

# JPMorgan India Tax Advantage Fund

(An open-ended equity linked savings scheme)

## SCHEME INFORMATION DOCUMENT

Offer of Units of Rs. 10/- each at NAV based prices subject to applicable Loads

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Name of Mutual Fund	:	JPMorgan Mutual Fund
Name of Asset Management Company	:	JPMorgan Asset Management India Private Limited
Name of Trustee Company	:	JPMorgan Mutual Fund India Private Limited
Address of the entities	:	Reg. Office: Kalpataru Synergy, 3rd Floor, West Wing, Santacruz - East, Mumbai - 400 055.
Website	:	<a href="http://www.jpmorganmf.com">www.jpmorganmf.com</a>

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The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and Equity Linked Saving Scheme 2005 vide Notification No. SO 1563 (E) of 2005 dated 3rd November 2005 issued by Department of Economic Affairs, Ministry of Finance, Government of India and filed with SEBI, along with a due diligence certificate from the AMC. The Units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

As per the ELSS, investments made under a scheme shall be locked in for a period of 3 (three) years from the date of allotment of the respective Units.

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

The investors are advised to refer to the Statement of Additional Information (SAI) for details of the JPMorgan Mutual Fund and tax and legal issues as well as on the website for general information concerning JPMorgan Mutual Fund ([www.jpmorganmf.com](http://www.jpmorganmf.com)).

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

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

This SID is dated May 25, 2010

## TABLE OF CONTENTS

	Pg. Nos.	
<b>HIGHLIGHTS / SUMMARY OF THE SCHEME</b>		
Investment Objective .....	1	
Liquidity .....	1	
Benchmark for Performance Comparison .....	1	
Transparency / NAV Disclosures .....	1	
Loads .....	1	
Minimum Application Amounts .....	1	
Options available under the Scheme .....	2	
<b>I INTRODUCTION</b>		
A. Risk Factors .....	3	
1. Standard Risk Factors .....	3	
2. Scheme Specific Risk Factors .....	3	
3. Schemes investing in Equities .....	3	
4. Schemes investing in money market instruments .....	3	
5. Schemes investing in Bonds .....	3	
6. Risks Associated with Short Selling and Securities Lending .....	4	
B. Requirements of Minimum Investors in the Scheme .....	4	
C. Special Considerations, if any .....	4	
D. Definitions .....	6	
E. Due Diligence by the Asset Management Company .....	10	
<b>II INFORMATION ABOUT THE SCHEME</b>		
A. Type of the Scheme .....	11	
B. Investment Objective of the Scheme .....	11	
C. Asset Allocation by the Scheme .....	11	
D. Scheme's Investment .....	11	
E. Investment Strategies .....	11	
F. Fundamental Attributes .....	11	
G. How will the Scheme Benchmark its performance .....	12	
H. Who manages the Scheme .....	12	
I. What are the Investment Restrictions .....	13	
J. How has the Scheme Performed .....	13	
K. Investments by the AMC .....	13	
L. Undertaking by the Trustees .....	13	
<b>III UNITS AND OFFER</b>		
A. New Fund Offer .....	14	
B. Ongoing Offer Details .....	19	
C. Periodic Disclosures .....	24	
D. Computation of NAV .....	25	
<b>IV FEES AND EXPENSES</b>		
A. New Fund Offer (NFO) Expenses .....	26	
B. Annual Scheme Recurring Expenses .....	26	
C. Load Structure .....	26	
D. Transactions Under a PoA .....	27	
E. Application by Non-individual Investors .....	27	
F. Mode of Holding .....	27	
<b>V RIGHTS OF UNITHOLDERS</b> .....		28
<b>VI PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY</b> .....		28

## HIGHLIGHTS/SUMMARY OF THE SCHEME

<b>Investment Objective</b>	<p>The investment objective of the Scheme is to generate income and long-term capital appreciation from a diversified portfolio of predominantly equity and equity-related Securities.</p> <p>However, there can be no assurance that the investment objective of the Scheme will be realized, as actual market movements may be at variance with anticipated trends.</p>
<b>Liquidity</b>	<p>The Scheme will offer Units for Purchase at NAV-related prices on every Business Day on an ongoing basis. Redemption of Units including units issued under dividend reinvestment option can be made only after a period of three years (lock-in period) from the date of allotment of Units proposed to be redeemed.</p>
<b>Benchmark for performance comparison</b>	BSE-200 Index
<b>Transparency/NAV Disclosure</b>	<p>The AMC will calculate and disclose the NAV of the Scheme on every Business Day. The NAV of the Scheme shall be made available at all ISCs of the AMC. The AMC will publish the NAV for each Business Day in two daily newspapers. The AMC shall update the NAVs on the website of the Mutual Fund (<a href="http://www.jpmorganmf.com">www.jpmorganmf.com</a>) and of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) by 9.00 pm every Business Day. In case of any delay, the reasons for such delay would be explained to AMFI. If the NAVs are not available before the commencement of business hours on the following business day due to any reason, the Fund shall issue a press release providing reasons and explaining when the Mutual Fund would be able to publish the NAVs.</p> <p>The AMC will, before the expiry of one month from the close of each half year (i.e. 31 March and 30 September), disclose the full portfolio of the Scheme by either sending a complete statement to all the Unit Holders or by publishing such statement, by way of advertisement, in one English daily newspaper having nationwide circulation and in a newspaper published in the language of the region where the head office of the Mutual Fund is situated. The same shall also be displayed on the website of the Mutual Fund.</p> <p>The NAV will be calculated in the manner as provided in this SID or as may be prescribed by the Regulations from time to time. The NAV will be computed upto three decimal points.</p>
<b>Entry Load (For Ongoing Offer basis)</b>	Nil
<b>Exit Load (For Ongoing Offer basis)</b>	<b>Exit Load (% of Applicable NAV)</b>
	<b>For each Redemption</b>
	Nil
	<p>No Entry Load / Exit Load will be chargeable in case of switches made between different options of the Scheme.</p> <p>Exit Load - Nil w.e.f. July 1, 2010</p> <p>For the most up to date information on Entry / Exit Loads investors are advised to contact their ISC or the AMC at its toll-free number (1800-22-5763) prior to any application / redemption.</p> <p>The investor is requested to check the prevailing load structure of the Scheme before investing.</p>
<b>Minimum Subscription / Redemption amount</b>	
<b>Initial Application Amount</b>	Rs 500 per application and in multiples of Rs 500 thereafter.
<b>Additional Application Amount</b>	Rs 500 per application and in multiples of Rs 500 thereafter.
<b>Amount / No. of Units for Redemption</b>	Rs 500 or 50 Units
<b>Lock-in period</b>	<p>Redemption of Units can be made only after a period of three years (lock-in period) from the date of allotment of Units proposed to be redeemed as prescribed in the ELSS.</p> <p>The Trustee reserves the right to change the lock-in period prospectively from time to time, in the event of amendment(s) to the ELSS with respect to the lock-in period.</p>

**Options available under  
the Scheme**

The Scheme offers both Growth Option and Dividend Option  
Growth option: Under this option no dividend will be declared.

Dividend option: Under this option, a dividend may be declared by the Trustee, at its discretion, from time to time (subject to the availability of distributable surplus as calculated in accordance with the Regulations).

The Units for the purpose of reinvestment, will be created and credited to the Unit Holders account at the first ex-dividend NAV.

If the investor does not clearly specify the choice of option at the time of investing, it will be treated as a **growth option**.

If the investor does not clearly specify the choice of payout or reinvestment facility within the dividend option, it will be treated as a **re-investment**.

The Trustee may decide to distribute by way of dividend, the surplus by way of realised profit, dividends and interest, net of losses, expenses and taxes, if any, to Unit Holders in the dividend option of the Scheme if such surplus is available and adequate for distribution in the opinion of the Trustee. The Trustee's decision with regard to availability and adequacy, rate, timing and frequency of distribution shall be final. The dividend will be due to only those Unit Holders whose names appear in the register of Unit Holders in the dividend option of the Scheme on the record date which will be announced in advance in accordance with the SEBI Regulations.

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## I. INTRODUCTION

### A. RISK FACTORS

#### 1. Standard Risk Factors:

- Investment in mutual fund units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the Securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down.
- Mutual Funds, like Securities investments, are subject to market and other risks and there can be no guarantee against loss resulting from an investment in the Scheme nor can there be any assurance that the Scheme's objectives will be achieved.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- JPMorgan India Tax Advantage Fund is only the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects and returns.
- The Sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1,00,000 (One Lakh Rupees) made by it towards setting up the Mutual Fund.
- The present Scheme is not a guaranteed or assured return scheme.

#### 2. Scheme Specific Risk Factors

- By virtue of requirements under the ELSS, Units issued under JPMorgan India Tax Advantage Fund including the units issued under dividend reinvestment option will not be redeemed until the expiry of 3 (three) years from the date of their allotment. The ability of an investor to realise returns on investments in JPMorgan India Tax Advantage Fund is consequently restricted for the first three years. Redemption will be made prior to the expiry of the aforesaid 3 (three) years period only in the event of the death of a Unit Holder, subject to the Units having been held for a period of 1 (one) year from the date of their allotment.

#### 3. Schemes investing in Equities

- The value of the Scheme's investments may be affected by factors affecting the securities markets such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in law/policies of the government, taxation laws and political, economic or other developments which may have an adverse bearing on individual Securities, a specific sector or all sectors. Consequently, the NAV of the Units of the Scheme may be affected.
- Equity Securities and equity-related Securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made by the Scheme may be restricted by trading volumes and settlement periods. This may impact the ability of the Unit Holders to redeem their Units. In view of this, the Trustee has the right, in its sole discretion to limit Redemptions (including suspending Redemption) under certain circumstances. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended Securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell Securities held in the Scheme's portfolio could result, at times, in potential losses to the Scheme, should there be a subsequent decline in the value of Securities held in the Scheme's portfolio.

- Investments in equity and equity related Securities involve a degree of risk and investors should not invest in the Scheme unless they can afford to take the risk of losing their investment.
- The liquidity and valuation of the Scheme's investments due to its holdings of unlisted Securities may be affected if they have to be sold prior to the target date for disinvestment.
- Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with Securities that are listed on the exchanges or offer other exit options to the investors, including put options. The AMC may choose to invest in unlisted Securities that offer attractive yields within the regulatory limit. This may however increase the risk of the portfolio.

#### 4. Schemes investing in money market instruments

- Investments in money market instruments would involve a moderate credit risk, i.e. risk of an issuer's liability to meet the principal payments.
- Money market instruments may also be subject to price volatility due to factors such as changes in interest rates, general level of market liquidity and market perception of credit worthiness of the issuer of such instruments.
- The NAV of the Scheme's Units, to the extent that the Scheme is invested in money market instruments, will be affected by changes in the level of interest rates. When interest rates in the market rise, the value of a portfolio of money market instruments can be expected to decline.

#### 5. Schemes investing in Bonds

- The NAV of the Scheme, to the extent invested in Debt Securities, will be affected by changes in the general level of interest rates. The NAV of the Scheme is expected to increase from a fall in interest rates while it would be adversely affected by an increase in the level of interest rates.
- Debt Securities, while fairly liquid, lack a well-developed secondary market, which may restrict the selling ability of the Scheme and may lead to the Scheme incurring losses till the security is sold.
- Debt Securities are subject to the risk of the issuer's inability to meet interest and principal payments on its obligations and market perception of the creditworthiness of the issuer.
- The AMC may, considering the overall level of risk of the portfolio, invest in lower rated / unrated Securities offering higher yields.
- The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The Trustee has the right, in its sole discretion, to limit Redemptions (including suspending Redemption) under certain circumstances. There may be temporary periods when the monies of the Scheme are un-invested and no return is earned thereon. The inability of the Scheme to make intended Securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. By the same token, the inability to sell Securities held in the Scheme's portfolio due to the absence of a well developed and liquid secondary market for Debt Securities could result, at times, in potential losses to the Scheme, should there be a subsequent decline in the value of the Securities held in the Scheme's portfolio.
- The liquidity and valuation of the Scheme's investments due to its holdings of unlisted Securities may be affected if they have to be sold prior to their target date of divestment.

- Debt Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to Debt Securities that are listed on the exchanges or offer other exit options to the investor, including a put option. Within the regulatory limits, the AMC may choose to invest in unlisted Debt Securities that offer attractive yields.
  - While Debt Securities that are listed on the stock exchange carry lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges. Money market Securities, while fairly liquid, lacks a well-developed secondary market, which may restrict the selling ability of the Scheme and may lead to the Scheme incurring losses till the Security is finally sold.
  - Money market Securities and Debt Securities are subject to the risk of an issuer's inability to meet interest and principal payments on its debt obligations (credit risk). These Securities may also be subject to price volatility due to factors such as changes in interest rates, general level of market liquidity and market perception of the creditworthiness of the issuer, among others (market risk). The AMC will endeavour to manage credit risk through in-house credit analysis. The Scheme may also, but is not obliged to, use various hedging products from time to time, as are available and permitted by SEBI, to attempt to reduce the impact of undue market volatility on the Scheme's portfolio. There is no guarantee that hedging techniques will achieve the desired result.
  - The investments made by the Scheme are subject to reinvestment risk. This risk refers to the interest rate levels at which cash flows received from the Securities in the Scheme are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.
  - The NAV of the Scheme's Units, to the extent that the Scheme is invested in fixed income Securities, will be affected by changes in the general level of interest rates. When interest rates decline, the value of a portfolio of fixed income Securities can be expected to rise. Conversely, when interest rates rise, the value of a portfolio of fixed income Securities can be expected to decline.
  - To the extent the Scheme's investments are in floating rate debt instruments or fixed debt instruments swapped for floating rate return, they will be affected by interest rate movement (basis risk) - coupon rates on floating rate securities are reset periodically in line with the benchmark index movement. Normally, the interest rate risk inherent in a floating rate instrument is limited compared to a fixed rate instrument. Changes in the prevailing level of interest rates will likely affect the value of the Scheme's holdings until the next reset date and thus the value of the Scheme's Units. The value of Securities held by the Scheme generally will vary inversely with changes in prevailing interest rates. The Mutual Fund could be exposed to interest rate risk:
    - (i) due to the time gap in the resetting of the benchmark rates, and
    - (ii) to the extent the benchmark index fails to capture interest rate changes appropriately (spread risk): though the basis (i.e. benchmark) gets readjusted on a regular basis, the spread (i.e. markup) over benchmark remains constant. This can result in some volatility to the holding period return of floating rate instruments.
  - Settlement Risk (counterparty risk): Specific floating rate assets may also be created by swapping a fixed return into a floating rate return. In such a swap, there is the risk that the counterparty (who will pay floating rate return and receive fixed rate return) may default;
  - Liquidity Risk: The market for floating rate Securities is still in its evolutionary stage and therefore may render the market illiquid from time to time, for such Securities that the Scheme is invested in.
  - Different types of Securities in which the Scheme may invest as given in the SID carry different levels and types of risk. Accordingly the Scheme's risk may increase or decrease depending upon its investment pattern. E.g. corporate bonds carry a higher amount of risk than government Securities. Further even among corporate bonds, bonds which are rated AAA are comparatively less risky than bonds which are AA rated.
  - Investments in the Scheme made in foreign currency by a Unit Holder are subject to the risk of fluctuation in the value of Indian Rupee.
- 6. Risks associated with Short Selling and Securities Lending**
- The risks in lending portfolio Securities, as with other extensions of credit, consist of the failure of another party, in this case the approved intermediary, to comply with the terms of the agreement entered into between the lender of Securities, i.e. the Scheme, and the approved intermediary. Such failure to comply can result in a possible loss of rights in the collateral put up by the borrower of the Securities, the inability of the approved intermediary to return the Securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the Securities deposited with the approved intermediary. The Mutual Fund may not be able to sell such Securities and this can lead to temporary illiquidity.
- B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME**
- The Scheme/Plan shall have a minimum of 20 (twenty) investors and no single investor shall account for more than 25% of the corpus of the Scheme/Plan(s). However, if such limit is breached during the NFO of the Scheme, the Mutual Fund will endeavour to ensure that within a period of 3 (three) months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. In case the Scheme / Plan(s) does not have a minimum of 20 (twenty) investors in the stipulated period, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme / Plan(s) shall be wound up and the Units would be redeemed at Applicable NAV. The two conditions mentioned above shall also be complied within each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI.
- If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of 1 (one) month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 (fifteen) days notice to redeem his exposure over the 25% limit. Failure on the part of the said investor to redeem his exposure over the 25% limit within the aforesaid 15 (fifteen) days would lead to automatic Redemption by the Mutual Fund on the Applicable NAV without any exit load on the 15th day of the notice period. The Mutual Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.
- C. SPECIAL CONSIDERATIONS, IF ANY**
- The Sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of an amount of Rs 1,00,000 (Rupees One Lakh) made by it towards setting up the Mutual Fund or such other accretions and additions to the initial corpus set up by the Sponsor. The

associates of the Sponsor are not responsible or liable for any loss or shortfall resulting from the operation of the Scheme.

- Neither this SID nor the Units have been filed / registered in any jurisdiction other than India. The distribution of this SID in certain jurisdictions may be restricted or totally prohibited and accordingly, persons who come into possession of this SID are required to inform themselves about, and to comply with, any such restrictions.
- Before making an application for Units, prospective investors should review / study this SID carefully and in its entirety and should not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation, or financial / investment matters. Investors should consult their own professional advisor(s) as to the legal, tax or financial implications resulting from;
  - (i) Subscription, gifting, acquisition, holding, disposal (by way of sale, switch or Redemption or conversion into money) of Units and
  - (ii) to the treatment of income (if any), capitalisation, capital gains, any distribution, and other tax consequences relevant to their Subscription, acquisition, holding, capitalisation, disposal (by way of sale, transfer, switch or conversion into money) of Units within their jurisdiction or under the laws of any jurisdiction to which they may be subject to possible legal, tax, financial or other consequences.
- The Mutual Fund / the AMC have not authorised any person to give any information or make any representations, either oral or written, not stated in this SID in connection with issue of Units under the Scheme. Prospective investors are advised not to rely upon any information or representations not incorporated in this SID as the same have not been authorised by the Mutual Fund or the AMC. Any Subscription or Redemption made by any person on the basis of statements or representations which are not contained in this SID or which are inconsistent with the information contained herein shall be solely at the risk of the investor.
- From time to time, funds managed by the affiliates / associates of the Sponsor may invest either directly or indirectly in the

Scheme. The mutual funds managed by these affiliates/associates may acquire a substantial portion of the Units and collectively constitute a major investment in the Scheme. Accordingly, Redemption of Units held by such affiliates /associates may have an adverse impact on the value of the Units of the Scheme because of the timing of any such Redemption and may affect the ability of other Unit Holders to redeem their respective Units.

- As the liquidity of the Scheme's investments may sometimes be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for Redemption of Units may be significant in the event of an inordinately large number of Redemption requests or of a restructuring of the Scheme's portfolio. In view of this, the Trustee has the right, in its sole discretion, to limit Redemptions under certain circumstances. **(Please also refer to Section III B on 'Right to limit Redemption')**
- The tax benefits described in this SID are as available under the prevailing taxation laws. Investors / Unit Holders should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Unit Holder is advised to consult his / her / their own professional tax advisor.
- Mutual Funds invest in Securities which may not always be profitable and there can be no guarantee against loss resulting from investing in the Scheme.

By virtue of requirements under the ELSS, Units issued under the Scheme shall not be redeemed until the expiry of 3 (three) years from the date of their allotment. The ability of an investor to realise returns on investments in the Scheme is consequently restricted for the first three years. Redemption shall be made prior to the expiry of the aforesaid 3 (three) years period only in the event of the death of a Unit Holder, subject to the Units having been held for a period of 1 (one) year from the date of their allotment.

**Investors are advised to refer to the terms and conditions of the offer before investing in the scheme, and to retain this SID and SAI for future reference.**

## D. DEFINITIONS

<b>Act</b>	The Income-tax Act, 1961 (43 of 1961)
<b>ADR</b>	American Depository Receipt
<b>Applicable NAV</b>	<p>For applications for Purchases / Redemptions (along with a local cheque or demand draft payable at par at the place where the application is received), accepted during the Ongoing Offer Period at the Designated Collection Centres of the Mutual Fund on a Business Day up to the Cut-off time of the Scheme, the NAV of that day.</p> <p>For applications for Purchases / Redemptions (along with a local cheque or demand draft payable at par at the place where the application is received) accepted during the Ongoing Offer Period at the Designated Collection Centres of the Mutual Fund on a Business Day after the Cut-off time of the Scheme, the NAV of the next Business Day.</p> <p><b>Note :</b> In case of applications received on a Non-Business Day the closing NAV of the next Business Day shall be applicable.</p>
<b>Application Form</b>	A form meant to be used by an investor to open a folio and Purchase Units in the Scheme. Any modifications to the Application Form will be made by way of an addendum, which will be attached thereto. On issuance of such addendum, the Application Form will be deemed to be updated by the addendum.
<b>Asset Management Company / AMC</b>	JPMorgan Asset Management India Private Limited set up under the Companies Act, 1956, having its registered office at Kalpataru Synergy, 3rd Floor, West Wing, Santacruz - East, Mumbai - 400 055 and authorised by SEBI to act as an asset management company / investment manager to the schemes of JPMorgan Mutual Fund.
<b>AMFI</b>	Association of Mutual Funds in India
<b>Assessee</b>	A Unit Holder who is (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, and as defined under the ELSS.
<b>Board</b>	Board of Directors.
<b>Business Day</b>	<p>A day other than (i) Saturday or Sunday and/ or (ii) a day on which any of the principal stock exchanges on which the Investments are traded is closed, and/ or (iii) a day on which the RBI or banks in Mumbai, India are closed for business, and/ or (iv) a day on which the AMC's offices in Mumbai, India are closed for business, and/ or (v) a book closure period as may be announced by the Trustees / AMC and/ or (vi) a day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may determine from time to time.</p> <p>The AMC, with the approval of the Trustees of the Fund, reserves the right to change the definition of Business Day, in accordance with applicable regulations. The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres.</p>
<b>Collection Bank(s) / Collecting Banker</b>	The bank(s) with which the AMC has entered into an agreement, from time to time, to enable customers to deposit their Application Form for Units during the NFO Period. The names and addresses of the Collection Bank(s) are mentioned at the end of this SID.
<b>Custodian</b>	Deutsche Bank AG, registered under the SEBI (Custodian of Securities) Regulations, 1996, or any other custodian who is approved by the Trustee.
<b>CTF</b>	Common Transaction Form
<b>Cut-off time</b>	A time prescribed in this SID up to which an investor can submit a Purchase / Redemption request along with a local cheque or a demand draft payable at par at the place where the application is received, to be entitled to the Applicable NAV for that Business Day.
<b>Debt Security(ies)</b>	Debt and debt-related instruments.
<b>Designated Collection Centres</b>	<p><b>During the Ongoing Offer:</b> AMC's offices and ISCs designated by the AMC where the applications shall be received.</p> <p>The names and addresses of the Designated Collection Centres are mentioned at the end of this SID.</p>

<b>ELSS</b>	Equity Linked Savings Scheme, 2005, as notified by the Ministry of Finance (Department of Economic Affairs) vide notification dated 03 November, 2005 and amended vide notification dated 13 December, 2005.
<b>ECS</b>	Electronic Clearing System
<b>EFT</b>	Electronic Funds Transfer
<b>Entry Load</b>	A Load charged to an investor on Purchase of Units based on the amount of investment or per any other criteria decided by the AMC. As per the Regulations, the AMC is prohibited from charging an Entry Load.
<b>ETF</b>	Exchange Traded Fund
<b>Exit Load</b>	A Load (other than CDSL) charged to the Unit Holder on exiting (by way of Redemption) based on period of holding, amount of investment, or any other criteria decided by the AMC.
<b>Foreign Institutional Investors/FII</b>	An entity registered with SEBI under Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
<b>Fund of Funds / FOF</b>	A mutual fund scheme that invests primarily in other schemes of the same mutual fund or other mutual funds.
<b>GDR</b>	Global Depository Receipt
<b>HUF</b>	Hindu Undivided Family
<b>Investment</b>	Any investments, cash, negotiable instruments, Securities or bullion for the time being and from time to time forming part of the Scheme's assets.
<b>IMA</b>	The agreement dated December 6, 2006 entered into between JPMorgan Mutual Fund India Private Limited and the AMC, as amended from time to time.
<b>Investor Service Centres / ISC</b>	Official points of acceptance of transaction / service requests from investors. These will be designated by the AMC from time to time.
<b>JPMorgan Asset Management (Asia) Inc.</b>	The Sponsor or Settlor of the JPMorgan Mutual Fund having its corporate office at 270, Park Avenue, New York, USA.
<b>JPMorgan Chase</b>	JPMorgan Chase & Co. and any company within the JPMorgan Chase group of companies.
<b>Key Information Memorandum</b>	A memorandum containing the key information of the Scheme, the format of which is prescribed in the circular dated May 23, 2008, or as further prescribed by SEBI from time to time.
<b>Mutual Fund</b>	JPMorgan Mutual Fund, a trust registered with SEBI under the Regulations, vide Registration No. MF053/07/01 dated February 8, 2007.
<b>Laws</b>	The laws of India, the Regulations and any other applicable regulations for the time being in force in India including guidelines, directions and instructions issued by SEBI, the government of India or RBI from time to time for regulating mutual funds generally or the Mutual Fund particularly.
<b>LTV</b>	Loans To Value ratio.
<b>NEFT</b>	National Electronic Funds Transfer
<b>Net Asset Value / NAV</b>	Net Asset Value of the Units of the Scheme (including options thereunder) calculated in the manner provided in this SID or as may be prescribed by the Regulations from time to time.
<b>New Fund Offer / NFO</b>	The offer for Purchase made to the investors during the NFO Period.
<b>New Fund Offer Period / NFO Period</b>	The period being 18th December, 2008 to 16th January, 2009.
<b>Non Resident Indian / NRI</b>	A person resident outside India who is a citizen of India or is a Person of Indian Origin as per the meaning assigned to the term under the Foreign Exchange Management (Deposit) Regulations, 2000.
<b>Ongoing Offer</b>	Offer of Units under the Scheme when it becomes open ended after the closure of the New Fund Offer Period.
<b>Ongoing Offer Period</b>	The period during which the Ongoing Offer for subscription to the Units of the Scheme is made.
<b>PAN</b>	Permanent Account Number

<b>Person of Indian Origin / PIO</b>	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he, or either of his parents or any of his grandparents, was a citizen of India by virtue of the Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or a person referred to in sub-clause (a) or (b);
<b>Plan</b>	Means any plan formulated in accordance with this Scheme.
<b>PoA</b>	Power of Attorney.
<b>Purchase</b>	Subscription to / Purchase of Units by an investor of the Scheme.
<b>Purchase Price</b>	The price (being Applicable NAV) at which the Units can be purchased and calculated in the manner provided in this SID.
<b>Registrar and Transfer Agent</b>	Deutsche Investor Services Private Limited, having their registered office at 4th floor, Block 1, Nirlon Knowledge Park, Western Express Highway, Goregoan (E), Mumbai- 400 063, registered under the SEBI (Registrar to an Issue and Share Transfer Agent) Regulations, 1993, appointed as the registrar and transfer agent for the Mutual Fund, or any other registrar that may be appointed by the AMC.
<b>Redemption</b>	Repurchase of Units by the Fund from a Unit Holder.
<b>Redemption Price</b>	The price (being Applicable NAV minus Exit Load) at which the Units can be redeemed and calculated in the manner provided in this SID.
<b>Regulatory Agencies</b>	SEBI and any other governmental or regulatory bodies to which the Trustee Company and/or the Mutual Fund and/or the Investment Manager (as the case may be) is subject.
<b>RBI</b>	Reserve Bank of India
<b>RTGS</b>	Real Time Gross Settlement
<b>Scheme</b>	JPMorgan India Tax Advantage Fund (including as the context permits, the options thereunder).
<b>Scheme Information Document (SID)</b>	This document issued by JPMorgan Mutual Fund, for inviting subscription to Units of JPMorgan India Tax Advantage Fund, as amended from time to time. Any modifications to the SID will be made by way of an addendum which will be attached to the SID. On issuance of the addendum, the SID will be deemed to be updated by the addendum.
<b>Statement of Additional Information (SAI)</b>	The Statement of Additional Information (SAI) contains details of the Mutual Fund, its constitution, and certain tax, legal and general information. It is incorporated by reference (is legally a part of the SID).
<b>SEBI</b>	The Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.
<b>SEBI Act</b>	The Securities and Exchange Board of India Act, 1992
<b>SEBI Regulations / Regulations</b>	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time, including by way of circulars or notifications issued by SEBI.
<b>Securities</b>	As defined under Section 2(h) of the Securities Contracts (Regulation) Act, 1956 of India; and also includes shares, stocks, bonds, debentures, warrants, instruments, obligations, money market instruments, debt instruments or any financial or capital market instrument of whatsoever nature made or issued by any statutory authority or body corporate, incorporated or registered by or under any law; or any other Securities, assets or such other investments as may be permissible from time to time under the Regulations.
<b>Scheme Options</b>	The growth option and the dividend option offered by the Scheme. The dividend option offers dividend payout and dividend reinvestment facilities.
<b>Sponsor</b>	JPMorgan Asset Management (Asia) Inc.
<b>Subscription</b>	See Purchase
<b>Systematic Investment Plan (SIP)</b>	A plan enabling investors to invest in the Scheme on a fortnightly/monthly/quarterly/yearly basis by submitting post-dated cheques / payment instructions.
<b>Systematic Transfer Plan (STP)</b>	A plan enabling Unit Holders to transfer fixed amounts from their Unit accounts in the Scheme to other schemes launched by the Mutual Fund on a monthly or quarterly basis by giving a single instruction.

<b>Systematic Withdrawal Plan (SWP)</b>	A plan enabling Unit Holders to withdraw amounts from the Scheme on a monthly or quarterly basis by giving a single instruction.
<b>Transaction Slip</b>	A form meant to be used by Unit Holders seeking additional Purchase or Redemption of Units in the Scheme, change in bank account details, switch-in or switch-out and such other facilities offered by the AMC and mentioned on that form.
<b>Trustee</b>	JPMorgan Mutual Fund India Private Limited, a company set up under the Companies Act, 1956, to act as the Trustee Company to the JPMorgan Mutual Fund.
<b>Trust Deed</b>	The Trust Deed dated December 4, 2006 made by and between the Sponsor and the Trustee, establishing the JPMorgan Mutual Fund, as amended from time to time.
<b>Trust Property</b>	Amounts settled / contributed by the Sponsor towards the corpus of JPMorgan Mutual Fund and all other contributions in cash or in kind, additions and accretions to the Mutual Fund; the Unit Capital; and any other investments for the time being representing the same and income thereof and include properties of any kind whatsoever or any part thereof to which the same may be converted from time to time.
<b>Unit</b>	The interest of an investor in the Scheme consisting of each Unit representing one undivided share in the assets of the Scheme; and includes any fraction of a Unit which shall represent the corresponding fraction of one undivided share in the assets of the Scheme.
<b>Unit Capital</b>	The aggregate of the face value of the Units issued under the Scheme.
<b>United States (“U.S.”) Person</b>	<p>U.S. Person is defined as follows:</p> <ol style="list-style-type: none"> <li>1. An individual who is a citizen of the U.S. or a resident alien for U.S. federal income tax purposes. In general, the term “resident alien” is defined for this purpose to include any individual who (i) holds an Alien Registration Card (a “green card”) issued by the U.S. Immigration and Naturalization Service or (ii) meets a “substantial presence” test. The “substantial presence” test is generally met with respect to any calendar year if (i) the individual was present in the U.S. on at least 31 days during such year and (ii) the sum of the number of days in which such individual was present in the U.S. during such year, 1/3 of the number of such days during the first preceding year, and 1/6 of the number of such days during the second preceding year, equals or exceeds 183 days;</li> <li>2. A corporation, an entity taxable as a corporation, or a partnership created or organized in or under the laws of the U.S. or any state or political subdivision thereof or therein, including the District of Columbia (other than a partnership that is not treated as a U.S. person under Treasury Regulations);</li> <li>3. An estate the income of which is subject to U.S. federal income tax regardless of the source thereof; or</li> <li>4. A trust with respect to which a court within the U.S. is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all of its substantial decisions, or certain electing trusts that were in existence on August 20, 1996 and were treated as domestic trusts on August 19, 1996.</li> </ol>
<b>Unit Holder</b>	Any registered holder for the time being, of a Unit of the Scheme offered under this SID including persons jointly registered.
<b>Valuation Day</b>	Business Day.
<b>Words and expressions used in this SID and not defined</b>	<p>Same meaning as in the Trust Deed or the Regulations or, in the appropriate context, same meaning as in the Act.</p> <ul style="list-style-type: none"> <li>■ Words in singular include the plural and vice-versa.</li> <li>■ Pronouns having a masculine or feminine gender shall be deemed to include the other.</li> <li>■ All references to "Rs" refer to Indian Rupees and "US\$" refer to United States dollars. A "crore" means "ten million" and a "lakh" means a "hundred thousand".</li> <li>■ References to times of day (i.e. a.m. or p.m.) are to Indian Standard Time ('IST') and references to a day are to a calendar day including non-Business Day.</li> </ul>

## **E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**

The AMC confirms that:

- (i) The Scheme Information Document of JPMorgan India Tax Advantage Fund, forwarded to SEBI is in accordance with the Regulations and the guidelines and directives issued by SEBI from time to time.
- (ii) All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the government and any other competent authority in this behalf, have been duly complied with.
- (iii) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed Scheme.
- (iv) The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

For **JPMorgan Asset Management India Private Limited**

Place : Mumbai  
Date : May 25, 2010

Name : Yash Kumar  
Designation : Head Compliance & Monitoring

**Note:** The Due Diligence Certificate as stated above was submitted to SEBI on March 14, 2008.

## II. INFORMATION ABOUT THE SCHEME

### A. TYPE OF THE SCHEME

An open-ended equity-linked savings scheme

### B. INVESTMENT OBJECTIVE OF THE SCHEME

The objective of the Scheme is to generate income and long-term capital growth from a diversified portfolio of predominantly equity and equity-related Securities.

However, there can be no assurance that the investment objective of the Scheme will be realized as actual market movements may be at variance with anticipated trends.

### C. ASSET ALLOCATION BY THE SCHEME

Under normal circumstances, it is anticipated that the asset allocation shall be as follows:

Instruments	Normal Allocation (% of net assets)	Indicative allocation (% of net assets)	Risk profile
Equity and equity-related Securities*	95%	80% - 100%	Medium to high
Debt and money market instruments	5%	0% - 20%	Low to medium

In accordance with the ELSS, investments by the Scheme in equity and equity related Securities will not fall below 80% of the net assets of the Scheme. As per the ELSS, the Scheme after 3 (three) years from the date of allotment of Units can hold investments in short term money market instruments or other liquid instruments or both only up to 20% of its net assets.

Under normal market conditions, the corpus of the assets of the Scheme shall be predominantly invested in equity Securities as per the asset allocation pattern above. However, due to market conditions, the AMC may invest beyond the range set out above. Such deviations shall normally be for a short term purpose only, for defensive considerations and with the intention of protecting the interests of the Unit Holders. In the event of deviations, rebalancing will normally be carried out within 10 (ten) Business Days.

The Mutual Fund shall strive to invest the funds in the manner stated above within a period of six months from the date of closure of the New Fund Offer.

\*Equity related Securities shall mean equities, cumulative convertible preference shares and fully convertible debentures and bonds of companies. Investment may also be made in partly convertible issues of debentures and bonds including those issued on rights basis subject to the condition that, as far as possible, the non-convertible portion of the debentures so acquired or subscribed, shall be disinvested within a period of 12 (twelve) months.

The Scheme does not intend to make any investments in derivatives, ADR/GDRs/foreign Securities and mutual fund units. However, the Scheme may make investments in derivatives, ADR/GDRs/foreign Securities as and when permitted by the ELSS and till a clarification is received from SEBI. The scheme shall not invest in foreign securitized debt.

### D. SCHEME'S INVESTMENT

The Scheme may invest in the following asset classes, other than foreign securitized debt:

- Equity and equity-related Securities as stated above.
- Money market instruments.

Investments other than in equity will be made for managing liquidity. The preferred instruments will be money market instruments. Money market instruments include commercial papers, commercial bills, treasury bills, government Securities having an unexpired maturity up to one year, call or notice money,

certificates of deposit, usance bills and any other like instruments as specified by the RBI from time to time.

- Any other Securities / asset class / instruments as permitted under SEBI Regulations.

Limits for stock lending are:

- not more than 20% of the net assets of the Scheme; and
- not more than 5% of the net assets of the Scheme to any single counter-party.

### E. INVESTMENT STRATEGIES

The Scheme will primarily be a diversified equity fund which will seek to invest in companies for long term investment. Though the benchmark is BSE-200, the investments will not be limited to the companies constituting the benchmark.

The types of companies that may fall within the scope of such investment could include but are not limited to:

- companies with strong growth potential;
- companies with a special product which has a particular market niche and therefore good earnings potential; and/or
- companies undertaking corporate restructuring.

The investment approach will be bottom-up stock picking where investments will be selected primarily on the basis of specific criteria relevant to the company in question rather than general macroeconomic considerations. There will be no particular bias towards any market capitalisation size or any sector. The Scheme will endeavour to remain fully invested in equity and equity-related instruments at all times.

### Portfolio Turnover

The fund manager normally will buy stocks which he believes will deliver superior earnings growth over a one to two-year period and hence the portfolio turnover is not expected to be very high. However, it is difficult to estimate the portfolio turnover.

Portfolio turnover is defined as the aggregate value of investment and disinvestment in equity / equity-related Securities (other than those caused by the Purchases and Redemptions by Unit Holders) as a percentage of the average corpus of the Scheme during a specified period of time.

This would also exclude investments / disinvestments in money market instruments.

Investments made from the Scheme would also be in accordance with prevailing provisions of the SEBI regulations.

The Scheme may invest in other schemes managed by the AMC or in the schemes of any other mutual funds, provided it is in conformity to the investment objectives of the Scheme, the ELSS and the Regulations. As per the Regulations, no investment management fees will be charged for such investments.

From time to time and subject to the Regulations, the AMC may invest in this Scheme. The decision to invest in the Scheme by the AMC will be based on parameters specified by the Board of the AMC.

### F. FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the Scheme, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

#### (i) Type of scheme

- open-ended equity linked saving scheme

#### (ii) Investment Objective

- The main investment objective as defined in Section II, Paragraph B of this SID.

- The Scheme offers both growth and dividend option.
- The investment pattern is as set out in Section II, Paragraph C of this SID with the option to alter the asset allocation for a short term period on defensive considerations.

### (iii) Terms of Issue

- **Liquidity:** The Scheme is open ended with Purchase and Redemption of Units on any Business Day. The Scheme being open ended, the Units are not proposed to be listed on any stock exchange. However, by virtue of requirements under the ELSS, Units issued under the Scheme will not be redeemed until the expiry of 3 (three) years from the date of their allotment. The ability of an investor to realise returns on investments in the Scheme is consequently restricted for the first three years. Redemption shall be made prior to the expiry of the aforesaid 3 (three) year period only in the event of the death of a Unit Holder, subject to the Units having been held for a period of 1 (one) year from the date of their allotment. The procedure for repurchase/Redemption is as set out in the repurchase/Redemption of Units in Section III B of this SID.
- The aggregate fees and expenses charged to the Scheme are set out in Section IV, Paragraph B which are as permitted by the SEBI Regulations.
- The present Scheme is not a guaranteed or assured return scheme and hence no safety net or guarantee is provided.

In accordance with Regulation 18(15A) of the Regulations, the Trustees shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / option(s) thereunder and affect the interests of Unit Holders is carried out unless:

- A written communication about the proposed change is sent to each Unit Holder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and
- The Unit Holders are given an option for a period of 30 (thirty) days to exit at the prevailing NAV without any Exit Load.

## G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

The performance of the schemes of the Mutual Fund are reviewed by the investment committee of the AMC as well as the Board of the AMC and Trustee periodically. The investment committee is operational at the AMC level and has majority representation from the senior management of the AMC. Monthly reports on the performance of the schemes with appropriate benchmark indices are also sent to the directors of the AMC and the Trustee together with the relative performance of the schemes of other mutual funds schemes in the same category and this is placed before the Board of the AMC and the Trustee.

The Benchmark for the Scheme is BSE-200 Index. The performance of the Scheme would be benchmarked with BSE- 200 Index since it is in line with the investment objective and this reflects the primary universe of stocks from where the portfolio would be constructed by the fund managers. The Trustees may change the benchmark in future if a benchmark better suited to the investment objective of the Scheme is available.

Further, in terms of SEBI Circular No. MFD/CIR/16/400/02 dated March 26, 2002, the performance of the Scheme compared to its benchmark index will be reviewed at every meeting of the Board of the AMC and Trustee and corrective action as proposed will be taken in case of unsatisfactory performance.

## H. WHO MANAGES THE SCHEME?

### Fund Manager of the Scheme:

**Equity portion :** Mr. Harshad Patwardhan and Mr. Amit Gadgil

**Debt portion :** Mr. Nandkumar Surti and Mr. Namdev Chougule

In addition to this Scheme, Harshad and Amit are also the fund managers for JPMorgan India Equity Fund, JPMorgan India Smaller Companies Fund and JPMorgan India Alpha Fund.

Nandkumar and Namdev are the fund managers for JPMorgan India Liquid Fund, JPMorgan India Liquid Plus Fund, JPMorgan India Active Bond Fund and they also manage the debt portion in JPMorgan India Equity Fund, JPMorgan India Smaller Companies Fund and JPMorgan India Alpha Fund.

### Harshad Patwardhan - Fund Manager, Equity

**Age: 40 years**

**Total experience: 16 years**

Harshad has around 16 years experience in the equities markets.

Prior to joining JPMorgan Asset Management he worked for two years with Deutsche Equities India Private Limited as a senior research analyst and has extensive experience with several foreign brokerage houses covering a variety of sectors.

Harshad holds a B.Tech (IIT), MBA (IIM) and a CFA qualification.

### Amit Gadgil - Associate Fund Manager, Equity

**Age: 34 years**

**Total experience: 8 years**

Amit has about 8 years of experience in the accounting and financial services sector.

Prior to joining JPMorgan Asset Management, he worked for seven months with Hansberger Global Investors as a research analyst and with Deutsche Equities India Private Limited as a banking, insurance and cement analyst. In addition, he has worked on research and analysis of US companies and UK telecom companies in his earlier jobs. Amit did a summer internship with JPMorgan Chase, New York, where he was engaged in research of US apparel stocks.

Amit started his career in the auditing and business services areas during his tenures with Price Waterhouse Coopers and AF Ferguson.

Amit holds a M.Com., ACA, PGDM (IIM Ahmedabad).

### Nandkumar R. Surti - Chief Investment Officer

**Age: 40 years**

**Total experience: 20 years**

Nandkumar has about 20 years of experience in the financial services sector in India.

He was the fund manager for GIC Asset Management Company Ltd. for two years from 1992 to 1994. He then worked as the Head - Fixed Income with JM Financial Asset Management Private Limited for more than 11 years from December 1994 to February 2006. Thereafter, he joined Lotus India Asset Management Company Ltd. and worked for a period of around seven months. He joined JPMorgan Asset Management India Private Limited in November 2006 as Chief Investment Officer - Fixed Income.

Nandkumar is a Graduate CWA.

### Namdev Chougule - Assistant Fund Manager - Fixed Income Dealing

**Age: 33 years**

**Total experience: 9 years**

Namdev has worked in the financial services sector for approximately 10 years as a dealer, analyst and fund manager for several leading mutual funds and banks. Prior to joining JPMorgan Asset Management India Private Limited, Namdev worked for a year as a Fixed Income Fund Manager with Lotus India Asset Management Company Private Limited and around 6 months as a Fixed Income Analyst with JM Financial Asset Management Company Limited. Namdev holds a B.E. (Elect.) and MMS (Finance) and he has passed the Financial Risk

Managers (FRM) examination conducted by the Global Association of Risk Professionals (GARP). He also holds a CFA qualification.

## I. WHAT ARE THE INVESTMENT RESTRICTIONS?

### i) Disclosure and investment restrictions

As per the Trust Deed read with the Regulations, the following investment restrictions apply in respect of the Scheme at the time of making investments. However, all investments by the Scheme will be made in accordance with the investment objective, investment strategy and investment pattern described in this SID.

1. The Scheme shall not invest more than 15% of its NAV in debt instruments (irrespective of residual maturity) issued by a single issuer which are rated not below investment grade by a credit rating agency authorised to carry out such activity under the Regulations. Such investment limit may be extended to 20% of the NAV of the Scheme with the prior approval of the Board of the Trustee and the Board of the AMC.

Provided that such limit shall not be applicable for investments in government Securities and money market instruments.

Provided further that investment within such limit can be made in mortgaged backed securitised debt which are rated not below investment grade by a credit rating agency registered with SEBI. Debentures, irrespective of any residual maturity period (above or below one year), shall attract the investment restrictions as applicable for debt instruments as specified under Clause 1 and 1A of the Seventh Schedule to the Regulations.

2. The Scheme shall not invest more than 10% of its NAV in unrated debt instruments (irrespective of residual maturity) issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the Scheme. All such investments shall be made with the prior approval of the Board of the Trustee and the Board of the AMC.
3. The Mutual Fund under all its schemes shall not own more than 10% of any company's paid-up capital carrying voting rights.
4. Transfers of investments from one scheme to another scheme in the Mutual Fund shall be made only if:
  - (a) such transfers are done at the prevailing market price for quoted instruments on spot basis.  
(Explanation: "spot basis" shall have the 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.
5. The Scheme shall buy and sell Securities on the basis of deliveries and shall in all cases of purchases, take delivery of relative Securities and in all cases of sale, deliver the Securities and shall in no case put itself in a position whereby it has to make short sale or carry forward transaction or engage in badla finance.
6. The Mutual Fund shall get the Securities purchased or transferred in the name of the Mutual Fund on account of the Scheme wherever investments are intended to be of a long term nature.
7. Pending deployment of funds of the Scheme in Securities in terms of investment objectives of the Scheme, the Scheme can invest such funds in short-term deposits of scheduled commercial banks, in accordance with the Regulations. The investment in these deposits shall be in accordance with SEBI Circular dated April 16, 2007 and any other applicable guidelines.
8. The Scheme shall not make any investment in:
  - (a) any unlisted security of an associate or group company of the Sponsor; or
  - (b) any security issued by way of private placement by an associate or group company of the Sponsor; or
  - (c) the listed Securities of group companies of the Sponsor which are in excess of 25% of the net assets.
9. The Scheme shall not make any investment in any Fund of Funds scheme.

10. The Scheme shall not invest more than 10% of its NAV in the equity shares or equity-related instruments of any company.
11. The Scheme shall not invest more than 5% of its NAV in unlisted equity shares or equity-related instruments.
12. The Scheme shall not invest more than thirty percent of its net assets in money market instruments of an issuer. Such limit shall not be applicable for investments in Government securities, treasury bills and collateralized borrowing and lending obligations.

These investment limitations/parameters as expressed (linked to the net asset/net asset value/capital) shall, in the ordinary course, apply as at the date of the most recent transaction or commitment to invest and changes do not have to be effected merely because, owing to appreciation or depreciation in value or by reason of the receipt of any rights, bonuses or benefits in the nature of capital or of any scheme of arrangement or for amalgamation, reconstruction or exchange, or at any repayment or redemption or other reason outside the control of the Trustee/AMC, any such limits would thereby be breached.

Apart from the investment restrictions prescribed under the Regulations, internal risk parameters for limiting exposure to a particular scrip or sector may be prescribed from time to time to respond to the dynamic market conditions and market opportunities.

The Trustee /AMC may alter these above stated limitations from time to time (as also the provisions of the Trust Deed) to the extent the Regulations change so as to permit the Scheme to make its investments in the full spectrum of permitted investments in order to achieve its investment objective.

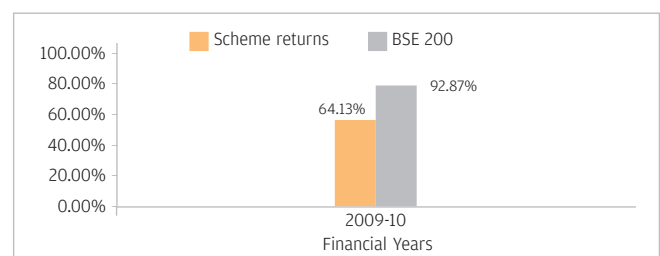
## J. HOW HAS THE SCHEME PERFORMED?

Scheme returns as on 30 April 2010		
	Scheme	BSE-200
Since inception	51.71%	80.44%
1 month	2.73%	1.39%
3 months	11.32%	7.99%
6 months	16.77%	13.62%
1 year	66.34%	66.28%

Note: CAGR are given for more than one year. Absolute returns of the growth option are computed for a period of less than one year. "Since inception" returns are calculated on Rs. 10/- invested at inception.

**Past performance may or may not be sustained in future.**

Allotment Date : January 20, 2009.



## K. INVESTMENTS BY THE AMC

Subject to the Regulations, the AMC may invest up to its net worth, either directly or indirectly, in the Scheme during the NFO and / or Ongoing Offer Period. However, the AMC shall not charge any investment management fee on such investment in the Scheme.

## L. UNDERTAKING BY THE TRUSTEES

The Trustees have ensured that the JPMorgan India Tax Advantage Fund approved by them is a new product offered by the JPMorgan Mutual Fund and is not a minor modification of any existing scheme/fund/product.

Date of Approval by the Trustees: June 18, 2008

### III. UNITS AND OFFER

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

#### A. NEW FUND OFFER (NFO)

**New Fund Offer, New Fund Offer Period, New Fund Offer Price, Extension / Preponing of the New Fund Offer Period, Minimum Amount for Application in the NFO, Minimum Target Amount, Maximum Amount to be raised, Allotment, Refund and Special products/facilities available during the NFO**

These sections do not apply to the Scheme covered in this SID, as the ongoing offer of the Scheme has commenced after the NFO, and the Units are available for continuous subscription and redemption.

#### Scheme Options

The Scheme offers a growth option and a dividend option. The dividend option offers dividend payout and dividend reinvestment facilities.

Growth option: Under this option no dividend will be declared.

Dividend option: Under this option, a dividend may be declared by the Trustee, at its discretion, from time to time (subject to the availability of distributable surplus as calculated in accordance with the Regulations).

If the investor does not clearly specify the choice of option at the time of investing, it will be treated as a **growth option**.

If the investor does not clearly specify the choice of payout or reinvestment facility within the dividend option, it will be treated as a **re-investment**.

#### Dividend Policy

The Trustee may decide to distribute by way of dividend, the surplus by way of realised profit, dividends and interest, net of losses, expenses and taxes, if any, to Unit Holders in the dividend option of the Scheme if such surplus is available and adequate for distribution in the opinion of the Trustee. The Trustee's decision with regard to availability and adequacy, rate, timing and frequency of distribution shall be final. The dividend will be due to only those Unit Holders whose names appear in the register of Unit Holders in the dividend option of the Scheme on the record date which will be announced in advance in accordance with MF Regulations. The Unit Holders have the option of receiving the dividend or reinvesting the same. The dividend will be reinvested at the Applicable NAV of the immediately following Business Day.

The AMC shall despatch to the Unit Holders, the dividend warrants within 30 (thirty) days of the date of declaration of dividend. The dividend distribution procedure shall be in accordance with the Regulations.

#### Who can invest

This is an indicative list and you are requested to consult your financial advisor to ascertain whether the Scheme is suitable to your risk profile.

#### A. Who can invest

Prospective investors are advised to satisfy themselves that they are not prohibited by any law from investing in the Scheme and are authorised to purchase units of mutual funds as per their respective constitutions, charter documents, corporate / other authorisations and relevant statutory provisions. The following is an indicative list of persons who are generally eligible and may apply for subscription to the Units of the Scheme:

- Indian resident adult individuals, either singly or jointly (not exceeding three);
- Minor through parent / lawful guardian; (please see the note below);
- A HUF through its Karta;
- An association of persons or a body of individuals (as mentioned under the term "Assessee" in the ELSS)

As the Scheme is floated as an Equity Linked Savings Scheme as per the ELSS, the following categories of investors will not qualify for the tax benefits under Section 80C of the Income Tax Act, 1961 (but are entitled to subscribe to Units):

- Companies, bodies corporate, public sector undertakings, association of persons or bodies of individuals and societies registered under the Societies Registration Act, 1860;
- Religious and charitable trusts, wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and private trusts authorised to invest in mutual fund schemes under their trust deeds;
- Partnership firms constituted under the Partnership Act, 1932;
- Banks (including cooperative banks and regional rural banks) and financial institutions;

- NRIs / PIOs on full repatriation basis or on non-repatriation basis (NRIs or PIOs, of the United States of America and Canada cannot apply);
- FIIs registered with SEBI on full repatriation basis;
- Army, air force, navy and other paramilitary funds and eligible institutions;
- Scientific and industrial research organisations;
- Provident / pension / gratuity and such other funds as and when permitted to invest;
- International multilateral agencies approved by the government of India / RBI;
- The Trustee, AMC or Sponsor or their associates (if eligible and permitted under prevailing Laws).
- A mutual fund through its schemes, including Fund of Funds schemes.
- Any other category of investors as the AMC/Trustee may permit.

Note: A minor Unit Holder on becoming a major may inform the Registrar and Transfer Agent and provide his specimen signature duly authenticated by his banker as well as his details of bank account and PAN (if required) to enable the Registrar to update their records and allow him to operate the account in his own right.

#### **B. Who cannot invest**

**It should be noted that the following persons/entities cannot invest in the Scheme:**

- (a) Any individual who is a foreign national or any other entity that is not an Indian resident under the Foreign Exchange Management Act, 1999, except where registered with SEBI as a FII or FII sub-account or except for NRIs or PIOs (who are not residents of the United States of America and Canada), unless such foreign national or any other entity that is not an Indian resident has procured the relevant regulatory approvals from the Foreign Investment Promotion Board and/or the RBI, as applicable in the sole discretion and to the sole satisfaction of the AMC.
- (b) Overseas Corporate Bodies (OCBs), i.e. firms and societies which are held directly or indirectly but ultimately to the extent of at least 60% by NRIs and trusts in which at least 60% of the beneficial interest is similarly held irrevocably by such persons without the prior approval of the RBI.
- (c) NRIs and PIOs who are resident of the United States of America and Canada.
- (d) NRIs residing in Non-Compliant Countries and Territories (NCCTs) as determined by the Financial Action Task Force (FATF), from time to time.
- (e) Religious and charitable trusts, wakfs or other public trusts that have not received necessary approvals and a private trust that is not authorized to invest in mutual fund schemes under its trust deed. The Mutual Fund will not be responsible for or any adverse consequences as a result of an investment by a public or a private trust if it is ineligible to make such investments.
- (f) Any other person determined by the AMC or the Trustee as not being eligible to invest in the Scheme.

The Units of the Scheme are not 'public securities' under the relevant statutes and any religious and charitable trust that seeks to invest in the Units of the Scheme will require prior approval of the appropriate authority under appropriate enactments which apply to them and appropriate consents under their trust deeds /constitutional documents, if applicable.

The Mutual Fund reserves the right to include / exclude new / existing categories of investors to invest in the Scheme from time to time, subject to the Regulations and other prevailing Laws, if any.

Subject to the Regulations, any application for Units may be accepted or rejected at the sole and absolute discretion of the Trustee / AMC. For example, the Trustee / AMC may reject any application for the Purchase of Units if the application is invalid or incomplete or if, in its opinion, increasing the size of the Scheme's Unit capital is not in the general interest of the Unit Holders, or if the Trustee for any other reason does not believe that it would be in the best interest of the Scheme or its Unit Holders to accept such an application.

The AMC / Trustee may need to obtain from the investor verification of identity or such other details relating to a subscription for Units as may be required under any applicable Law, which may result in a delay in processing the application.

## Where can Investors submit completed Applications

Investors are requested to refer to the list of ISCs provided on the last page of the SID. Any additions or deletions to the list are available on the AMC's website ([www.jpmorganmf.com](http://www.jpmorganmf.com)).

## How to Apply

Please refer to the SAI and Application Form for the instructions.

Application Forms / Transaction Slips for the Purchase of Units of the Scheme will be available at the ISCs / distributors. Application Forms / Transaction Slips filled up and duly signed by the investor or all joint investors (as the case may be) should be submitted along with the cheque / draft / other payment instrument and supporting documents to a Designated Collection Centre. **For details of payment, please refer below under - How to pay.**

Additional Purchases and Redemptions may be communicated through facsimile instructions ("Facsimile Instructions") and the AMC shall not require other written confirmation in respect of such Facsimile Instructions. Such Facsimile Instructions are solely for the convenience, and at the risk, of the Unit Holder and the AMC is authorized to act on any Facsimile Instruction which the AMC in its sole discretion believes is transmitted from the Unit Holder.

The AMC shall exercise due care in carrying out its internal verification procedures but shall not be liable for acting in good faith on such Facsimile Instructions which are transmitted from unauthorized persons, which shall be binding on the Unit Holder whether made with or without his authority, knowledge or consent.

Applications should be made in adherence to the minimum amount requirements as mentioned in paragraph A - Minimum amount for applying in the Scheme.

It is mandatory for every applicant to provide the name of the bank, branch, address, account type and number as per SEBI requirements and any Application Form / Transaction Slip without these details will be treated as incomplete. Such incomplete applications will be rejected. The Registrar and Transfer Agent / AMC may ask the investor to provide a blank cancelled cheque or its photocopy for the purpose of verifying the bank account number.

In order to strengthen Know Your Client (KYC) norms and identify every participant in the securities market with their respective PAN, thereby ensuring a sound audit trail for all transactions, SEBI has mandated that PAN will be the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction.

Accordingly, it is mandatory for investors to provide their PAN along with a self-attested (if required) copy of the investor's PAN card or copy attested by an ARN holder.

If the investment is being made on behalf of a minor, the PAN of the minor or father or mother or the guardian who represents the minor, should be provided.

Applications received without PAN/PAN card copy will be rejected.

In accordance with the regulatory guidelines, the PAN card copy needs to be verified with the original.

For all applications the applicant or in the case of application in joint names, each of the applicants, should mention his / her PAN allotted under the Act and also submit a photocopy of the PAN card(s) or a communication from the income tax authority indicating allotment of PAN ("PAN Communication") along with the application for the purpose of verification of the number.

An application should be complete in all respects before it is submitted.

It will be treated as incomplete and rejected if:

- the PAN is not mentioned;
- the PAN is mentioned but not supported by a photocopy of the PAN card or PAN Communication;
- any other information or documents as may be required by the AMC or the Trustee have not been submitted together with the Application Form / Transaction Slips.

With effect from February 1, 2008, investors in mutual funds investing Rs.50,000 and above are required to comply with Know Your Client (KYC) norms, under the Prevention of Money Laundering Act, 2002 (PMLA). Please refer to our website [www.jpmorganmf.com](http://www.jpmorganmf.com) or the AMFI website for details.

In order to protect investors from frauds, it is advised that the Application Form number / folio number and name of the first investor should be written at the back of the cheque / draft, before they are handed over to any courier / messenger / distributor / ISC.

**Systematic Investment Plans (SIPs) upto Rs. 50,000/- exempt from Permanent Account Number (PAN).**

In compliance with SEBI letter no. MRD/DoP/PAN/PM/166999/2009, dated June 19, 2009 issued to AMFI and subsequent guidelines issued by AMFI in this regard, effective August 1, 2009, SIPs upto Rs. 50,000/- per year per investor i.e. aggregate of installments in a rolling 12 month period or in a financial year (to be referred as 'Micro SIP') shall be exempt from the requirement of PAN as a proof of identification. The exemption shall be applicable to investments by individuals, NRIs, Minor and Sole Proprietary Firm. However, PIOs, HUFs, Partnership Firms, Companies, Societies, Trusts and any other category will not be eligible for such exemption.

Any one of the following photo identification documents can be submitted along with these SIP applications as proof of identification in lieu of PAN:

1. Voter Identity Card
2. Driving License
3. Government / Defense identification card
4. Passport
5. Photo Ration Card
6. Photo Debit Card (Credit card not included because it may not be backed up by a bank account)
7. Employee ID cards issued by companies registered with Registrar of Companies
8. Photo Identification issued by Bank Managers of Scheduled Commercial Banks / Gazetted Officer / Elected Representatives to the Legislative Assembly / Parliament
9. ID card issued to employees of Scheduled Commercial / State / District Co-operative Banks
10. Senior Citizen / Freedom Fighter ID card issued by Government
11. Cards issued by Universities / deemed Universities or institutes under statutes like ICAI, CWA, ICSI
12. Permanent Retirement Account No (PRAN) card issued to New Pension System (NPS) subscribers by CRA (NSDL)
13. Any other photo ID card issued by Central Government / State Governments / Municipal authorities / Government organizations like ESIC / EPFO

The Photo Identification document has to be current and valid and also either self attested or attested by an ARN holder.

The above-mentioned exemption will not be applicable to normal purchase transactions upto Rs. 50,000/- which will continue to be subject to PAN requirement.

In order to protect investors from fraudulent encashment of cheques, the Regulations require that cheques for Redemption of Units specify the name of the Unit Holder and the bank name and account number where payments are to be credited. Hence, all applicants for Purchase of Units / Redemption of Units must provide a bank name, bank account number, branch address, and account type in the Application Form.

## How to Pay

All cheques / drafts must be drawn favouring "JPMorgan India Tax Advantage Fund". They should be crossed "Account Payee only". A separate cheque, instruction or bank draft must accompany each application.

Payment can be made by either one of the following methods:

- Cheque;
- Draft (i.e. demand draft or bank draft);
- a payment instrument (such as pay order, banker's cheque, etc.); or
- electronic instructions (if mandated)

The cheque should be payable at a bank's branch which is situated at and is a member of the Collecting Banker's clearing house /zone in the city where the application is submitted to a Designated Collection Centre.

An investor may invest through a distributor or bank with whom the AMC has made an arrangement, whereby payment may be made through ECS / EFT / NEFT / RTGS / SI / wire transfer or in any manner acceptable to the AMC, and is evidenced by receipt of credit in the bank account of the Mutual Fund.

The following modes of payment are **not valid**, and applications accompanied by such payments are liable to be rejected.

- Outstation cheques (i.e. if the cheque is payable at a bank's branch which does not participate in the local clearing mechanism of the city where the application is submitted).
- Cash, money orders or postal orders.
- Post dated cheques (except for applications for purchasing Units under SIP of the Scheme).

If the applicant is resident of a city, the banking clearing circle of which is different from that of any Investor Service Centre as designated by the AMC from time to time, the AMC shall bear the bank charges for the demand draft(s). The AMC shall not refund any demand draft charges.

Applications accompanied by cheques / drafts not fulfilling the above criteria are liable to be rejected.

Note: The Trustee, at its discretion at a later date, may choose to alter or add other modes of payment.

**Payments by NRIs, FIIs**

**(a) Repatriable basis**

In the case of NRIs/PIOs, payment may be made either by inward remittance through normal banking channels or out of funds held in a NRE Account / FCNR account.

FIIs may pay their subscriptions either by inward remittance through normal banking channels or out of funds held in a Non-Resident Rupee Account maintained with the designated branch of an authorised dealer in accordance with the relevant exchange management regulations.

**(b) Non-repatriable basis**

In the case of NRIs, payment may be made either by inward remittance through normal banking channels or out of funds held in an NRE / FCNR / NRO account.

**Listing**

The Scheme being open ended, the Units are not proposed to be listed on any stock exchange and no transfer facility is provided. However, the Mutual Fund may at its sole discretion list the Units on one or more stock exchanges at a later date.

**The policy regarding reissue of repurchased Units, including the maximum extent, the manner of reissue, the entity (the Scheme or the AMC) involved in the same**

Not Applicable

**Restrictions, if any, on the right to freely retain or dispose of Units being offered**

As per the ELSS, the Units issued under the Scheme can be assigned or pledged only after the lock-in period of 3 (three) years has elapsed from their date of allotment.

In conformity with the guidelines and notifications issued by SEBI / government of India / any other Regulatory Agencies from time to time, as applicable, Units under the Scheme may be offered as security by way of a lien / charge in favour of scheduled banks, financial institutions, non-banking finance companies, or any other body, after three years from the date of allotment. The Registrar will note and record the lien against such Units. A standard form for this purpose is available on request with the Registrar.

The Unit Holder will not be able to redeem / switch Units under lien until the lien holder provides written authorisation to the AMC/Mutual Fund/Registrar that the lien is discharged. As long as Units are under lien, the lien holder will have complete authority to exercise the lien, thereby redeeming such Units and receiving payment proceeds. In such instance, the Unit Holder will be informed by the Registrar through an account statement. In no case will the Units be transferred from the Unit Holder to a lien holder. Dividends declared on units under lien will be paid / reinvested to the credit of the Unit Holder and not the lien holder.

The Units of the Scheme are not transferable. In view of the same, additions/deletions of names will not be allowed under any folio of the Scheme. The above provisions in respect of deletions of names will not be applicable in case of death of Unit Holder (in respect of joint holdings) as this is treated as transmission of Units and not transfer.

## B. ONGOING OFFER DETAILS

### Ongoing price for subscription Purchase/ switch-in (from other schemes/Plans of the Mutual Fund) by investors

This is the price you need to pay for Purchase/switch-in.

Example: If the applicable NAV is Rs. 10, entry load is 2% then sales price will be: Rs.  $10 * (1+0.02) = \text{Rs. } 10.20$

At the Applicable NAV.

### Ongoing price for Redemption (sale) / switch-outs (to other schemes/plans of the Mutual Fund) by investors

This is the price you will receive for Redemptions/switch-outs.

Example: If the applicable NAV is Rs. 10, exit load is 2% then redemption price will be: Rs.  $10 * (1-0.02) = \text{Rs. } 9.80$

At the Applicable NAV subject to prevailing Exit Load structure.

### Cut off timing for subscriptions/ Redemptions/ switches

This is the time before which your application (complete in all respects) should reach the official points of acceptance.

The Cut-off time for the Scheme is 3.00 p.m., and the Applicable NAV will be as under:

#### For Purchase / Redemption

- In respect of valid Purchase / Redemption applications along with cheques / demand drafts / other payment instruments accepted at a Designated Collection Centre up to 3.00 p.m. on a Business Day, the NAV of such day will be applicable.
- In respect of valid Purchase / Redemption applications along with cheques / demand drafts / other payment instruments accepted at a Designated Collection Centre after 3.00 p.m. on a Business Day, the NAV of the next Business Day will be applicable.
- Redemption of Units can be made only after a lock-in period of 3 (three) years has expired from the date of allotment of Units proposed to be redeemed.

The above will be applicable only for cheques / demand drafts / payment instruments payable locally in the city in which a Designated Collection Centre is located. **No outstation cheques will be accepted.**

**Note :** In case of applications received on a Non-Business Day the closing NAV of the next Business Day shall be applicable.

#### For Switches

Valid applications for 'switch-out' shall be treated as applications for Redemption and valid applications for 'switch-in' shall be treated as applications for Purchase, and the provisions of the Cut-off time and the Applicable NAV mentioned in this SID as applicable to Purchase and Redemption shall be applied respectively to the 'switch-in' and 'switch-out' applications.

Switch-out of Units from this Scheme can be made only after a lock-in period of 3 (three) years has expired from the date of allotment of Units proposed to be switched out.

### Where can the applications for Purchase/ Redemption switches be submitted?

The details of official points of acceptance and Collecting Banker(s) are given on the inside back cover page.

### Minimum amount for Purchase/ Redemption/switches

Minimum Initial Application Amount: Rs 500 (Rupees Five Hundred only) per application and in multiples of Rs. 500 (Rupees Five Hundred only) thereafter.

Minimum Additional Application Amount: Rs 500 (Rupees Five Hundred only) per application and in multiples of Rs 500 thereafter.

Minimum Amount / No. of Units for Redemption: Rs 500 (Rupees Five Hundred only) or 50 (fifty) Units.

Valid applications for 'switch-out' shall be treated as applications for Redemption and valid applications for 'switch-in' shall be treated as applications for Purchase and the above mentioned provisions shall apply accordingly.

### How to Redeem

A Transaction Slip can be used by the Unit Holder to request for Redemption. The requisite details should be entered in the Transaction Slip and submitted at an ISC. Transaction Slips can be obtained from any location of the ISCs.

Redemption of Units can be made only after a lock-in period of three years has elapsed from the date of allotment of Units proposed to be redeemed

**Right to limit Redemption**

The Trustee may, in the general interest of the Unit Holders of the Scheme and when considered appropriate to do so based on unforeseen circumstances / unusual market conditions, limit the total number of Units which may be redeemed on any Business Day to 5% of the total number of Units then in issue, under the Scheme and option(s) thereof, or such other percentage as the Trustee may determine. Any Units which consequently are not redeemed on a particular Business Day will, subject to the further application of the Trustee's right to limit Redemption, be carried forward for Redemption to the next Business Day. Redemptions so carried forward will be priced on the basis of the Applicable NAV (subject to the prevailing Load) of the Business Day on which Redemption is made. Under such circumstances, to the extent multiple Redemption requests are received at the same time on a single Business Day, Redemptions will be made on a pro-rata basis, the balance amount being carried forward for Redemption to the next Business Day. In the aforementioned circumstances, the Trustee reserves the right, in its sole discretion, to limit Redemptions with respect to any single account to an amount of Rs 1 lakh in a single day.

**Minimum balance to be maintained and consequences of non maintenance**

The minimum balance after Redemption shall be Rs 500 (Rupees Five Hundred only). In case the balance falls below Rs 500 (Rupees Five Hundred only) all remaining Units in that account will be automatically redeemed.

**Special Products available**

**1. SYSTEMATIC INVESTMENT PLAN**

This facility enables investors to save and invest periodically over a period of time. It is a convenient way to "invest as you earn" and affords the investor an opportunity to enter the market regularly, thus averaging the acquisition cost of Units. The conditions for investing in SIP will be as follows:

- (a) In case of SIP started during the Ongoing Offer Period, the date of the first cheque shall be the same as the date of the application while the remaining cheques (minimum 17 payment instructions/cheques) shall be post dated cheques (dated uniformly either the 1st, 10th, 15th or 25th of a month or quarter). Alternatively, the payment under SIP may be made through a distributor with whom the AMC has made an arrangement for payment of investment money through ECS / EFT / NEFT / RTGS /SI / wire transfer or in any manner acceptable to the AMC.
- (b) For SIP, the instalment after the NFO Period should be dated after the date of declaration of first NAV. Any payments intended for the interim period will not be processed and will be treated as void.
- (c) Purchases can be made on either a monthly / quarterly basis.
- (d) All the cheques / payment instructions (including the first cheque / payment instruction) shall be of equal amounts.
- (e) The minimum amount of each cheque / payment instruction shall be Rs 500 (Rupees Five Hundred only).
- (f) The aggregate of such cheques / payment instructions shall not be less than Rs 9,000 (Rupees Nine Thousand only). i.e. Minimum 18 cheques in case of a monthly SIP. There is no upper limit for the Purchase for a single cheque / payment instruction or in aggregate.
- (g) If the previous folio number is not mentioned, the 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.
- (h) The load structure prevailing at the time of submission of the SIP application (whether fresh or extension) will apply for all the instalments indicated in such application.
- (i) In case of cancellation of a SIP or cheques returned uncleared for SIP instalments or payment instructions not honoured, if no Entry Load had been charged, the AMC may reduce the number of Units allotted against the previous instalments to the extent of applicable Entry Load on such instalments.
- (j) Each SIP instalment under this Scheme will be locked in for a period of three years from the date of allotment of Units.

The Units will be allotted to the investor at the Applicable NAV plus applicable Entry Load of the respective dates on which the investments are sought to be made. However, if any of the dates on which an investment is sought to be made is a non-Business Day, the Units will be allotted at the Applicable NAV plus applicable Entry Load of the next Business Day. Any Unit Holder can avail of this facility subject to certain terms and conditions detailed in the Application Form. This facility is available only if the Application Form / Transaction Slip along with the post-dated cheques / payment instructions is handed over to an ISC.

**Investors should note that an application for SIP can be submitted at Designated Collection Centres.**

**2. SYSTEMATIC WITHDRAWAL PLAN**  
**(This facility will be available only post lock-in period under the ELSS.)**

This facility enables the Unit Holders to withdraw sums from their Unit accounts in the Scheme at periodic intervals through a one-time request. The withdrawals can be made monthly / quarterly on any date specified by the Unit Holder, subject to that day being a Business Day. The minimum amount in rupees for withdrawal under the SWP facility shall be Rs 500 (Rupees Five Hundred only), while the minimum number of Units for withdrawal shall be 50 (fifty) Units. The withdrawals will commence from the start date mentioned by the Unit Holder in the Application Form for the facility. The Units will be redeemed at the Applicable NAV of the respective dates on which such withdrawals are sought. However, if any of the dates on which the Redemption is sought is a non Business Day, the Units will be redeemed at the Applicable NAV of the next Business Day plus applicable Exit Load/CDSL, if any. This facility is explained by way of an illustration below:

Date	Amount invested (Rs.)	Amount withdrawn under SWP (Rs.)	Assumed NAV* per Unit (Rs.)	Units redeemed	Units Balance**	Value after SWP (Rs.)
1-Jan-06	100,000		10.00		10,000	100,000.00
7-Feb-06		1,000	10.15	98.522	9,901	100,500.00
7-Mar-06		1,000	10.25	97.561	9,804	100,490.15
7-Apr-06		1,000	10.35	96.618	9,707	100,470.54
7-May-06		1,000	10.45	95.694	9,612	100,441.27
7-Jun-06		1,000	10.55	94.787	9,517	100,402.43
7-Jul-06		1,000	10.65	93.897	9,423	100,354.11
7-Aug-06		1,000	10.75	93.023	9,330	100,296.40
7-Sep-06		1,000	10.85	92.166	9,238	100,229.39
7-Oct-06		1,000	10.95	91.324	9,146	100,153.17
7-Nov-06		1,000	11.05	90.498	9,056	100,067.81
7-Dec-06		1,000	11.25	88.889	8,967	100,878.99
7-Jan-07		1,000	11.35	88.106	8,879	100,775.69

\* The NAVs in the table above are purely illustrative and should not be understood or construed as assured or guaranteed returns. Entry and Exit Loads are assumed to be nil for the purpose of the illustration.

\*\* Previous balance less Units redeemed.

**For applicable load on Redemptions through SWP please refer Section IV - Load, Fees and Expenses.**

Systematic withdrawal of Units from the Scheme can be made only after completion of the lockin period of 3 (three) years from the date of allotment of Units proposed to be withdrawn under the SWP facility.

**3. SYSTEMATIC TRANSFER PLAN**

This facility enables Unit Holders to transfer fixed amounts from their accounts in the Scheme to the other schemes launched by the Mutual Fund from time to time. The transfers under this facility can be made on a weekly/fortnightly/monthly basis. The provision of minimum Purchase/Redemption amount with respect to the Scheme will not be applicable for transfers made under this facility. The transfer will commence from the date mentioned by the Unit Holder in the Application Form for the facility and will take place every week/fortnight/month on the day specified by the Unit Holder. The Units will be allotted / redeemed at the Applicable NAV of the respective Business Day of the Scheme on which such investments / withdrawals are sought from the Scheme. In case the day on which the investment / withdrawal is sought to be made, is not a Business Day for the Scheme, then the application for the facility will be deemed to have been received on the immediately following Business Day.

Units transferred into the Scheme will be locked in for a period of 3 (three) years from the date of allotment of Units. Units transferred out of the Scheme are required to have completed the lock-in period.

## Features required as per the ELSS

### Lien on Units for Loans

In case of JPMorgan India Tax Advantage Fund, as per ELSS, the Units issued under the Scheme can be transferred, assigned or pledged only after a period of 3 (three) years of its issue.

After the said period of 3 (three) years, in conformity with the guidelines and notifications issued by SEBI / Government of India / any other regulatory body from time to time, Units under the Scheme may be offered as security by way of a lien / charge in favour of scheduled banks, financial institutions, non-banking finance companies (NBFCs) or any other body. The Registrar and Transfer Agent will note and record the lien against such Units. A standard request letter for this purpose is available on request with the Registrar and Transfer Agent or the AMC.

The Unit Holder will not be able to redeem / switch Units under lien until the lien holder provides written authorization to the Mutual Fund that the lien / charge may be vacated. As long as Units are under lien, the lien holder will have complete authority to exercise the lien, thereby redeeming such Units and receiving payment proceeds. In such instance, the Unit Holder will be informed by the Registrar and Transfer Agent through an account statement. In no case will the Units be transferred from the Unit Holder to the lien holder. Dividends declared on Units under lien will be paid / re-invested to the credit of the Unit Holder and not the lien holder unless specified otherwise in the lien letter.

### Transmission of Units and Nomination Facility

In case of JPMorgan India Tax Advantage Fund, as per the ELSS, in the event of the death of the 'Assessee', the nominee or legal heir as the case may be shall be able to withdraw the investment only after the completion of 1 (one) year from the date of allotment of the Units to the 'Assessee'. Accordingly, transfer of Units (allotted to 'Assessee's' as defined under the ELSS) to nominees as mentioned above will be carried out only after the completion of 1 (one) year from the date of its allotment. The restriction of 1 (one) year shall not apply to units allotted to investors other than 'Assessee's'.

## Accounts Statements

### For normal transactions (other than SIP/STP/SWP) during ongoing sales and repurchase:

- An account statement will be sent by ordinary post /courier/ electronic mail to each Unit Holder, stating the number of Units purchased, generally within 3 (three) Business Days, but not later than 10 (ten) Business Days from date of acceptance of the valid Application Form/Transaction Slip on an ongoing basis.
- For those Unit Holders who have provided an e-mail address, the AMC will send the account statement by e-mail.
- The Unit Holder may request for a physical account statement by writing/calling the AMC/ ISC/R&T. On receipt of such request the AMC shall provide the account statement to the Unit Holders within 5 (five) Business Days from the receipt of such request without any charges.

### For SIP / STP / SWP transactions:

- Account statement for SIP, STP and SWP will be despatched once every quarter ending March, June, September and December within 10 (ten) working days of the end of the respective quarter.
- A soft copy of the account Statement shall be mailed to the investors under SIP/STP/SWP to their e-mail address on a monthly basis, if so mandated.
- However, the first account statement under SIP/STP/SWP shall be issued within 10 (ten) working days of the initial investment/transfer.
- In case of specific request received from investors, the Mutual Fund shall provide the account statement (SIP/STP/SWP) to the investors within 5 (five) working days from the receipt of such request without any charges.

### Annual Account Statement:

- The Mutual Fund shall provide the account statement to the Unit Holders who have not transacted during the last 6 (six) months prior to the date of generation of account statements. The account statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement,
- The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme.
- Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.

Allotment of Units and dispatch of account statements to FIIs will be subject to RBI approval. Upon allotment of Units an account statement will be sent to each Unit Holder stating the number of Units allotted. The Units shall be non-transferable. The Trustees may issue a Unit Certificate in lieu of the account statement in respect of the Units held to such Unit Holders who request for the same, after receipt of a specific request from the Unit Holder. The Trustees reserve the right to make the Units transferable at a later date subject to SEBI Regulations issued from time to time.

In view of the same, additions/ deletion of names will not be allowed under any folio of the Scheme.

The above provisions in respect of deletion of names will not be applicable in case of death of Unit Holder (in respect of joint holdings) as this is treated as transmission of Units and not transfer.

<b>Dividend</b>	The dividend warrants shall be dispatched to the Unit Holders within 30 (thirty) days of the date of declaration of the dividend.
<b>Redemption</b>	<p>Redemption proceeds will be paid by cheques, marked "A/c Payee only" and drawn in the name of the sole holder / first-named holder (as determined by the records of the Registrar).</p> <p>The Mutual Fund will endeavour to despatch the Redemption proceeds within 3 (three) Business Days from the acceptance of the Redemption request, but not beyond 10 (ten) Business Days from the date of Redemption. In case of JPMorgan India Tax Advantage Fund, as per the ELSS, Unit Holders will not be able to redeem Units under the Scheme for a period of 3 (three) years from the date of allotment of respective Units. After the period of 3 (three) years, Units could be redeemed as mentioned in this SID. However, in the event of the death of a Unit Holder, the nominee or legal heir will be able to redeem the Units held by the deceased Unit Holder subject to the expiry of 1 (one) year from the date of allotment of such Units.</p> <p>The Unit Holder has the option to request for Redemption either in amount in Rupees or in number of Units.</p> <p>Units purchased by cheque may not be redeemed until after realization of the cheque. In case the investor mentions the number of Units as well as the amount, then the amount will be considered for processing the Redemption request. In case the investor mentions the number of Units or the amount in words and figures, then the value in words will be taken for processing the Redemption request.</p> <p>If the redemption request amount exceeds the balance lying to the credit of the Unit Holder's said account, then the fund shall redeem the entire amount lying to the credit of the Unit Holder's account in that Scheme/Plan/option.</p> <p>If an investor has purchased Units on more than 1 (one) Working Day, the Units purchased prior in time (i.e. those Units which have been held for the longest period of time), are deemed to have been redeemed first, i.e. on a first in first out basis except when the Unit Holder specifically requests Redemption of Units purchased on specific date(s). If multiple Purchases are made on the same day, the Purchase appearing earliest in the account statement will be redeemed first.</p> <p>The minimum amount in rupees for Redemption shall be Rs. 500/- (Rupees Five Hundred only) or account balance whichever is less.</p> <p><b>Units can be redeemed (sold back to the Mutual Fund) at the Redemption Price during the Ongoing Offer Period subject to a lock in period of 3 (three) years as per the ELSS.</b></p>
<b>Delay in Payment of Redemption / Repurchase Proceeds</b>	The AMC shall be liable to pay interest to the Unit Holders at such rate as may be specified by SEBI for the period of delay beyond 10 working days (presently @ 15% per annum).
<b>Bank Account Details</b>	As per the directives issued by SEBI, it is mandatory for applicants to mention their bank account numbers in their applications for Purchase or Redemption of Units. If the Unit Holder fails to provide the Bank mandate, the request for Redemption would be considered as not valid and the Mutual Fund retains the right to withhold the Redemption until a proper bank mandate is furnished by the Unit Holder and the provision with respect of penal interest in such cases will not be applicable/ entertained.

## C. PERIODIC DISCLOSURES

### Net Asset Value

This is the value per Unit of the Scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your Unit balance.

The Mutual Fund shall declare the NAV of the Scheme on every Business Day on AMFI's website [www.amfiindia.com](http://www.amfiindia.com) by 9.00 pm and also on its own website [www.jpmorganmf.com](http://www.jpmorganmf.com).

In case of any delay, the reasons for such delay would be explained to AMFI. If the NAVs are not available before commencement of business hours on the following Business Day due to any reason, the Mutual Fund shall issue a press release providing reasons and explaining when the Mutual Fund would be able to publish the NAVs.

The Mutual Fund will publish on all Business Days the NAVs, Purchase Price and Redemption Price of the Scheme in at least two daily newspapers.

### Half yearly Disclosures: Portfolio / Financial Results

This is a list of Securities where the corpus of the Scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.

The Mutual Fund shall, before the expiry of one month from the close of each half year (March 31 and September 30 ) publish its unaudited financial results in one national English daily newspaper and in a local daily newspaper in Mumbai. These shall also be displayed on the websites of the Mutual Fund and of AMFI.

Full portfolio details, in the prescribed format, shall also be disclosed either by publishing it in the newspapers or by sending to the Unit Holders within 1 (one) month from the end of each half-year and it shall also be displayed on the website of the Mutual Fund.

### Half Yearly Results

The Mutual Fund shall, before the expiry of 1 (one) month from the close of each half year (March 31 and September 30) publish its unaudited financial results in one national English daily newspaper and in a local daily newspaper in Mumbai. These shall also be displayed on the websites of the Mutual Fund and of AMFI.

### Annual Report

An annual report of the Scheme will be prepared as at the end of each financial year (March 31) and copies of the report or an abridged summary thereof will be mailed to all Unit Holders as soon as possible but not later than 4 (four) months from the closure of the relevant financial year. If the report is mailed in a summary form, the full report will be available for inspection at the registered office of the Trustee and a copy thereof on request to the Unit Holders on payment of a nominal fee.

### Associate Transactions

Please refer to the Statement of Additional Information.

### Taxation

*The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors / authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.*

<b>JPMorgan India Tax Advantage Fund (An open-ended equity linked savings scheme)</b>	<b>Resident Investors *</b>	<b>Mutual Fund</b>
Tax on Dividend	Nil	Nil - In case of equity oriented fund (Refer Note)
Long-term capital gains	Nil - In case of equity oriented fund	Nil
Short-term capital gains	15 per cent - In case of equity oriented fund#	Nil
Business income	10 - 30 per cent based on the total income of the investor##	Nil

An equity oriented mutual fund will also attract securities transaction tax (STT) at applicable rates on redemption / repurchase of units.

Section 80C benefit is available under the scheme.

\*The tax rate would be increased by a surcharge of:

- 7.5 per cent - in case of domestic corporate Unit Holders, where the total income exceeds Rs 100,00,000
- Nil - in case of individuals, firms, local authority and co-operative societies

Further, an additional surcharge of 3 per cent by way of education cess would be charged on amount of tax inclusive of surcharge for all Unit Holders.

# In case of resident individuals and 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 15 per cent tax rate.

## Assuming that the total income in case of individuals, HUF, AOP, BOI exceeds the basic exemption limit (Rs 240,000 in case of resident individual of an age 65 years or more, Rs 190,000 in case of woman resident in India below 65 years of age and Rs 160,000 in case of other individual and HUF, AOP/BOI).

**Note:** An equity oriented fund has been defined as a scheme of a Mutual Fund where the investible funds are invested in equity shares of domestic companies to the extent of more than 65 per cent of the total proceeds of such fund. The percentage of equity shareholding of the fund shall be computed with reference to the annual average of the monthly averages of the opening and closing figures.

**For further details on taxation please refer to the clause on Taxation in the SAI.**

The above is intended as a general guide only and does not necessarily describe the tax consequences for all types of investors in the Fund and no reliance, therefore, should be placed upon them. Each investor is advised to consult his or her own tax consultant with respect to the specific tax implications.

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**Investor services**

Any complaints should be addressed to Mr. Anutosh Bose, who has been appointed as the investor relations officer. He can be contacted at:

Address : Kalpataru Synergy, 3rd floor, West Wing, Santacruz -East, Mumbai - 400 055.

Telephone : 91-22 - 6783 7000

Fax : 91-22 - 6783 7001

E-mail : [India.investors@jpmorgan.com](mailto:India.investors@jpmorgan.com)

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**D. COMPUTATION OF NAV**

**Calculation of NAV**

The NAV under the Scheme shall be calculated by the method shown below:

$$\text{NAV (Rs) = } \frac{\text{(Market or fair value of the Scheme's investments + receivables + accrued income + other assets) - (accrued expenses + payables + other liabilities and provisions)}}{\text{No. of Units outstanding under the Scheme}}$$

The NAV will be calculated on all Business Days. The valuation of the Scheme's assets and calculation of the Scheme's NAV shall be subject to audit on an annual basis and such regulations as may be prescribed by SEBI from time to time.

The NAV will be calculated up to three decimal places for the Scheme.

## IV. FEES AND EXPENSES

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

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

These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees paid marketing and advertising, registrar expenses, printing and stationary, bank charges etc.

No New Fund Offer expenses were charged to the JPMorgan India Equity Fund, JPMorgan India Liquid Fund, JPMorgan India Treasury Fund, JPMorgan India Smaller Companies Fund, JPMorgan India Active Bond Fund, JPMorgan India Alpha Fund, JPMorgan India Short Term Income Fund and JPMorgan JF Greater China Equity Off-shore Fund.

### Illustration of amount available to the Scheme for Investment

The amount available to the Scheme for investment for each Rs 100 contributed by the investor will be as under:

	Purchase attracting Entry Load (2.25%)	Purchase not attracting Entry Load
1. Amount paid by investor	Rs 100	Rs 100
2. Entry Load (%)	2.250	Nil
3. Purchase price (Rs 10 + Entry Load)	Rs. 10.225	Rs 10.000
4. Units allotted (1 ÷ 3)	9.780 units	10 units
5. Amount available for investment (Units allotted x Rs 10)	Rs 97.800	Rs 100.000

### B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the Scheme. These expenses include investment management and advisory fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:

The AMC has estimated that upto 2.50 % of the daily average net assets of the Scheme will be charged to the Scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of the Mutual Fund.

Particulars	% of Net Assets
Investment management & advisory Fee	1.25
Custodial fees	0.10
Registrar & Transfer Agent fees including cost related to providing accounts statement, dividend/redemption cheques/warrants etc.	0.15
Marketing and selling expenses including agent's commission and statutory advertisement	0.60
Brokerage and transaction cost pertaining to the distribution of units	
Audit fees / fees and expenses of trustees	0.02
Costs related to investor communications	0.04
Costs of fund transfer from location to location	0.01
Other Expenses*	0.33
<b>Total Recurring Expenses</b>	<b>2.50</b>

\*Other expenses: Any other expenses which are directly attributable to the Scheme, may be charged with approval of the Trustee within the overall limits as specified in the Regulation 52 (6) except those expenses which are specifically prohibited.

These estimates have been made in good faith as per the information available to the AMC based on past experience and are subject to change inter-se. Types of expenses charged shall be as per the SEBI (MF) Regulations.

The AMC will charge the Scheme such actual expenses incurred, subject to the statutory limit prescribed in the Regulations, the current limits of which are given below:

### Maximum Recurring Expenses:

Daily average net assets	Maximum, as a % of daily average net assets
First Rs 100 Crores	2.50%
Next Rs 300 Crores	2.25%
Next Rs 300 Crores	2.00%
Balance assets	1.75%

### Maximum Investment Management Fee to be charged by the AMC:

Daily average net assets	Maximum, as a % of daily average net assets
First Rs 100 Crores	1.25%
Balance assets	1.00%

Any excess over these limits will be borne by the AMC.

### C. LOAD STRUCTURE

Load is an amount which is paid by the investor to subscribe to the units or to redeem the units from a scheme. This amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC ([www.jpmorganmf.com](http://www.jpmorganmf.com)) or may call at (toll free no.) or your distributor.

Type of Load for each Purchase / Redemption	Load chargeable (as %age of applicable NAV)
Entry Load	Nil
Exit Load	Nil

No Entry Load / Exit Load will be chargeable in case of switches made between different options of the Scheme.

Exit Load - Nil w.e.f. July 1, 2010

For the most up to date information on Entry / Exit Loads investors are advised to contact their ISC or the AMC at its toll-free number (1800-22-5763) prior to any application / redemption.

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

All loads, when charged, for the Scheme shall be maintained in a separate account and may be utilised towards meeting the selling and distribution expenses. Any surplus in this account may be credited to the Scheme, whenever felt appropriate by the AMC.

Subject to the Regulations, the Trustee retains the right to change / impose an Entry / Exit Load, subject to the provisions below.

- (a) Any imposition or enhancement of load in future shall be applicable on prospective investments only.
- (b) The AMC shall arrange to display a notice in all the ISCs/AMC office before changing the prevailing load structure. An addendum detailing the changes in load structure will be attached to SIDs and Application Forms. Unit Holders / prospective investors will be informed of changed / prevailing load structures through various means of communication such as public notice in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the head office of the Mutual Fund is situated and / or display at ISCs / distributors' offices, on account statements, acknowledgements, investor newsletters, etc. The introduction of the exit load/ CDSC alongwith the details may be stamped in the acknowledgement slip issued to the investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such load/CDSC.
- (c) The Redemption Price will not be lower than 93% of the Applicable NAV and the Purchase Price will not be higher than 107% of the Applicable NAV, provided that the difference between the Redemption Price and the Purchase Price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time, which is currently 7% calculated on the Purchase Price.

For any changes in load structure, the AMC will issue an addendum and display it on the website/Investor Service Centres.

#### **D. TRANSACTIONS UNDER A POWER OF ATTORNEY (PoA)**

An applicant wishing to transact through a POA must lodge the photocopy of the POA attested by a notary public or copy of the notarized POA attested by the Bank Manager or the original POA (which will be returned after verification). Applications are liable to be rejected if the POA in the manner as mentioned above is not submitted. The enclosure of original POA should be duly indicated in the Application Form / Transaction Slips. In case the application for subscription is accepted by the AMC without the POA, the Units under the folio cannot be redeemed unless the POA has been submitted to the AMC.

#### **E. APPLICATION BY NON-INDIVIDUAL INVESTORS**

In case of an application by a company, body corporate, society, mutual fund, trust or any other organisation not being an individual, a duly certified copy of the relevant resolution or a document providing evidence of the authority of the organisation to invest in units of mutual

fund(s) such as the Scheme, along with the updated specimen signature list of authorized signatories must be lodged along with the Application Form / Transaction Slip at a Designated Collection Centre, if not submitted earlier. Further, the AMC may require that a copy of the incorporation deeds / constitutive documents (e.g. memorandum of association and articles of association) be submitted.

#### **F. MODE OF HOLDING**

An application can be made by up to a maximum of three applicants. Applicants must specify the 'mode of holding' in the Application Form. If an application is made by one Unit Holder only, then the mode of holding will be considered as 'Single'.

If an application is made by more than one investors, they have an option to specify the mode of holding as either 'Joint' or 'Anyone or Survivor'. If the mode of holding is specified as 'Anyone or Survivor', an instruction signed by any one of the Unit Holders will be acted upon by the Mutual Fund. It will not be necessary for all the Unit Holders to sign the instructions.

In case of joint applications, if the investor has not mentioned the mode of holding, it shall be deemed as 'Anyone or Survivor'.

If the mode of holding is specified as 'Joint', all instructions to the Mutual Fund would have to be signed by all the Unit Holders, jointly. The Mutual Fund will not be empowered to act on the instruction of any one of the Unit Holders in such cases.

In all cases, all communication to Unit Holders (including account statements, statutory notices and communication, etc.) will be addressed to the Unit Holder whose name appears first in terms of priority in the Unit Holder register. All payments, whether for Redemptions, dividends, etc. will be made favouring the first-named Unit Holder. Service of a notice on or delivery of a document to any one of several joint Unit Holders shall be deemed effective service on or delivery to the other joint Unit Holders.

Any notice or document so sent by post to or left at the address of a Unit Holder appearing in the Unit Holder register shall, notwithstanding that such Unit Holder be then dead or bankrupt and whether or not the Trustee or the AMC has notice of such death or bankruptcy, be deemed to have been duly served and such service shall be deemed a sufficient service on all persons interested (whether jointly with or as claiming through or under the Unit Holder) in the Units concerned.

Investors should carefully study the section on transmission of units and nomination facility given in the SAI, before selecting the relevant box pertaining to the mode of holding in the Application Form.

## V. RIGHTS OF UNITHOLDERS

Please refer to SAI for details.

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

1. *All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed.*

Nil

2. *In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustees / Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.*

Nil

3. *Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings,*

*if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.*

Nil

4. *Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.*

A Writ Petition bearing No. 29906 / 2009 (GM-RES-PIL) dated October 9, 2009 has been filed in the Hon'ble High Court of Karnataka at Bangalore against, amongst others, the Trustee Company, alleging a connection to an enterprise purported to have been set up at the behest of a significant shareholder of the ultimate parent company of the Trustee Company.

The matter is being contested and the Trustee Company is of the opinion that the eventual resolution of the matter will not materially affect its business or financial position.

5. *Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency, shall be disclosed.*

Nil

No penalties have been awarded by SEBI under the SEBI Act or the Regulations against the Sponsor or the AMC or the Trustee, or any of its directors or key personnel (specifically the fund managers) of the AMC and the Trustee. The above information has been disclosed in good faith as per the information available to the AMC as at the date of this SID.

**Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI Regulations and the guidelines there under shall be applicable.**



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