thereto, if any.
4. Mutual Fund Registration Certificate.
5. Agreement between the Mutual Fund and the Custodian.
6. Agreement with Registrars and Share Transfer Agent.
7. Consent of Auditors to act in the said capacity.
8. Consent of Legal Advisors to act in the said capacity.
9. Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments from time to time thereto.
10. Indian Trusts Act, 1882.

Jurisdiction: The jurisdiction for any matters or disputes arising out of the scheme shall reside with the Courts in India.

C. INVESTOR GRIEVANCES REDRESSAL / MECHANISM

At LIC Mutual Fund, we believe in providing the best of our services to our investors. We provide easy access to information on our products and services; we also help you to get your grievances redressed with ease. Resolving your problem helps us review our processes and take necessary steps to prevent recurrence. We aim to respond to your complaint with efficiency, courtesy and fairness. Investors may contact any of the Investor Service Centers (ISCs) of the AMC for any queries / clarifications, may call on **1800-258-5678** (toll free), e-mail: service_licmf@kfintech.com. In case Investors do not receive a response within 30 business days of approaching the AMC, or if they are not satisfied with the resolution received from the AMC, they can escalate their issues to SEBI (Securities and Exchange Board of India) and update their complaints on SCORES. (SEBI Complaints Redress System). SCORES allow the investor to lodge his complaint online with SEBI and subsequently view its status at <https://scores.sebi.gov.in>

Online Resolution of Disputes through Conciliation / Arbitration (Smart ODR):

Investors are requested to take up their grievances directly with LIC Mutual Fund at first level. If the grievance

is not redressed satisfactorily, then they may escalate the same to SEBI through SEBI SCORES Portal. In case, if the same is not resolved or he/she is still not satisfied with the resolution, they can opt for online resolution of dispute through Conciliation/Arbitration on SMART ODR Portal at <https://smartodr.in/login>.

The investor complaint history for the last three years for existing schemes and the redressal mechanism thereof is as under (from 01/04/2022 to 31/03/2025).

Year	Carried forward from previous year	Received during the year	Resolved during the year	Pending at the end of the year
2022-23	4	199	200	3
2023-24	3	542	544	1
2024-25	1	610	608	3

The data on the number of complaints received, redressed and pending required to be updated every two months as prescribed by SEBI is accordingly updated upto May 31, 2025 is as follows:

[illegible]

[illegible]

	changes viz. address, PAN, bank details, nomination, etc											
III F	Delay in allotment of Units	0	6	6	0	0	0	0	0	0	0	0
III G	Unauthorized Redemption	0	0	0	0	0	0	0	0	0	0	0
IV	Others	3	63	64	2	2	0	0	0	0	0	0
	Total	3	123	123	3	2	0	1	0	0	0	0

D. Information pertaining to Investments by the Schemes of the Fund

1. Derivative strategies

Investment in Equity Derivatives

The Fund's trading in derivatives would be in line that is permitted by SEBI Regulations from time to time. The Mutual Fund may use various derivatives and hedging products/ techniques, in order to seek to generate better returns for the Scheme. Derivatives are financial contracts of pre-determined fixed duration, whose values are derived from the value of an underlying primary financial instrument, commodity or index. The Scheme while investing in equities shall transact in exchange traded equity derivatives only and these instruments may take the form of Index Futures, Index Options, Futures and Options on individual equities/securities and such other derivative instruments as may be appropriate and permitted under the SEBI Regulations and guidelines from time to time.

Advantages of Trading in Derivatives

Advantages of derivatives are many. The use of derivatives provides flexibility to the Schemes to hedge whole or part of the portfolio. The following section describes some of the more common derivatives transactions along with their benefits:

Derivatives are financial contracts of pre-determined fixed duration, whose values are derived from the value of an underlying primary financial instrument, commodity or index, such as interest rates, exchange rates, commodities and equities.

I. Equity Derivatives Strategy

The Scheme may invest in various derivative instruments which are permissible under the applicable regulations. Such investments shall be subject to the investment objective and strategy of the Scheme and the internal limits if any, as laid down from time to time. These include but are not limited to futures (both stock and index) and options (stock and index).

Derivatives are financial contracts of pre-determined fixed duration, like stock futures/options and index futures and options, whose values are derived from the value of an underlying primary financial instrument such as: interest rates, exchange rates, commodities, and equities.

Derivatives can be either exchange traded or can be over the counter (OTC). Exchange traded derivatives are listed and traded on stock exchanges whereas OTC derivative transactions are generally structured between two counterparties. Exchange traded derivative contracts in stocks and indices in India are currently cash settled at the time of maturity.

The concept and illustrations provided below are only for the purpose of understanding the concept and uses of derivative instruments. The Scheme may use either Index based derivatives and/or their constituent based derivatives or such other derivative instruments as may be introduced from time to time as permitted under the SEBI Regulations.

Illustration with Index Futures

In case the NIFTY 50 near month future contract is trading at say, Rs. 3,510, and the fund manager has a view that it will depreciate going forward; the Scheme can initiate a sale transaction of NIFTY

futures at Rs. 3,510 without holding a portfolio of equity stocks or any other underlying long equity position. Once the price falls to Rs. 3,400 after say, 20 days, the Scheme can initiate a square-up

transaction by buying the said futures and book a profit of Rs. 110.

Correspondingly, if the fund manager has a positive view he can initiate a long position in the index / stock futures without an underlying cash/ cash equivalent subject to the extant regulations.

There are futures based on stock indices as mentioned above as also futures based on individual stocks. The profitability of index /stock future as compared to an individual security will inter-alia depend upon:

- The carrying cost,
- The interest available on surplus funds, and
- The transaction cost.

Example of a typical future trade and the associated costs

Particulars	Index Future	Actual Purchase of Stocks
Index at the beginning of the month	3500	3500
Price of 1 month future	3510	-
A. Execution cost: Carry and other index future costs	10	-
B. Brokerage cost: Assumed at		
0.2% of Index Future	7.02	-
0.25% for spot Stocks	-	8.75
C. Gains on surplus fund: (Assumed 8% p.a. return on 85% of the money left after paying 15% margin) ($8\% \times 3500 \times 85\% \times 30 \text{ days} / 365$)	19.56	0
Total Cost (A+B-C)	-2.54	8.75

Some strategies that employ stock /index futures and their objectives:

(a) Arbitrage

(1) **Selling spot and buying future:** In case the Scheme holds the stock of a company —Al at say Rs. 100 while in the futures market it trades at a discount to the spot price say at Rs. 98, then the Scheme may sell the stock and buy the futures.

On the date of expiry of the stock future, the Scheme may reverse the transactions (i.e. buying at spot & selling futures) and earn a risk-free Rs. 2 (2% absolute) on its holdings without any dilution of the view of the fund manager on the underlying stock.

Further, the Scheme can still benefit from any movement of the price in the upward direction, i.e. if on the date of expiry of the futures, the stock trades at Rs. 110 which would be the price of the futures too, the Scheme will have a benefit of Rs 10 whereby the Scheme gets the 10% upside movement together with the 2% benefit on the arbitrage and thus getting a total return of 12%. The corresponding return in case of holding the stock would have been 10%.

Note: The same strategy can be replicated with a basket of Stocks and Corresponding Index Future (E.g. NIFTY- 50 stocks (Synthetic NIFTY) and the NIFTY future index).

(2) Buying spot and selling future: Where the stock of a company —Al is trading in the spot market at Rs. 100 while it trades at Rs. 102 in the futures market, then the Scheme may buy the stock at spot and sell in the futures market thereby earning Rs. 2.

Buying the stock in cash market and selling the futures results into a hedge where the Scheme has locked in a spread and is not affected by the price movement of cash market and futures market. The arbitrage position can be continued till expiry of the future contracts when there is a convergence between the cash market and the futures market. This convergence enables the Scheme to generate the arbitrage return locked in earlier.

(b) Buying/ Selling Stock future: When the Scheme wants to initiate a long position in a stock whose spot price is at say, Rs.100 and futures is at 98, then the Scheme may just buy the futures contract instead of the spot thereby benefiting from a lower cost.

In case the Scheme has a bearish view on a stock which is trading in the spot market at Rs.98 and the futures market at say Rs. 100, the Scheme may subject to regulations, initiate a short position in the futures contract. In case the prices align with the view and the price depreciates to say Rs. 90, the Scheme can square up the short position thereby earning a profit of Rs.10 vis a vis a fall in stock price of Rs 8.

(c) Hedging:

The Scheme may use exchange-traded derivatives to hedge the equity portfolio. Both index and stock futures and options may be used to hedge the stocks in the portfolio.

(d) Alpha Strategy:

The Scheme will seek to generate alpha by superior stock selection and removing market risks by selling appropriate index. For example, one can seek to generate positive alpha by buying a bank stock and selling Bank NIFTY future.

Execution of these strategies depends upon the ability of the fund manager to identify and execute based on such opportunities. These involve significant uncertainties and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

Option Contracts (Stock and Index)

An Option gives the buyer the right, but not the obligation, to buy (call) or sell (put) a stock at an agreed-upon price during a certain period of time or on a specific date.

Options are used to manage risk or as an investment to generate income. The price at which underlying security is contracted to be purchased or sold is called the Strike Price.

Options that can be exercised on or before the expiration date are called American Options while, Options that can be exercised only on the expiration date are called European Options.

Option contracts are of two types - Call and Put.

Call Option: A call option gives the buyer; the right to buy specified quantity of the underlying asset at the set strike price on or before expiration date and the seller (writer) of call option however, has the obligation to sell the underlying asset if the buyer of the call option decides to exercise the option to buy.

Put Option: A put option gives the buyer the right to sell specified quantity of the underlying asset at the set strike price on or before expiration date and the seller (writer) of put option however, has the obligation to buy the underlying asset if the buyer of the put option decides to exercise his option to sell.

Index Options / Stock Options

Index options / Stock options are termed to be an efficient way of buying / selling an index/stock compared to buying / selling a portfolio of physical shares representing an index for ease of execution and settlement. The participation can be done by buying / selling either Index futures or by buying a call/put option.

The risk are also different when index /stock futures are bought/sold visa- a- vis index/ stocks options as in case of an index future there is a mark to market variation and the risk is much higher as compared to buying an option, where the risk is limited to the extent of premium paid.

The illustration below explains how one can gain using Index call / put option. These same principles of profit / loss in an Index option apply in total to that for a stock option.

Call Option

Suppose an investor buys a Call option on 1 lot of NIFTY 50 (Lot Size: 50 units)

- NIFTY index (European option).
- NIFTY 1 Lot Size: 50 units
- Spot Price (S): 3500
- Strike Price (x): 3550 (Out-of-Money Call Option)
- Premium: 100

Total Amount paid by the investor as premium $[50 \times 100] = 5000$

There are two possibilities i.e. either the index moves up over the strike price or remains below the strike price.

Case 1- The index goes up

- **An investor sells the Nifty Option described above before expiry:**

Suppose the NIFTY index moves up to 3600 in the spot market and the premium has moved to Rs 200 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1NIFTY call option as the option now is In the Money.

His gains are as follows:

- NIFTY Spot: 3600
- Current Premium: Rs.200
- Premium paid: Rs.100
- Net Gain: $\text{Rs.200} - \text{Rs.100} = \text{Rs.100}$ per unit
- Total gain on 1 lot of NIFTY(50 units) = Rs.5000 (50×100)

In this case the premium of Rs.200 has an intrinsic value of Rs.50 per unit and the remaining Rs.150 is the time value of the option.

• An investor exercises the NIFTY Option at expiry

Suppose the NIFTY index moves up to 3700 in the spot market on the expiry day and the investor

decides to reverse his position in the market by exercising the NIFTY call option as the option now is in The Money.

His gains are as follows:

- NIFTY Spot: 3700
- Premium paid: Rs.100
- Exercise Price: 3550
- Receivable on exercise: $3700 - 3550 = 150$
- Total Gain: Rs.2500 $\{(150 - 100) \times 50\}$

In this case the realized gain is only the intrinsic value, which is Rs.50, and there is no time value.

Case 2 - The NIFTY index moves to any level below 3550

Then the investor does not gain anything but on the other hand his loss is limited to the premium paid:

Net Loss is Rs.5000 (Loss is capped to the extent of Premium Paid)

(Rs 100 Premium paid * Lot Size: 50 units).

Put Option

Suppose an investor buys a Put option on 1 lot of Nifty 50.

- NIFTY 1 Lot Size: 50 units
- Spot Price (S): 3500
- Strike Price (x): 3450 (Out-of-Money Put Option)
- Premium: 30
- Total Amount paid by the investor as premium $[50 \times 30] = 1500$

There are two possibilities i.e. either the index moves over the strike price or moves below the strike price.

Let us analyze these scenarios.

Case 1 - The index goes down

An investor sells the NIFTY Option before expiry:

Suppose the NIFTY index moves down to 3400 in the spot market and the premium has moved to Rs. 80 and there are 15 days more left for the expiry. The investor decides to reverse his position in the market by selling his 1 Nifty Put Option as the option now is In the Money. His gains are as follows:

- NIFTY Spot: 3400
- Premium paid: Rs.30
- Net Gain: Rs.80 - Rs.30 = Rs.50 per unit
- Total gain on 1 lot of Nifty (50 units) = Rs.2500 (50×50)

In this case the premium of Rs.80 has an intrinsic value of Rs.50 per unit and the remaining Rs.30 is the time value of the option.

An investor exercises the NIFTY Option at expiry (It is an European Option)

Suppose the NIFTY index moves down to 3400 in the spot market on the expiry day and the investor decides to reverse his position in the market by exercising the NIFTY Put Option as the option now is In the Money.

His gains are as follows:

- NIFTY Spot: 3400
- Premium paid: Rs.30
- Exercise Price: 3450
- Gain on exercise: $3450 - 3400 = 50$
- Total Gain: Rs.1000 $\{(50 - 30) \times 50\}$

In this case the realized amount is only the intrinsic value, which is Rs.50, and there is no time value in this case.

Case 2 - If the NIFTY index stays over the strike price which is 3450, in the spot market then the

investor does not gain anything but on the other hand his loss is limited to the premium paid.

- NIFTYSpot: >3450
- Net Loss Rs.1500 (Loss is capped to the extent of Premium Paid)
(Rs 30 Premium paid*Lot Size: 50 units).

Position Limits

Presently, the position limits for trading in derivatives by Mutual Fund specified under Paragraph 7.5 of SEBI Master Circular for Mutual Funds are as follows:

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 7,500 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 7,500 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:

- 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.
- 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

The Mutual Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts will be as follows :-

- The combined futures and options position limit shall be 20% of the applicable Market Wide Position Limit (MWPL).

(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. 1% of the free float market capitalization (in terms of number of shares). Or
 2. 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 under Paragraph 12.25 of SEBI Master Circular for Mutual Funds, are 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 except for the covered call strategy.
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. (a) Mutual Funds may enter into plain vanilla Interest Rate Swaps (IRS) for hedging purposes. The value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme.
 (b) In case of participation in IRS is through over the counter transactions, the counter party has to be an entity recognized as a market maker by RBI and exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme. However, if mutual funds are transacting in IRS through an electronic trading platform offered by the Clearing Corporation of India Ltd. (CCIL) and CCIL is the central counterparty for such transactions guaranteeing settlement, the single counterparty limit of 10% shall not be applicable.”
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
Short Future	Futures Price * Lot Size * Number of
Option	Option Premium Paid * Lot Size *

Covered call strategy

The scheme may write call options only under a covered call strategy for constituent stocks of NIFTY 50 and BSE SENSEX, and any other stock as and when allowed by SEBI, subject to the following:

- a) The total notional value (taking into account strike price as well as premium value) of call options written by a scheme shall not exceed 15% of the total market value of equity shares held in that scheme.
- b) The total number of shares underlying the call options written shall not exceed 30% of the unencumbered shares of a particular company held in the scheme. The unencumbered

shares in a scheme shall mean shares that are not part of Securities Lending and Borrowing Mechanism (SLBM), margin or any other kind of encumbrances.

- c) At all points of time the Mutual Fund scheme shall comply with the provisions at paragraph (a) and (b) above. In case of any passive breach of the requirement at paragraph (a), the respective scheme shall have 7 trading days to rebalance the portfolio. During the rebalancing period, no additional call options can be written in the said scheme.
- d) In case a Mutual Fund scheme needs to sell securities on which a call option is written under a covered call strategy, it must ensure compliance with paragraphs (a) and (b) above while selling the securities.
- e) In no case, a scheme shall write a call option without holding the underlying equity shares. A call option can be written only on shares which are not hedged using other derivative contracts
- f) The premium received shall be within the requirements prescribed in terms of Paragraph 12.25 of SEBI Master Circular for Mutual Funds dated i.e. the total gross exposure related to option premium paid and received must not exceed 20% of the net assets of the scheme.
- g) The exposure on account of the call option written under the covered call strategy shall not be considered as exposure in terms of Paragraph 12.25 of SEBI Master Circular for Mutual Funds .
- h) The exposure on account of the call option written under the covered call strategy shall not be considered as exposure in terms of Paragraph 12.25 of SEBI Master Circular for Mutual Funds.

Benefits of using Covered Call strategy in Mutual Funds:

The covered call strategy can help in earning income and hedging risk and subsequently result in better risk adjusted returns for the Scheme. Following are the benefits offered by this strategy:

- a. Hedge against market risk - Since the fund manager sells a call option on a stock already owned by the mutual fund scheme, the downside from fall in the stock price would be lower to the extent of the premium earned from the call option.
- b. Generating additional returns in the form of option premium in a range bound market. Thus, a covered call strategy involves gains for unit holders in case the strategy plays out in the right direction

Example of Covered Call

Illustrations:

Buy 100 stocks of Company A at Rs 1000 and write (sell) call options of the company A for the same month, with a strike price of Rs 1050. Assume the said option is trading at Rs 10. Thus, the total premium received for selling the call option is Rs 1000 (Rs 10*100 lot size).

On the day of expiration of options contract:

Scenario 1: markets goes up and the stock price of company A goes upto Rs 1030

- a) Gain on stock is Rs 3000.
- b) The call option will expire worthless (strike price is Rs 1050 and underlying price is Rs 1030). Thus, as a writer (seller) of call option, we can keep the premium of Rs 1000.
- c) Thus, net gain is Rs 4000 (Rs 3000 on underlying stock and Rs 1000 premium collected)

Scenario 2: markets goes up and the stock price of company A goes upto Rs 1100

- a. Gain on stock is Rs 10000
- b. The call option is in the money by Rs 50 (strike price is Rs 1050 and underlying price is Rs 1100). Thus, as a writer (seller) of call option we must pay Rs 5000 to option buyer (Rs 50) and we would receive option premium of Rs. 1000 (Rs. 10*100), thus, the total loss would be Rs. 4000 (Rs. 5000 – Rs. 1000 received as the option premium).
- c. Thus, net gain is Rs 6000 (Rs 10000 on underlying stock and Rs 4000 loss on option position)

Scenario 3: markets goes down and the stock price of company A goes down to Rs 950

- a) Loss on stock is Rs 5000
- b) The call option will expire worthless (strike price is Rs 1050 and underlying price is Rs 950). Thus, as a writer (seller) of call option, we can keep the premium of Rs 1000.
- c) Thus, net loss is Rs 4000 (Rs 5000 on underlying stock and Rs 1000 premium collected)

Further the exposure limits for trading in derivatives by Mutual Funds specified under Paragraph 12.25 of SEBI Master Circular for Mutual Funds are as follows:

- i. The cumulative gross exposure through equity, debt, derivative positions (including fixed income derivatives), repo transactions in corporate debt securities, Real Estate Investment Trusts (REITs), Infrastructure Investment Trusts (InvITs) other permitted securities/assets and such other securities/assets as may be permitted by SEBI from time to time should not exceed 100% of the net assets of the scheme.
- ii. Mutual Funds shall not write options or purchase instruments with embedded written options.
- iii. The total exposure related to option premium paid must not exceed 20% of the net assets of the scheme.
- iv. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure. Definition of Exposure in case of Derivative Positions
- v. 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

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
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 crores. 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
2. 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 low 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.

2. Swing Pricing

Pursuant to paragraph 4.10 of SEBI Master Circular for Mutual Funds, the provisions pertaining to swing pricing framework have been introduced for all open ended debt mutual fund schemes (except overnight funds, Gilt funds and Gilt with 10-year maturity funds).

Swing Pricing refers to a process for adjusting a fund's net asset value (NAV) to effectively pass on transaction costs stemming from net capital activity (i.e., flows into or out of the fund) to the investors associated with that activity during the life of a fund, excluding ramp-up period or termination. In a liquidity-challenged environment, quoted bid/ask spreads and overall trading cost can widen and may not be representative of the executed prices that can be achieved in the market.

In line with the above circular, Swing Pricing will be applicable only for scenarios related to net outflows from the schemes. Swing pricing Framework would be a Hybrid framework with:

- a partial swing during normal times and
- a mandatory full swing during market dislocation times for high risk open ended debt schemes.

Mandatory Swing pricing during market dislocation would be applicable for the schemes only if they have a High or Very High risk on the risk-o-meter in terms of Paragraph 17.4 of SEBI Master Circular for Mutual Funds (as of the most recent period at the time of declaration of market dislocation) and for the schemes which classify themselves in the cells A-III, B-II, B-III, C-I, C-II and C-III of Potential Risk Class (PRC) Matrix.

Minimum Swing Factor for scheme and the NAV will be adjusted for swing factor as follows:

Max Credit Risk of scheme → Max Interest Rate Risk of the scheme ↓	Relatively Low Class A (CRV* >=12)	Moderate Class B (CRV >=10)	Relatively High Class C (CRV <10)
Relatively Low Class I: (MD <= 1 year)	A-I Not Applicable	B-I Not Applicable	C-I 1.50% Swing Factor
Moderate Class II: (MD <= 3 years)	A-II Not Applicable	B-II 1.25% Swing Factor	C-II 1.75% Swing Factor
Relatively High Class III: Any Macaulay Duration (MD)	A-III 1.00% Swing Factor	B-III 1.50% Swing Factor	C-III 2.00% Swing Factor

*CRV: Credit Risk Value

Illustration:

Consider a scheme categorized in A III category having NAV of Rs 100, has a mandatory swingfactor of 1%, followingis NAV adjusted for swing pricing under market dislocation:

Scenario	Scheme Category as per PRC Matrix	Mandatory Swing Factor##	Impact	Present NAV (Rs)	NAV Adjusted for Swing pricing (Rs)
Market dislocation declared by SEBI	A-III	1%	NAV will be adjusted downwards	100	99

##Mandatory Swing Factor will depend on the PRC Cell matrix of the Schemes

AMFI Vide its Best Practice Circular No. 96b/ 2024-25 dated 4th November 2024 has prescribed Guidelines on Swing Pricing Framework for Mutual Fund Schemes during

- (i) **Normal Times and**
- (ii) **Upon Re-Opening of the Scheme after announcement of Winding Up**

AMFI has laid down base parameters and advised that the AMC shall use these parameters as the trigger (floor) for **activating Swing Pricing during Normal Times** which are as follows:

Threshold for Triggering Swing Pricing:

- a. 10% net flow from any debt scheme other than Liquid scheme. (excluding Gilt, Gilt with 10 year maturity, overnight funds).
- b. 15% net flow for Liquid scheme.

The thresholds have been kept reasonable to ensure that normal redemption flows should not be penalized with Swing pricing. At the same time, the floors are not very high to ensure that the Swing pricing would typically get triggered before the LRM allocations are exhausted. Secondly, a moderate floor will also allow the AMC to take care of the relative liquidity on the asset side for different type of schemes.

Indicative Range of Swing Threshold:

The Indicative range of the Amount of Swing factor based on the PRC matrix is as follows:

Swing factor applicable			
Max Credit Risk of scheme→	Class A (CRV* ≥12)	Class B (CRV* ≥10)	Class C (CRV* <10)
Max Interest Rate Risk of the scheme ↓			
Class I: (Macaulay duration ≤1 year)	A-I : 0.00%	B-I : 0.05%	C-I : 0.20%
Class II: (Macaulay duration ≤3 years)	A-II : 0.05%	B-II : 0.10%	C-II : 0.40%
Class III: Any Macaulay duration	A-III: 0.10%	B-III : 0.20%	C-III: 0.60%
*CRV: Credit Risk Value			

Introduction of Swing during Normal times in existing Debt schemes of LIC Mutual Fund will be a Fundamental attribute change of the Scheme in terms of regulation 18(15A) of SEBI (Mutual Funds) Regulations, 1996. **Presently the AMC has not introduced partial Swing during normal times.** However, if the AMC proposes to introduce the provisions of Partial Swing during normal times, the same will be done by following the procedure of Fundamental Attribute change, as and when required.

“MANDATORY SWING PRICING IN CASE OF ‘RE-OPENING OF THE SCHEME AFTER ANNOUNCEMENT OF WINDING UP’

In case of instances wherein the AMC after making an announcement to wind up a Scheme, decides to roll-back the decision to wind up the Scheme, the AMC shall mandatorily invoke swing pricing upon re-opening any of the applicable Schemes (All open ended debt Schemes except LIC MF Overnight Fund, LIC MF Gilt Fund and LIC MF Nifty 8-13 year Gsec ETF Scrip Code(NSE): LICNETFGSC) for subscriptions and redemptions as per the following provisions:

The indicative range of swing pricing for the parameter Re-opening of the Scheme after announcement of winding up shall be the same as applicable for swing pricing during normal times as mentioned hereinabove and

The swing period shall be for a minimum period of 7 working days, upon reopening a Scheme for subscriptions and redemptions or such other higher period as may be prescribed by the Board of Directors of LIC Mutual Fund Asset Management Limited (AMC) from time to time.

Swing pricing shall be made applicable to all unitholders at PAN level with an exemption for redemptions upto Rs. 2 lacs for each mutual fund scheme for both normal times and market dislocation.

When swing pricing framework is triggered and swing factor is made applicable, both the incoming and outgoing investors shall get NAV adjusted for swing factor;

The Scheme performance shall be computed based on unswung NAV; and

Disclosures pertaining to NAV adjusted for swing factor shall be made by the AMC in the prescribed format in scheme wise Annual Reports and Abridged summary thereof and on the website in case swing pricing framework has been made applicable for a mutual fund scheme.

The above provisions may be subject to applicable changes as may be prescribed by SEBI/AMFI from time to time.

3. Provisions on creation of Segregated portfolio/Side pocketing

Creation of Segregated Portfolio:

The term 'segregated portfolio' shall mean a portfolio comprising of debt or money market instrument affected by a credit event, that has been segregated in a mutual fund scheme and the term 'main portfolio' shall mean the scheme portfolio excluding the segregated portfolio. The term 'total portfolio' shall mean the scheme portfolio including the securities affected by the credit event.

Creation of segregated portfolio shall be subject to guidelines specified by SEBI in terms of Paragraph

4.4 of SEBI Master Circular for Mutual Funds from time to time and includes the following:

1. Segregated portfolio may be created, in case of a credit event at issuer level i.e. downgrade in credit rating by a SEBI registered Credit Rating Agency (**CRA**), as under:
 - a. Downgrade of a debt or money market instrument to 'below investment grade', or
 - b. Subsequent downgrades of the said instruments from 'below investment grade', or
 - c. Similar such downgrades of a loan rating
2. In case of difference in rating by multiple CRAs, the most conservative rating shall be considered. Creation of segregated portfolio shall be based on issuer level credit events as mentioned above and implemented at the ISIN level.
3. Creation of segregated portfolio is optional and at the discretion of the LIC Mutual Fund Asset Management Ltd. ('AMC').

Process for Creation of Segregated Portfolio

1. Once the AMC decides on creation of segregated portfolio on the day of credit event, it shall follow the process laid down below:
 - a) AMC shall seek approval of Trustee prior to creation of the segregated portfolio.
 - b) AMC shall immediately issue a press release disclosing its intention to segregate such debt and money market instrument and its impact on the investors. It shall also be disclosed that the segregation shall be subject to approval of Trustee. Additionally, the said press release shall be prominently disclosed on the website of the AMC.
 - c) AMC shall ensure that till the time the Trustee approval is received, which in no case shall exceed 1 (one) business day from the day of credit event, the subscription and redemption in the scheme shall be suspended for processing with respect to creation of units and payment on redemptions.
2. Upon receipt of approval from Trustee:
 - a) Segregated portfolio will be effective from the day of credit event.
 - b) AMC shall issue a press release immediately with all relevant information pertaining to the segregated portfolio. The said information shall also be submitted to SEBI.
 - c) An e-mail or SMS will be sent to all unit holders of the concerned scheme(s).
 - d) The NAV of both segregated and main portfolio(s) will be disclosed from the day of the credit event.
 - e) All existing investors in the scheme(s) as on the day of the credit event will be allotted equal number of units in the segregated portfolio as held in the main portfolio.
 - f) No redemption and subscription will be allowed in the segregated portfolio. However, upon recovery of any money from segregated portfolio, it shall be immediately distributed to the investors in proportion to their holding in the segregated portfolio.
 - g) In order to facilitate exit to unit holders in segregated portfolio, AMC will enable listing of units of segregated portfolio on the recognized stock exchange within 10 working days of creation of segregated portfolio and also enable transfer of such units on receipt of transfer requests.
 - h) All subscription and redemption requests for which NAV of the day of credit event or subsequent day is applicable will be processed as per the existing SEBI circular on applicability of NAV as under:

Upon trustees' approval to create a segregated portfolio –

 - Investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated portfolio.
 - Investors subscribing to the scheme will be allotted units only in the main portfolio based on its NAV. After creation of segregated portfolio, investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated portfolio. Further investors subscribing to the scheme will be allotted units only in the main portfolio based on its NAV.
3. If the Trustee do not approve the proposal to segregate portfolio, AMC will issue a press release immediately informing investors of the same and subscription and redemption applications will be processed based on the NAV of total portfolio.
4. Notwithstanding the decision to segregate the debt and money market instrument, the valuation shall take into account the credit event and the portfolio shall be valued based on the principles of fair valuation (i.e. realizable value of the assets) in terms of the relevant provisions of SEBI (Mutual Funds) Regulations, 1996 and Circular(s) issued thereunder.

Disclosures:

In order to enable the existing as well as the prospective investors to take informed decision, the

following shall be adhered to:

- a) A statement of holding indicating the units held by the investors in the segregated portfolio along with the NAV of both segregated portfolio and main portfolio as on the day of the credit event shall be communicated to the investors within 5 working days of creation of the segregated portfolio.
- b) Adequate disclosure of the segregated portfolio shall appear in all scheme related documents, in monthly and half-yearly portfolio disclosures and in the annual report of the mutual fund and the scheme.
- c) The Net Asset Value (NAV) of the segregated portfolio shall be declared on daily basis.
- d) The information regarding number of segregated portfolios created in a scheme shall appear prominently under the name of the scheme at all relevant places such as SID, KIM-cum-Application Form, advertisement, AMC and AMFI websites, etc.
- e) The scheme performance required to be disclosed at various places shall include the impact of creation of segregated portfolio. The scheme performance should clearly reflect the fall in NAV to the extent of the portfolio segregated due to the credit event and the said fall in NAV along with recovery(ies), if any, shall be disclosed as a footnote to the scheme performance.
- f) The disclosures at point (d) and (e) above regarding the segregated portfolio shall be carried out for a period of at least 3 years after the investments in segregated portfolio are fully recovered/ written-off.
- g) The investors of the segregated portfolio shall be duly informed of the recovery proceedings of the investments of the segregated portfolio. Status update may be provided to the investors at the time of recovery and also at the time of writing-off of the segregated securities.

TER for the Segregated Portfolio

- a) AMC will not charge investment and advisory fees on the segregated portfolio. However, TER (excluding the investment and advisory fees) can be charged, on a pro-rata basis only upon recovery of the investments in segregated portfolio.
- b) The TER so levied shall not exceed the simple average of such expenses (excluding the investment and advisory fees) charged on daily basis on the main portfolio (in % terms) during the period for which the segregated portfolio was in existence. In addition to the TER mentioned above, the legal charges related to recovery of the investments of the segregated portfolio may be charged to the segregated portfolio as mentioned below:
 - The legal charges related to recovery of the investments of the segregated portfolio may be charged to the segregated portfolio in proportion to the amount of recovery. However, the same shall be within the maximum TER limit as applicable to the main portfolio. The legal charges in excess of the TER limits, if any, shall be borne by the AMC.
 - The costs related to segregated portfolio will not be charged to the main portfolio.

Monitoring by Trustee

In order to ensure timely recovery of investments of the segregated portfolio, the Trustee would continuously monitor the progress and take suitable action as mentioned in the SEBI Circular. The trustees shall monitor the compliance of SEBI Circulars and guidelines issued from time to time and disclose in the half-yearly trustee reports filed with SEBI, the compliance in respect of every segregated portfolio created.

In order to avoid mis-use of segregated portfolio, Trustees have put a mechanism in place to negatively impact the performance incentives of Fund Managers, Chief Investment Officers (CIOs), etc. involved in the investment process of securities under the segregated portfolio, mirroring the existing mechanism for performance incentives of the AMC, including claw back of such amount to the segregated portfolio of the scheme.

Risks associated with segregated portfolio

- a) Investor holding units of segregated portfolio may not be able to liquidate their holding till the time recovery of money from the issuer.
- b) Security(ies) held in segregated portfolio may not realize any value.
- c) Listing of units of segregated portfolio in recognized stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units in the stock market. Further trading price of units on the stock market may be significantly lower than the prevailing NAV.

In addition to the above requirements, Paragraph 4.4 of SEBI Master Circular for Mutual Funds has allowed creation of segregated portfolio of unrated debt or money market instruments by mutual fund schemes of an issuer that does not have any outstanding rated debt or money market instruments, subject to the following:

- Segregated portfolio of such unrated debt or money market instruments may be created only in case of actual default of either the interest or principal amount.
- Asset Management Companies shall inform AMFI immediately about the actual default by the issuer. Upon being informed about the default, AMFI shall immediately inform the same to all the Asset Management Companies. Pursuant to dissemination of information by AMFI about actual default by the issuer, the Asset Management Companies may segregate the portfolio of debt or money market instruments of the said issuer in terms of Paragraph 4.4 of SEBI Master Circular for Mutual Funds.

Illustration of Segregated Portfolio

Portfolio Date 30- September-2023

Downgrade Event Date 30- September -2023

Downgrade Security 9.30% R Ltd from AA+ to B

Valuation Marked Down 20%

Mr. A is holding 1000 Units of the Scheme, amounting to (1000*44.95920) Rs. 44959.20

Total Portfolio before Downgrade Event

Security	Rating	Type of the Security	Qty	Price Per Unit (Rs.)	Market Value (Rs. in Lacs)	% of Net Assets
8.96% P LTD	CRISIL AAA	NCD	2200	10,03,573	22078.61	49.11
9.02% Q FINANCE LTD	CRISIL AAA	NCD	2000	10,04,985	20099.7	44.71
S Ltd		CP	200	5,00,000	1000	2.22
9.30 % R Ltd	CRISIL AA+	NCD	50	1257674	628.83688	1.12
9.32 % T LTD		NCD	100	11,67,721	1167.72	2.6
Cash / Cash Equivalents					110.1	0.24
		Net Assets			45084.967	
		Unit Capital (no of units)			1000	
		NAV Rs.			45.084967	

Total Portfolio as on Downgrade Event i.e. 31-March-2023

Security	Rating	Type of the Security	Qty	Price Per Unit (Rs.)	Market Value (Rs. in Lacs)	% of Net Assets
8.96% P LTD	CRISIL AAA	NCD	2200	10,03,573	22078.61	49.11
9.02% Q FINANCE LTD	CRISIL AAA	NCD	2000	10,04,985	20099.70	44.71
S Ltd		CP	200	5,00,000	1000.00	2.22
9.30 % R Ltd	CRISIL B*	NCD	50	10,06,139	503.07	1.12
9.32 % T LTD		NCD	100	11,67,721	1167.72	2.60
Cash / Cash Equivalents					110.10	0.24
		Net Assets			44959.20	
		Unit Capital (no of units)			1000.00	
		NAV Rs.			44.95920	

* Marked down by 20% on the date of credit event. Before mark down the security was valued at Rs. 12,57,673.75 per unit on the date of credit event i.e. on 30- September -2023, NCD of R Ltd (9.30%) will be segregated as separate portfolio.

Main Portfolio as on 31st March 2023

Security	Rating	Type of the Security	Qty	Price Per Unit (Rs.)	Market Value (Rs. in Lacs)	% of Net Assets
8.96% P LTD	CRISIL AAA	NCD	2200	10,03,573	22078.61	49.66
9.02% Q FINANCE LTD	CRISIL AAA	NCD	2000	10,04,985	20099.70	45.21
S Ltd		CP	200	5,00,000	1000.00	2.25
9.32 % T LTD		NCD	100	11,67,721	1167.72	2.63
Cash /Cash Equivalents					110.10	0.25
		Net Assets			44456.13	
		Unit Capital (no of units)			1000.00	
		NAV Rs.			44.45613	

Segregated Portfolio as on 31st March 2023:

Security	Rating	Type of the Security	Qty	Price Per Unit (Rs.)	Market Value (Rs. in Lacs)	% of Net Assets
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9.30 % R Ltd	CRISIL B*	NCD	50	10,06,13 9	503.07	100
		Unit Capital (no of units)			1000.00	
		NAV Rs.			0.50307	

Value of Holding of Mr. X after creation of Segregated Portfolio

	Segregated Portfolio	Main Portfolio	Total Value Rs.
No. of Units	1000	1000	
NAV Rs.	0.50307	44.45613	
Total Value	503.07	44,456.13	44,959.20

4. Short selling / stock lending

Subject to the Regulations and the applicable guidelines, the Scheme may, if the Trustees permit, engage in stock lending. Stock lending means the lending of a stock to another person or entity for a fixed period, at a negotiated compensation.

The borrower will return the securities lent on expiry of the stipulated period. The AMC shall report to the Trustees on a quarterly basis as to the level of lending in terms of value, volume and the names of the intermediaries and the earnings/losses arising out of the transactions, the value of collateral security offered etc.

Stock lending is subject to following risks.

- Settlement risk which is the inability of the approved intermediary / borrower to comply with the terms of the agreement for lending which may result in the failure of the intermediary to return the securities / loss of rights to the collateral offered by the borrower and the feasible loss of any corporate benefits accruing to the Scheme from the said securities.
- Risks arising from fluctuations in the value of collateral offered by the borrower
- Risks arising out of inability of the scheme to liquidate the securities lent to take advantage of market situations.

Investors are requested to refer to the Scheme Information Document of respective Schemes for details regarding a Scheme would engage in short selling or participate in securities lending activities.

E. Transaction Charges and Stamp Duty

- **Transaction Charges**

No transaction charges shall be levied on the transaction in the Schemes of LIC Mutual Fund.

- **Stamp Duty**

Pursuant to part I of Chapter IV of the Notification dated 21st February 2019, issued by the Legislative Department, Ministry of Law and Justice, Government of India, on the Finance Act, 2019, read with subsequent notifications dated 10th December 2019 and 30th March 2020 issued by Department of Revenue, Ministry of Finance, Government of India, Paragraph 2.9 of SEBI Master Circular for Mutual Funds dated 19th May 2023, stamp duty @0.005% of the transaction value would be levied on applicable mutual fund transactions. Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchase transactions (including Income Distribution cum Capital Withdrawal (IDCW) reinvestment and Switch in) to the unitholders would be reduced to that extent.

X. DISCLOSURES AND REPORTS BY THE FUND

1. Account Statement/Consolidated Account Statement

Accounts Statements

- On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted by way of e-mail and/or SMS within 5 business days from the date of receipt of transaction request/allotment will be sent to the Unit Holders registered e-mail address and/or mobile number.
- In case of Unit Holders holding units in the dematerialized mode, the Fund will not send the account statement to the Unit Holders. The statement provided by the Depository Participant will be equivalent to the account statement.
- For those unit holders who have provided an e-mail address, the AMC will send the account statement by e-mail. Unit holders will be required to download and print the documents after receiving e-mail from the Mutual Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties.
- The Unit holder may request for a physical account statement by writing/calling the AMC/ISC/RTA. In case of specific request received from the Unit Holders, the AMC/Fund will provide the Account Statement to the Investors within 5 business days from the receipt of such request.

Consolidated Account Statement

Under Regulation 36(4) of SEBI (Mutual Funds) Regulations, 1996, the AMC/ RTA is required to send consolidated account statement for each calendar month to all the investors in whose folio transaction has taken place during the month. Further, SEBI vide its circular ref. no. CIR/MRD/DP/31/2014 dated November 12, 2014, in order to enable a single consolidated view of all the investments of an investor in Mutual Fund and securities held in demat form with Depositories, has required Depositories to generate and dispatch a single consolidated account statement for investors having mutual fund investments and holding demat accounts.

In view of the said requirements the account statements for transactions in units of the Fund by investors will be dispatched to investors in following manner:

Investors who do not hold Demat Account:

Consolidated account statement[^], based on PAN of the holders, shall be sent by AMC/ RTA to investors not holding demat account, for each calendar month, eCAS will be sent on or before 12th of the succeeding month. And physical CAS will be sent on or before 15th of the succeeding month. Consolidated account statement[^] shall be sent by AMC/RTA every half yearly (April / October), eCAS shall be sent on or before 18th day of succeeding month, and physical CAS shall be sent on or before 21st day of succeeding month, detailing holding at the end of the six month, to all such investors in whose folios there have been no transactions during that period.

[^]Consolidated account statement sent by AMC/RTA is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, payout of IDCW, reinvestment of IDCW, systematic investment plan, systematic withdrawal plan, systematic transfer plan, bonus etc. (including transaction charges paid to the distributor) and holding at the end of the month.

Investors who hold Demat Account:

Consolidated account statement^{^^}, based on PAN of the holders, shall be sent by Depositories to investors holding demat account, for each calendar month within 15th day of the succeeding month

to the investors in whose folios transactions have taken place during that month.

Consolidated account statement shall be sent by Depositories every half yearly (September/March), on or before 21st day of succeeding month, detailing holding at the end of the six month, to all such investors in whose folios and demat accounts there have been no transactions during that period.

In case of demat accounts with nil balance and no transactions in securities and in mutual fund folios, the depository shall send account statement in terms of regulations applicable to the depositories. The word 'transaction' shall include purchase, redemption, switch, Payout of Income Distribution cum

capital withdrawal, Reinvestment of Income Distribution cum capital withdrawal, systematic investment plan, systematic withdrawal plan, and systematic transfer plan.

CAS shall not be received by the Unit holders for the folio(s) wherein the PAN details are not updated.

The Unit holders are therefore requested to ensure that the folio(s) are updated with their PAN, email ID and mobile number to prevent fraudulent transactions.

2. Half Yearly Disclosures/Portfolio Disclosures/Financial Results

The Mutual Fund/AMC will disclose portfolio of the Scheme (along with ISIN) as on the last day of the month/ half year for all their schemes in the format prescribed by SEBI on its website (www.licmf.com) and on the website of AMFI (www.amfiindia.com) within 10 days from the close of each month/ half year respectively in a user-friendly and downloadable spreadsheet format.

Further, in terms of Paragraph 5.1 of SEBI Master Circular for Mutual Funds, for debt schemes, portfolio disclosure will be done on fortnightly basis within 5 days of every fortnight.

In case of Unitholders whose e-mail addresses are registered, the Mutual Funds/ AMC shall send via email both the monthly and half-yearly statement of scheme portfolio within 10 days from the close of each month/ half-year respectively.

Mutual Fund/ AMC shall publish an advertisement every half-year disclosing the hosting of the half-yearly statement of its Schemes portfolio on their respective website and on the website of AMFI. Such advertisement shall be published in the all India edition of at least two daily newspapers, one each in English and Hindi.

Mutual Funds/AMCs shall provide a physical copy of the statement of its scheme portfolio without charging any cost, on specific request received from a Unitholder.

1. Half Yearly Results

Mutual Fund / AMC shall within one month from the close of each half year, (i.e. 31st March and on 30th September), host a soft copy of its unaudited financial results on its website (www.licmf.com). Further, the Mutual Fund / AMC shall publish an advertisement disclosing the hosting of such unaudited half yearly financial results on their website, in at least one national English daily newspaper and a regional newspaper published in the language of the region where the Head Office of the Mutual Fund is situated.

2. Annual Report

The Scheme wise annual report or an abridged summary thereof shall be provided to all Unit holders not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e., 31st March each year). Scheme wise annual report shall be displayed on the website of the AMC (www.licmf.com) and Association of Mutual Funds in India (www.amfiindia.com). In case of unitholders whose email addresses are available with the Mutual Fund, the scheme annual reports or abridged summary would be sent only by email.

The unitholders whose e-mail addresses are not registered with the Fund are requested to update / provide their email address to the Fund for updating the database. Physical copy of scheme wise annual report or abridged summary shall be provided to investors who have opted to receive the same.

The full annual report shall be available for inspection at the Head Office of the Mutual Fund and a copy shall be made available to the Unit holders on request on payment of nominal fees, if any. The AMC shall publish an advertisement every year, in the all India edition of at least two daily

newspapers, one each in English and Hindi, disclosing the hosting of the scheme wise annual report on the AMC website (www.licmf.com) and on the website of AMFI (www.amfiindia.com).

Notwithstanding anything contained in this Statement of Additional Information, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

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

Place: Mumbai
Date: 30th June 2025

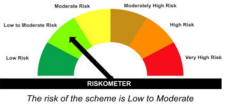




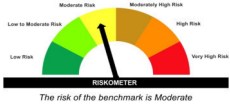
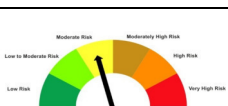

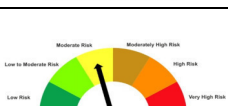


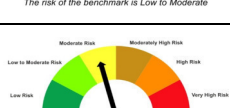
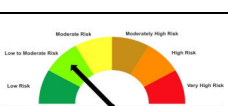
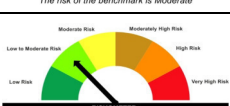

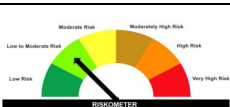

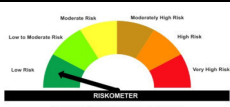
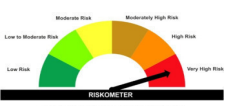



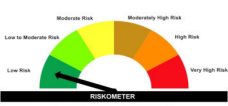
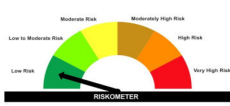
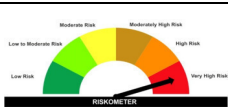

Sd/-
Ravi Kumar Jha
Managing Director & Chief Executive officer

Annexure 1 - Comparative Performance of all schemes
 (Returns on Investment of Rs. 10,000 on an Annual Basis)

Contract ID	Contract Name	Contract Type	Contract Status	Contract Value (\$)	Contract Start Date	Contract End Date	Contract Duration (Months)	Contract Performance Metrics												Contract Notes			
								Revenue (\$)	Profit (\$)	Margin (%)	Cost (\$)	Revenue (\$)	Profit (\$)	Margin (%)	Cost (\$)	Revenue (\$)	Profit (\$)	Margin (%)	Cost (\$)				
1	Contract 1	Fixed Price	Active	100,000	2023-01-01	2023-12-31	12	100,000	20,000	20%	80,000	100,000	20,000	20%	80,000	100,000	20,000	20%	80,000	100,000	20,000	20%	80,000
2	Contract 2	Fixed Price	Active	150,000	2023-02-01	2023-11-30	10	150,000	30,000	20%	120,000	150,000	30,000	20%	120,000	150,000	30,000	20%	120,000	150,000	30,000	20%	120,000
3	Contract 3	Fixed Price	Active	200,000	2023-03-01	2023-10-31	8	200,000	40,000	20%	160,000	200,000	40,000	20%	160,000	200,000	40,000	20%	160,000	200,000	40,000	20%	160,000
4	Contract 4	Fixed Price	Active	250,000	2023-04-01	2023-09-30	6	250,000	50,000	20%	200,000	250,000	50,000	20%	200,000	250,000	50,000	20%	200,000	250,000	50,000	20%	200,000
5	Contract 5	Fixed Price	Active	300,000	2023-05-01	2023-08-31	4	300,000	60,000	20%	240,000	300,000	60,000	20%	240,000	300,000	60,000	20%	240,000	300,000	60,000	20%	240,000
6	Contract 6	Fixed Price	Active	350,000	2023-06-01	2023-07-31	2	350,000	70,000	20%	280,000	350,000	70,000	20%	280,000	350,000	70,000	20%	280,000	350,000	70,000	20%	280,000
7	Contract 7	Fixed Price	Active	400,000	2023-07-01	2023-06-30	1	400,000	80,000	20%	320,000	400,000	80,000	20%	320,000	400,000	80,000	20%	320,000	400,000	80,000	20%	320,000
8	Contract 8	Fixed Price	Active	450,000	2023-08-01	2023-05-31	0	450,000	90,000	20%	360,000	450,000	90,000	20%	360,000	450,000	90,000	20%	360,000	450,000	90,000	20%	360,000
9	Contract 9	Fixed Price	Active	500,000	2023-09-01	2023-04-30	-1	500,000	100,000	20%	400,000	500,000	100,000	20%	400,000	500,000	100,000	20%	400,000	500,000	100,000	20%	400,000
10	Contract 10	Fixed Price	Active	550,000	2023-10-01	2023-03-31	-2	550,000	110,000	20%	440,000	550,000	110,000	20%	440,000	550,000	110,000	20%	440,000	550,000	110,000	20%	440,000
11	Contract 11	Fixed Price	Active	600,000	2023-11-01	2023-02-28	-3	600,000	120,000	20%	480,000	600,000	120,000	20%	480,000	600,000	120,000	20%	480,000	600,000	120,000	20%	480,000
12	Contract 12	Fixed Price	Active	650,000	2023-12-01	2023-01-31	-4	650,000	130,000	20%	520,000	650,000	130,000	20%	520,000	650,000	130,000	20%	520,000	650,000	130,000	20%	520,000
13	Contract 13	Fixed Price	Active	700,000	2024-01-01	2022-12-31	-5	700,000	140,000	20%	560,000	700,000	140,000	20%	560,000	700,000	140,000	20%	560,000	700,000	140,000	20%	560,000
14	Contract 14	Fixed Price	Active	750,000	2024-02-01	2022-11-30	-6	750,000	150,000	20%	600,000	750,000	150,000	20%	600,000	750,000	150,000	20%	600,000	750,000	150,000	20%	600,000
15	Contract 15	Fixed Price	Active	800,000	2024-03-01	2022-10-31	-7	800,000	160,000	20%	640,000	800,000	160,000	20%	640,000	800,000	160,000	20%	640,000	800,000	160,000	20%	640,000
16	Contract 16	Fixed Price	Active	850,000	2024-04-01	2022-09-30	-8	850,000	170,000	20%	680,000	850,000	170,000	20%	680,000	850,000	170,000	20%	680,000	850,000	170,000	20%	680,000
17	Contract 17	Fixed Price	Active	900,000	2024-05-01	2022-08-31	-9	900,000	180,000	20%	720,000	900,000	180,000	20%	720,000	900,000	180,000	20%	720,000	900,000	180,000	20%	720,000
18	Contract 18	Fixed Price	Active	950,000	2024-06-01	2022-07-31	-10	950,000	190,000	20%	760,000	950,000	190,000	20%	760,000	950,000	190,000	20%	760,000	950,000	190,000	20%	760,000
19	Contract 19	Fixed Price	Active	1,000,000	2024-07-01	2022-06-30	-11	1,000,000	200,000	20%	800,000	1,000,000	200,000	20%	800,000	1,000,000	200,000	20%	800,000	1,000,000	200,000	20%	800,000
20	Contract 20	Fixed Price	Active	1,050,000	2024-08-01	2022-05-31	-12	1,050,000	210,000	20%	840,000	1,050,000	210,000	20%	840,000	1,050,000	210,000	20%	840,000	1,050,000	210,000	20%	840,000
21	Contract 21	Fixed Price	Active	1,100,000	2024-09-01	2022-04-30	-13	1,100,000	220,000	20%	880,000	1,100,000	220,000	20%	880,000	1,100,000	220,000	20%	880,000	1,100,000	220,000	20%	880,000
22	Contract 22	Fixed Price	Active	1,150,000	2024-10-01	2022-03-31	-14	1,150,000	230,000	20%	920,000	1,150,000	230,000	20%	920,000	1,150,000	230,000	20%	920,000	1,150,000	230,000	20%	920,000
23	Contract 23	Fixed Price	Active	1,200,000	2024-11-01	2022-02-28	-15	1,200,000	240,000	20%	960,000	1,200,000	240,000	20%	960,000	1,200,000	240,000	20%	960,000	1,200,000	240,000	20%	960,000
24	Contract 24	Fixed Price	Active	1,250,000	2024-12-01	2022-01-31	-16	1,250,000	250,000	20%	1,000,000	1,250,000	250,000	20%	1,000,000	1,250,000	250,000	20%	1,000,000	1,250,000	250,000	20%	1,000,000
25	Contract 25	Fixed Price	Active	1,300,000	2025-01-01	2021-12-31	-17	1,300,000	260,000	20%	1,040,000	1,300,000	260,000	20%	1,040,000	1,300,000	260,000	20%	1,040,000	1,300,000	260,000	20%	1,040,000
26	Contract 26	Fixed Price	Active	1,350,000	2025-02-01	2021-11-30	-18	1,350,000	270,000	20%	1,080,000	1,350,000	270,000	20%	1,080,000	1,350,000	270,000	20%	1,080,000	1,350,000	270,000	20%	1,080,000
27	Contract 27	Fixed Price	Active	1,400,000	2025-03-01	2021-10-31	-19	1,400,000	280,000	20%	1,120,000	1,400,000	280,000	20%	1,120,000	1,400,000	280,000	20%	1,120,000	1,400,000	280,000	20%	1,120,000
28	Contract 28	Fixed Price	Active	1,450,000	2025-04-01	2021-09-30	-20	1,450,000	290,000	20%	1,160,000	1,450,000	290,000	20%	1,160,000	1,450,000	290,000	20%	1,160,000	1,450,000	290,000	20%	1,160,000
29	Contract 29	Fixed Price	Active	1,500,000	2025-05-01	2021-08-31	-21	1,500,000	300,000	20%	1,200,000	1,500,000	300,000	20%	1,200,000	1,500,000	300,000	20%	1,200,000	1,500,000	300,000	20%	1,200,000
30	Contract 30	Fixed Price	Active	1,550,000	2025-06-01	2021-07-31	-22	1,550,000	310,000	20%	1,240,000	1,550,000	310,000	20%	1,240,000	1,550,000	310,000	20%	1,240,000	1,550,000	310,000	20%	1,240,000
31	Contract 31	Fixed Price	Active	1,600,000	2025-07-01	2021-06-30	-23	1,600,000	320,000	20%	1,280,000	1,600,000	320,000	20%	1,280,000	1,600,000	320,000	20%	1,280,000	1,600,000	320,000	20%	1,280,000
32	Contract 32	Fixed Price	Active	1,650,000	2025-08-01	2021-05-31	-24	1,650,000	330,000	20%	1,320,000	1,650,000	330,000	20%	1,320,000	1,650,000	330,000	20%	1,320,000	1,650,000	330,000	20%	1,320,000
33	Contract 33	Fixed Price	Active	1,700,000	2025-09-01	2021-04-30	-25	1,700,000	340,000	20%	1,360,000	1,700,000	340,000	20%	1,360,000	1,700,000	340,000	20%	1,360,000	1,700,000	340,000	20%	1,360,000
34	Contract 34	Fixed Price	Active	1,750,000	2025-10-01	2021-03-31	-26	1,750,000	350,000	20%	1,400,000	1,750,000	350,000	20%	1,400,000	1,750,000	350,000	20%	1,400,000	1,750,000	350,000	20%	1,400,000
35	Contract 35	Fixed Price	Active	1,800,000	2025-11-01	2021-02-28	-27	1,800,000	360,000	20%	1,440,000	1,800,000	360,000	20%	1,440,000	1,800,000	360,000	20%	1,440,000	1,800,000	360,000	20%	1,440,000
36	Contract 36	Fixed Price	Active	1,850,000	2025-12-01	2021-01-31	-28	1,850,000	370,000	20%	1,480,000	1,850,000	370,000	20%	1,480,000	1,850,000	370,000	20%	1,480,000	1,850,000	370,000	20%	1,480,000
37	Contract 37	Fixed Price	Active	1,900,000	2026-01-01	2020-12-31	-29	1,900,000	380,000	20%	1,520,000	1,900,000	380,000	20%	1,520,000	1,900,000	380,000	20%	1,520,000	1,900,000	380,000	20%	1,520,000
38	Contract 38	Fixed Price	Active	1,950,000	2026-02-01	2020-11-30	-30	1,950,000	390,000	20%	1,560,000	1,950,000	390,000	20%	1,560,000	1,950,000	390,000	20%	1,560,000	1,950,000	390,000	20%	1,560,000
39	Contract 39	Fixed Price	Active	2,000,000	2026-03-01	2020-10-31	-31	2,000,000	400,000	20%	1,600,000	2,000,000	400,000	20%	1,600,000	2,000,000	400,000	20%	1,600,000	2,000,000	400,000	20%	1,600,000
40	Contract 40	Fixed Price	Active	2,050,000	2026-04-01	2020-09-30	-32	2,050,000	410,000	20%	1,640,000	2,050,000	410,000	20%	1,640,000	2,050,000	410,000	20%	1,640,000	2,050,000	410,000	20%	1,640,000
41	Contract 41	Fixed Price	Active	2,100,000	2026-05-01	2020-08-31	-33	2,100,000	420,000	20%	1,680,000	2,100,000	420,000	20%	1,680,000	2,100,000	420,000	20%	1,680,000	2,100,000	420,000	20%	1,680,000
42	Contract 42	Fixed Price	Active	2,150,000	2026-06-01	2020-07-31	-34	2,150,000	430,000	20%	1,720,000	2,150,000	430,000	20%	1,720,000	2,150,000	430,000	20%	1,720,000	2,150,000	430,000	20%	1,720,000
43	Contract 43	Fixed Price	Active	2,200,000	2026-07-01	2020-06-30	-35	2,200,000	440,000	20%	1,760,000	2,200,000	440,000	20%	1,760,000	2,200,000	440,000	20%	1,760,000	2,200,000	440,000	20%	1,760,000
44	Contract 44	Fixed Price	Active	2,250,000	2026-08-01	2020-05-31	-36	2,250,000	450,000	20%	1,800,000	2,250,000	450,000	20%	1,800,000	2,250,000	450,000	20%	1,800,000	2,250,000	450,000	20%	1,800,000
45	Contract 45	Fixed Price	Active	2,300,000	2026-09-01	2020-04-30	-37	2,300,000	460,000	20%	1,840,000	2,300,000	460,000	20%	1,840,000	2,300,000	460,000	20%	1,840,000	2,300,000	460,000	20%	1,840,000
46	Contract 46	Fixed Price	Active	2,350,000	2026-10-01	2020-03-31	-38	2,350,000	470,000	20%	1,880,000	2,350,000	470,000	20%	1,880,000	2,350,000	470,000	20%	1,880,000	2,350,000	470,000	20%	1,880,000
47	Contract 47	Fixed Price	Active	2,400,000	2026-11-01	2020-02-28	-39	2,400,000	480,00														

*LUC MF Liquid Fund and LUC MF Overnight Fund returns are as on 31 May 2025

In accordance with paragraph 17.4 of SEBI Master Circular for Mutual Funds dated 27th June 2024 pertaining to 'Product Labeling in Mutual Funds', the Riskometer of the Schemes of LIC Mutual Fund and its Benchmarks based on evaluation of portfolio data as on 31st May 2025 is as follows:

Scheme Name	The product is suitable for investors who are seeking*	Riskometer - Scheme	First Tier Benchmark	Riskometer - First Tier Benchmark
LIC MF Liquid Fund	<ul style="list-style-type: none"> Income for short term Investment in Debt/Money Market Instruments with maturity of upto 91 days. 	 <p>The risk of the scheme is Low to Moderate</p>	CRISIL Liquid Debt A-I Index	 <p>The risk of the benchmark is Low to Moderate</p>
LIC MF Nifty 8-13 yr G-Sec ETF BSE Scrip Code: NA NSE Scrip Code: LICNETFGSC	<ul style="list-style-type: none"> Medium to long term Income. Investment in securities in line with Nifty 8- 13 Yr G-Sec Index to generate comparable returns subject to tracking error. 	 <p>The risk of the scheme is Moderate</p>	Nifty 8-13 yr G-Sec Index	 <p>The risk of the benchmark is Moderate</p>
LIC MF Medium to Long Duration Fund (Erstwhile LIC MF Medium to Long Duration Bond Fund)	<ul style="list-style-type: none"> Income Over Medium to long term To generate income/capital appreciation through investments in Debt / Money Market Instruments 	 <p>The risk of the scheme is Moderate</p>	CRISIL Medium to Long Duration Debt A-III Index	 <p>The risk of the benchmark is Moderate</p>
LIC MF Short Duration Fund (Erstwhile LIC MF Short Term Debt Fund)	<ul style="list-style-type: none"> Generation of reasonable returns over short to medium term. Investment in Debt securities and money market instruments. 	 <p>The risk of the scheme is Moderate</p>	CRISIL Short Duration Debt A-II Index	 <p>The risk of the benchmark is Low to Moderate</p>
LIC MF Banking & PSU Fund (Erstwhile LIC MF Banking & PSU Debt Fund)	<ul style="list-style-type: none"> Income for medium term capital appreciation with current income. An income fund that invests predominantly in debt and money market instruments issued by Banks, Public Sector Undertakings, Public Financial Institutions and Municipal Bonds 	 <p>The risk of the scheme is Moderate</p>	NIFTY Banking & PSU Debt Index A-II	 <p>The risk of the benchmark is Low to Moderate</p>
LIC MF Gilt Fund (Erstwhile LIC MF Govt. Securities Fund)	<ul style="list-style-type: none"> Long term Capital Appreciation and current income Investment in sovereign securities issued by Central/ State Government 	 <p>The risk of the scheme is Moderate</p>	Nifty All Duration G-Sec Index	 <p>The risk of the benchmark is Moderate</p>
LIC MF Low Duration Fund (Erstwhile LIC MF Savings Fund)	<ul style="list-style-type: none"> Income for short term A fund that focuses on low duration securities. 	 <p>The risk of the scheme is Low to Moderate</p>	CRISIL Low Duration Debt A-I Index	 <p>The risk of the benchmark is Low to Moderate</p>
LIC MF Ultra Short Duration Fund (Erstwhile LIC MF Ultra Short Term Fund)	<ul style="list-style-type: none"> Income over short term. Investment in Debt & Money Market Instruments such that the Macaulay Duration of the portfolio is between 3 months- 6 months. 	 <p>The risk of the scheme is Moderate</p>	CRISIL Ultra Short Duration Debt A-I Index	 <p>The risk of the benchmark is Low to Moderate</p>
LIC MF Overnight Fund	<ul style="list-style-type: none"> Income with high levels of safety and liquidity over short term. Investment in debt and money market instruments with overnight maturity. 	 <p>The risk of the scheme is Low to Moderate</p>	NIFTY 1D Rate Index	 <p>The risk of the benchmark is Low</p>
LIC MF Balanced Advantage Fund	<ul style="list-style-type: none"> Capital appreciation over a long period of time. Investments in a dynamically managed portfolio of equity and equity related instruments, debt and money market instruments. 	 <p>The risk of the scheme is Very High</p>	NIFTY 50 Hybrid Composite Debt 50:50 Index	 <p>The risk of the benchmark is High</p>
LIC MF Conservative Hybrid Fund (Erstwhile LIC MF Debt Hybrid Fund)	<ul style="list-style-type: none"> Medium term capital appreciation with current income A fund that invests predominantly in debt instruments with marginal equity exposure. 	 <p>The risk of the scheme is Moderately High</p>	CRISIL Hybrid 85+15 - Conservative Index	 <p>The risk of the benchmark is Moderate</p>
LIC MF Arbitrage Fund	<ul style="list-style-type: none"> Income over a short term investment horizon Income through arbitrage opportunities between cash and derivative market and arbitrage opportunities within the derivative segment of the equity market 	 <p>The risk of the scheme is Low</p>	NIFTY 50 Arbitrage Index	 <p>The risk of the benchmark is Low</p>
LIC MF Aggressive Hybrid Fund (Erstwhile LIC MF Equity Hybrid Fund)	<ul style="list-style-type: none"> Long term capital appreciation with current income A fund that invests both in stocks and fixed income instruments. 	 <p>The risk of the scheme is Very High</p>	CRISIL Hybrid 35+65 - Aggressive Index	 <p>The risk of the benchmark is High</p>

LIC MF Children's Fund (Erstwhile LIC MF Children's Gift Fund)	<ul style="list-style-type: none"> Long term capital appreciation and current income A fund that invests both in stocks and fixed income instruments. 	<p>The risk of the scheme is Very High</p>	CRISIL Hybrid 35+65 - Aggressive Index	<p>The risk of the benchmark is High</p>
LIC MF Unit Linked Insurance Scheme	<ul style="list-style-type: none"> Long term capital appreciation and current income Investment in Equity and equity related securities, fixed income securities (debt and money market securities). 	<p>The risk of the scheme is Very High</p>	CRISIL Hybrid 35+65 - Aggressive Index	<p>The risk of the benchmark is High</p>
LIC MF Banking & Financial Services Fund	<ul style="list-style-type: none"> Capital appreciation over long term. Investing predominantly in portfolio of equity and equity related securities of companies engaged in banking and financial services. 	<p>The risk of the scheme is Very High</p>	Nifty Financial Services TRI	<p>The risk of the benchmark is Very High</p>
LIC MF Flexi Cap Fund	<ul style="list-style-type: none"> Long term capital appreciation Investing across Large, Mid & Small Cap stocks. 	<p>The risk of the scheme is Very High</p>	Nifty 500 TRI	<p>The risk of the benchmark is Very High</p>
LIC MF Large Cap Fund	<ul style="list-style-type: none"> Long Term Capital Appreciation A Fund that primarily invest in large-cap stock. 	<p>The risk of the scheme is Very High</p>	NIFTY 100 TRI	<p>The risk of the benchmark is Very High</p>
LIC MF Infrastructure Fund	<ul style="list-style-type: none"> Long Term Capital Growth Investment in equity and equity related instruments of companies engaged either directly or indirectly in infrastructure sector. 	<p>The risk of the scheme is Very High</p>	Nifty Infrastructure TRI	<p>The risk of the benchmark is Very High</p>
LIC MF Manufacturing Fund	<ul style="list-style-type: none"> Capital appreciation over long term Investment predominantly in equity and equity related instruments of companies following manufacturing theme 	<p>The risk of the scheme is Very High</p>	Nifty India Manufacturing TRI	<p>The risk of the benchmark is Very High</p>
LIC MF Nifty 50 Index Fund	<ul style="list-style-type: none"> Long Term Capital Growth Investment in equity instrument of respective index stocks subject to tracking error. 	<p>The risk of the scheme is Very High</p>	NIFTY 50 TRI	<p>The risk of the benchmark is Very High</p>
LIC MF BSE Sensex Index Fund (Erstwhile LIC MF S & P BSE Sensex Index Fund)	<ul style="list-style-type: none"> Long Term Capital Growth Investment in equity instrument of S & P BSE Sensex index stocks subject to tracking error. 	<p>The risk of the scheme is Very High</p>	BSE Sensex TRI	<p>The risk of the benchmark is Very High</p>
LIC MF Large & Mid Cap Fund	<ul style="list-style-type: none"> Long Term Capital Appreciation. A fund that primarily invests in Large and Mid-cap stocks 	<p>The risk of the scheme is Very High</p>	Nifty LargeMidcap 250 TRI	<p>The risk of the benchmark is Very High</p>
LIC MF Nifty 100 ETF BSE Scrip Code: 539784 NSE Scrip Code: LICFNHGP	<ul style="list-style-type: none"> Long term investment. Investment in equity and equity related securities and portfolios replicating the composition of Nifty 100 Index, subject to tracking errors. 	<p>The risk of the scheme is Very High</p>	NIFTY 100 TRI	<p>The risk of the benchmark is Very High</p>
LIC MF ELSS Tax Saver (LIC MF ELSS)	<ul style="list-style-type: none"> Long Term Capital Growth Investment in equity and equity related securities 	<p>The risk of the scheme is Very High</p>	Nifty 500 TRI	<p>The risk of the benchmark is Very High</p>
LIC MF Nifty 50 ETF BSE Scrip Code: 539480 NSE Scrip Code: LICNETFN50	<ul style="list-style-type: none"> Long term investment. Investment in securities covered by NIFTY 50 Index, subject to tracking errors. 	<p>The risk of the scheme is Very High</p>	NIFTY 50 TRI	<p>The risk of the benchmark is Very High</p>
LIC MF BSE Sensex ETF (Erstwhile LIC MF S & P BSE Sensex ETF) BSE Scrip Code: 539487 NSE Scrip Code: LICNETFSEN	<ul style="list-style-type: none"> Long term investment. Investment in securities covered by BSE SENSEX, subject to tracking errors. 	<p>The risk of the scheme is Very High</p>	BSE Sensex TRI	<p>The risk of the benchmark is Very High</p>
LIC MF Money Market Fund	<ul style="list-style-type: none"> Income over short term Investment in money market instruments with maturity upto one year 	<p>The risk of the scheme is Moderate</p>	NIFTY Money Market Index A-I	<p>The risk of the benchmark is Low to Moderate</p>



LIC MF Multi Cap Fund	<ul style="list-style-type: none"> Long term capital appreciation Investing in equity and equity related instruments across Large, Mid & Small Cap stocks. 	<p>The risk of the scheme is Very High</p>	NIFTY 500 Multicap 50:25:25 TRI	<p>The risk of the benchmark is Very High</p>
LIC MF Dividend Yield Fund (Erstwhile IDBI Dividend Yield Fund)	<ul style="list-style-type: none"> Long term capital appreciation Investment predominantly in dividend yielding equity and equity related instruments. 	<p>The risk of the scheme is Very High</p>	Nifty 500 TRI	<p>The risk of the benchmark is Very High</p>
LIC MF Focused Fund (Erstwhile LIC MF Focused 30 Equity Fund)	<ul style="list-style-type: none"> Long term capital appreciation Investment in equity & equity related instruments of up to 30 companies across market capitalization 	<p>The risk of the scheme is Very High</p>	Nifty 500 TRI	<p>The risk of the benchmark is Very High</p>
LIC MF Midcap Fund (Erstwhile IDBI Midcap Fund)	<ul style="list-style-type: none"> Long term capital appreciation Investment predominantly in equity and equity related instruments of Midcap companies. 	<p>The risk of the scheme is Very High</p>	Nifty Midcap 150 TRI	<p>The risk of the benchmark is Very High</p>
LIC MF Healthcare Fund (Erstwhile IDBI Healthcare Fund)	<ul style="list-style-type: none"> Long term capital appreciation Investment predominantly in equity and equity related instruments of companies engaged in Healthcare & Allied Sectors. 	<p>The risk of the scheme is Very High</p>	BSE Health Care TRI	<p>The risk of the benchmark is Very High</p>
LIC MF Small Cap Fund (Erstwhile IDBI Small Cap Fund)	<ul style="list-style-type: none"> Long term capital appreciation Investment predominantly in equity and equity related instruments of Smallcap companies. 	<p>The risk of the scheme is Very High</p>	Nifty Smallcap 250 TRI	<p>The risk of the benchmark is Very High</p>
LIC MF Value Fund (Erstwhile LIC MF Long Term Value Fund)	<ul style="list-style-type: none"> Long term capital appreciation Investment in equity and equity related instruments by following value investment strategy. 	<p>The risk of the scheme is Very High</p>	Nifty 500 TRI	<p>The risk of the benchmark is Very High</p>
LIC MF Equity Savings Fund (Erstwhile IDBI Equity Savings Fund)	<ul style="list-style-type: none"> Regular Income & Capital appreciation over Medium to Long term. Investment in equity and equity related instruments including equity derivatives, arbitrage and debt and money market instruments. 	<p>The risk of the scheme is Moderate</p>	Nifty Equity Savings Index	<p>The risk of the benchmark is Moderate</p>
LIC MF Nifty Next 50 Index Fund (Erstwhile IDBI Nifty Next 50 Index Fund)	<ul style="list-style-type: none"> Long Term growth in a passively managed scheme tracking NIFTY Next 50 Index(TRI) Investments only in and all stocks comprising Nifty Next 50 Index in the same weight of these stocks as in Index with objective to replicate performance of NIFTYNext 50 Index(TRI) 	<p>The risk of the scheme is Very High</p>	Nifty Next 50 TRI	<p>The risk of the benchmark is Very High</p>
LIC MF Gold Exchange Traded Fund (Erstwhile IDBI Gold Exchange Traded Fund) BSE Scrip Code: 533719 NSE Scrip Code: LICMF GOLD	<ul style="list-style-type: none"> To replicate the performance of gold in domestic prices with at least medium term horizon. Investments in physical gold and gold related instruments / debt & money market instruments 	<p>The risk of the scheme is High</p>	Domestic Price of Gold	<p>The risk of the benchmark is High</p>
LIC MF Gold ETF Fund of Fund (Erstwhile IDBI Gold Fund)	<ul style="list-style-type: none"> To replicate returns of LICMF Gold Exchange Traded Fund with at least medium term horizon Investments in units of LICMF Gold Exchange Traded Fund/ Money Market Instruments/ LICMF Liquid Fund Scheme. 	<p>The risk of the scheme is High</p>	Domestic Price of Gold	<p>The risk of the benchmark is High</p>
LIC MF Nifty Midcap 100 ETF BSE Scrip Code: 544123 NSE Scrip Code: LICN MID100	<ul style="list-style-type: none"> Long term investment. Investment in equity and equity related securities and portfolios replicating the composition of Nifty Midcap 100 Total Returns Index, subject to tracking errors. 	<p>The risk of the scheme is Very High</p>	Nifty Midcap 100 TRI	<p>The risk of the benchmark is Very High</p>
LIC MF Multi Asset Allocation Fund	<ul style="list-style-type: none"> Capital appreciation over a long period of time. Investments in a diversified portfolio of equity & equity related instruments, Debt & Money Market Instruments and Units of Gold ETFs as per asset allocation pattern 	<p>The risk of the scheme is Very High</p>	65% Nifty 500 TRI + 25% Nifty Composite Debt Index + 10% Price of Domestic Gold	<p>The risk of the benchmark is Very High</p>



*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.
Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

In accordance with paragraph 17.5 of SEBI Master Circular for Mutual Funds , the disclosure of Potential Risk Class (PRC) Matrix of the debt Schemes of LIC Mutual Fund is as follows:



PRC Matrix of Debt Schemes of LIC Mutual Fund



LIC MF Banking & PSU Debt Fund	Potential Risk Class			
	Credit Risk 	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	Interest Rate Risk 			
	Relatively Low (Class I)			
	Moderate (Class II)			
	Relatively High (Class III)	A-III		


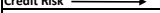
LIC MF Medium to Long Duration Bond Fund (Erstwhile LIC MF Bond Fund)	Potential Risk Class			
	Credit Risk 	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	Interest Rate Risk 			
	Relatively Low (Class I)			
	Moderate (Class II)			
	Relatively High (Class III)		B-III	



LIC MF Low Duration Fund (Erstwhile LIC MF Savings Fund)	Potential Risk Class			
	Credit Risk 	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	Interest Rate Risk 			
	Relatively Low (Class I)		B-I	
	Moderate (Class II)			
	Relatively High (Class III)			



LIC MF Short Duration Fund (Erstwhile LIC MF Short Term Debt Fund)	Potential Risk Class			
	Credit Risk 	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	Interest Rate Risk 			
	Relatively Low (Class I)			
	Moderate (Class II)		B-II	
	Relatively High (Class III)			



LIC MF Ultra Short Duration Fund (Erstwhile LIC MF Ultra Short Term Fund)	Potential Risk Class			
	Credit Risk 	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	Interest Rate Risk 			
	Relatively Low (Class I)		B-I	
	Moderate (Class II)			
	Relatively High (Class III)			

LIC MF Overnight Fund	Potential Risk Class			
	Credit Risk 	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	Interest Rate Risk 			
	Relatively Low (Class I)	A-I		
	Moderate (Class II)			
	Relatively High (Class III)			

LIC MF Liquid Fund	Potential Risk Class			
	Credit Risk 	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	Interest Rate Risk 			
	Relatively Low (Class I)		B-I	
	Moderate (Class II)			
	Relatively High (Class III)			

LIC MF Gilt Fund (Erstwhile LIC MF Government Securities Fund)	Potential Risk Class			
	Credit Risk 	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	Interest Rate Risk 			
	Relatively Low (Class I)			
	Moderate (Class II)			
	Relatively High (Class III)	A-III		

LIC MF Nifty 8-13 yr G-Sec ETF	Potential Risk Class			
	Credit Risk 	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	Interest Rate Risk 			
	Relatively Low (Class I)			
	Moderate (Class II)			
	Relatively High (Class III)	A-III		

LIC MF Money Market Fund	Potential Risk Class			
	Credit Risk 	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	Interest Rate Risk 			
	Relatively Low (Class I)		B-I	
	Moderate (Class II)			
	Relatively High (Class III)			

Disclaimer :

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

ANNEXURE 2

1. INTRODUCTION

LIC Mutual Fund Asset Management Limited (“the AMC”) is an investment manager to LIC Mutual Fund (“the Fund”). The AMC is responsible for managing the schemes launched by LIC Mutual Fund.

The Eighth Schedule to the Securities and Exchange Board of India (SEBI) Mutual Funds Regulations, 1996 together with various circulars issued by SEBI & best practice guidelines issued by Association of Mutual Funds in India (“AMFI”) from time to time prescribe the norms, methodology and guiding principles for valuation of investments held by Mutual Fund Schemes.

As per Eight Schedule to SEBI Mutual Funds Regulations, 1996 the AMC and the Sponsor of the MF shall ensure the compliance with the “Principle of Fair Valuation” mentioned in the schedule and shall be liable to compensate the affected investors and/or the scheme for any unfair treatment to any investor because of inappropriate valuation. While the amended regulations mandate AMCs to establish valuation policies and procedures, it also allows the AMC to deviate from these policies and procedures where it is necessary and expedient to do so to ensure a true and fair valuation. Accordingly, in the event of a conflict between the principles of fair valuation and valuation guidelines, the principles of fair valuation shall prevail.

1.1 OBJECTIVE

Establish policy and guidelines for valuation of investments held by LIC Mutual Fund Schemes. Valuation of securities held by all LIC Mutual Fund Schemes is done in conformity with these valuation norms and this policy serves as a guiding principle to Fund Accounting team for valuation of securities as per the valuation norms specified by the various circulars issued by SEBI & best practice guidelines issued by “AMFI”

1.2 TARGET AUDIENCE

This policy should be readily accessible to Fund Accounting team and the Investment team. The latest policy should always be disclosed on LIC Mutual Fund’s website or any other place where the board may specify to ensure transparency of valuation norms adopted.

2. LIST OF ACRONYMS

Acronym	Full Form
AMC	Asset Management Company
AMFI	Association of Mutual Funds in India
BoD	Board of Directors
G-Sec	Government Security
NSE	National Stock Exchange
InvITs	Infrastructure Investment Trusts
REITs	Real Estate Investment Trusts
SEBI	Securities and Exchange Board of India

Acronym	Full Form
T-Bills	Treasury Bills

3. SCOPE AND COVERAGE

The following items are covered within the scope of this Valuation policy:

- Defining valuation procedures / methodologies for various types of securities.
- Valuation of securities / assets in the event of an inter-scheme transfer.
- Review of valuation policies and procedures and reporting to the various stakeholders.
- Recording of deviations from established policies and procedures and rationale for same.
- Dealing with Conflict of Interests (including potential conflict of interest) which has / may have a bearing on valuation of securities.
- Valuation of securities / assets during exceptional events.

The Valuation Committee would conduct a periodic review of the policy to confirm its completeness & appropriateness and suggest any suitable amendments. Such changes need to be placed before the BoDs of AMC and Trustee for approval, as appropriate.

All assets held by the Fund shall be consistently valued according to the defined valuation methodology. If the above-defined methodology does not lead to fair valuation of securities / assets, then the Valuation Committee may on a prospective basis deviate from the defined methodology and adopt alternate procedures / methods to arrive at the fair value.

The rationale for any such deviations would be recorded in writing and placed before the BoDs of AMC and Trustee and appropriate disclosures to the investors would be made.

Investments in any new type of securities/assets by the mutual fund scheme shall be made only after establishment of the valuation methodologies for such securities / assets with the approval of the BoDs of the AMC.

4. CONFLICT OF INTEREST

The valuation policy, procedures and methodologies laid down in this policy would be uniformly followed to ensure consistency in valuation of securities / assets across all Funds except during exceptional events (as detailed in section titled [Exceptional Events](#)).

The Valuation Committee shall be responsible to identify areas of conflict of interest (including potential areas, if any). Some of the key areas where a potential conflict of interest may arise and the mitigatory measures are indicated below:

a. **Inter-Scheme Trades**

Inter-Scheme transfer of securities / assets between two funds managed by the same Fund Manager - For all inter-scheme transfers, for the purpose of valuation, the procedure described in section titled [Inter-Scheme Transfer](#) shall be followed.

b. **Investments in Associate/Group Companies**

Investments in any associate / group companies would be made only based on independent research recommendation (which would include independent internal research team

recommendation) and the valuation procedures as described in this document. This will ensure that the Valuation Policy is applied to all securities uniformly.

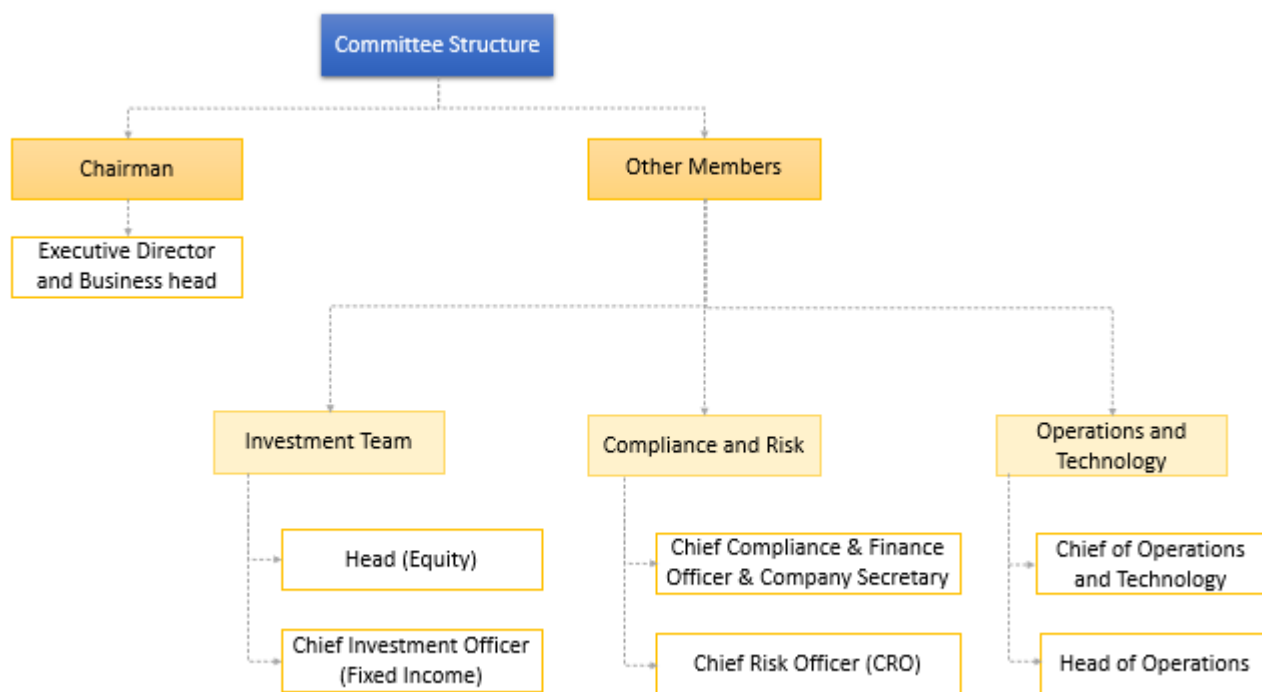
5. EXCEPTIONAL EVENTS

- Exceptional events are events on which dependency cannot, reasonably and in good faith, be placed on the available market information for a fair valuation of securities.
- These events generally lead to artificial, unsustainable prices and may therefore warrant a departure from the established valuation methodology / procedures and adoption of alternate methods/ judgement to reflect the realizable value of the securities / assets in conformity with the principles of fair valuation.
- The Valuation Committee is authorized by the Board of AMC and Trustee to determine the exceptional events and devise the process to deal with the exceptional events.
- Following events could potentially be classified as exceptional events:
 - Major policy announcements by the Reserve Bank of India, the Government or Regulator.
 - Natural disasters or public disturbances that force markets to close unexpectedly.
 - Absence of trading in specific security.
 - Significant volatility in the capital markets.
 - Liquidity crunch in debt markets.
 - Heavy redemption pressures.
 - Credit events affecting a company or sector falling below the investment grade.
- The above list is illustrative and not exhaustive. Given the exceptional nature of these events and the lack of clarity on how it would impact the markets, it is not possible to define a standard methodology to be adopted for fair valuation of securities for such events.
- The Valuation Committee will be responsible for identifying and monitoring exceptional events and recommending appropriate alternate procedures / valuation methodologies with necessary guidance from the AMC Board, wherever required.
- The Valuation Committee will adopt such alternate procedures / methodologies in conformance with the guiding principles of fair valuation in good faith to arrive at a true and fair estimation of the realizable value of the security / asset under normal, business-as-usual circumstances.
- These alternate procedures / methodologies would be progressively and prospectively applied during the continuance of the exceptional events unless otherwise decided by the Valuation Committee in consultation with the AMC Board, wherever required.
- The rationale for any such deviations from the valuation policy would be recorded in writing by the Valuation Committee followed by reporting to the BoDs of AMC and Trustee.
- Such deviations shall be appropriately disclosed to the Investors as may be decided by the Valuation Committee.
- The Policy shall be made available on the website of the LIC Mutual Fund.

6. VALUATION COMMITTEE

The AMC is required to constitute a Valuation Committee, which is responsible for on-going review of the valuation procedures / methodologies adopted to assess their appropriateness and accuracy in determining the fair value of securities/assets.

LIC Mutual Fund's Valuation Committee comprises the following:



The composition of the Valuation Committee may change from time to time, as decided & amended by the competent authority, duly delegated by the Board of AMC and Trustee.

The scope of activities / responsibilities of the valuation committee are listed below:

- Reviewing and recommending the Valuation Policy to the BoDs of AMC and Trustee for their noting/approval.
- Review of accuracy and appropriateness of methods adopted for valuation of securities.
- Defining valuation procedure / methodology for new types of securities /assets.
- Determining fair valuation of securities / assets during exceptional events where the defined procedures /methods for valuation do not yield a fair value of the securities / assets.
- Identifying and addressing potential conflicts of interest situations in valuation of securities.
- Engaging with the Independent Auditor to ensure regular review of the valuation policy, procedures and methodology including rationale for deviations, if any.
- Reporting any deviations / incorrect valuations to the BoDs of AMC and Trustee and appropriate disclosures to the investors.
- Review of regulatory amendments with regards to valuation and implementation of the same subject to approval/ ratification of the BoDs of AMC and Trustee.

7. POLICY REVIEW AND REPORTING

The valuation policy document is reviewed and approved by the Board(s) of LIC Mutual Fund Asset Management Ltd and LIC Mutual Fund Trustee Pvt. Ltd. The Valuation Committee shall update the BoDs of the AMC and Trustee at periodic intervals of the outcome of such review and the effectiveness of the valuation policy, procedures, and methodologies in use.

The Valuation Committee shall also place the following before the BoDs of AMC and Trustee:

- Recommended valuation procedure / methodology for new types of securities / assets for approval of the Board.
- Deviations in methodology adopted for fair valuation of securities / assets on account of exceptional events with rationale for the same.
- Incorrect Valuations, if any, and associated corrective action.
- Identified conflicts of interest (including potential conflict of interest) if any, and mitigatory measures adopted to address the same.

8. DEFINITIONS

a. **Thinly Traded Equity Securities:**

An equity and / or equity related securities (such as preference shares, convertible debentures, equity warrants etc.) would be considered as thinly traded if in a previous calendar month:

The aggregate value of trade in such security is less than Rs. 5,00,000; and

The total volume of trade in such security is less than 50,000 shares, in recognized stock exchange in India.

For example, following scenarios does not qualify as thinly traded:

- If the volume of trade is 1,00,000 shares and value is Rs.4,00,000,
- If the volume traded is 40,000 shares but the value of trade is Rs.6,00,000

Combined volume and value on NSE and BSE will be considered to determine thinly traded criteria.

b. **Non-Traded Equity Securities**

When a security (other than money market and debt securities) is not traded on any stock exchange for a period of thirty days prior to the valuation date, the scrip shall be treated as a non-traded security.

c. **Unlisted Securities**

When a security is not listed on any of the stock exchanges, it would be considered as unlisted security.

d. **Recognized Stock Exchange**

National Stock Exchange (NSE) and BSE Ltd. would be considered as recognized stock exchanges in India.

e. **Primary Stock Exchange**

National Stock Exchange (NSE) would be considered as primary stock exchange.

f. **Secondary Stock Exchange**

BSE Ltd. would be considered as secondary stock exchange.

g. **Definition of Below investment grade and Default:**

All money market or debt security shall be classified as “**below investment grade**” if the long-term rating of the security issued by a SEBI registered Credit Rating Agency (CRA) is below BBB- or if the short-term rating of the security is below A3.

Default Securities

A money market or debt security shall be classified as “Default” if the interest and / or principal amount has not been received, on the day such amount was due or when such security has been downgraded to “Default” grade by a Credit Rating Agency (CRA).

h. **Government Securities**

- a. Central Government Securities (G-Sec) including STRIP Securities
- b. State Development Loans (SDL)
- c. Treasury Bills (T-Bills)
- d. Cash Management Bills (CMB)

i. **Reporting platforms**

- a. CBIRCS - Corporate Bond Reporting & Integrated Clearing System
- b. ICDM - Indian Corporate Debt Market
- c. F-Track- Reporting platform by CCIL (The Clearing Corporation of India Ltd.)

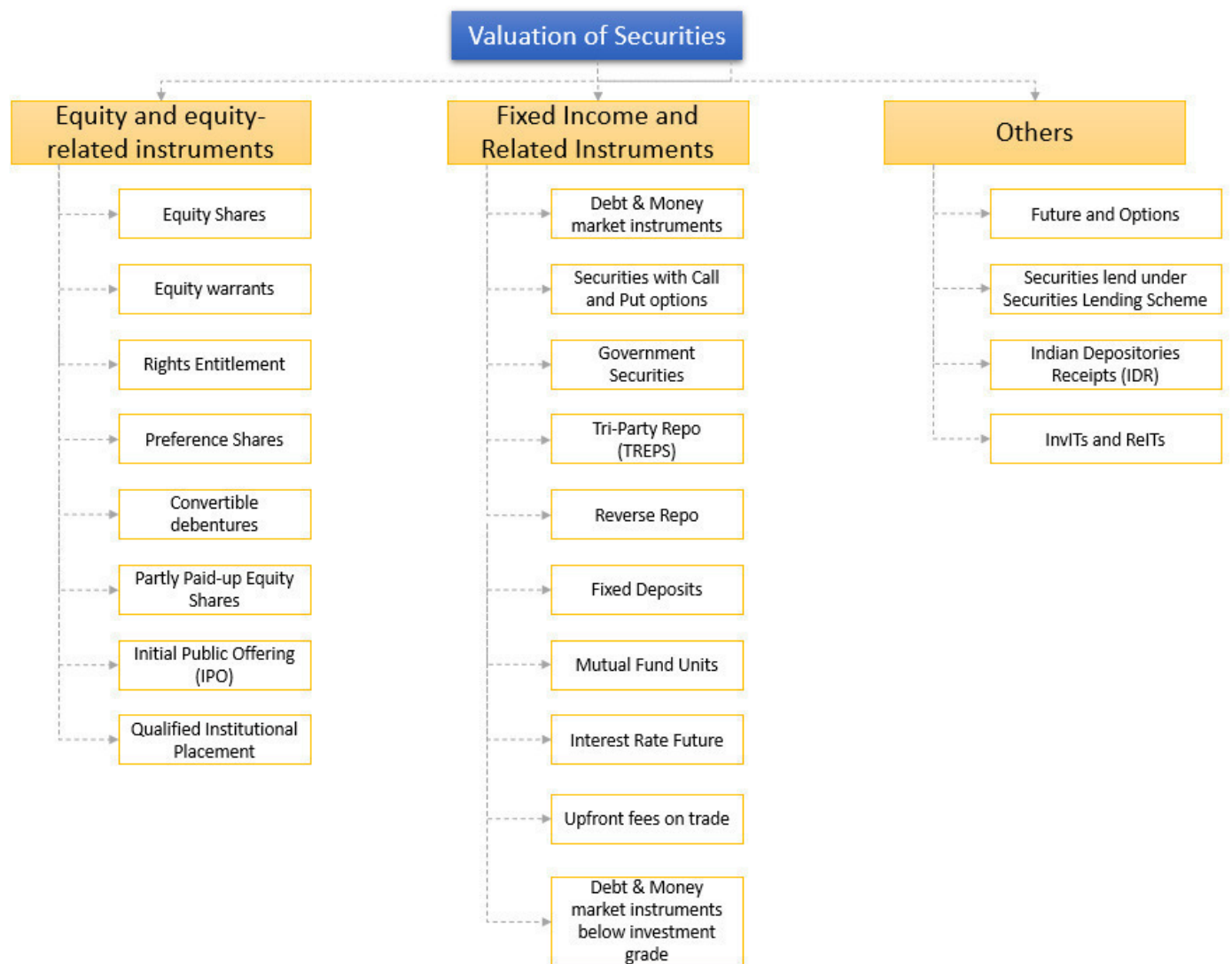
j. **SEBI registered Credit Rating Agency (CRA)**

- a. CRISIL Limited (CRISIL)
- b. India Ratings and Research Pvt. Ltd. (formerly Fitch Ratings India Pvt. Ltd.)
- c. ICRA Limited (ICRA)
- d. Credit Analysis & Research Ltd. (CARE)
- e. Brickwork Ratings India Pvt. Ltd.
- f. SMERA Ratings Limited
- g. Infomerics Valuation and Rating Pvt. Ltd.

k. **Valuation Agencies**

Currently, AMFI / SEBI authorized valuation agencies are ICRA and CRISIL.

Valuation of Securities



9. VALUATION OF EQUITY AND EQUITY RELATED INSTRUMENT

9.1 VALUATION OF EQUITY SHARES

Traded securities are to be valued at the last quoted closing price on the exchange in which the security is listed.

9.1.1 TRADED SECURITIES

- i) On a valuation day, traded securities are to be valued at the closing price on the primary stock exchange (NSE).
- ii) When on a valuation day, a security has not been traded on the primary stock exchange (NSE); the closing price on secondary stock exchange (BSE) will be used.
- iii) When a security is not traded on any stock exchange on a particular valuation day, the closing price on the primary stock exchange or any other stock exchange, as the case may be on the earliest previous day may be used provided the date is not more than 30 days prior to valuation date.
- iv) For valuation of securities held by Exchange Traded Funds (ETFs) and Index funds which are benchmarked to indices relating to a particular stock exchange, the primary stock exchange to be considered for valuation of securities will be that particular stock exchange i.e., Securities held in ETFs and Index Funds are to be valued at closing price on the stock exchange of the underlying index. E.g., For an Index Fund -Sensex or Sensex ETF, the primary stock exchange will be BSE Ltd.

9.1.2 THINLY TRADED / NON-TRADED SECURITIES

Thinly traded/ Non-traded and Unlisted Securities shall be valued in "good faith" in accordance with SEBI norms as prescribed below:

Based on the latest available Balance Sheet, Net Worth shall be calculated as follows:

- i. Net Worth per share = [share capital + reserves (excluding revaluation reserves) – Miscellaneous expenditure and Debit Balance in Profit and Loss A/c] divided by Number of Paid-up Shares.
- ii. Average capitalization rate (P/E ratio) for the industry based upon either NSE or BSE data shall be taken and discounted by 75% i.e., only 25% of the industry average P/E shall be taken as capitalization rate (P/E ratio). Earnings per share of the latest audited annual accounts will be considered for this purpose.

The value as per the Net Worth value per share and the capital earning value calculated as above shall be averaged and further discounted by 10% for illiquidity so as to arrive at the fair value per share.

9.1.3 UNLISTED SECURITIES

Unlisted Securities shall be valued in "good faith" in accordance with SEBI norms as prescribed below:

- i) Based on the latest available Audited Balance Sheet, Net Worth shall be calculated as lower of (a) and (b) below:
 - a. Net Worth per share = [share capital + free reserves (excluding revaluation reserves) - Miscellaneous expenditure not written off or deferred revenue expenditure, intangible assets and accumulated losses] / Number of Paid-up Shares.
 - b. After taking into account the outstanding warrants and options, Net Worth per share shall again be calculated and shall be = [share capital + consideration on exercise of Option/Warrants received/receivable by the Company + free reserves (excluding revaluation reserves) - Miscellaneous expenditure not written off or deferred revenue expenditure, intangible assets and accumulated losses] divided by Number of Paid up Shares plus Number of Shares that would be obtained on conversion and /or exercise of Outstanding Warrants and Options.
- ii) Average capitalization rate (P/E ratio) for the industry based upon either BSE or NSE data (which shall be followed consistently and changes, if any, noted with proper justification thereof) shall be taken and discounted by 75%. i.e., only 25% of the industry average P/E shall be taken as capitalization rate (P/E ratio). Earnings per share (EPS) of the latest audited annual accounts will be considered for this purpose.
- iii) The value as per the Net Worth value per share and the capital earning value calculated as above shall be averaged and further discounted by 15% for illiquidity so as to arrive at the fair value per share.

The above valuation methodology for Thinly Traded /Non-Traded and Unlisted Securities shall be subject to the following conditions:

- a. All calculation shall be based on audited accounts.
- b. If the latest Balance Sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, then shares of such companies shall be valued at zero.
- c. If the Net Worth of company is negative, the shares of such companies shall be valued at zero.
- d. In case the EPS is negative, EPS value for that year shall be taken as zero for arriving at capitalized earning.
- e. In case an individual security accounts for more than 5% of the total assets of the scheme, an independent valuer shall be appointed for the valuation of the said security. To determine if a security accounts for more than 5% of the total assets of the scheme, it shall be valued by the procedure above and the proportion which it bears to the total net assets of the scheme to which it belongs will be compared on the date of valuation.
- f. At the discretion of the AMC and with the approval of the Trustees, an unlisted equity share may be valued at a price lower than the value derived using the aforesaid methodology.

9.1.4 VALUATION OF SUSPENDED EQUITY SHARES

- a. In case trading in an equity security is suspended up to thirty days, then the last traded price shall be considered for valuation of that security.
- b. If an equity security is suspended for more than thirty days, then the Valuation Committee shall decide the valuation norms to be followed and such norms should be documented and recorded .

9.1.5 VALUATION OF ILLIQUID SECURITY

- a. Aggregate value of "illiquid securities" of scheme, which are defined as non-traded, thinly traded, and unlisted equity shares, shall not exceed 15% of the total assets of the scheme and any illiquid securities held above 15% of the total assets shall be assigned Zero value.
- b. Mutual Funds shall disclose as on March 31 and September 30 the scheme wise total illiquid securities in value and percentage of the net assets while disclosing Half Yearly Portfolios to the unit holders. In the list of investments, an asterisk (*) mark shall be given against all such investments which are recognized as illiquid securities.
- c. Mutual Funds shall not be allowed to transfer illiquid securities among their schemes

9.2 VALUATION OF NON-TRADED EQUITY WARRANTS

In respect of warrants to subscribe for shares attached to instruments, the warrants can be valued at the value of the share which would be obtained on exercise of the warrant as reduced by the amount which would be payable on exercise of the warrant. The value of the latter instrument can be adopted after an appropriate discount of the non- tradability of the instrument during the period preceding the conversion while valuing such instruments. If the warrants exercise price exceeds the underlying equity price, warrants would be valued at zero.

9.3 VALUATION OF RIGHTS ENTITLEMENT

- a. Until they are traded, the value of the "rights" shares shall be calculated as:
$$V_r = n/m \times (P_{ex} - P_{of})$$
 where,
 V_r = Value of rights
 n = No. of rights offered
 m = No. of original shares held
 P_{ex} = Ex-rights price
 P_{of} = Rights Offer Price
 n/m = denotes the ratio to derived the entitled quantity
- b. Ex-right price of underlying security will be considered separately for each valuation day
- c. Incase if the rights offer price is higher than the ex-rights price, value of the rights share is to be taken as zero.
- d. Where the rights are not treated pari passu with the existing shares, suitable adjustment should be made to the value of rights.
- e. Where it is decided not to subscribe for the rights but to renounce them and renunciations are being traded, the rights will be valued at the renunciation value.
- f. Where it is decided to subscribe the rights, the valuation of rights entitlement will be done as per the guidelines stated in clause (a) to (d) above.

- g. Valuation guidelines related to equity shares would be applicable from the date Rights are subscribed. From the date of subscription, Right forms will be converted in to underlying equity shares and thus there is no need to wait for actual allotment.
- h. On the expiry of the trading period and till the time of subscription, rights entitlement will be fairly valued.

9.4 VALUATION OF PREFERENCE SHARES

- a. If traded, then it would be valued as per the valuation guidelines applicable to equity shares.
- b. If not traded, then Intrinsic value will be considered.
- c. The non-convertible preference share will be valued at the present value of all the future expected dividend payments and the maturity value, discounted at the expected return on preference shares.
- d. Preference dividend to be accounted on receipt basis i.e. no daily accrual of preference dividend
- e. The valuation committee will decide upon variables like expected future dividend, expected rate of return etc. on a case-to-case basis depending on the terms of issue of the preference shares.
- f. Convertible Preference shares would be valued at the value of the equity share which would be obtained on conversion, further appropriate discount for illiquidity should be applied. The illiquidity percentage will be decided by the Valuation Committee on a case-to-case basis. Valuation guidelines related to equity shares would be applicable for the valuation of underlying equity shares.

9.5 VALUATION OF CONVERTIBLE DEBENTURES

- a. In respect of convertible debentures and bonds, the non-convertible and convertible components shall be valued separately.
- b. The non-convertible component should be valued on the same basis as would be applicable to a debt instrument.
- c. The convertible component should be valued on the same basis as would be applicable to an equity instrument.
- d. If, after conversion the resultant equity instrument is traded pari passu with an existing traded instrument, then the value of the latter instrument can be adopted after an appropriate discount of the non-tradability of the instrument during the period preceding the conversion while valuing such instruments, the fact whether the conversion is optional should also be factored in.

9.6 VALUATION OF PARTLY PAID-UP EQUITY SHARES

- a. If partly paid-up equity shares are traded separately, then they would be valued as per the valuation guidelines applicable to any other listed equity shares.
If the partly paid-up equity shares are not traded, then the partly paid-up equity shares will be valued at the value of the underlying fully paid-up equity shares as reduced by the amount of balance call money payable.
- b. Valuation guidelines related to equity shares would be applicable for the valuation of underlying fully paid-up equity shares.
- c. In case the trade price of the partly paid-up equity shares was not available for last 30 days or in case of unlisted partly paid-up equity shares, it will be valued at the value of the

underlying fully paid-up equity share as reduced by the amount of balance call money payable.

9.7 VALUATION OF INITIAL PUBLIC OFFERING (IPO) ALLOTMENT

Such securities shall be classified as “to be listed” / “awaiting listing” and valued at allotment price.

9.8 VALUATION OF QIP (QUALIFIED INSTITUTIONAL PLACEMENT – EQUITY SHARES)

The equity shares allotted through QIP process, having no lock-in period, should be considered on the same lines as the existing listed equity shares and hence should be valued at the market/traded price of the existing listed equity shares.

Further an appropriate discount for illiquidity should be applied for equity shares allotted through QIP process having a lock-in period of one year. The illiquidity percentage will be decided by the Valuation committee on a case-to-case basis.

10. VALUATION OF FUTURE & OPTIONS

On the valuation day, Future & Options will be valued at the settlement price, published by the NSE. If the settlement price is not available, then closing price for the security will be considered for the valuation.

Futures MTM is computed on daily basis and computed on scrip wise and series wise.

- $\text{MTM Gain/Loss} = \text{Current day settlement or Closing price} - \text{Previous day settlement or Closing price}$
- If scrip is purchased first time, then it is a Current day settlement or Closing price - Weighted Average Price (WAP)

11. VALUATION OF SECURITIES LENT UNDER SECURITIES LENDING SCHEME

The valuation of securities lent under Securities Lending Scheme shall be valued as per the valuation guideline of the respective security as mentioned in this document. The lending fees received for the securities lent out would be accrued in a proportionate manner till maturity of the contract.

12. VALUATION OF INDIAN DEPOSITORIES RECEIPTS (IDR)

Valuation of IDRs listed on the India Stock Exchange would follow the valuation guidelines adopted for the Listed Indian Equity Shares. In case the IDRs are classified as thinly traded / non-traded, the criteria, as laid above for Listed Indian Equity Shares shall be applied taking into consideration the relevant Company's Balance Sheet.

13. VALUATION OF INFRASTRUCTURE INVESTMENT TRUST (INVITS) & REAL ESTATE INVESTMENT TRUST (REITS)

- a. On a valuation day, traded units of InvIT/REITs are to be valued at the last quoted closing price on the primary stock exchange.
- b. When on a particular valuation day, units of InvIT/REITs have not been traded on the primary stock exchange; the value at which it is traded on secondary stock exchange will be used.
- c. When units of InvIT/REITs is not traded on any stock exchange on a particular valuation day, the value at which it was traded on the primary stock exchange or any other stock exchange, as the case may be, on the earliest previous day may be used provided such date is not more than 30 days prior to valuation date.
- d. Where units of InvIT and REIT are not traded on any stock exchange for continuous period of 30 days than the valuation for such units of InvIT and REIT will be determined based on the price provided by an independent valuation agency(ies) or at latest NAV declared by Investment managers of the trust, as the case may be. The selection of the independent valuation agency(ies) will be approved by the Valuation Committee.
- e. Where the valuation of units of InvIT and REIT is not available from any independent valuation agency(ies), the valuation will be determined by the valuation committee on the principles of fair valuation.

14. FIXED INCOME AND RELATED INSTRUMENTS

14.1 DEBT AND MONEY MARKET INSTRUMENTS OTHER THAN GOVERNMENT SECURITIES

Classification of Debt and Money market Instruments:

- a. Debt instruments are Coupon bearing securities like Non-Convertible Debentures (NCD), Bonds, Zero Coupon Bonds (ZCB) which has maturity more than year, Pass Through Certificate (PTC) / Discounted Securitized Debt etc.
- b. Money market Instruments having residual maturity upto 1 year and discounted / amortized income securities like Zero Coupon Bonds (ZCB), Commercial Papers (CP), Certificate of Deposits (CD), Bills Purchased under Rediscounting Scheme (BRDS), Discounted Securitized Debt / Pass Through Certificate (PTC) etc.

Valuation of Debt and Money market Instruments and Bill Rediscounting

- a. Irrespective of residual maturity, all money market and debt securities shall be valued at average of security level prices obtained from valuation agencies.
- b. In case security level prices given by valuation agencies are not available for a new security (which is currently not held by any Mutual Fund), then such security may be valued at purchase yield on the date of allotment / purchase and till such time the valuation agencies commence providing its price.

14.2 VALUATION OF SECURITIES WITH PUT/CALL OPTIONS

The option embedded securities would be valued as follows:

a. Securities with Call Option

The securities with call option shall be valued at the lower of the value as obtained by valuing the security to final maturity and valuing the security to call option.

In case there are multiple Call options, identify a 'Call Trigger Date', a date on which 'price to call option' is the lowest when compared with price to other call options and maturity price.

b. Securities with Put Option

The securities with put option shall be valued at the higher of the value as obtained by valuing the security to final maturity and valuing the security to put option.

In case there are multiple Put options, identify a 'Put Trigger Date', a date on which 'price to put option' is the highest when compared with price to other put options and maturity price.

c. Securities with both Put and Call option on the same day

Only securities with put / call options on the same day and having the same put and call option price, shall be deemed to mature on such put / call date and shall be valued accordingly. In all other cases, the cash flow of each put / call option shall be evaluated and the security shall be valued on the following basis:

- i) Identify a 'Put Trigger Date', a date on which 'price to put option' is the highest when compared with price to other put options and maturity price.
- ii) Identify a 'Call Trigger Date', a date on which 'price to call option' is the lowest when compared with price to other call options and maturity price
- iii) In case no Put Trigger Date or Call Trigger Date ('Trigger Date') is available, then valuation would be done to maturity price. In case one Trigger Date is available, then valuation would be done as to the said Trigger Date. In case both Trigger Dates are available, then valuation would be done to the earliest date.

14.3 VALUATION OF GOVERNMENT SECURITIES

Irrespective of the residual maturity, Government Securities (including T-bills) shall be valued on the basis of security level prices obtained from valuation agencies.

14.4 VALUATION OF TREPS AND REPURCHASE (REPOS) (INCLUDING CORPORATE BOND REPO)

Investment in TREPS or REPURCHASE (REPOS) except for overnight transactions shall be valued at average of security level prices obtained from valuation agencies appointed by AMFI. In case security level prices given by valuation agencies are not available for a new TREPS or REPOS (which is currently not held by any Mutual Fund), then such may be valued at purchase yield on the date of purchase

For overnight investments in TREPS or REPURCHASE (REPOS) shall be valued at the purchase yield/price on the date of allotment/purchase.

Note: All securities taken under Repurchase (Repos) will not be considered for valuation. Only the interest on Repurchase (Repos) would be considered for NAV calculation.

14.5 VALUATION OF PERPETUAL BONDS

Pursuant to Paragraph 9.4 of SEBI Master Circular for Mutual Funds, the deemed residual maturity for the purpose of valuation of all existing as well as new bonds issued under Basel III framework shall be as below:

Time period	Deemed Residual Maturity of Basel III AT-1 bonds (Yrs.)	Deemed Residual Maturity of Basel III Tier 2 Bonds (Yrs.)
Till March 31, 2022	10	10 years or Contractual Maturity whichever is earlier
1 st Apr'22 – 30 th Sep'22	20	Contractual Maturity
1 st Oct'22 – 31 st Mar' 23	30	Contractual Maturity
1 st Apr'23, onwards	100*	Contractual Maturity

*100 years from the date of issuance of the bond.

Macaulay Duration for bonds issued under Basel III framework shall be calculated based on the deemed residual maturity as mentioned in the above table.

14.6 VALUATION OF FIXED DEPOSITS

Fixed Deposits will be valued at cost plus accrual basis.

14.7 VALUATION OF MUTUAL FUND UNITS

Units listed and traded would be valued at the closing traded price on the National Stock Exchange (NSE)/ Bombay Stock Exchange (BSE) on the valuation day. If not traded on the primary stock exchange (NSE), the closing price on the other stock exchange will be considered.

Unlisted units, to be listed units, or units listed but non-traded, would be valued at the Net Asset Value (NAV) as on the valuation date

14.8 VALUATION OF EXCHANGE TRADED (ETF) UNITS

ETF Units would be valued at the closing traded price on the National Stock Exchange (NSE)/ Bombay Stock Exchange (BSE) on the valuation day. If not traded on the primary stock exchange (NSE), the closing price on the other stock exchange will be considered.

14.9 VALUATION OF INTEREST RATE FUTURES

Such Instruments will be valued at the settlement price, published by the exchanges.

14.10 VALUATION OF OTC DERIVATIVES

Prices for all OTC derivatives and market linked debentures shall be obtained from valuation agencies.

14.11 TREATMENT OF UPFRONT FEES ON TRADES

- a. Upfront fees on all trades (including primary market trades), by whatever name and manner called, would be considered by the valuation agencies for the purpose of valuation of security.
- b. Details of such upfront fees will be shared to the valuation agencies on the trade date as part of the trade reporting to enable them to arrive at the fair valuation for that date.
- c. For the purpose of accounting, such upfront fees will be reduced from the cost of the investment in the scheme that made the investment.
- d. In case upfront fees are received across multiple schemes, such upfront fees will be shared on a pro-rata basis across such schemes.

14.12 PRIMARY TRADE VALUATION

Primary market securities will be valued at cost till settlement date (allotment date)

14.13 VALUATION OF MONEY MARKET AND DEBT SECURITIES WHICH ARE RATED BELOW INVESTMENT GRADE

All money market and debt securities which are rated below investment grade shall be valued at the price provided by valuation agencies

Till such time the valuation agencies compute the valuation of money market and debt securities classified as below investment grade, such securities shall be valued on the basis of indicative haircuts provided by these agencies. These indicative haircuts shall be applied on the date of credit event i.e., migration of the security to sub-investment grade and shall continue till the valuation agencies compute the valuation price of such securities. Further, these haircuts shall be updated and refined, as and when there is availability of material information which impacts the haircuts.

Indicative Haircut for below investment grade securities:

Haircuts for senior, secured securities Rating/sector	Infrastructure, Real Estate, Hotels, Loan against shares and Hospitals	Other Manufacturing and Financial Institutions	Trading, Gems & Jewellery and Others
BB	15%	20%	25%
B	25%	40%	50%
C	35%	55%	70%
D	50%	75%	100%

Haircuts on subordinated and unsecured (or both) securities

Rating/sector	Infrastructure, Real Estate, Hotels, Loan against shares and Hospitals	Other Manufacturing and Financial Institutions	Trading, Gems & Jewellery and Others
BB	25%	25%	25%
B	50%	50%	50%
C	70%	70%	70%
D	100%	100%	100%

Consideration of Traded Price for Valuation:

AMCs shall consider such traded price for valuation if it is lower than the price post standard haircut. The said traded price shall be considered for valuation till the valuation price is determined by the valuation agencies.

A money market or debt security shall be classified as “**Default**” if the interest and / or principal amount has not been received, on the day such amount was due or when such security has been downgraded to “Default” grade by a CRA. In this respect, Mutual Funds shall promptly inform to the valuation agencies and the CRAs, any instance of non-receipt of payment of interest and / or principal amount (part or full) in any security.

15. VALUATION OF GOLD INVESTMENTS

The gold held by a gold exchange traded fund scheme shall be valued at the AM fixing price of London Bullion Market Association (LBMA) in US dollars per troy ounce for gold having a fineness of 995.0 parts per thousand, subject to the following:

- (a) adjustment for conversion to metric measure as per standard conversion rates;
- (b) adjustment for conversion of US dollars into Indian rupees as per the RBI reference rate declared by the Foreign Exchange Dealers Association of India (FEDAI); and
- (c) Addition of-
 - (i) transportation and other charges that may be normally incurred in bringing such gold from London to the place where it is actually stored on behalf of the mutual fund; and
 - (ii) notional customs duty and other applicable taxes and levies that may be normally incurred to bring the gold from the London to the place where it is actually stored on behalf of the mutual fund;

Provided that the adjustment under clause (c) above may be made on the basis of a notional premium that is usually charged for delivery of gold to the place where it is stored on behalf of the mutual fund;

Provided further that where the gold held by a gold exchange traded fund scheme has a greater fineness, the relevant LBMA prices of AM fixing shall be taken as the reference price under this sub-paragraph.

If the gold acquired by the gold exchange traded fund scheme is not in the form of standard bars, it shall be assayed and converted into standard bars which comply with the good delivery norms of the

LBMA and thereafter valued in terms of sub-paragraph (1). “If on any day the LBMA AM fixing or RBI reference rate is not available due to holiday, then the immediately previous day’s prices are applied for the purpose of calculating the value of gold.

GST will not be included for valuation of Gold as the Scheme will be eligible for input credit of GST paid on purchase of Gold.

16. VALUATION OF GOLD MONETISATION SCHEMES:

Principal investment in Gold Monetisation Schemes (G M S) will be valued at the price of physical gold, while interest income will be valued on accrual basis.

17. VALUATION OF SILVER INVESTMENTS

The silver held by a scheme shall be valued at the AM fixing price of London Bullion Market Association (LBMA) in US dollars per troy ounce for silver having a fineness of 999.0 parts per thousand, subject to the following:

- (a) adjustment for conversion to metric measure as per standard conversion rates;
- (b) adjustment for conversion of US dollars into Indian rupees as per the RBI reference rate declared by the Foreign Exchange Dealers Association of India (FEDAI); and
- (c) addition of-
 - (i) transportation and other charges that may be normally incurred in bringing such silver from London to the place where it is actually stored on behalf of the mutual fund; and
 - (ii) notional customs duty and other applicable taxes and levies that may be normally incurred to bring the silver from London to the place where it is actually stored on behalf of the mutual fund:

Provided that the adjustment under clause (c) above may be made on the basis of a notional premium that is usually charged for delivery of silver to the place where it is stored on behalf of the mutual fund:

Provided further that where the silver held by a scheme has a greater fineness, the relevant LBMA prices of AM fixing shall be taken as the reference price under this sub-paragraph.

If the Silver acquired by the scheme is not in the form of standard bars, it shall be assayed and converted into standard bars which comply with the good delivery norms of the LBMA and thereafter valued in terms of methodology mentioned above.

If on any day the LBMA AM fixing or RBI reference rate is not available due to holiday, then the immediately previous day’s prices are applied for the purpose of calculating the value of silver.

GST will not be included for valuation of Silver as the Scheme will be eligible for input credit of GST paid on purchase of Silver.

18. VALUATION OF INVESTMENT IN CORPORATE DEBT MARKET DEVELOPMENT FUND (CDMDF):

Units of Corporate Debt Market Development Fund would be valued at Net Asset Value (NAV) as on the valuation date.

19. CORPORATE ACTION

19.1 DE-MERGER, MERGER, AMALGAMATION AND SCHEME OF ARRANGEMENT

On corporate action, above valuation guidelines may be difficult to adopt due to non-availability of the Balance Sheet of the restructured entities in public domain or the resultant securities come up for listing after few days while the valuation required to be carried out effective on the date of the corporate action itself. Besides, in such case there are generally no comparative parameters readily available for carrying out the valuation exercise. Following broad valuation guidelines would be used for the valuation of securities resulting from the corporate actions:

a. De-Merger

- i) In case shares of both the companies (De-merged Company and Resulting Companies) are traded immediately on de-merger, both the shares would be valued at respective traded prices.
- ii) In case there is only one Resulting Company along with the De-merged Company and such Resulting Company is unlisted / non-traded:
 - Traded shares of De-merged Company will be valued at traded price and the shares of Resulting Company will be valued by residual price methodology which would be the closing value of the shares of De-merged Company on the day before the de-merger less opening value of the shares of De-merged Company immediately post de-merger.
 - If value of the shares of De-merged Company is equal or more than the value of pre-de- merger shares, then the shares of Resulting Company will be valued at Zero.
- iii) In case there are more than one Resulting Companies along with the De-merged Company and all or some Resulting Companies are unlisted / non-traded:
 - The shares of Resulting Companies will be valued by residual price methodology as explained in point (ii) above.
 - The residual value will be allocated into Resulting Companies in the ratio provided as a part of scheme of arrangement or such other ratio as decided by the Valuation Committee.
 - If one of the Resulting Companies is listed / traded, the residual value of unlisted / non-traded Resulting Companies would be further determined by reducing the traded value of listed Resulting Companies from the residual value computed as above.
- iv) In case shares of both the companies (De-merged Company and Resulting Companies) are not traded on de- merger:
 - The traded value of the De-merged Company on the day before the de-merger will be allocated between De- merged Company and Resulting Companies in the

ratio provided as a part of scheme of arrangement or such other ratio as decided by the Valuation Committee.

- v) Cost allocation would be done proportionate to the derived value of the resultant scrips or other appropriate basis to be decided on case-to-case basis depending on the terms of de- merger.
- vi) The valuation committee may in specific cases decide to use a different method for valuation by assigning reasons, therefore.

b. Merger

In case of merger, if the shares of the merged entity are not listed / traded, then valuation of the merged entity will be decided on case-to-case basis depending on the terms of merger and may be valued at previous day closing price of the respective companies prior to merger.

19.2 BUY-BACK OF SECURITIES

If a company offers to buy-back, market price of the shares will be considered for valuation till a formal confirmation of acceptance of shares by the issuer tendered under the buy- back schemes. Quantum of shares accepted under buy- back will be accounted as a sale trade.

19.3 STOCK SPLIT/ FACE VALUE CHANGE

In case of stock split, the face value of a stock is reduced and proportionately number of shares is increased. The valuation price will be derived on the basis of the closing price before the ex-date and adjusted in proportion of stock split, till the new stock split shares are listed and traded on a stock exchange. The cost of one share will be proportionately adjusted in line with stock split change, to derive the new cost of share. On stock split/face value change in case the company specifies any regulations/ method for cost bifurcation or valuation the same will be adopted.

19.4 EQUITY AND EQUITY RELATED SECURITIES UNDER LOCK-IN PERIOD / PENDING LISTING

These shall be valued based last quoted closing price of security after applying suitable discount for illiquidity except securities having up to 90 days lock-in period. The Valuation Committee shall decide on the illiquidity discount to be applied, on a case to case basis.

20. INTER-SCHEME TRANSFER

1. Inter-scheme Transfers of Equity and Equity Related Instruments

- a. Any Inter-scheme transfer of Equity and Equity related instruments shall be valued at the prevailing spot market price for the quoted instrument at the time the transfer is affected.
- b. For this purpose, at the time of effecting the inter-scheme transfer, a record of the prices for the security quoted in the relative stock exchange (i.e. NSE/BSE) or Bloomberg Terminal in which it is traded or reported would be obtained, which would indicate the date, time, and

the currently quoted price. The price given in the quotation of the stock exchange would be the effective price for the inter-scheme transfer.

2. Inter-scheme Transfers of Debt, Money Market Instruments, and Government Securities

- a. IST of any money market or debt security (irrespective of maturity) will be done at an average of the prices provided by the valuation agencies if prices from the valuation agencies are received within the pre-agreed turn-around-time (TAT).
- b. If price from only one valuation agency is received within the agreed TAT, that price will be used for IST pricing.
- c. If prices are not received from any of the valuation agencies within the agreed TAT, Valuation Committee will determine the price for the IST as per the available information, in accordance with [Clause 3 \(a\) of Seventh Schedule of SEBI \(Mutual Funds\) Regulations, 1996.](#)

21. USE OF OWN TRADE FOR VALUATION

Mutual Fund's own trades shall not be used for valuation of debt and money market securities and for Inter-Scheme Transfers.

22. WATERFALL APPROACH FOR VALUATION OF MONEY MARKET AND DEBT SECURITIES

As per SEBI guidelines on valuation of money market and debt securities, a waterfall approach shall be followed by the valuation agencies for arriving at security level pricing.

AMFI, in consultation with SEBI, has issued detailed guidelines on waterfall approach for valuation of money market and debt securities. The broad principles of the said waterfall approach, for arriving at the security level prices are as follow:

- i. All traded securities shall be valued on the basis of traded yields, subject to identification of outlier trades by the valuation agencies.
- ii. Volume Weighted Average Yield (VWAY) for trades in the last one hour of trading shall be used as the basis for valuation of Government Securities (including T-bills). Valuation of all other money market and debt securities (including Government securities not traded in last one hour) shall be done on the basis of VWAY of all trades during the day.
- iii. In case of any exceptional events on a day, only VWAY of trades post such event may be considered for valuation. Further, all exceptional events along-with valuation carried out on such dates shall be documented with adequate justification. The following events would be considered as exceptional events:
 - a. Monetary / Credit Policy
 - b. Union Budget
 - c. Government Borrowing / Auction Day
 - d. Material Statements on Sovereign Rating
 - e. Issuer or Sector Specific events which have a material impact on yields
 - f. Central Government Election Days
 - g. Quarter end days

- h. In addition to the above, valuation agencies may determine any other event as an exceptional event.
- iv. All trades on stock exchanges and trades reported on trade reporting platforms till end of the trade reporting time (Excluding Inter-scheme transfers), should be considered for valuation on that day.
- v. Considering the importance of polling in valuation process, detailed guidelines has also been issued by AMFI on polling by valuation agencies and on the responsibilities of Mutual Funds in polling process, as part of the aforesaid waterfall approach.

23. POLICY REVIEW & UPDATE

The Policy should be periodically reviewed (once a year) by the Valuation Committee.

24. REFERENCES

The following are the guiding circulars / schedules/guidelines/amendments for framing the Valuation Policy.

- EIGHTH SCHEDULE of SEBI Mutual Fund Regulations, 1996
- SEBI Master Circular for Mutual Funds dated June 27, 2024.
- AMFI email dated April 30, 2019, reference no. AMFI /35P/ 06 / 2019-20 on Standard Hair-Cut Matrix for Sub-Investment Grade Debt Securities

Annexure 3

X. TAX, LEGAL & GENERAL INFORMATION

A. Taxation on Mutual Funds

- a) LIC Mutual Fund is a Mutual Fund registered with the SEBI and hence the entire income of the Mutual Fund will be exempt from income-tax in accordance with the provisions of section 10(23D) of the Income-tax Act, 1961 (the Act).
- b) The Mutual Fund will receive all income without any deduction of tax at source under the said provisions of the Income Tax Act 1961. However, the Fund shall be liable to pay securities transaction tax ('STT') in respect of certain transactions listed under the tax implications of equity-oriented scheme from 1 April 2020. Income declared, distributed or paid on or after 1 April 2020 by a mutual fund is taxable in the hands of the unit holders.

B. Taxation on investing in Mutual Funds

1) Tax Implications Common for Equity, Specified & Other Schemes of The Mutual Fund

As per the taxation laws in force as at the date of the document, the tax benefits that are available to the investors investing in the units of the plans (on the presumption that the units are not held as stock in trade) are stated as follows.

The tax implications is provided below is for general information purposes only, based on the law prevailing as at the date of this document and also incorporating the amendments made by Finance Act, 2025 for transactions on or after 1st April, 2025.

Investors should be aware that the fiscal rules/tax laws may change and there can be no guarantee that the current tax position as laid out would continue indefinitely.

General Anti-avoidance rule is applicable from Financial Year (FY) 2017-2018.

In view of the individual nature of tax consequences, each investor/ unit holder is advised to consult his/her or its own professional tax advisor.

TAX IMPLICATIONS OF UNIT HOLDERS

A. Income Tax

- Income distributed by the Mutual Fund: All Unit holders

Income received in respect of units of a mutual fund is taxable in the hands of the unit holders as per the rates applicable to other income for financial year (FY) 2025-2026. The income-tax rates for taxation are tabulated below:

For residents		
Individuals, Hindu Undivided Families (HUF), Association of Persons (OP), Body of Individuals (BOI)	Total income for a tax year	Tax
	<= Rs. 2.5 lakhs	Nil (basic exemption limit#)
	> Rs. 2.5 lakhs and <= Rs. 5 lakhs	5% of total income exceeding Rs. 2.5 lakhs
	> Rs. 5 lakhs and <= Rs.	Rs. 12,500/- plus 20% of amount exceeding

Alternatively, on satisfaction on certain prescribed conditions, an individual (resident/ non-resident) or HUF may opt to compute tax in respect of total income (without considering prescribed exemptions/ deductions)	10 lakhs	Rs. 5 lakhs
	> Rs. 10 lakhs	Rs. 1,12,500/- plus 30% of amount exceeding Rs. 10 lakhs
	# Basic exemption limit for resident individuals of the age of 60 years or more is Rs. 3 lakhs and for individuals of the age of 80 years or more (very senior citizens) is Rs. 5 lakhs.	
	Resident individuals having total income not exceeding Rs. 5 lakhs can avail rebate of Rs. 12,500 or actual tax liability, whichever is lower.	
	Income	Tax
	<= Rs. 4 lakhs	Nil (basic exemption limit#)
	> Rs. 4 lakhs and <= Rs. 8 lakhs	5% of total income exceeding Rs. 4 lakhs
	> Rs. 8 lakhs and <= Rs. 12 lakhs	Rs. 20,000/- plus 10% of amount exceeding Rs. 8 lakhs
	> Rs. 12 lakhs and <= Rs. 16 lakhs	Rs. 60,000/- plus 15% of amount exceeding Rs. 12 lakhs
	> Rs. 16 lakhs and <= Rs. 20 lakhs	Rs. 1,20,000/- plus 20% of amount exceeding Rs. 16 lakhs
	> Rs. 20 lakhs and <= Rs. 24 lakhs	Rs. 2,00,000/- plus 25% of amount exceeding Rs. 20 lakhs
	> Rs. 24 lakhs	Rs. 3,00,000/- plus 30% of amount exceeding Rs. 24 lakhs
	An individual/ HUF, having no business or professional income, can exercise his option of choosing tax regime, every year, based on his deductions.	
	An individual/ HUF, having income from business or professional, can exercise his option for the new tax regime, only once and the option once exercised, for the previous year shall be valid for that previous year and all subsequent years.	
The option can be withdrawn once in lifetime where it was exercised by the Individual/ HUF having business income in the previous year other than the year in which it was exercised except where Individual/ HUF ceases to have any business income.		
Resident individuals having total income not exceeding Rs. 12 lakhs can avail rebate of Rs. 60,000 or actual tax liability, whichever is lower. Further, the concept of marginal rebate has been introduced under section 87A, if the total income marginally exceeds Rs. 12 lakhs.		
Partnerships		

Partnerships (including Limited Liability Partnerships) [LLP]	30%
Companies	
Resident companies Turnover <= Rs. 400 crores (turnover or gross receipts in FY 2023-24)	25%
Other Companies	30%
Alternate regime for Indian companies and domestic companies engaged in manufacturing activities (subject to certain conditions)	22%
Co-operative society	
Existing regime	
Income	Tax
< = Rs. 10,000	10%
> Rs. 10,000 and < = Rs. 20,000	Rs. 1,000/- plus 20% of amount exceeding Rs. 10,000
> Rs. 20,000	Rs. 3,000/- plus 30% of amount exceeding Rs. 20,000
For non-resident	
Non-resident Indians	Total income for the tax year:
	<= Rs. 2.5 lakhs
	> Rs. 2.5 lakhs and <= Rs. 5 lakhs
	Nil (basic exemption limit)
	5% of total income exceeding Rs. 2.5 lakhs
Alternatively, on satisfaction on certain prescribed conditions, an individual non-resident may opt to compute tax in respect of total income (without considering prescribed exemptions / deductions)	> Rs. 5 lakhs and <= Rs. 10 lakhs
	> Rs. 10 lakhs
	Rs. 12,500/- plus 20% of amount exceeding Rs. 5 lakhs
	Rs. 1,12,500/- plus 30% of amount exceeding Rs. 10 lakhs
	Income
	<= Rs. 4 lakhs
	> Rs. 4 lakhs and <= Rs. 8 lakhs
	Tax
	Nil (basic exemption limit)
	5% of total income exceeding Rs. 4 lakhs
	> Rs. 8 lakhs and <= Rs. 12 lakhs
	> Rs. 12 lakhs and <= Rs. 16 lakhs
	Rs. 20,000/- plus 10% of amount exceeding Rs. 8 lakhs
	Rs. 60,000/- plus 15% of amount exceeding Rs. 12 lakhs

	> Rs. 16 lakhs and ≤ Rs. 20 lakhs	Rs. 1,20,000/- plus 20% of amount exceeding Rs. 16 lakhs
	> Rs. 20 lakhs and ≤ Rs. 24 lakhs	Rs. 2,00,000/- plus 25% of amount exceeding Rs. 20 lakhs
	> Rs. 24 lakhs	Rs. 3,00,000/- plus 30% of amount exceeding Rs. 24 lakhs
Investor [FPI] (includes Foreign Institutional Investor and QFI's)	20%	
Foreign Companies	20%*/ 35%	

The rate of 20% shall be on the income received in respect of units purchased in foreign currency.

Note: The above rates are to be increased by surcharge and health and education cess as mentioned in **Annexure -1a**

- **Tax on Income distribution by the Mutual Fund (applicable for all Unit holders)**

All Unit holders:

From 1 April 2020, since the exemption under section 10(35) is discontinued *vide* Finance Act 2020 and due to amendment of section 194K and 196, income distributed by mutual fund is subject to tax withholding at source.

Resident Unit holders:

Any income distributed by mutual fund to unit holders is taxable in the hands of unit holders at the applicable rates from 01.04.2020 onwards. Further, the Finance Act, 2020 inserted a new section 194K of the Act to provide that any person responsible for paying to a resident any income in respect of units of a Mutual Fund specified under clause (23D) of section 10 of the Act. Mutual Fund shall at the time of credit of such income to the account of the payee or at the time of payment thereof by any mode, whichever is earlier, deduct income tax there on at the rate of 10% (in excess of INR 10,000).

Non-resident Unit holders:

The Finance Act, 2020 has also amended the provision of section 196A of the Act to revive its applicability on TDS on income in respect of units of a Mutual Fund to Non-resident unit holders deduct income tax. As per Section 196A of the Act requires mutual fund to withhold taxes on income in respect of units at the rate of 20% or the rates provided in the tax treaty on any income paid to a non-resident.

The above rates (other than Tax Treaty rate) are to be increased by surcharge and health and education cess as mentioned in **Annexure -1a**.

- **Dividend Stripping**

As per section 94(7) of the Act, loss arising on sale of units, which are bought within 3 months prior to the record date (i.e. the date fixed by the mutual fund for the purposes of entitlement of the unit holders to receive dividend (Income Distribution)) and sold within 9 months after

the record date, shall be ignored for the purpose of computing income chargeable to tax to the extent of exempt income received or receivable on such units.

- **Bonus stripping (All Unit holders)**

As per section 94(8) of the Act, in case of units purchased within a period of 3 months prior to the record date for entitlement of bonus and sold within 9 months after the record date, the loss arising on transfer of original units shall be ignored for the purpose of computing the income chargeable to tax. The amount of loss so ignored shall be deemed to be the cost of acquisition/purchase of such bonus units.

- **Other Benefits**

- Investments in Units of the Mutual Fund scheme shall be considered as an eligible form of investment under Section 11 (5) of the Act read with Rule 17C of the Income-tax Rules, 1962, for Religious and Charitable Trust.
- Individuals and HUF can claim deduction from total income, under section 80C of the Act, in respect of specified investments such as equity linked savings scheme, made during the year upto Rs. 1,50,000.

2) Taxation on investing in Equity Oriented Mutual Fund Scheme

For the purposes of this section-

"Equity oriented fund" means a fund set up under a scheme of a mutual fund specified under clause (23D) of section 10: -

- (i) in a case where the mutual fund invests in the units of another fund which is traded on a recognized stock exchange,
 - a) a minimum of 90% of the total proceeds of such mutual fund is invested in the units of such other mutual fund; and
 - b) such other mutual fund, shall invest a minimum of 90% of its total proceeds in the equity shares of domestic companies listed on a recognized stock exchange; and
- (ii) in any other case, a minimum of 65% of the total proceeds of such fund is invested in the equity shares of domestic companies listed on a recognized stock exchange.
Provided that the percentage of equity shareholding or unit held in respect of the fund, as the case may be, shall be computed with reference to the annual average of the monthly averages of the opening and closing figures.

Mutual Fund is not liable to pay distribution tax on the income distributed. However, it is liable to deduct tax on the income distribution as per the provisions of the Act as mentioned above.

- **Securities Transaction Tax (STT)**

STT implications in respect of certain transactions with regard to equity-oriented mutual fund scheme are listed hereunder:

Nature of Transaction	Payable by	Value on which tax shall be levied	Rates (%)
Delivery based purchase transaction in equity- oriented mutual fund entered in a recognized stock exchange	Purchaser	Value at which shares are bought	Nil

Nature of Transaction	Payable by	Value on which tax shall be levied	Rates (%)
Delivery based sale transaction in units of equity- oriented mutual fund entered in a recognized stock exchange	Seller	Value at which units are sold	0.001
Non-delivery based sale transaction in units of equity-oriented mutual fund entered in a recognized stock exchange.	Seller	Value at which shares/ units are sold	0.025
Sale of units of an equity-oriented mutual fund to the mutual fund	Seller	Value at which units are sold	0.001
Sale or surrender or redemption of a unit of an equity-oriented mutual fund to an insurance company, on maturity or partial withdrawal, with respect to unit linked insurance policy issued by such insurance company on or after the first day of February, 2021	Seller	Maturity/ Withdrawal value	0.001

The securities transaction tax paid by the assessee during the year in respect of taxable securities transactions entered during the course of business shall be allowed as deduction under section 36(xv) of the Act subject to the condition that such income from taxable securities transactions is included under the head 'profits and gains of business or profession'.

- **Gains on transfer / redemption of units**

Gains arising on transfer / redemption of units, as well as from switching between schemes will be chargeable to tax under the Act. The characterization of income from investments in securities as 'business income' or 'capital gains' should be examined on a case-by-case basis.

As per section 2(14) of the Act, any investment in securities made by Foreign Institutional Investors ('FIIs') in accordance with the regulations made under the Securities and Exchange Board of India would be treated as a capital asset. Consequently, any income arising from transfer of securities by FIIs are to be treated in the nature of capital gains.

- **Capital Gains Tax Equity-oriented mutual fund scheme**

As per the provisions of section 2(42A) of the Act, a unit of an equity-oriented mutual fund, held by the investor as a capital asset, is a short-term capital asset, if it is held for 12 months or less from the date of its acquisition by the unit holder. Accordingly, if the unit of equity-oriented mutual fund is held for a period of more than 12 months, it is treated as a long-term capital asset.

- **Long-term Capital Gains**

The provision of section 112A of the Act provides taxability of long-term capital gain arising from transfer of a long-term capital asset being an equity share in a company or a unit of equity-oriented fund or a unit of a business trust shall be taxed @12.5% if such capital gain is exceeding Rs. 1,25,000 p.a.

A tax rate of 12.5%. will be applicable to such long-term capital gains, if—

- i. in a case where long-term capital asset is in the nature of an equity share in a company; securities transaction tax has been paid on both acquisition and transfer of such capital asset; and

- ii. in a case where long-term capital asset is in the nature of a unit of an equity-oriented fund or a unit of a business trust, securities transaction tax has been paid on transfer of such capital asset.

All categories of investors:

Units held for more than 12 months	Tax Rate
Redemption before 23 July 2024	10%
Redemption on or after 23 July 2024	12.5%

Further, the above rates are to be increased by surcharge and health and education cess as per

Annexure-1a

Further, the provision of section 112A also proposes to provide the following: —

- i) The long-term capital gains will be computed without giving effect to the first and second provisos to section 48, i.e. inflation indexation in respect of cost of acquisitions and cost of improvement, if any, and the benefit of computation of capital gains in foreign currency in the case of a non-resident, will not be allowed.
- ii) Provision of section 55(ac) of the Act provides cost of acquisitions in respect of the long-term capital asset acquired by the assessee before the 1st day of February 2018, shall be higher of
 - a) the actual cost of acquisition of such asset; and
 - b) the lower of –
 - (I) the fair market value of such asset; *and
 - (II) the full value of consideration received or accruing as a result of the transfer of the capital asset.

*Fair market value has been defined to mean –

- a) in a case where the capital asset is listed on any recognized stock exchange, the highest price of the capital asset quoted on such exchange on the 31st day of January 2018. However, where there is no trading in such asset on such exchange on the 31st day of January 2018, the highest price of such asset on such exchange on a date immediately preceding the 31st day of January 2018 when such asset was traded on such exchange shall be the fair market value;
- and
- b) in a case where the capital asset is a unit and is not listed on recognized stock exchange, the net asset value of such asset as on the 31st day of January 2018.

FMV:	
Listed on recognized stock exchange	Highest price quoted on 31 January 2018
Listed on recognized stock exchange but not traded on 31 January 2018	Highest price of unit (when the said units was traded) on date immediately prevailing before 31 January 2018
Not listed on recognized stock exchange	NAV as on 31 January 2018

The long term capital gains will be computed basis the above table, provided that in the case of an individual or a HUF, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, the long-term capital gains, shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax.

- **Short-term Capital Gains**

Provision of section 111A provides where the total income of an assessee includes any income chargeable under the head “Capital Gains”, arising from the transfer of a short-term capital asset, being an equity share in a company or unit of an equity-oriented mutual fund held including units of business trust for a period not more than 12 months and

- a. the transaction of sale of such unit is entered into on or after October 1, 2004, i.e., the date on which Chapter VII of the Finance (No. 2) Act, 2004 has come into force; and
- b. such transaction is chargeable to STT under that Chapter, the tax payable by the assessee on such short-term capital gains is at the rate of 20 per cent. In case of resident individuals and Hindu Undivided Families (‘HUFs’), where the total income as reduced by the short-term capital gains, is below the basic exemption limit, the short-term capital gains will be reduced to the extent of the shortfall and only the balance short-term capital gains will be subjected to the 20 per cent tax rate.

All categories of investors:

Units are held for less than 12 months	Tax Rates
Redemption before 23 July 2024	15%
Redemption on or after 23 July 2024	20%

Further, the above rates are to be increased by surcharge and health and education cess as mentioned in **Annexure-1a**

However, in case of Individuals and HUF (being a resident), where taxable income as reduced by short- term capital gains arising on sale of units of an equity-oriented fund is upto/ below the basic exemption limit, the short-term capital gains shall be reduced to the extent of the shortfall and only the balance short-term capital gains shall be subjected to the flat rate of income-tax

- **Minimum Alternate Tax / Alternate Minimum Tax**

Where, the income tax payable on the total income as computed under the Act is less than the tax computed at 15% of its book profits, then such book profits shall be deemed to be the total income of the company and the tax payable should be at the rate of 15% (plus applicable surcharge and cess on such book profits.

Where MAT has been paid, credit is available in subsequent financial years for the MAT paid in excess of income-tax payable in a financial year. This credit should be eligible to be carried forward for 15 years and set-off against future income-tax payable to the extent normal income-tax payable exceeds MAT in that financial year.

The taxable income on transfer of mutual fund units by a person other than company would be taken into account in computing the Adjusted Total Income and Alternate Minimum Tax, if any, under section 115JC of the Act. Section 115JC is applicable to all persons other than company which has claimed any deduction under Chapter VI-A under the heading “C-Deductions in respect of certain incomes” (other than section 80P), section 10AA and section 35AD.

The provisions of MAT shall not apply to a person who has exercised the alternate option referred to in section 115BAA and 115BAB.

- **Set off of capital losses: All unit holders**

Losses under the head capital gains cannot be set off against income under any other head. Furthermore, within the head capital gains, losses arising from the transfer of long-term capital assets cannot be adjusted against gains arising from the transfer of a short-term capital asset. However, losses arising from the transfer of short-term capital assets can be adjusted against gains arising from the transfer of either a long term or a short-term capital asset.

Unabsorbed long term capital losses can be carried forward and set off against the long-term capital gains arising in any of the subsequent eight assessment years. Unabsorbed short term capital losses can be carried forward and set off against the income under the head capital gains in any of the subsequent eight assessment years.

Each unit holder is advised to consult his/ her or its own professional tax advisor before claiming set off of long-term capital loss arising on sale/ repurchase of units of an equity-oriented fund referred to above, against long-term capital gains arising on sale of other assets

- **Tax Deduction at Source on Capital Gains**

- i. **Resident unit holders:** No income tax is deductible at source from income by way of capital gains under the provisions of the Act.
- ii. **Foreign Institutional Investors:** Under section 196D of the Act, no deduction shall be made from any income by way of capital gains, in respect of transfer of units referred to in section 115AD of the Act.
- iii. **Other Non-resident Unit holders:** In the case of a non-resident including foreign company: Long term capital gain arising on sale/transfer on units of equity oriented mutual funds on or after April 1st, 2018, will be taxable as per provision of section 112A of The Act and if such capital gain exceeding Rs. 1,25,000 p.a. and withholding will be applicable @12.5%. Income tax is deductible on short-term capital gains arising on sale/ transfer of units of equity oriented mutual funds at the rate of 20%.

An amendment has been brought about in the Act through the Finance (No.2) Act, 2009 to provide for applying a penal rate of TDS in case of payments to investors who do not furnish Permanent Account Number (PAN). The penal rate of TDS is 20% or any higher rate of TDS, as may be applicable under section 206AA of the Act. Further, Finance Act, 2016 provides that the above provisions shall not apply to a non-resident (not being a company), or to a foreign company subject to conditions as may be prescribed.

The CBDT, vide notification dated 24 June 2016 introduced Rule 37BC clarifying that the provisions of higher rate of tax prescribed under Section 206AA of the Act, shall not apply in respect of payments received by the non-residents (including foreign company) which are in nature of interest, royalty, fees for technical services, payments on transfer of any capital asset and dividend. The benefit of the same shall be available if the non-resident recipient furnishes the following details/ documents to the deductor:

- name, e-mail id, contact number;
- address in the country or specified territory outside India of which the deductee is a resident;
- a certificate of his being resident in any country or specified territory outside India from the government of that country or specified territory if the law of that country or specified territory provides for issuance of such certificate; and

- Tax identification number of the deductee in the country or specified territory of his residence and in case no such number is available, then a unique number on the basis of which the deductee is identified by the Government of that country or the specified territory of which he claims to be a resident.

- **Foreign Institutional Investors**

Long-term capital gain arising from sale/transfer on units of equity oriented mutual funds on or after April 1st, 2018, will be taxed @12.5% as per provision of section 112A of The Act if such capital gain exceeding Rs. 1,25,000 p.a.

Short-term capital gains arising on sale/ transfer of equity oriented mutual fund units held for a period of less than twelve months would be taxed at 20%..

- **Specified overseas financial organizations.**

Long-term capital gain arising on sale/transfer on units of equity oriented mutual funds on or after April 1st, 2018, will be taxed @12.5% as per provision of section 112A of The Act and if such capital gain exceeding Rs. 1,25,000 p.a.

Overseas financial organisation means any fund, institution, association or body, whether incorporated or not, established under the laws of a country outside India, which has entered into an arrangement for investment in India with any public sector bank or public financial institution or a mutual fund specified under clause (23D) of section 10 and such arrangement is approved by the Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, of 1992), for this purpose.

- **Equity Linked Savings Schemes**

Equity Linked Savings Schemes (ELSS) are Schemes formulated under the Equity Linked Savings Scheme, 2005 ('the Scheme'), issued by the Central Government.

Accordingly, any investment made by an assessee in the ELSS of the Fund up to a sum of Rs. 1,50,000/- in a financial year would qualify for deduction under section 80C of the Act. However, deduction u/s 80C will be available only if investor has opted for old tax regime.

The Scheme defines "assessee" to mean: —

- (i) an individual; or
- (ii) a Hindu undivided family; or
- (iii) an association of persons or a body of individuals consisting, in either case, only of husband and wife governed by the system of community of property in force in the State of Goa and Union Territories of Dadra and Nagar Haveli and Daman and Diu by whom, or on whose behalf, investment is made.

- **Tax Treaty**

Income tax is required to be deducted at source from the capital gains chargeable to tax under section 195 of the Act at the applicable rates. In the case of an assessee resident of a country with which a Double Tax Avoidance Agreement ('DTAA') is in force, the tax should be withheld as per provisions in the Act or as per the provisions in the DTAA whichever is more beneficial to the non-resident investor.

However, such a non-resident unit holder will be required to provide appropriate documents to the Fund i.e. Tax Residency Certificate, Electronic Form 10F and No Permanent Establishment & self-declaration certificate to be entitled to a beneficial rate under such DTAA.

As per Finance Act, 2012 a non-resident shall not be entitled to claim treaty benefits, unless the non-resident obtains a Tax Residency Certificate ('TRC') from their home country, containing such particulars as specified in notification no. 39/2012 dated September 17, 2012.

Further, The Central Board of Direct Taxes ('CBDT') has issued a notification no.3/2022 dated July 16th, 2022 amending the Income-tax Rules, 1962, prescribing the additional information required to be provided by a non-resident in Electronic Form No. 10F along with TRC to avail treaty benefits.

- **Exemptions from long-term capital gains**

The following deductions are available from Long-term Capital Gains arising on sale of Mutual Fund units, if the sale proceeds are invested in eligible avenues:

	Section 54F	Section 54EE
Eligible persons	Individual and HUFs	All assesses
Asset to be purchased to claim exemption	One Residential house Property in India	"long-term specified asset" means a unit or units, issued before the 1st day of April 2019, of such fund as may be notified by the Central Government in this behalf.'
Time-limit for purchase from date of sale of MF units	Purchase: 1 year before / 2 years after & Construction: 3 years forward	6 months
Amount Exempt	Capital gains proportionate to the investment made from the sale proceeds (subject to other conditions of owning / purchasing residential house mentioned in the section), However, as per the Finance Act, 2023, w.e.f 1 st April 2023, maximum amount eligible to claim as deduction would be Rs 10 Cr*.	Investment in the new asset or capital gain whichever is lower subject to maximum deduction of Rs. 50 Lakhs in a financial year. Further, such investment made during the financial year in which the original asset was transferred and in the subsequent financial year does not exceed Rs.50 lakhs
Lock-in period	3 years from sale of transfer of original asset	3 years from sale of transfer of original asset

*The Finance Act, 2023 limits the maximum deduction that can be claimed under section 54F of the Act to INR 10 crores, where the cost of new asset purchased more than INR 10 crore then the cost of such asset exceeding INR 10 crore should not be considered.

- **Gift-tax**

Gift of units of mutual fund would be subject to income-tax in the hands of the donee. As per section 56(2)(x), where any person receives any securities without any consideration (whose fair market value exceeds Rs. 50,000) or for inadequate consideration (where the difference between consideration paid and fair market value is more than Rs. 50,000), the excess is taxable as income in the hands of recipients.

Further the above provision of Section 56(2)(x) shall not apply to any units received by the donee:

- i. From any relative; or
- ii. On the occasion of the marriage of the individual; or
- iii. Under a will or by way of inheritance; or
- iv. In contemplation of death of the payer or donor, as the case may be; or
- v. From any local authority as defined in the Explanation to clause (20) of section 10 of the Act; or
- vi. From any fund or foundation or university or other educational institution or hospital or other medical institution or any trust or institution referred to in clause (23C) of section 10 of the Act; or
- vii. From any trust or institution registered under section 12AA of the Act; or
- viii. By any fund or trust or institution or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10; or
- ix. By way of transaction not regarded as transfer under clause i. or clause (iv) or clause (v) or clause (vi) or clause (via) or clause (viaa) or clause (vib) or clause (vic) or clause (vica) or clause (vicb) or clause (vid) or clause (vii) of section 47; or
- x. From an individual by a trust created or established solely for the benefit of relative of the individual.

a) In the case of an Individual -

- (ii) The spouse of the individual;
- (iii) The brother or sister of the individual;
- (iv) The brother or sister of the spouse of the individual;
- (v) The brother or sister of either of the parents of the individual;
- (vi) Any lineal ascendant or descendant of the individual;
- (vii) Any lineal ascendant or descendant of the spouse of the individual;
- (viii) The spouse of the person referred to in clauses (ii) to (vi), and

b) In case of a HUF, any member thereof

3) Taxation on investing in Other than Equity Oriented Mutual Fund Scheme

Mutual funds are not liable to pay distribution tax on the income distributed. However, it is liable to deduct TDS on the income distribution as per the provisions of the Act.

TAX IMPLICATIONS TO UNIT HOLDERS

Income-tax

- **Capital Gains Tax-Other mutual funds**

Such mutual fund schemes are other than equity oriented mutual fund schemes. With effect from 23 July 2024, a unit of a mutual fund (other than equity oriented mutual fund), held by the investor as a capital asset, is considered to be a short-term capital asset, if it is held for 24 months or less from the date of its acquisition by the unit holder. Accordingly, if the unit of a mutual fund (other than equity oriented mutual fund and SMF) is held for a period of more than 24 months, it is treated as a long-term capital asset.

- **Short-term capital gain**

Individuals (including NRI) and HUF

Short-term capital gains arising to individuals (including NRI) and HUFs are taxable on progressive basis, as given below:

Old regime:

Total income for a tax year	Tax
<= Rs. 2.5 lakhs	Nil (basic exemption limit#)
> Rs. 2.5 lakhs and <= Rs. 5 lakhs	5% of total income exceeding Rs. 2.5 lakhs
> Rs. 5 lakhs and <= Rs. 10 lakhs	Rs. 12,500/- plus 20% of amount exceeding Rs. 5 lakhs
> Rs. 10 lakhs	Rs. 1,12,500/- plus 30% of amount exceeding Rs. 10 lakhs

The basic exemption limit for resident individuals of the age of 60 years or more is 3 lac, for individuals of the age of 80 years or more (very senior citizens) is Rs 5 lakhs.

Rebate from tax upto Rs. 12,500 is available for a resident individual whose total income is below Rs. 5 lakhs.

New regime:

Alternatively, on satisfaction of certain prescribed conditions, an individual (resident/ non-resident) or HUF may opt to compute tax in respect of total income (without considering prescribed exemptions/ deductions) as follows:

Income	Tax
<= Rs. 4 lakhs	Nil (basic exemption limit#)
> Rs. 4 lakhs and <= Rs. 8 lakhs	5% of total income exceeding Rs. 4 lakhs
> Rs. 8 lakhs and <= Rs.12 lakhs	Rs. 20,000/- plus 10% of amount exceeding Rs.8 lakhs
> Rs. 12 lakhs and <= Rs. 16 lakhs	Rs. 60,000/- plus 15% of amount exceeding Rs.12 lakhs
> Rs. 16 lakhs and <= Rs.20 lakhs	Rs. 1,20,000/- plus 20% of amount exceeding Rs. 16 lakhs
> Rs. 20 lakhs and <= Rs.24 lakhs	Rs. 2,00,000/- plus 25% of amount exceeding Rs. 20 lakhs
> Rs. 24 lakhs	Rs. 3,00,000/- plus 30% of amount exceeding Rs. 24 lakhs

An individual/ HUF, having no business or professional income, can exercise his option of choosing tax regime, every year, based on his deductions.

An individual/ HUF, having income from business or professional, can exercise his option for the new tax regime, only once and the option once exercised for the previous year shall be valid for that previous year and all subsequent years.

The option can be withdrawn once in lifetime where it was exercised by the Individual/ HUF having business income in the previous year other than the year in which it was exercised except where Individual/ HUF ceases to have any business income.

Rebate from tax up to Rs. 60,000 is available for a resident individual whose total income is below Rs. 12 lakhs. Further, the concept of marginal rebate has been introduced under section 87A, if the total income marginally exceeds Rs. 12 lakhs.

The above tax rates shall be increased by surcharge and education cess, applicable as provided in **Annexure-1a**.

However, in case of such other non-resident unit holder who is a resident of a country with which

India has signed a DTAA (which is in force) income-tax is payable at the rate provided in the Act or the rate provided in the said agreement, whichever is more beneficial to such other non-resident unit holder.

For non-residents claiming such tax treaty benefits, it is mandatory to obtain a TRC from the home country tax authority. Further, the non-residents would also be required to furnish additional information in electronically filed Form no. 10F along with the TRC.

Where sale/ repurchase is made during the minority of the child, tax will be levied on either of the parents, whose income is greater, where the said income is not covered by the exception in the proviso to section 64(1A) of the Act. When the child attains majority, such tax liability will be on the child.

- **Domestic Company**

Particulars	Tax Rate
Alternate regime for Indian companies and domestic companies engaged in manufacturing activities (subject to certain conditions)	22%
Companies with Turnover <= Rs. 400 crores (turnover or gross receipts in FY 2023-24)	25%
Other Companies	30%

- **Resident local authority**

The tax rate applicable in case of local authority shall be 30%

Resident co-operative society

Short-term capital gains arising to a co-operative society (being resident) are taxable on progressive basis as given below:

Co-operative society	
Existing regime	
Income	Tax
< = Rs. 10,000	10%
> Rs. 10,000 and = < Rs. 20,000	Rs. 1,000/- plus 20% of amount exceeding Rs. 10,000
> Rs. 20,000	Rs. 3,000/- plus 30% of amount exceeding Rs. 20,000

For the co-operative societies opting for alternate tax regime or engaged in manufacturing activities, (subject to certain conditions) the tax rate shall be 22%.

- **Foreign Portfolio Investors (FPI)**

The tax rate applicable in case of FPI (including both corporate and non-corporate FPI) shall be 30%. However, in case of FPI unit holder who is a resident of a country with which India has signed a DTAA (which is in force) income tax is payable at the rate provided in the Act or the rate provided in the said agreement, whichever is more beneficial to such FPI unit holder subject to availability of requisite documents (i.e TRC, e-filed Form 10F).

- **Specified overseas financial organisations**

Each unit holder is advised to consult his/ her or its own professional tax advisor for application of tax rates on short- term capital gains arising on sale/ repurchase of such units (other than unit

of equity- oriented fund referred to above) purchased in foreign currency.

Particulars	Tax Rate (%)
Corporate	35
Non-corporates	30

However, in case of specified overseas financial organization unit holder who is a resident of a country with which India has signed a DTAA (which is in force) income tax is payable at the rate provided in the Act or the rate provided in the said agreement, whichever is more beneficial to such specified overseas financial organization unit holder subject to availability of requisite documents (i.e TRC, e-filed Form 10F).

- **Foreign corporate**

The tax rate applicable in case of Foreign Company shall be 35%.

The above tax rates for all the above categories shall be increased by surcharge and education cess, applicable as provided in **Annexure -1a**.

- **Long-term capital gains**

As per section 112 of the Act, long-term capital gain would be chargeable to tax at the rate of 12.5% (to be increased by applicable surcharge and health and education cess as mentioned in **Annexure -1a**).

However, in case of non-residents unit holder who is a resident of a country with which India has signed a DTAA (which is in force) income tax is payable at the rate provided in the Act or the rate provided in the said agreement, whichever is more beneficial to such unit holder.

The following amounts shall be deductible from the full value of consideration, to arrive at the amount of capital gains:

- Cost of acquisition of units, and
- Expenditure incurred wholly and exclusively in connection with such transfer.

In case of individuals and HUF (being a resident), where taxable income as reduced by long-term capital gains arising on sale of units (other than unit of an equity-oriented fund) is upto/ below the basic exemption limit, the long-term capital gains shall be reduced to the extent of the shortfall and only the balance long-term capital gains shall be subjected to the flat rate of income-tax.

- **Minimum Alternate Tax / Alternate Minimum Tax**

Where, the income tax payable on the total income as computed under the Act is less than the tax computed at 15% of its book profits, then such book profits shall be deemed to be the total income of the company and the tax payable should be at the rate of 15% (plus applicable surcharge and cess on such book profits).

Where MAT has been paid, credit is available in subsequent financial years for the MAT paid in excess of income-tax payable in a financial year. This credit should be eligible to be carried forward for 15 years and set-off against future income-tax payable to the extent normal income-tax payable exceeds MAT in that financial year.

The taxable income on transfer of mutual fund units by a person other than company would be taken into account in computing the Adjusted Total Income and Alternate Minimum Tax, if any, under section 115JC of the Act. Section 115JC is applicable to all persons other than company which has claimed any deduction under Chapter VI-A under the heading "C-Deductions in respect of certain incomes" (other than section 80P), section 10AA and section 35AD.

The provisions of MAT shall not apply to a person who has exercised the alternate option referred to in section 115BAA and 115BAB.

- **Set off of capital losses: All unit holders**

Losses under the head capital gains cannot be set off against income under any other head. Furthermore, within the head capital gains, losses arising from the transfer of long-term capital assets cannot be adjusted against gains arising from the transfer of a short-term capital asset. However, losses arising from the transfer of short-term capital assets can be adjusted against gains arising from the transfer of either a long term or a short-term capital asset.

Unabsorbed long term capital losses can be carried forward and set off against the long-term capital gains arising in any of the subsequent eight assessment years. Unabsorbed short term capital losses can be carried forward and set off against the income under the head capital gains in any of the subsequent eight assessment years.

Each unit holder is advised to consult his/ her or its own professional tax advisor before claiming set off of long-term capital loss arising on sale/ repurchase of units of an equity-oriented fund referred to above, against long-term capital gains arising on sale of other assets

- **Tax deduction at source on capital gains**

Domestic unit holders

No income-tax is deductible at source from income by way of capital gain under the provisions of the Act and as per circular no. 715 dated August 8, 1995 issued by the CBDT.

- **Foreign Portfolio Investors (FPI)**

Under section 196D of the Act, no deduction shall be made from any income by way of capital gains, in respect of transfer of units referred to in Section 115AD of the Act.

- **Specified overseas financial organisations**

Long-term capital gain

As per section 196B of the Act, income-tax is deductible on long-term capital gains arising on sale / repurchase of such units purchased in foreign currency, at the rate of 12.5% for both corporate and non- corporate:

Short-term capital gain

Income-tax is deductible on short-term capital gains arising on sale/ repurchase of such units such units purchased in foreign currency at the rates mentioned in table below.

Particulars	Tax Rate (%)
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Corporate	35
Non-Corporate	30

- **Other non-resident unit holders**

Long-term capital gains

Part II of the First Schedule to the Finance Act, 2015, provides for deduction of tax at source on long- term capital gain arising on sale/ repurchase of units at the rates of 12.5%.

Short-term capital gain

Tax is deductible on short-term capital gains arising on sale/ repurchase of units at the marginal rates, viz. at the rates mentioned in table below.

Particulars	Tax Rate (%)
Corporate	35
Non-Corporate	30

The above tax rates for all the above categories shall be increased by surcharge and education cess, applicable as provided in **Annexure- 1a**.

In case of non-resident unit holders who opt for the dematerialised form of the scheme, at the time of maturity of the scheme, where applicable, tax will be deducted at source based on tax status of the investor downloaded from his/ her depository account on the gross consideration payable by the fund, prior to remittance of the amount due to the unit holders. In the case of applicants who opt for account statement form of the scheme, at the time of maturity of the scheme, where applicable, tax will be deducted at source by the fund on the capital gains prior to remittance of the amount due to the unit holders.

In case of non-resident unit holder who is a resident of a country with which India has signed a DTAA (which is in force) the tax should be deducted at source under section 195 of the Act at the rate provided in the Finance Act of the relevant year or the rate provided in the said agreement, whichever is more beneficial to such non-resident unit holder.

For non-residents claiming such tax treaty benefits, it is mandatory to obtain a TRC from the home country tax authority. Further, the non-residents would also be required to furnish additional information in electronically filed Form no. 10F along with the TRC. If the non-resident unit holder produces a nil or lower withholding certificate from the income tax authorities, then tax shall be deducted at such rates mentioned in the certificate during the validity of the certificate.

An amendment has been brought about in the Act through the Finance (No.2) Act, 2009 to provide for applying a penal rate of TDS in case of payments to investors who do not furnish PAN. The penal rate of TDS is 20% or any higher rate of TDS, as may be applicable under section 206AA of the Act. Further, Finance Act, 2016 provides that the above provisions shall not apply to a non-resident (not being a Company), or to a foreign company subject to conditions as may be prescribed.

The CBDT, vide notification dated 24 June 2016 introduced Rule 37BC clarifying that the provisions of higher rate of tax prescribed under Section 206AA of the Act, shall not apply in

respect of payments received by the non-residents (including foreign company) which are in nature of interest, royalty, fees for technical services, payments on transfer of any capital asset and dividend. The benefit of the same shall be available if the non-resident recipient furnishes the following details/ documents to the deductor:

- name, e-mail id, contact number;
- address in the country or specified territory outside India of which the deductee is a resident;
- a certificate of his being resident in any country or specified territory outside India from the Government of that country or specified territory if the law of that country or specified territory provides for issuance of such certificate; and
- Tax identification number of the deductee in the country or specified territory of his residence and in case no such number is available, then a unique number on the basis of which the deductee is identified by the Government of that country or the specified territory of which he claims to be a resident.

Further, as per Rule 114AAA, in the case of a resident person, whose PAN has become inoperative due to PAN Aadhaar not being linked, it shall be deemed that he has not furnished the PAN and section 206AA shall be applicable for not furnishing the PAN with effect from 1 July 2023. A penalty has been introduced for not linking Aadhaar with PAN till 31 March 2022. In case Aadhaar has been linked with PAN post 30 June 2022, the penalty shall be Rs. 1,000.

For benefits available under section 54 of the Act, each Investor/ Unit holder is advised to consult his/ her or its own professional tax advisor.

Compliance with Foreign Accounts Tax Compliance Act (FATCA') and Common Reporting Standards ('CRS') requirements:

FATCA and CRS requirements may require disclosure regarding your investment in the units of the Scheme.

Investors are further informed that the AMC/ Fund are required to adhere to various requirements inter alia including submission of various information/ details relating to the investors in the schemes of the mutual fund, to authorities/third parties including the U.S Internal Revenue Service ('IRS') or the Indian tax authorities, for the purpose of onward transmission to the U.S. IRS or such other authority as specified under the applicable laws from time to time. The information disclosed may include (but is not limited to) the identity of investors and their direct or indirect beneficiaries, beneficial owners and controlling persons, their residential status/ details. Accordingly, investors are requested to provide all the necessary information/ declarations and to comply with any reasonable request from the AMC/ Fund to allow the AMC/ Fund to comply with such information reporting requirements.

Accordingly, all new investors are mandatorily required to provide FACTA/ CRS declaration effective November 01, 2015. Any application form provided without these details shall be rejected.

Further, for all new accounts opened between September 01, 2015 to October 31, 2015, the Fund shall request that FACTA/ CRS declaration be provided by such investors on or before December 31, 2015, in absence of which the said account shall be treated as reportable account.

The application form for FACTA/ CRS self-declaration is also available on our website <https://www.licmf.com>

FATCA Disclosure Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the U.S Internal Revenue Code of 1986 ('FATCA') impose a new reporting regime and, potentially, a 30% withholding tax with respect to certain payments to and by certain non- U.S financial institutions [foreign financial institutions', or 'FFIs' (as defined by FATCA)]. The AMC/Fund will be classified as an FFI.

The United States and India have entered into an intergovernmental agreement (the 'IGA') with respect to FATCA. Pursuant to the IGA, the AMC/ Fund expects not to be subject to withholding under FATCA on any payments it receives. Further, the AMC/ Fund expects not to be required to withhold under FATCA from payments it makes. Under the IGA the AMC/ Fund may be required to report certain information in respect of its investors to third parties, including the U.S IRS or the Indian tax authorities, for the purpose of onward transmission to the U.S. IRS. The information disclosed may include (but is not limited to) the identity of investors and their direct or indirect beneficiaries, beneficial owners and controlling persons. An investor will therefore be required to comply with any reasonable request from the AMC/ Fund for such information, to allow the AMC/ Fund to comply with such information reporting requirements. Prospective investors should refer to the SAI/ SID for further information.

TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230 AND SUCH OTHER APPLICABLE LAWS, EACH TAXPAYER IS HEREBY NOTIFIED THAT:

- a) ANY TAX DISCUSSION HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY THE TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL INCOME TAX PENALTIES OR ANY OTHER AUTHORITY THAT MAY BE IMPOSED ON THE TAXPAYER.
- b) ANY SUCH TAX DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND
- c) THE TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Annexure-1a

Type of person	Surcharge (%)
Foreign company (income not exceeding Rs. 1 crore in a year)	NIL
Foreign company (income exceeding Rs. 1 crore, but upto Rs. 10 crores in a year)	2*
Foreign company (income exceeding Rs. 10 crores in a year)	5*
Domestic company (income not exceeding Rs. 1 crore in a year)	NIL
Domestic company (income exceeding Rs. 1 crore, but upto Rs. 10 crores in a year)	7*
Domestic company (income exceeding Rs. 10 crores in a year)	12*
Individuals, HUFs, AOP or BOI, whether incorporated or not, and artificial juridical person with income not exceeding Rs. 50 lakhs	NIL*
Individuals, HUFs, AOP or BOI, whether incorporated or not, artificial juridical person and Non-corporate FPI for income exceeding Rs. 50 lakhs but upto Rs. 1 crore	10*
Individuals, HUFs, AOP or BOI, whether incorporated or not, artificial juridical person and Non-corporate FPI for income exceeding Rs. 1 crore but upto Rs. 2 crore	15*
Individuals, HUFs, AOP or BOI, whether incorporated or not, artificial juridical person and Non-corporate FPI for income exceeding Rs. 2 crore but upto Rs. 5 crores However, <ul style="list-style-type: none"> - Enhanced surcharged as introduced in Finance (No. 2) Act, 2019 shall not apply on income under the provisions of section 111A, 112 and 112A of the Act. - The enhanced surcharge shall not apply to capital gains arising on sale of any security including derivatives, debentures, bonds, etc. in the hands of FPI. - The enhanced surcharge shall not apply to dividend income. - The enhanced surcharge shall not apply to AOP consisting of only companies as its members. Hence, the maximum rate of surcharge on tax payable on such incomes shall be 15%.	25*
Individuals, HUFs, AOP or BOI, whether incorporated or not, artificial juridical person and Non-corporate FPI for income exceeding Rs. 5 crores However, <ul style="list-style-type: none"> - The enhanced surcharge shall not apply in case the assessee opts to pay tax as the new regime under section 115BAC of the Act. - Enhanced surcharged as introduced in Finance (No. 2) Act, 2019 shall not apply on income under the provisions of section 111A, 112 and 112A of the Act. - The enhanced surcharge shall not apply to dividend income. - The enhanced surcharge shall not apply to capital gains arising on sale of any security including derivatives, debentures, bonds, etc. in the hands of FPI. - The enhanced surcharge shall not apply to AOP consisting of only companies as its members. - The enhanced surcharge shall not apply to dividend income received by FPIs. Hence, the maximum rate of surcharge on tax payable on such incomes shall be 15%. 	37*
Co-operative society, local authority and firms (including LLP) for income not exceeding Rs. 1 crore and not opting to be taxed under section 115BAD and section 115BAE	NIL*
Co-operative society for income exceeding Rs. 1 crore but not exceeding Rs. 10 crores	7*
Co-operative society for income exceeding Rs. 10 crores	12*
Local authority and firms (including LLP) for income exceeding Rs. 1 crore	12*
Companies/ co-operative societies opting for alternate regime or engaged in manufacturing activities (section 115BAA, section 115BAB, section 115BAD, section	10*

115BAE)	
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*An additional surcharge, by way of health and education cess, is payable at the rate of 4% on the amount of tax payable plus surcharge, if any, as calculated above.

However, in case of non-resident investor (including FPI) who is a resident of a country with which India has signed a DTAA (which is in force), income tax is payable at the rate provided in the Act or the rate provided in the said agreement, whichever is more beneficial to such non-resident investor.

For non-residents claiming such tax treaty benefits, it is mandatory to obtain a TRC from the home country tax authority. Further, the non-residents would also be required to furnish additional information in electronically filed Form no. 10F along with the TRC. The investors should obtain specific advice from their tax advisors regarding the availability of the tax treaty benefits.

Annexure 4

YEAR	Name of the Company	Particulars	Transaction type	Scheme Name	Quantity (Nos.)	Grand Total (in Rs. Crs)
2022-2023	ACC Ltd.	Equity	BUY	LIC MF Arbitrage Fund	14,750.00	3,39,91,235.90
				LIC MF ETF-Nifty 100	81.00	1,76,628.50
				LIC MF Infrastructure Fund	54.00	1,16,143.65
			SELL	LIC MF Nifty 100 ETF	103.00	2,54,746.30
				LIC MF Arbitrage Fund	9,500.00	2,09,75,592.56
				LIC MF ETF-Nifty 100	56.00	1,24,476.35
2022-2023	Ambuja Cements Ltd.	Equity	BUY	LIC MF Infrastructure Fund	5,324.00	1,13,57,594.05
				LIC MF Nifty 100 ETF	117.00	2,60,027.90
				LIC MF Arbitrage Fund	39,600.00	1,99,80,424.18
			SELL	LIC MF Nifty 100 ETF	3,430.00	14,94,707.88
				LIC MF Arbitrage Fund	39,600.00	1,51,60,934.90
				LIC MF Nifty 100 ETF	4,793.00	21,37,889.13
2022-2023	Bharat Heavy Electricals Ltd.	Equity	BUY	LIC MF Arbitrage Fund	5,35,500.00	3,07,35,911.95
				LIC MF Nifty 100 ETF	3,57,000.00	1,84,07,260.80
				LIC MF Arbitrage Fund	58,800.00	1,20,18,241.70
			SELL	LIC MF ETF-Nifty 100	1,463.00	2,79,527.22
				LIC MF ETF-Nifty 50	2,405.00	4,64,441.08
				LIC MF Index Fund-Nifty Plan	2,906.00	5,38,973.64
2022-2023	Coal India Ltd.	Equity	BUY	LIC MF Nifty 100 ETF	592.00	1,19,551.83
				LIC MF Nifty 50 ETF	980.00	2,11,150.86
				LIC MF Nifty 50 Index Fund	1,492.00	3,12,966.87
				LIC MF Arbitrage Fund	58,800.00	1,18,40,711.16
				LIC MF ETF-Nifty 100	812.00	1,52,058.56
				LIC MF ETF-Nifty 50	2,103.00	3,92,093.14
				LIC MF Index Fund-Nifty Plan	1,242.00	2,31,682.26
				LIC MF Nifty 100 ETF	1,985.00	4,38,554.71
				LIC MF Nifty 50 ETF	281.00	57,046.29
			SELL	LIC MF Nifty 50 Index Fund	1,159.00	2,48,598.97
				LIC MF Arbitrage Fund	3,000.00	80,88,249.23
				LIC MF ETF-Nifty 100	145.00	3,78,302.05
				LIC MF ETF-Nifty 50	233.00	5,85,320.25
				LIC MF Index Fund-Nifty Plan	175.00	4,42,768.90
				LIC MF Nifty 100 ETF	137.00	3,83,363.40
				LIC MF Nifty 50 ETF	264.00	7,37,797.85
				LIC MF Nifty 50 Index Fund	89.00	2,50,294.15
				LIC MF Arbitrage Fund	3,000.00	81,47,018.90
2022-2023	Hero MotoCorp Ltd.	Equity	BUY	LIC MF ETF-Nifty 100	99.00	2,60,476.90
				LIC MF ETF-Nifty 50	206.00	5,55,496.05
				LIC MF Index Fund-Nifty Plan	80.00	1,98,055.40
				LIC MF Nifty 100 ETF	174.00	4,85,599.00
				LIC MF Nifty 50 ETF	174.00	4,86,597.85
				LIC MF Nifty 50 Index Fund	66.00	1,84,263.15
		SELL	BUY	LIC MF Banking & PSU Debt Fund	50,00,000.00	49,65,03,500.00
				LIC MF Liquid Fund	3,00,00,000.00	2,97,90,21,000.00
			SELL	LIC MF Banking & PSU Debt Fund	25,00,000.00	24,89,22,000.00
				LIC MF Arbitrage Fund	1,85,250.00	1,34,87,279.70
				LIC MF Nifty 100 ETF	396.00	29,496.86
				LIC MF Arbitrage Fund	29,250.00	21,37,398.05
2022-2023	Indian Oil Corporation Ltd.	Commercial Paper	BUY	LIC MF Nifty 100 ETF	414.00	29,774.26
				LIC MF Nifty 50 Index Fund	38,400.00	1,00,34,357.04
				LIC MF Balanced Advantage Fund	31,758.00	84,31,183.03
		Equity	BUY	LIC MF ETF-Nifty 100	10,429.00	28,00,972.02
				LIC MF ETF-Nifty 50	9,183.00	25,37,528.82
				LIC MF ETF-Sensex	22,528.00	59,75,458.33
				LIC MF Flexi Cap Fund	1,89,687.00	5,36,61,245.49
				LIC MF Index Fund-Nifty Plan	11,961.00	31,69,517.09
				LIC MF Index Fund-Sensex Plan	7,344.00	19,49,654.77
				LIC MF Nifty 100 ETF	4,300.00	12,69,229.31
				LIC MF Nifty 50 ETF	18,671.00	56,97,106.27
				LIC MF Nifty 50 Index Fund	5,475.00	16,78,045.44
				LIC MF S & P BSE Sensex ETF	9,657.00	29,44,120.96
				LIC MF S & P BSE Sensex Index Fund	2,557.00	7,88,352.89
				LIC MF Tax Plan	53,217.00	1,71,08,037.22
			SELL	LIC MF Arbitrage Fund	38,400.00	1,02,60,534.64
				LIC MF Balanced Advantage Fund	1,19,896.00	3,58,66,122.49
				LIC MF ETF-Nifty 100	6,514.00	17,37,048.87
				LIC MF ETF-Nifty 50	7,279.00	19,51,125.51
				LIC MF ETF-Sensex	24,638.00	65,52,892.37
				LIC MF Index Fund-Nifty Plan	4,860.00	12,97,938.00
				LIC MF Index Fund-Sensex Plan	3,092.00	8,16,993.31
				LIC MF Nifty 100 ETF	15,024.00	46,28,851.06
				LIC MF Nifty 50 ETF	22,551.00	68,94,686.11
				LIC MF Nifty 50 Index Fund	4,383.00	13,64,788.08
				LIC MF S & P BSE Sensex ETF	18,389.00	58,37,735.09
				LIC MF S & P BSE Sensex Index Fund	3,945.00	12,20,642.52
2022-2023	Larsen & Toubro Ltd.	Commercial Paper	BUY	LIC MF Liquid Fund	3,00,00,000.00	2,97,33,92,000.00
				LIC MF Overnight Fund	1,00,00,000.00	99,98,63,500.00
		Corporate Bonds / Debentures	BUY	LIC MF Short Term Debt Fund	15,00,000.00	15,17,30,325.30
				LIC MF Short Term Debt Fund	15,00,000.00	15,28,59,861.00
			SELL	LIC MF Arbitrage Fund	6,625.00	1,02,87,531.88
				LIC MF Balanced Advantage Fund	58,353.00	10,93,18,430.10
				LIC MF ETF-Nifty 100	982.00	15,50,631.65
				LIC MF ETF-Nifty 50	1,967.00	30,97,027.38
				LIC MF ETF-Sensex	3,916.00	62,56,511.82
				LIC MF Flexi Cap Fund	26,145.00	4,46,96,415.88
				LIC MF Index Fund-Nifty Plan	1,620.00	26,05,965.02
				LIC MF Index Fund-Sensex Plan	1,222.00	19,95,491.75
				LIC MF Infrastructure Fund	137.00	2,08,362.75
				LIC MF Nifty 100 ETF	133.00	2,34,144.10
				LIC MF Nifty 50 ETF	1,111.00	19,72,029.35
				LIC MF Nifty 50 Index Fund	863.00	15,54,985.35
				LIC MF S & P BSE Sensex ETF	1,170.00	20,49,088.95
				LIC MF S & P BSE Sensex Index Fund	318.00	5,73,339.15
				LIC MF Tax Plan	26,351.00	4,51,53,366.95
			BUY	LIC MF Arbitrage Fund	10,075.00	1,66,86,654.01
				LIC MF ETF-Nifty 100	648.00	10,80,443.84
				LIC MF ETF-Nifty 50	1,269.00	20,01,552.16
				LIC MF ETF-Sensex	4,173.00	66,35,034.88
				LIC MF Index Fund-Nifty Plan	626.00	10,22,656.91
				LIC MF Index Fund-Sensex Plan	527.00	8,22,792.60
				LIC MF Nifty 100 ETF	1,807.00	29,93,540.22
				LIC MF Nifty 50 ETF	1,942.00	35,07,696.98
				LIC MF Nifty 50 Index Fund	727.00	13,32,418.70
				LIC MF S & P BSE Sensex ETF	2,224.00	41,92,641.57
				LIC MF S & P BSE Sensex Index Fund	431.00	7,76,341.40

2022-2023	Life Insurance Corporation of India	Equity	BUY	LIC MF Balanced Advantage Fund	77,342.00	6,85,68,704.66
				LIC MF Banking and Financial Ser Fund	2,776.00	26,34,424.00
				LIC MF Banking and Financial Services Fund	12,282.00	80,76,809.62
				LIC MF Equity Hybrid Fund	10,765.00	1,02,15,985.00
				LIC MF Flexi Cap Fund	24,257.00	1,92,60,738.03
				LIC MF Large & Mid Cap Fund	83,487.00	6,85,31,172.32
			SELL	LIC MF Large Cap Fund	53,725.00	3,95,49,046.12
				LIC MF Nifty 100 ETF	15,723.00	1,03,05,987.76
				LIC MF Tax Plan	24,602.00	1,93,11,289.32
				LIC MF Unit Linked Insurance Sch(ULIS)	20,509.00	1,94,63,041.00
				LIC MF Balanced Advantage Fund	77,342.00	4,74,81,614.98
				LIC MF Banking and Financial Ser Fund	17.00	11,541.85
				LIC MF Banking and Financial Services Fund	15,041.00	1,06,90,333.86
				LIC MF Equity Hybrid Fund	10,765.00	65,02,149.59
				LIC MF Flexi Cap Fund	24,257.00	1,52,96,938.39
				LIC MF Large & Mid Cap Fund	83,487.00	5,53,47,727.08
				LIC MF Large Cap Fund	53,725.00	3,51,13,472.05
				LIC MF Nifty 100 ETF	4,215.00	23,14,711.79
				LIC MF Tax Plan	24,602.00	1,60,95,559.45
				LIC MF Unit Linked Insurance Sch(ULIS)	20,509.00	1,22,85,187.98
2022-2023	NMDC Ltd.	Equity	BUY	LIC MF Arbitrage Fund	1,80,900.00	2,04,65,655.49
				LIC MF ETF-Nifty 100	539.00	72,671.29
			SELL	LIC MF Nifty 100 ETF	253.00	27,586.36
				LIC MF Arbitrage Fund	1,77,550.00	2,05,52,068.98
2022-2023	NTPC Ltd.	Commercial Paper	BUY	LIC MF ETF-Nifty 100	904.00	1,25,851.82
				LIC MF Nifty 100 ETF	70,866.00	81,95,422.45
		Equity	BUY	LIC MF Banking & PSU Debt Fund	75,00,000.00	74,79,13,498.00
				LIC MF Liquid Fund	1,00,00,000.00	98,73,96,000.00
				LIC MF ETF-Nifty 100	13,348.00	20,40,326.76
				LIC MF ETF-Nifty 50	20,116.00	30,36,472.32
				LIC MF ETF-Sensex	20,145.00	30,70,663.00
				LIC MF Index Fund-Nifty Plan	6,215.00	9,54,078.68
				LIC MF Index Fund-Sensex Plan	4,693.00	7,08,576.62
			SELL	LIC MF Balanced Advantage Fund	2,10,665.00	3,22,36,545.64
				LIC MF ETF-Nifty 100	4,380.00	6,61,230.38
				LIC MF ETF-Nifty 50	9,790.00	14,15,953.47
				LIC MF ETF-Sensex	13,815.00	19,37,362.43
				LIC MF Index Fund-Nifty Plan	2,317.00	3,55,463.87
				LIC MF Index Fund-Sensex Plan	2,680.00	4,10,523.77
2022-2023	Oil & Natural Gas Corporation Ltd.	Equity	SELL	LIC MF Index Fund-Nifty Plan	514.00	88,362.53
2022-2023	Small Industries Development Bk of India	Commercial Paper	BUY	LIC MF Liquid Fund	4,00,00,000.00	3,94,83,94,991.00
			SELL	LIC MF Liquid Fund	1,00,00,000.00	99,07,85,000.00
		Corporate Bonds / Debentures	BUY	LIC MF Banking & PSU Debt Fund	1,50,00,000.00	1,52,55,18,377.10
			SELL	LIC MF Short Term Debt Fund	15,00,000.00	15,00,88,300.70

YEAR	Name of the Company	Particulars	Transaction type	Scheme Name	Quantity (Nos.)	Grand Total (In Rs. Crs)
2023-2024	GIC Housing Finance Ltd.	Commercial Paper	BUY	LIC MF Liquid Fund	65,00,000.00	64,54,96,296.00
				LIC MF Overnight Fund	50,00,000.00	49,99,08,500.00
2023-2024	LIC Housing Finance Ltd.	Commercial Paper	BUY	LIC MF Overnight Fund	50,00,000.00	49,99,07,500.00
		Corporate Bonds / Debentures	BUY	LIC MF Low Duration Fund	25,00,000.00	25,69,95,780.20
		Equity	BUY	LIC MF Arbitrage Fund	4,000.00	15,81,655.60
				LIC MF Nifty Midcap 100 ETF	73,051.00	4,64,40,071.19
			SELL	LIC MF Arbitrage Fund	4,000.00	15,41,516.00
				LIC MF Nifty Midcap 100 ETF	1,040.00	6,36,104.64
2023-2024	Life Insurance Corporation of India	Equity	BUY	LIC MF Nifty 100 ETF	4,439.00	28,68,781.57
				LIC MF Nifty Next 50 Index Fund	1,787.00	11,90,196.38
			SELL	LIC MF Nifty 100 ETF	2,318.00	20,23,495.43
				LIC MF Nifty Next 50 Index Fund	2,055.00	17,25,529.77
2023-2024	The India Cements Ltd.	Equity	BUY	LIC MF Arbitrage Fund	66,700.00	1,32,71,758.91
			SELL	LIC MF Arbitrage Fund	20,300.00	38,31,992.13
2023-2024	Union Bank of India	Equity	BUY	LIC MF Balanced Advantage Fund	10,39,010.00	9,76,78,662.78
				LIC MF Banking and Financial Services Fund	2,31,081.00	2,00,00,060.55
				LIC MF Dividend Yield Fund	12,461.00	16,90,334.65
				LIC MF Equity Savings Fund	11,306.00	10,08,233.20
				LIC MF Flexi Cap Fund	4,87,083.00	4,33,80,752.95
				LIC MF Nifty Midcap 100 ETF	4,66,372.00	6,57,23,666.44
				LIC MF Value Fund	1,14,942.00	1,05,41,060.15
				LIC MF Balanced Advantage Fund	10,39,010.00	11,29,50,277.00
			SELL	LIC MF Banking and Financial Services Fund	2,31,081.00	2,38,18,444.38
				LIC MF Dividend Yield Fund	12,461.00	19,37,022.73
				LIC MF Equity Savings Fund	11,306.00	12,15,079.50
				LIC MF Flexi Cap Fund	4,87,083.00	5,00,44,833.33
				LIC MF Nifty Midcap 100 ETF	9,014.00	13,83,526.80
				LIC MF Value Fund	1,14,942.00	1,27,00,907.89

YEAR	Name of the Company	Particulars	Transaction type	Scheme Name	Quantity (Nos.)	Grand Total (In Rs. Crs)
2024-2025	GIC Housing Finance Ltd.	Commercial Paper	BUY	LIC MF Liquid Fund	1,50,00,000.00	1,49,94,04,500.00
		Corporate Bonds / Debentures		LIC MF Low Duration Fund	50,00,000.00	50,00,00,000.00
2024-2025	LIC Housing Finance Ltd.	Commercial Paper	BUY	LIC MF Liquid Fund	5,00,00,000.00	4,97,20,82,000.00
			SELL	LIC MF Liquid Fund	3,00,00,000.00	2,99,94,63,000.00
		Corporate Bonds / Debentures	BUY	LIC MF Low Duration Fund	70,00,000.00	70,46,48,908.80
				LIC MF Ultra Short Duration Fund	5,00,000.00	5,24,35,124.80
				LIC MF Short Duration Fund	5,00,000.00	4,98,21,950.00
			SELL	LIC MF Low Duration Fund	95,00,000.00	97,21,11,734.40
				LIC MF Ultra Short Duration Fund	5,00,000.00	5,27,94,941.80
				LIC MF Arbitrage Fund	27,000.00	1,51,39,095.20
		Equity	BUY	LIC MF Nifty Midcap 100 ETF	11,955.00	94,87,037.83
				LIC MF Arbitrage Fund	6,000.00	38,77,535.00
			SELL	LIC MF Nifty Midcap 100 ETF	6,297.00	41,43,818.13
2024-2025	Life Insurance Corporation of India	Equity	BUY	LIC MF Nifty 100 ETF	1,675.00	15,93,813.38
				LIC MF Nifty Next 50 Index Fund	7,111.00	64,21,133.25
			SELL	LIC MF Nifty 100 ETF	3,472.00	34,29,949.31
				LIC MF Nifty Next 50 Index Fund	978.00	9,49,059.45
2024-2025	Union Bank of India	Equity	BUY	LIC MF Nifty 100 ETF	1,07,109.00	1,31,02,699.06
				LIC MF Nifty Midcap 100 ETF	5,69,491.00	7,19,29,520.91
				LIC MF Nifty Next 50 Index Fund	78,492.00	94,34,696.59
			SELL	LIC MF Nifty 100 ETF	1,07,109.00	1,33,07,072.21
				LIC MF Nifty Midcap 100 ETF	5,30,107.00	6,50,64,110.87

2024-2025	Larsen & Toubro Ltd.	Commercial Paper	BUY	LIC MF Liquid Fund	5,50,00,000.00	5,49,54,42,495.00								
				LIC MF Low Duration Fund	2,00,000.00	1,99,89,420.00								
				LIC MF Overnight Fund	23,00,000.00	22,98,78,330.00								
		Larsen & Toubro Ltd.	Corporate Bonds / Debentures	SELL	LIC MF Liquid Fund	2,50,00,000.00	2,49,86,15,000.00							
					LIC MF Ultra Short Duration Fund	25,00,000.00	25,92,42,578.70							
					LIC MF Low Duration Fund	50,00,000.00	51,90,61,390.70							
			Larsen & Toubro Ltd.	Equity	SELL	LIC MF Ultra Short Duration Fund	25,00,000.00	26,11,27,460.40						
						LIC MF Arbitrage Fund	16,800.00	5,92,66,887.94						
						LIC MF Balanced Advantage Fund	37,288.00	12,69,95,379.18						
					Larsen & Toubro Ltd.	Equity	BUY	LIC MF Equity Savings Fund	508.00	18,51,152.75				
								LIC MF Nifty 100 ETF	1,385.00	46,91,484.62				
								LIC MF Large Cap Fund	18,749.00	6,82,71,616.76				
								LIC MF Nifty 50 Index Fund	1,231.00	42,98,373.76				
								LIC MF BSE Sensex Index Fund	1,076.00	38,41,712.10				
								LIC MF Nifty 50 ETF	6,334.00	2,18,29,077.93				
								LIC MF BSE Sensex ETF	4,859.00	1,66,32,085.93				
								LIC MF Children's Fund	470.00	17,02,702.60				
								LIC MF Infrastructure Fund	23,420.00	8,43,91,036.84				
								LIC MF Multi Asset Allocation Fund	24,885.00	8,16,98,021.20				
								LIC MF Arbitrage Fund	22,800.00	8,43,34,294.37				
								LIC MF Balanced Advantage Fund	120.00	4,23,467.60				
							BUY	LIC MF Dividend Yield Fund	9,471.00	3,32,11,874.25				
								LIC MF Equity Savings Fund	302.00	10,57,659.11				
								LIC MF Nifty 100 ETF	1,753.00	61,96,876.10				
								LIC MF Large Cap Fund	56,679.00	19,72,37,296.99				
								LIC MF Nifty 50 Index Fund	1,453.00	52,13,174.65				
								LIC MF BSE Sensex Index Fund	969.00	34,67,960.46				
								LIC MF Nifty 50 ETF	6,958.00	2,48,90,631.35				
								LIC MF BSE Sensex ETF	10,900.00	3,66,36,483.39				
								LIC MF Children's Fund	867.00	29,99,769.33				
								LIC MF Aggressive Hybrid Fund	384.00	14,23,182.76				
								2024-2025	IDBI Bank Ltd.	Equity	BUY	LIC MF Nifty Midcap 100 ETF	22,054.00	20,05,912.12
											SELL	LIC MF Nifty Midcap 100 ETF	1,50,751.00	1,16,75,590.49
2024-2025	Lemon Tree Hotels Ltd.						Equity	BUY	LIC MF Small Cap Fund	1,45,886.00	1,89,99,017.47			
								SELL	LIC MF Small Cap Fund	11,707.00	13,57,684.20			
2024-2025	ITC Ltd.						Equity	BUY	LIC MF Arbitrage Fund	8,000.00	35,96,630.40			
		LIC MF Balanced Advantage Fund							50,809.00	2,05,73,814.00				
		LIC MF Nifty 100 ETF							7,030.00	28,39,569.95				
		LIC MF Nifty 50 Index Fund							3,419.00	13,65,591.83				
		LIC MF BSE Sensex Index Fund	2,714.00	11,45,517.18										
		LIC MF Nifty 50 ETF	7,213.00	30,24,926.67										
		SELL	LIC MF BSE Sensex ETF	19,667.00				80,72,740.33						
			LIC MF Dividend Yield Fund	96,730.00	4,25,61,200.00									
			LIC MF Nifty 50 Index Fund	2,455.00	10,04,995.00									
			LIC MF Nifty 50 ETF	7,396.00	30,27,745.20									
			LIC MF BSE Sensex ETF	62,481.00	2,56,29,750.01									
			LIC MF Aggressive Hybrid Fund	2,44,552.00	10,74,44,573.27									
			LIC MF Large & Mid Cap Fund	6,72,927.00	29,55,95,299.63									

LIST OF ADDENDUMS TO STATEMENT OF ADDITIONAL INFORMATION (SAI)

Date of Addendum	Particulars
9 th July 2025	Appointment of Mr. Dinesh Pant as Associate Director on the Board of LIC Mutual Fund Trustee Private Limited



LIC Mutual Fund Asset Management Limited
(Investment Managers to LIC Mutual Fund)
CIN No: U67190MH1994PLC077858

Registered Office: Industrial Assurance Bldg. 4th Floor, Opp. Churchgate Station, Mumbai – 400 020
Tel.No.022-66016000 Toll Free No. 1800 258 5678 Fax No.022-66016191
Email: service_licmf@kfintech.com Website: www.licmf.com

NOTICE-CUM-ADDENDUM NO. 25 of 2025-2026

Notice cum Addendum to Scheme Information Document (SID) and Key Information Memorandum (KIM) of the existing Schemes and Statement of Additional Information (SAI) of LIC Mutual Fund

1. Appointment of Associate Director on the Board of LIC Mutual Fund Trustee Private Limited (“Trustee”)

Investors / Unitholders are requested to note that Mr. Dinesh Pant (**DIN: 11134993**) has been appointed as an Associate Director on the Board of LIC Mutual Fund Trustee Private Limited with effect from **8th July 2025**.

Accordingly, the following details pertaining to Mr. Dinesh Pant stand added under the Section ‘Details of Trustee Directors’ in the SAI:

Name	Age	Educational Qualifications	Brief Experience
Mr. Dinesh Pant (Associate)	58 years	<ul style="list-style-type: none">• Graduate in Engineering• Bachelor of Legislative Law (LLB)• Master of Business Administration• Fellow of Institute of Actuaries, India• Fellow of Institute and Faculty of Actuaries, UK• Fellow of Insurance Institute of India	<ul style="list-style-type: none">• Managing Director – LIC of India (1st June 2025 till date)• Actuary & Executive Director (Actuarial), – LIC of India (8th April 2022 to 01st June 2025)• Actuary & Chief In-charge (Actuarial) - LIC of India (1st June 2020 to 08th April 2022)• Actuary & Chief (Actuarial)- LIC of India (18th April 2019 to 1st June 2020)• Actuary / Senior Divisional Manager - LIC of India (17th January 2017 to 18th April 2019)• Secretary / Product Actuary - LIC of India (1st February 2014 to 17th January 2017)

2. Addition of Investor Service Centre (ISC) and Official Point of Acceptance of KFin Technologies Limited:

Investors are requested to take note of following additions of Investor Service Centre and Official Point of Acceptance of KFin Technologies Limited with effect from **10th July 2025**:

Name of Point of Acceptance (Branch)	Address
Alappuzha	KFin Technologies Limited, Sree Rajarajeshwari Building, Ground Floor, Church Road, Mullackal Ward, Alappuzha, Kerala, 688011.
Serampore	KFin Technologies Limited, Hinterland – II, Ground Floor, 6A, Roy Ghat Lane, Serampore, Hooghly, West Bengal, 712201.
Palghar	KFin Technologies Limited, The Edge Ground Floor, Shop no. 4, Bhausahab Dandekar Marg, behind Prakash Talkies, Palghar, Maharashtra, 401404.

Please note that the above ISC will be an Official Point of Acceptance for Transactions in the Schemes of LIC Mutual Fund.

This Notice cum Addendum shall form an integral part of the SID and KIM of the existing Schemes and Statement of Additional Information of LIC Mutual Fund as amended from time to time.

All other terms and conditions of the SID and KIM of the Schemes and SAI of LIC Mutual Fund will remain unchanged.

For LIC MUTUAL FUND ASSET MANAGEMENT LIMITED

Date: 09th July 2025

Sd/-

Place: Mumbai

Authorized Signatory

As part of Go-Green initiative, investors are encouraged to register/update their email ID and Mobile Number with us to support paper-less communication.

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

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