

SCHEME INFORMATION DOCUMENT

LICMF FIXED MATURITY PLAN SERIES 46-47-48-49

(A close ended income scheme with no assured returns)

Offer of Units of Rs.10/- each for cash during the New Fund Offer

New Fund Offer Opens on: -----

New Fund Offer Closes on: -----

The scheme is proposed to be listed on National Stock Exchange of India Ltd. (NSE)

Name of Mutual Fund: LIC Mutual Fund

Name of Asset Management Company : LIC Mutual Fund Asset Management Co. Ltd.

Name of Trustee Company: LIC Mutual Fund Trustee Company Pvt. Ltd.

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The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Fund) Regulations 1996, (herein after referred to as SEBI (MF) Regulations) as amended till date, and file 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.

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

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

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

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

The Scheme Information Document is dated 09/11/2009

Disclaimer:

“As required, a copy of this Scheme Information Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter NSE/LIST/120835-G dated October 16, 2009 permission to the Mutual Fund to use the Exchange’s name in this Scheme Information Document as one of the stock exchanges on which the Mutual Fund’s units are proposed to be listed subject to, the Mutual Fund fulfilling the various criteria for listing. The Exchange has scrutinized this Scheme Information Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Mutual Fund. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Scheme Information Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Scheme Information Document; nor does it warrant that the Mutual Fund’s units will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Mutual Fund, its promoters, its management or any scheme or project of the Mutual Fund.

Every person who desires to apply for or otherwise acquire any units of the Mutual Fund may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

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HIGHLIGHTS/SUMMARY OF THE SCHEME

Investment Objective:

The investment objective of the Scheme is to minimize interest rate risk by investing in a portfolio of fixed income securities normally maturing in line with the time profile of the scheme.

Liquidity:

The scheme is a closed ended income scheme. The units of the scheme will be listed on National Stock Exchange of India Ltd. (NSE). The units of the scheme cannot be redeemed by the investors directly with the Fund till the maturity of the scheme. Investors can purchase or repurchase units on a continuous basis on NSE where the units are listed until the date of issue of notice by the AMC for fixing the record date for determining the unitholders whose name(s) appear on the list of the beneficial owners as per the Depositories (NSDL/CDSL) records for the purpose of redemption of Units on Maturity Date. The trading of units of the stock exchange where units are listed will automatically get suspended from the date of issue of the said notice and also no off-market transactions shall be permitted by the Depositories. The price of the Units in the market will depend on demand and supply at that point of time. There is no minimum investment, although units are purchased in round lots of 1. The notice for fixing the Record Date will be issued by the AMC atleast five calendar days before the maturity date and the Record Date for redemption of Units on Maturity date will be atleast one calendar day prior to the Maturity date. The Fund reserves the right to change the period for publication of Notice and Fixing of Record date for redemption of units on Maturity date.

Dematerialization of Units

The Unit holders would have an option to hold the Units in dematerialized form. Accordingly, the Units of the Scheme will be available in dematerialized (electronic) form. The Applicant intending to hold Units in dematerialized form will be required to have a beneficiary account with a Depository Participant (DP) of the NSDL/CDSL and will be required to mention in the application form DP's Name, DP ID No. and Beneficiary Account No. with the DP at the time of purchasing Units during the NFO of the scheme. The Units of the Scheme will be traded and settled on the exchange compulsorily in dematerialized (electronic) form.

As per SEBI (MF) Regulations, the Mutual Fund shall dispatch redemption proceeds within 10 Business Days from the date of Maturity. A penal interest of 15% or such other rate as may be prescribed by SEBI from time to time, will be paid in case the payment of redemption proceeds is not made within 10 Business Days from the date of Maturity. However under normal circumstances, the Mutual Fund would endeavour to pay the redemption proceeds within 3-4 Business Days from the date of Maturity.

Benchmark:

CRISIL Liquid Fund Index

Transparency / NAV Disclosure:

The AMC will calculate and disclose the first NAV of the scheme not later than 30 days from the closure of the New Fund Offer Period of the scheme. Thereafter NAV shall be calculated on all Business Days and announced at the close of each Business Day and declared in accordance with the SEBI guidelines from time to time and will be displayed / available at the Corporate office, Registrars office and other Authorized Centers such as the Area Offices / Business Centers. The NAV will also be published in two daily newspapers in accordance with SEBI guidelines, and will also be updated on AMFI website and LICMF website on all business days. AMC shall disclose details of the portfolio of the Scheme on a monthly basis on its website or at such frequency as may be decided by the Trustee / AMC from time to time. As per SEBI (MF) Regulations, a complete statement of the Scheme portfolio would be published by the Mutual Fund as an advertisement in one English daily Newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated within one month form the close of each half year (i.e. March 31 & September 30) or mailed to the Unit holders.

Loads:**Entry Load:** Not applicable

Pursuant to SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, no entry load will be charged by the Plan(s) under the Scheme to the investor. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder (AMFI registered Distributor) directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

Exit Load: Not Applicable.

Since the scheme will be listed on stock exchange, there will not be any exit load

Minimum Application Amount:

Rs.10,000/- and thereafter in multiples of Re.1/

We are launching various series. The present scheme will be 46th / 47th /48th / 49th in the Series and hence the scheme will be known as LICMF Fixed Maturity Plan Series 46-47-48-49 (LICMF FMP Series 46-47-48-49)

Plans:

Duration of the Plan	No. of Plans	Maturity Date
LICFM FMP Series - 367 Days	1	367days from the date of allotment
LICMF FMP Series - 18 Months	1	18 Months from the date of allotment
LICMF FMP Series - 3 Years	1	3 Years from the date of allotment
LICMF FMP Series – 5 Years	1	5 Years from the date of allotment

If the maturity day happens to be a non-business day, the next business day will be the maturity date.

The New Fund Offer of the plan will be launched within 6 months from date of no observation letter given by the SEBI for the said Scheme Information Document. Information regarding launching of the NFO will be displayed by way of a notice at our Area Offices / Business Centers / R&T Agent / ISCs and will be open for a period of not exceeding 45 days. The Trustee / AMC may close the New Fund Offer before the actual closing date by giving at least one-day notice in daily newspaper. The Fixed Maturity Plans are close ended income scheme with no assured returns and will enable investors to nearly eliminate interest rate risk by remaining invested in the scheme till the Maturity Date . The scheme will get redeemed as on the date of maturity

I. INTRODUCTION**A. RISK FACTOR****STANDARD RISK FACTORS**

- Mutual funds and securities investments are subject to market risks and there is no assurance and no guarantee that the objectives of the mutual fund shall be achieved.
- The NAV of the units issued under the scheme may go up or down depending on the factors and forces affecting capital markets.
- Past performance of the Sponsor/AMC/Mutual fund does not indicate the future performance of the schemes of the Mutual Fund.
- **LICMF FIXED MATURITY PLAN – SERIES 46-47-48-49** is 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 liable for any loss resulting from the operation of the scheme beyond the initial contribution made by it for an amount of Rs. 2 Crore towards setting up of the Mutual Fund.
- Investors in the scheme are not being offered any assured /guaranteed returns. Further, the Fund/AMC is not guaranteeing or assuring any returns. The Fund/AMC is also not assuring or guaranteeing that it will be able to make regular dividend distributions to its Unitholders, though, it has every intention to manage the portfolio so as to make such payments to the Unitholders. Dividend payments will be dependent on the returns achieved by the AMC through active management of the portfolio. The dividend distributions may, therefore, vary from month to month, quarter to quarter or year to year, based on investment results of the portfolio. Further, it should be noted that the actual distribution of dividends and frequency thereof are indicative and will depend, inter-alia, on availability of distributable surplus. Dividend payouts will be entirely at the discretion of Trustees.
- As per SEBI Circular SEBI/IMD/CIR No. 10/22701/03 dated December 13, 2003, the scheme / plan shall have minimum 20 investors and no single investor shall account for more than 25% of the corpus of the scheme after the close of the NFO itself i.e. at the time of allotment. In case of non-fulfillment with the condition of minimum 20 investors, the Scheme(s)/Plan(s) shall be wound up in accordance with Regulation 39 (2) (c) of SEBI (MF) Regulations automatically without any reference from SEBI. In case of non-fulfillment with the condition of 25% holding by a single investor on the date of allotment, the application to the extent of exposure in excess of the stipulated 25% limit would be liable to be rejected and the allotment would be effective only to the extent of 25% of the corpus collected. Consequently, such exposure over 25% limits will lead to refund within 6 weeks of the date of closure of the New Fund Offer.

RISK FACTORS SPECIFIC TO SCHEME

- Trustees have ensured that before the launch of the Scheme , in – principle approval for listing has been obtained. The Scheme will be listed on National Stock Exchange of India Ltd. (NSE). Further, the AMC may at its discretion list the units on any Stock Exchange.
- **Risk factors related to debt security:** All debt securities are exposed to interest rate risks, credit risks and reinvestment risk. Different types of securities in which the scheme would invest as given in the scheme information document carry different levels and types of risk. Accordingly, the scheme's risk may increase or decrease depending upon its investment pattern e.g. corporate bonds carry a higher amount of risk than government securities. Further even among corporate bonds, bond which AAA rated are comparatively less risky than bonds which are AA rated.
- **Price-Risk or Interest-Rate Risk:** Fixed income securities such as bonds, debentures and money market instruments run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates.
- **Credit Risk:** In simple terms this risk means that the issuer of a debenture/bond or a money market instrument may default on interest payment or even in paying back the principal amount on maturity. Even where no default occurs, the price of a security may go down because the credit rating of an issuer goes down. It must, however, be noted that where the Scheme has invested in Government securities, there is no credit risk to that extent.
- **Reinvestment Risk:** Investments in fixed income securities may carry reinvestment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.
- **Risk factors related to securitised debt:** Different types of Securitised Debts in which the scheme would invest carry different levels and types of risks. Accordingly the scheme's risk may increase or decrease depending upon its investments in Securitised Debts e.g. AAA securitised bonds will have low Credit Risk than a AA securitised bond. Credit Risk on Securitised Bonds may also depend upon the Originator, if the bonds are issued with Recourse

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

- **Risk factors related to floating rate instruments:** The fund may invest in floating rate instruments. These instruments' coupon will be reset periodically in line with the benchmark index movement. The changes in the prevailing rates of interest will affect the value of the Plan's holdings and thus the value of the Plan's Units. The fund could be exposed to the interest rate risk (i) to the extent of time gap in resetting of the benchmark rates, and (ii) to the extent the benchmark index fails to capture the interest rate movement. Though the basis (i.e. benchmark) gets readjusted on a regular basis, the spread (i.e. markup) over benchmark remains constant. This can result in some volatility to the holding period return of floating rate instruments. If the floating rate asset is created by swapping the fixed return to a floating rate return then there may be an additional risk of counter-party who will pay floating rate return and receive fixed rate return. Due to the evolving nature of the floating rate market, there may be an increased degree of liquidity risk in the portfolio from time to time.
- The value in the investments is bound to change with changes in the factors affecting the market viz. changes in interest rates, exchange rates, price and volume fluctuations in debt markets, taxation, govt. policies, and other economic and political developments.
- Risks associated with investment in derivatives-5. The scheme may also use various derivatives and hedging products from time to time, as would be available and permitted by SEBI, in an attempt to protect the value of the portfolio and enhance unitholders interest. In case the scheme utilizes any derivatives under the regulations, the scheme may, in certain situations, be exposed to instrument specific risks. For details please refer to the para on Derivatives.

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

Mutual fund shall enter into derivative transactions to protect the interest of the investors and the total exposure in the derivatives will be in accordance with SEBI (MF) Regulations.

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

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

- The prices of securities may be affected by the time taken by the Fund for redemption of units, which could be significant in the event of receipt of a very large number of redemption requests or very large value of redemption requests. The liquidity of the assets may be affected by other factors such as general market conditions, political events, bank holidays and civil strife. In view of this, the Trustee has the right in its sole discretion to limit redemption (including suspension of redemption) under certain circumstances. Please refer to the para "Suspension of Redemption/Repurchase of units" for details. Redemption due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any such tax consequences that may arise.
- *Income / growth options indicated herein this document are subject to tax laws in force for the time being. The tax benefits described herein this Scheme Information Document are as available under the present taxation laws with no guarantee whatsoever on the period for which they may be prevalent, and are available subject to conditions. The information given is included for general purpose only and the Unit holders should be aware that the relevant fiscal rules or their interpretation may change. In view of the individual nature of tax consequences, each Unit holder is advised to consult his/ her own tax advisor*
- *Risks associated with Listing of Units on Exchange: 1) Although the units of the scheme are to be listed on the exchange, there can be no assurance that the active secondary market will develop or be maintained. (2) Trading in Units of the scheme on the Exchange may be halted because of market conditions or for reasons that in view of Exchange Authorities or SEBI, trading in Units of the scheme is not advisable. In addition, trading in Units of the Scheme is subject to trading halts caused by extraordinary market volatility and pursuant to Exchange and SEBI 'circuit filter' rules. There can be no assurance that the requirements of Exchange necessary to maintain the listing of Units of the respective Plan(s) will continue to be met or will remain unchanged. (3) Any changes in trading regulations by the Stock Exchange(s) or SEBI may inter-alia result in wider premium/ discount to NAV. (4) The Units of the scheme may trade above or below their NAV. The NAV of the scheme will fluctuate with changes in the market value of scheme holdings. The trading prices of Units of the scheme will fluctuate in accordance with changes in their NAV as well as market supply and demand for the Units of the scheme. (5) The Units will be issued in demat form through depositories. The records of the depository are final with respect to the number of Units available to the credit of Unit holder. Settlement of trades, repurchase of Units by the Mutual Fund on the maturity date will depend upon the confirmations to be received from depository(ies) on which the Mutual Fund has no control. (6) The market price of the Units of the scheme like any other listed security is largely dependent on two factors viz., (a) the intrinsic value of the Unit (or NAV) and (b) demand and supply of Units in the market. Sizeable demand or supply of the Units in the Exchange may lead to market price of the Units to quote at premium or discount to NAV (7) As the Units allotted under the scheme will be listed on the Exchange, the Mutual Fund shall not provide for redemption / repurchase of Units prior to maturity date of the scheme*

OTHERS

- No person is authorised to give any information or to make any representation inconsistent with this scheme information document in connection with the New Fund offer and/or issue of units of LICMF FIXED MATURITY PLAN SERIES 46-47-48-49
- *This Scheme Information Document includes all the points mentioned in the Standard Observations issued by SEBI.*
- *This scheme information document contains no deviations from, and neither have any subjective interpretations been applied to, the provisions of any regulations. All contents in this scheme information document have been checked and are factually correct -24*
- Any information or representation not contained herein this document, must not be relied upon as having been authorised by the Mutual fund or the Investment manager.
- *All information in the offer and abridged scheme information document has been updated considering the standard observations, 30 days before the launch of the scheme -23*
- *The Standard Observations/Clarifications, as far as possible and applicable shall also be followed in case of existing schemes till the scheme information documents are revised and updated*

In case the Government of India makes any amendment to the Direct Tax Laws with retrospective effect then AMC will pay the tax and the investor/scheme will be spared from the tax burden.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme(s) and Individual Plan(s) under the Scheme(s) shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme(s)/Plan(s). These conditions will be complied with immediately after the close of the NFO itself i.e. at the time of allotment. In case of non-fulfillment with the condition of minimum 20 investors, the Scheme(s)/Plan(s) shall be wound up in accordance with Regulation 39 (2) of SEBI (MF) Regulations, automatically without any reference from SEBI. In case of non-fulfillment with the condition of 25% holding by a single investor on the date of allotment, the application to the extent of exposure in excess of the stipulated 25% limit would be liable to be rejected and the allotment would be effective only to the extent of 25% of the corpus collected. Consequently, such exposure over 25% limits will lead to refund within 6 weeks of the date of closure of the New Fund Offer.

C. SPECIAL CONSIDERATIONS, IF ANY

Investors are requested to read the terms of SID carefully before investing in the scheme and to retain the SID for future reference

D. DEFINITIONS

AMC	LIC Mutual Fund Asset Management Limited, the Asset Management Company incorporated under the Companies Act,1956, and authorized by SEBI to act as the Investment Manager to the Schemes of LIC Mutual Fund
IMA	The Agreement entered into between LIC Mutual Fund Trustee Company Pvt. Ltd. and LIC Mutual Fund Asset Management Company Ltd. by which LICMF AMC has been appointed the Investment Manager for managing the funds raised by LICMF under the various Schemes.
LICMF AMC	LIC Mutual Fund Asset Management Company Ltd.
LIC	Life Insurance Corporation of India
LICMF	LIC Mutual Fund
NAV	Net Asset Value of the Units in each option of the Scheme is calculated in the manner provided in this Scheme Information Document or as may be prescribed by Regulations from time to time. The NAV will be computed upto four decimal places.
APPLICABLE NAV	Applicable NAV is the Net Asset Value per Unit at the close of the Business Day on which the application for purchase or redemption/switch is received at the designated investor service centre and is considered accepted on that day. An application is considered accepted on that day, subject to it being complete in all respects and received prior to the cut-off time on that Business Day.
BUSINESS DAY	A business day means any day other than Saturday, Sunday or a day on which The Stock Exchange, Mumbai or National Stock Exchange Limited or Reserve Bank of India or Banks in Mumbai are closed or a day on which there is no RBI clearing/settlement of securities or a day on which the sale and/or redemption and /or switches of Units is suspended by the Trustees /AMC or a day on which normal business could not be transacted due to storms, floods, bandhs, strikes or any other events as the AMC may specify from time to time.
SEBI	Securities and Exchange Board of India
SEBI (MF) REGULATIONS, 1996	Securities and Exchange Board of India (Mutual Funds) Regulations as amended from time to time

	and such other regulations as may be in force from time to time to regulate the activities of Mutual Funds.
CDSC	Contingent Deferred Sales Charge, a charge imposed when the units are redeemed within the first four years of unit ownership. The SEBI (Mutual Fund) Regulations, 1996 provides that a CDSC may be charged only for the first four years after purchase and mandates the maximum amount that can be charged in each year.
FII	Foreign Institutional Investors, registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
SWITCH	Sale of unit in one Scheme/Plan against purchase of unit in another scheme
ENTRY LOAD	Loan on purchase / switch-in of units
EXIT LOAD	Load on redemption / switch-out of units
NSE	National Stock Exchange of India Ltd.
COLLECTING BANK	Branches of Banks for the time being authorized to receive application(s) for units as mentioned in the scheme information document.
DESIGNATED SERVICE CENTERS	Any location as may be defined by the Asset Management Company from time to time where investors can submit the request for purchase / redemption / switching of units etc.

E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY-24

LICMF FIXED MATURITY PLAN – SERIES 46-47-48-49

It is confirmed that :

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

Date: 09/11/2009

Place : Mumbai

Signature :

Name : P. Ponpandian

Compliance Officer & Company Secretary

LIC Mutual Fund Asset Mgmt. Co. Ltd.
Investment Managers to
LIC Mutual Fund

The aforesaid Due Diligence Certificate is being filed with SEBI on 09/11/2009

II. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

A close ended Income Scheme

B. INVESTMENT OBJECTIVE OF THE SCHEME

The investment objective of the Scheme is to minimize interest rate risk by investing in a portfolio of fixed income securities normally maturing in line with the time profile of the scheme.

There can be no assurance that the investment objective of the Scheme will be realized.

C. ASSET ALLOCATION PATTERN

Under normal circumstances, it is anticipated that the asset allocation would be as under -14

LICMF FMP Series 46 - 367 days

Investments	Indicative Allocation(% of total assets)	Risk Profile	Avg. Maturity Profile
Debt* instruments having residual maturity of 367 days	Upto 100	Low To Medium	Not exceeding 367 days
Money market instruments	Upto 100	Low	

* Debt includes securitised debt upto 100%- 4

LICMF FMP Series 47 - 18 Months

Investments	Indicative Allocation(% of corpus)	Risk Profile	Avg. Maturity Profile
Debt* instruments having residual maturity of 18 Months	Upto 100	Low To Medium	Not exceeding 18 Months
Money market instruments	Upto 100	Low	

* Debt includes securitised debt upto 100%- 4

LICMF FMP Series 48 - 3 Years

Investments	Indicative Allocation(% of corpus)	Risk Profile	Avg. Maturity Profile
Debt* instruments having residual maturity of 3 Years	Upto 100	Low To Medium	Not exceeding 3 years
Money market instruments	Upto 100	Low	

* Debt includes securitised debt upto 100%- 4

LICMF FMP Series 49 - 5 Years

Investments	Indicative Allocation(% of corpus)	Risk Profile	Avg. Maturity Profile
Debt* instruments having residual maturity of 5 Years	Upto 100	Low To Medium	Not exceeding 5 Years
Money market instruments	Upto 100	Low	

* Debt includes securitised debt upto 100%- 4

The above Pattern will be indicative and Fund Manager may change the same from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute. These proportions can vary substantially depending upon the perception of the Investment Manager; the intention being at all times to seek to protect the

interest of unitholders. Such changes in the investment pattern will be for defensive consideration only

Investment in derivative instruments shall be made to protect the interest of the investors and the total exposure in the derivative will be in accordance with SEBI (MF) Regulations.

Investment in Debt :

- a) The AMC may retain the option to alter the asset allocation for a short term period on defensive considerations.
- b) All debt instruments other than Government securities in which investments are made by the scheme should have been rated above investment grade by CRISIL/ICRA/CARE/FITCH or any other credit rating agencies which may be recognised from time to time. However if any debt instrument is not rated, the specific approval of the Board of Directors of the LICMF AMC Ltd. shall be taken for investment.
- c) The investments shall be made only in transferable securities and the funds of the scheme shall not be used in short selling or carry forward transactions.
- d) The Maturity profile of debt instrument will be selected in line with the outlook for the market. The investment strategy would emphasize investments in securities that give consistent returns at low levels of risks.

DEBT MARKETS IN INDIA :-12

The major debt investment options include rated corporate debentures/bonds, PSU bonds, Bonds of Central govt. bodies which carry a central govt. guarantee for repayment of principal and of interest apart from other instruments like Mibor –linked NCDs , Bank CDs and rated CPs for parking of funds in the short term .

The past couple of years have seen a substantial deepening of the Wholesale Debt market. The volume of trades have increased substantially. There have been major changes like a rate cut in contractual savings, a cut in the Bank rate and reduction in CRR. Uncertain domestic as well as international ecopolitical situations have also increased volatility in the Debt markets.

Currently the indicative yields for some of the money market instruments are as follows :

INSTRUMENTS	INDICATIVE YIELDS
Call Rate	3.20%/3.30%
CBLO (Weigh Avg)	2.87%
Certificate of Deposit	
3 Months / 6 Months	3.50% / 4.50%
1 Year	5.45%
Commercial Papers	
3 M / 6 M / 1 Year	3.900% / 5.25% / 6.23%
Government Securities	
5 Year	7.04%
10 Years	7.30%
Corporate Bonds AAA	
0.5 – 1 Year	6.40%
1-2 Years	7.28%
2-3 Yrs / 3-4 Yrs / 4-5 Yrs	7.86% / 8.47% / 8.87%

Note : The above rates are indicative and are subject to fluctuations in general interest rates and market conditions.

D. WHERE WILL THE SCHEME INVEST?

The corpus of the Scheme will be invested in debt and money market instruments. Subject to the Regulations, the corpus of the Scheme can be invested in any (but not exclusively) of the following securities-15

1. Floating rate money market instruments (Money at call, MIBOR linked debentures, floating rate CPs, CDs, floating rate bonds or any other instruments permitted by SEBI having a residual maturity of less than or equal to 367 days – 18 Months – 3 Years – 5 Years)
2. Floating rate non-money market instruments (including floating rate bonds & debentures issued by corporates or PSUs, floating rate Gilts, fixed rate debentures/ bonds with swap or any other instrument permitted by SEBI)
3. Securities created and issued by the Central and State Governments and/or repos/reverse repos in such Government Securities as may be permitted by RBI/SEBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).
4. Securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills)
5. Debt obligations of domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee
6. Corporate debt and securities (of both public and private sector undertakings) including Bonds, Debentures, Notes, Strips, etc.
7. Money market instruments permitted by RBI/SEBI, having maturities of upto 367 days – 765 days in call money market or in alternative investments for the call money market as may be provided by RBI/SEBI to meet the liquidity requirements.
8. Certificate of Deposits (CDs).
9. Commercial Paper (CPs).
10. Securitised Debt obligations.
11. The non-convertible part of convertible securities.
12. As regards SEBI Circular Ref.SEBI/IMD/CIR No. 7/73202/06 dt.2/8/06 i.e. investment in ADRs / GDRs / Foreign Securities and Overseas ETFs by mutual funds, the Fund is not going to invest in any foreign securities.
13. Pass through, Pay through or other Participation Certificates representing interest in a pool of assets including receivables.
14. Any other like instruments as may be permitted by SEBI from time to time.

The securities mentioned above and such other securities the scheme is permitted to invest could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of residual maturity matching with the plan term. The securities may be acquired through Initial Public Offer, secondary market operations, private placement, rights offers or negotiated deals.

The Scheme may also enter into repurchase and reverse repurchase obligations in all securities held by it as per the guidelines and regulations applicable to such transactions.

E. INVESTMENT STRATEGIES-7

The proportion of investment in various securities will be decided after considering the prevailing political conditions, the economic environment (including interest rates and inflation), the performance of the corporate sector and general liquidity and other considerations in the economy and markets so as to have a liquid portfolio providing optimum returns.

Risk Control

The AMC aims to identify securities, which offer superior levels of yield at lower levels of risks. With the aim of controlling risks, rigorous in depth credit evaluation of the securities proposed to be invested in will be carried out by the investment team of the AMC.

The Scheme may also use various derivatives and hedging products from time to time, as would be available and permitted by RBI, in an attempt to protect the value of the portfolio and enhance Unitholders' interest.

Scenarios/Conditions for investment in Derivatives

Investment in derivative instruments shall be made to protect the interest of the investors and the total exposure in the derivative will be in accordance with SEBI (MF) Regulations

1. Interest rate swaps can be used for return enhancement when any plan under the scheme is sitting on cash pending investment in bonds. Since this money typically earns MIBOR on daily call lending, we can receive fixed rate against paying MIBOR through an Overnight Indexed Swap (OIS) to get better return.
2. To convert a floating rate asset into fixed rate asset: Plans under the scheme can invest in a floating rate bond and convert it into a fixed rate bond with the use of swap market. The Plans under the scheme can receive fixed rate and pay floating rate in the swap against an underlying investment. This will be done in case total returns are higher than buying a similar fixed coupon bond.
3. If OIS is trading higher than interest rate available in cash market securities then the plans under the scheme could keep the money in call / call equivalents and receive OIS.

Scenarios/Conditions for investment in securitised debt

The scheme will invest in securitised debt instruments if it is offering better returns compared to fixed income instruments for similar risk profile. The scheme may also invest in securitised debt if for same returns, securitised debt offer better risk profile. The Scheme will invest in securitised debt considering the maturity, asset quality and available yield. However, the scheme shall not invest in foreign securitised debt. The fund manager shall always keep in mind the investment in securitised debt will not increase the risk profile of the scheme.

Trading in derivatives:

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

Debt Market Derivatives:

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

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

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

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

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

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

DAY	MIBOR (%)	PRINCIPAL (Rs.)	INTEREST (Rs.)	AMOUNT (Rs.)
1	8.00	10000000	2192	10002192
2	8.25	10002192	2261	10004453
3	7.75	10004453	2124	10006577
TOTAL			6577	

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

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

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

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

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

Assuming the fund manager's view is correct and the 91day T-Bill cut off, 3 months from now is 9.25% then the scheme receives – Rs.23,43,562 and pays Rs.23,06,164.The difference Rs.37397 is to be discounted to settlement at a mutually negotiated rate based on the credit of the counter-party.

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

Risk factors:

Credit Risk : This is the risk of default by the counterparty. This is usually negligible, as there is no exchange of principal amounts in a derivative transaction.

Market Risk : Market movements may adversely affect the pricing and settlement of derivatives.

Liquidity Risk : The risk that a derivative cannot be sold or purchased quickly enough at a fair price, due to lack of liquidity in the market.

Change in Investment Pattern

Subject to the SEBI Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated are only indicative and not absolute. These proportions can vary substantially depending upon the perception of the Investment Manager; the intention being at all times to seek to protect the interests of the Unitholders. Such changes in the investment pattern will be for short term and for defensive considerations only.

F. FUNDAMENTAL ATTRIBUTES-8

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

(i) Type of Scheme:

A close ended income scheme

(ii) Investment Objective:

The investment objective of the Scheme is to minimize interest rate risk by investing in a portfolio of fixed income securities normally maturing in line with the time profile of the scheme

Investment Pattern: The corpus of the scheme under normal circumstances will invest in debt and money market instruments subject to Regulations and the asset allocation would be as under:

LICMF FMP Series 46 - 367 days

Investments	Indicative Allocation(% of total assets)	Risk Profile	Avg. Maturity Profile
Debt* instruments having residual maturity of 367 days	Upto 100	Low To Medium	Not exceeding 367 days
Money market instruments	Upto 100	Low	

* Debt includes securitised debt upto 100%-

LICMF FMP Series 47 - 18 Months

Investments	Indicative Allocation(% of corpus)	Risk Profile	Avg. Maturity Profile
Debt* instruments having residual maturity of 18 Months	Upto 100	Low To Medium	Not exceeding 18 Months
Money market instruments	Upto 100	Low	

* Debt includes securitised debt upto 100%-

LICMF FMP Series 47 - 3 years

Investments	Indicative Allocation(% of corpus)	Risk Profile	Avg. Maturity Profile
Debt* instruments having residual maturity of 3 Years	Upto 100	Low To Medium	Not exceeding 3 Years
Money market instruments	Upto 100	Low	

* Debt includes securitised debt upto 100%-

LICMF FMP Series 47 - 5 Years

Investments	Indicative Allocation(% of corpus)	Risk Profile	Avg. Maturity Profile
Debt* instruments having residual maturity of 5 Years	Upto 100	Low To Medium	Not exceeding 5 Years
Money market instruments	Upto 100	Low	

* Debt includes securitised debt upto 100%-

Investment in derivative instruments shall be made to protect the interest of the investors and the total exposure in the derivative will be in accordance with SEBI (MF) Regulations.

The Trustee Company may from time to time, for a short period on defensive consideration, modify/alter the investment pattern / asset allocation, the intent being to protect the Net Asset Value of the scheme and interest of the unitholders, without seeking the consent of unitholders.

(iii) Terms of Issue:

LIQUIDITY

No redemption/repurchase of units shall be allowed prior to the maturity of the scheme. The Scheme is proposed to be listed on NSE and Investors wishing to exit may do so, through NSE or any other stock exchange where the scheme will be listed

LISTING

Trustees have ensured that before the launch of the Scheme, in – principle approval for listing has been obtained. The Scheme will be listed on National Stock Exchange of India Ltd. (NSE). Further, the AMC may at its discretion list the units on any Stock Exchange

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

- A written communication about the proposed change is sent to each Unitholder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and
- The Unitholders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any load.

Maximum recurring expenses on the first Rs. 100 crores @ 2.25% of average weekly net assets (details are there in the further section)

NFO expenses shall be borne by AMC

G. SCHEME BENCHMARK-9

The Scheme is a debt scheme. The 367 days – 18 Months – 3 years – 5 Years plan will broadly track C Fund ~ LX, based on the specified asset allocation pattern herein

H. FUND MANAGER-10

Name	Age	Qualification	Experience	Other Schemes under his management
Shri Ashish Kumar	40	B.Com., MBA (Finance)	<ul style="list-style-type: none">• Asst. Manager (Finance) LICMFAMC- 3 years• Manager (Finance) LICMFAMC- 5 years• A.G.M (Finance) – LICMFAMC Ltd.	All Liquid All debt schemes LICMF Children Fund LICMF SAAF

I. INVESTMENT RESTRICTIONS-11

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

- 1) The scheme shall not invest more than 15% of the schemes NAV in debt instruments issued by a single issuer which are not rated below investment grade by an authorized credit rating agency. Such an investment limit may be raised to 20% of the scheme's NAV with the prior approval of the Trustee and the Board of Asset Management Company.
- 2) Not more than 10% of the scheme's NAV shall be invested in unrated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the

scheme's NAV provided that the specific approval of the AMC and Trustee Board shall be taken for investment.

- 3) No loans for any purpose will be advanced by the scheme for any purpose. Lending of securities will be in accordance with the stock-lending scheme of SEBI.
- 4) Transfers of investments from one scheme to another in the mutual fund shall be allowed only if :-
 - i) Such transfers are done at the prevailing market price for quoted instruments on spot basis.
 - ii) The securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.
- 5) *The investment manager may, from time to time invest its own funds in the scheme at its discretion. However, the investment manager shall not be entitled to charge any fees on its investments in the scheme.*
- 6) *A scheme may invest in another scheme under the same AMC or any other Mutual Fund without charging any fees, provided the aggregate inter-scheme investment made by all schemes under the same management company shall not exceed 5% of the net assets of the mutual fund*
- 7) The Mutual Fund may borrow to meet liquidity needs, for the purpose of repurchase, redemption of units or payment of interest or dividend to the unit holders and such borrowings shall not exceed 20% of the net asset of the scheme and duration of the borrowing shall not exceed 6 months.
- 8) *The Mutual Fund's schemes shall not invest in any unlisted securities of the group/associate company of the sponsor and in any privately placed security issued by associate or group company of the sponsor. LIC Mutual Fund will also ensure that the aggregate investment by any scheme in the listed securities of the group companies of the sponsor shall not exceed 25% of the net assets of the scheme*
- 9) The sale and purchase of securities shall take place on the basis of deliveries and in all cases of purchases the Mutual fund shall 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 a short sale or carry forward transactions or engage in badla. However the Mutual fund may enter into derivative transactions in a recognized stock exchange for the purpose of hedging or portfolio balancing in accordance with the guidelines issued by the board.
- 10) 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.
- 11) Pending deployment of funds of a scheme in securities in terms of investment objectives of the scheme a mutual fund may invest them in short-term deposits of schedule commercial banks, subject to such Guidedlines as may be specified by the Board. The requirements of SEBI Circulars SEBI/IMD/CIR No.1/91171/07 dated 16 April 2007 and SEBI/IMD/CIR No.8/107311/07 dated 26 October 2007 will be adhered to
- 12) Aggregate value of 'illiquid securities' which are defined as non-traded, thinly traded and unlisted equity shares, shall not exceed 15% of the total assets of the scheme.
- 13) The Trustee of the Mutual Fund may alter these limitations from time to time to the extent the SEBI regulations change so as to permit the scheme to make its investments in the full spectrum of permitted investments for the Mutual Fund in order to achieve its investment objectives. All investments of the Scheme will be made in accordance with the SEBI (Mutual Funds) Regulations, 1996, including Schedule VII thereof.
- 14) The Mutual Fund under all its schemes shall not own more than 10% of any company's paid up capital carrying voting rights.
- 15) As per SEBI Circular Ref.SEBI/IMD/CIR No.11/115723/08 dt.31/01/2008 regarding initial issue expenses there will not be any provision of charging initial issue expenses and amortization of the same. Pursuant to SEBI circular No. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 there shall be no entry load for all mutual fund schemes. The same is applicable Investments in mutual fund schemes (including additional purchases and switch-in to a scheme from other schemes) with effect from August 1, 2009, Redemptions from mutual

fund schemes (including switch-out from other schemes) with effect from August 1, 2009, New mutual fund schemes launched on and after August 1, 2009 and Systematic Investment Plans (SIP) registered on or after August 1, 2009. As there is no entry load in this scheme, the same will be borne by AMC.

16) A Fund of funds scheme shall be subject to the following restrictions :

- A fund of funds scheme shall not invest in any other fund or funds scheme;
- A funds of funds scheme shall not invest its assets other than in schemes of mutual funds, except to the extent of funds required for meeting the liquidity requirements for the purpose of repurchases or redemptions, as disclosed in the offer document of fund of funds scheme.

17) *Debentures, irrespective of residual maturity period (above or below 1 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*

18) *The fund follows the investment restrictions specified under Schedule VII of SEBI Mutual Fund Regulations, 1996.*

Investment By LICMF Fixed Maturity Plan – SERIES 46-47-48-49 In Other Schemes Managed By The AMC

LICMF FIXED MATURITY PLAN – SERIES 46-47-48-49 may invest its funds with other schemes managed by LICMF AMC subject to scheme objectives and regulations 44(1) of the SEBI Regulations 1996 and the AMC shall not charge any investment management fee for such investments.

Investment by the asset management company

LICMF AMC may invest in LICMF FIXED MATURITY PLAN – SERIES 46-47-48-49 at its discretion from time to time. The AMC shall, however, not charge any fees on its investment in the scheme in accordance with sub-clause 3 of regulation 24 of SEBI (MF) Regulations 1996.

Portfolio Turnover

As the scheme is a close ended debt scheme the portfolio turnover is expected to be very low.

INTER SCHEME TRANSFERS

The norms followed for Inter Scheme Transfer are as follows:

All Inter Scheme Transfers of Securities are effected

i) at the prevailing market price for quoted securities or at the “fair value” for non-traded securities as per valuation norms approved by the Trustee in accordance with the provisions of SEBI (MF) Regulations, 1996 ; and

ii) Provided the securities so transferred are in conformity with the investment objective and requirement of the transferee scheme.

The valuation norms referred to in (i) above are the same as are followed for valuation of securities for calculating NAVs in general.

UNDERWRITING

Subject to SEBI Regulations, the Scheme may enter into underwriting agreements. The Capital Adequacy norms for the purpose of underwriting shall be the net assets of the Scheme and the underwriting obligation of the scheme shall not at any time exceed the total net asset value of the Scheme.

BORROWING BY THE FUND

The Fund may borrow to meet temporary liquidity needs for the purpose of repurchase/redemption, redemption or payment of interest or dividend to the unitholders provided that such borrowing shall not exceed 20% of the net asset value and the duration of

such borrowing shall not exceed a period of six months. There were no borrowings by the fund for the financial year 2008-09.

J. PERFORMANCE OF SCHEME

This scheme is a new scheme and does not have any performance trace record.

III. UNITS AND OFFER

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

A. NEW FUND OFFER (NFO)

<p>New Fund Offer Period</p> <p>This is the period during which a new scheme sells its units to the investors</p>	<p>NFO opens on:</p> <p>NFO closes on:</p> <p>The Trustee reserves the right to extend the closing date, subject to the condition that the subscription list shall not be kept open for more than 45 days.</p>
<p>New Fund Offer Price</p> <p>This is the price during which a new scheme sells its units to the investors</p>	<p>Rs.10/- per unit for cash at face value</p>
<p>Minimum Amount for Application in the NFO</p>	<p>Rs.10,000/- per application and thereafter in multiples of Re.1/- for purchases and switch-ins</p>
<p>Minimum Target Amount</p> <p>This is the minimum amount required to operate the scheme and if this not collected during the NFO period, then all the investors would be refunded the amount invested without any return. However, if the AMC fails to refund the amount within 6 weeks, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of six weeks from the date of closure of the subscription period</p>	<p>Rs.1 Cr</p>
<p>Maximum Amount to be raised (if any)</p> <p>This is the maximum amount which can be collected during the NFO period, as decided by the AMC</p>	<p>No upper limit</p>
<p>Plans / Options Offered</p>	<p>Dividend Payout, Dividend Reinvestment, Growth</p> <p>DIVIDEND OPTION :</p> <p>Under this option Fund expect to declare income distribution subject to availability of distributable surpluses. Dividends declared will</p>

	<p>either be distributed under the Dividend option or will be reinvested in the scheme at the prevailing NAV. Unitholders may elect to either receive or reinvest their Dividend in additional units of the scheme by indicating their decision in the application form. In case of dividend payment less than Rs.250/-, the same will be reinvested into the scheme.</p> <p>There is no assurance or guarantee to the unitholder as to rate of income distribution and regularity in declaration of income distribution though it is the intention of the Fund to make distribution under the above options.</p> <p>GROWTH OPTION</p> <p>Investors desiring capital appreciation can opt for Growth plan. Returns under the plan will be reflected in the NAV. Investors under this plan can avail of the long term capital gains tax benefits, as per the relevant provisions of the Income Tax Act 1961. The Fund may declare Bonus units under this plan.</p> <p>DEFAULT OPTION</p> <p>If the unitholder has not chosen options viz. Dividend or Growth, then by default, the option will be taken as Growth. Moreover, under Dividend Option, if the unitholder has not chosen payout or reinvestment, then by default, the option will be taken as Dividend Reinvestment. Also in schemes where the investor has taken dividend payout option and no payout frequency is mentioned, then by default, the payout frequency will be Daily / Weekly / Monthly / Quarterly / Yearly whichever is highest in the concerned scheme. Also in schemes where the investor has taken dividend reinvestment option and no reinvestment frequency is mentioned, then by the default, the reinvestment frequency will be Daily / Weekly / Monthly/ Yearly whichever is lowest in the concerned scheme</p> <p>CHANGE OF OPTION</p> <p>Investors can change the option from Income options to Growth option and visa versa and from Income payout option to income reinvestment option any time subsequently. No exit load will be changed for such changes.</p>
Dividend Policy	<p>Under this dividend option Fund expect to declare income distribution subject to availability of distributable surpluses as computed in accordance with SEBI (MF) Regulations and the decision of</p>

the Trustees in this regard shall be final. Dividends declared will either be distributed under the Dividend option or will be reinvested in the scheme at the prevailing NAV. Unitholders may elect to either receive or reinvest their Dividend in additional units of the scheme by indicating their decision in the application form. After payment of dividend, the NAV will get reduced by the amount of dividend and statutory levy, if any. In case of dividend payment less than Rs.250/-, the same will be reinvested into the scheme.

There is no assurance or guarantee to the unitholder as to rate of income distribution and regularity in declaration of income distribution though it is the intention of the Fund to make distribution under the above options.

Dividend Distribution Procedure

In accordance with SEBI Circular no. SEBI/ IMD/ Cir No. 1/64057/06 dated April 4, 2006, the procedure for Dividend Distribution would be as under:

1. Quantum of dividend and the record date will be fixed by the Trustee in their meeting. Dividend so decided shall be paid, subject to availability of distributable surplus.
2. Within one calendar day of decision by the Trustee, the MC shall issue notice to the public communicating the decision about the dividend including the record date, 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.
3. Record date shall be the date which will be considered for the purpose of determining the eligibility of investors whose names appear on the register of Unit holders for receiving dividends. The Record Date will be 5 calendar days from the issue of notice.
4. The notice will, in font size 10, bold, categorically state that pursuant to payment of

	<p>dividend, the NAV of the Scheme would fall to the extent of payout and statutory levy (if applicable).</p> <p>5. The NAV will be adjusted to the extent of dividend distribution and statutory levy, if any, at the close of business hours on record date.</p> <p>6. Before the issue of such notice, no communication indicating the probable date of dividend declaration in any manner whatsoever, will be issued by Mutual Fund.</p> <p>The requirement of giving notice shall not be applicable for dividend options having frequency upto one month.</p>
Allotment	<p>All Applicants whose cheques towards purchase of Units have realised will receive a full and firm allotment of Units, provided also the applications are complete in all respects and are found to be in order. The Trustee retains the sole and absolute discretion to reject any application. Applicants under the Scheme will have an option to hold the Units either in physical form (i.e. account statement) or in dematerialized form.</p> <p>Dematerialization</p> <p>The Applicants intending to hold the Units in dematerialized mode will be required to have a beneficiary account with a depository Participant of the NSDL/CDSL and will be required to mention in the application form DP's Name, DP ID No. and Beneficiary Account No. with the DP at the time of purchasing Units during the NFO of the scheme.</p> <p>Account Statement (for non-demat holders)</p> <p>An Account Statement reflecting the Units allotted will be mailed to each Unit holder within 30 days from the date of closure of the NFO Period.</p> <p>The Account Statement will be sent to those Unit holders who have opted to hold Units in Physical (non-dematerialized) form.</p> <p>Any addition/ deletion of name from the folio of the unitholder is deemed as transfer of units. But the Units of the Scheme are not transferable.</p> <p>In view of the same, additions/ deletion of names will not be allowed under any folio of the Scheme.</p>

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

On request from the unitholders, the Asset Management Company shall within 6 weeks issue the Unit Certificate. The request can be made to any of the Authorised Investor Service Centres. The cost for issuing the Unit Certificate in lieu of Account Statement will be borne by the Scheme and will form part of its annual ongoing expenses

However, if the Unit holder so desires to hold the Units in a dematerialized form at a later date, he will be required to have a beneficiary account with a Depository Participant of the NSDL/CDSL and will have to submit the account statement alongwith a request form asking for the conversion into demat form. This request form is called a Demat Request Form which will be available on the website and/or the Investor Service Centres of LIC Mutual Fund

Unit holders will be required to follow the dematerialization process laid as under-

(i) The account statement alongwith a Demat Request Form in triplicate will be required to be submitted to the Official Points of Acceptance of LIC Mutual Fund

(ii) The combination of names in the account statement must be in the same order as appearing in Unit holder's demat account.

(iii) The account statements will be required to be defaced on the face by marking "Surrendered for Dematerialization".

(iv) The request form will be required to be signed by ALL the Unit holders.

(v) On verification of the correctness and completeness of the request form and signature verification, corporate action will be initiated by the AMC with NSDL/ CDSL for conversion of units from physical mode to demat mode.

(vi) On processing of the same in the NSDL / CDSL system, the number of units as reflecting in the account statement will be transferred from the Unit holder's folio to NSDL / CDSL ISIN (as the case may be) and thereafter, these units will get credited to the DP account of the Unit holder.

Unit holders are requested to contact any of the Investor Service Centres for any further guidance in this regard.

However, the Trustee / AMC reserves the right

	<p>to change the dematerialization process as mentioned above in accordance with the procedural requirements laid down by the Depositories, viz. NSDL/ CDSL and/or in accordance with the provisions laid under the Depositories Act, 1996. For any such change in the dematerialization process, the AMC will issue an addendum and display it on the website/Investor Service Centres.</p>
<p>Refund</p>	<p>Refund of subscription money to applicants whose applications are invalid for any reason whatsoever, will be refunded without incurring any liability whatsoever for interest or other sum.</p> <p>The entire amount shall be refunded within a period of 6 weeks of the closure of the New Fund Offer Period. If, the Fund refunds the amount after 6 weeks, interest @15% per annum for delayed period shall be paid by the AMC. Refund orders will be marked "A/c. Payee Only" and drawn in the name of the first applicant.</p>
<p>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.</p>	<p>Applications for allotment of the scheme units can be made by any of the below mentioned investors provided they are permitted to purchase Mutual Fund units by their respective constitutions and/or statutory regulations.</p> <p>(1) Resident citizens of India who are :</p> <p>(i) Adult individual or individuals not exceeding three in number together on Single, Joint, First Holder or Survivor(s) or Anyone or survivor(s) basis,</p> <p>(ii) Minors through their Parents/Step-parents/Guardians (Joint Mode of Holding is not permitted with minors),</p> <p>(2) Hindu Undivided Family (By the Karta acting on behalf of H.U.F.).</p> <p>(3) 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.</p> <p>(4) Companies, Bodies Corporate, PSUs, Banks, Trusts, Societies, Co-operative Societies, Schools, Colleges, Universities, Clubs, Associations, Partnership firms and other such bodies.</p> <p>(5) Army/Airforce/Navy/Paramilitary funds &</p>

	<p>other eligible institutions.</p> <p>(6) On repatriable / non-repatriable basis by Non-Residents of Indian Nationality/ Persons of Indian Origin.</p> <p>Explanation: A person shall be deemed to be of Indian origin if</p> <ul style="list-style-type: none"> - He/she, at any time, held an Indian passport, or - He/she or either of his/her parents or any of his/her grandparents was an Indian and a permanent resident of Undivided India at any time. <p>However, Pakistani and Bangladeshi nationals, even though they satisfy the definition of 'Indian Origin', shall not be eligible to apply for the units.</p> <p>The spouse of a citizen of India or a person of Indian origin shall also be deemed to be of Indian origin even though he/she may be of Non-Indian parentage.</p>
<p>Where can you submit the filled up application form</p>	<p>Domestic investors –</p> <p>Duly filled in applications with subscriptions can be submitted at the authorized collection centres viz. Corporate Office, Area Offices, Business Centers and R&T Agent (Karvy Computershare Pvt. Ltd.) along with local cheques/DD payable at the authorized centres only. Payment by cash will not be accepted.</p> <p>NRI's on a fully repatriable basis-</p> <p>In case of NRIs, payment may be made by means of a Draft in Indian Rupees purchased abroad or by cheque/DD drawn on Non resident (External) /FCNR Accounts, payable at the authorized centres only. Payments may also be made through Demand drafts or other instruments permitted under the Foreign Exchange Management Act.</p> <p>NRI's on a non-repatriable basis-</p> <p>NRIs can invest by cheques/DD's drawn out of Non resident (Ordinary) Accounts.</p> <p>FII's shall pay their subscription by way of direct remittance from abroad or out of their special Non resident Rupee account maintained with designated bank in India or as may be permitted by law.</p> <p>Application under (POA) Power of Attorney /Body Corporate/Registered Society/Trust/Partnership</p> <p>In case of an application under POA or by a</p>

limited company, body corporate, registered society trust or Partnership etc., the relevant POA or the resolution or authority to make the application as the case may be, or duly certified copy thereof, along with the memorandum and articles of association /bye-laws must be Lodged at the authorized centre along with the application form.

Presently our Corporate Office, Area Offices, Business Centers and R&T Agent are the authorized Centres for purchase / redemption. However, the AMC may at their sole discretion add or delete one or more collection centres at a later date if they so find necessary.

Note: The application form no. should be noted on the reverse of all Cheques and bank drafts accompanying the application form.

Karvy Computershare Private Limited, Karvy House, 46 Avenue 4, Street No.1, Banjara Hills, Hyderabad – 500 034 has been appointed as Registrar for the Scheme. The Registrar is registered with SEBI under registration number INR000000221.

As Registrar to the Scheme, Karvy will handle communications with investors and dispatch account statements during the New Fund Offer Period.

LICMFAMC and LICMF Trustee Company Pvt. Ltd. have satisfied themselves that the Registrar can provide the services required and have adequate facilities and system capabilities. As Registrar to the Scheme, they will accept and process Unitholders applications and inform LICMFAMC as to the amounts received for subscriptions (duly reconciled) during the New Fund Offer Period.

The Registrar has set up a special Investor service cell for quick redressal of Unitholder grievances (if any). All correspondence, including change in the name, address, designated bank account number and bank branch, loss of Unit Certificate, Account Statement, etc. should be addressed to :

Karvy Computershare Private Limited, Karvy House, 46 Avenue 4, Street No.1, Banjara Hills, Hyderabad – 500 034. Website: www.karvymfs.com
Email: umamahesh@karvy.com

During the New Fund Offer Period Application form (duly completed), along with a cheque (drawn on respective centers) / DD (payable at respective centers) can be submitted at the Corporate Office / Area Office /

	<p>Business Centers / R&T Agent / Investors Service Centers.</p> <p>If there are no authorized investor services centers where the investor resides, the application form duly completed along with a DD, after deducting bank charges / commission) from the amount of investment, may be submitted to authorized collection centers. If such bank charges / commission are not deducted by the applicant, then the same may not be reimbursed.</p> <p>However in case of application along with local Cheque or Bank Draft payable at / from locations where LICMF has its designated Authorised Investor Service Centres, Bank Draft charges/ commission may have to be borne by the applicant. In such cases the Trustee Company is entitled, in its sole and absolute discretion, to reject or accept any application.</p> <p>For the list of authorized Investor Service Centers, please refer to the back cover page of this Scheme Information Document .</p>
How to Apply	<p>Application form and Key Information Memorandum may be obtained from the offices of AMC or Investor Services Centers of the Registrar or distributors or downloaded from www.licmutual.com Investors are also advised to refer to Statement of Additional Information before submitting the application form. All cheques and drafts should be crossed "Account Payee Only" and drawn in favour "Scheme Name"</p>
Listing	<p>Trustees have ensured that before the launch of the Scheme , in – principle approval for listing has been obtained. The Scheme will be listed on National Stock Exchange of India Ltd (NSE). Further, the AMC may at its discretion list the units on any Stock Exchange</p>
Special Products / facilities available during the NFO	<p>Below mention facilities are not available: Systematic Investment Plan Systematic Transfer Plan Systematic Withdrawal Plan</p>
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.	<p>The scheme will not provide for redemption facility until the date of maturity date. The number of units held by the unitholder under his folio / demat account will stand reduced by the number of units redeemed. Presently, the Trustee / AMC does not intend to reissue the repurchased units. However, the Trustee reserves the right to reissue the repurchased units at a alter date after issuing adequate public notices and taking approvals, if any, from SEBI.</p>
Restrictions, if any, on the right to freely retain or dispose of units being offered	<p>The units of the scheme are not transferable except for units held in dematerialized form. In view of the same, additions / deletions of names will not be allowed under any folio of the scheme. However, the said</p>

	<p>provisions will not be applicable in case a person (i.e. a transferee) becomes a holder of the units by operation of law or upon enforcement of pledge, then the AMC shall, subject to production of such satisfactory evidence and submission of such documents, proceed to effect the transfer, if the intended transferee is otherwise eligible to hold the units of the scheme.</p> <p>The said provisions in respect of deletion of names will not be applicable in case of death of a unitholder (in respect of joint holdings) as this is treated as transmission of unit and not transfer..</p>
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B. ONGOING OFFER SALES

<p>Ongoing Offer Period</p> <p>This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period</p>	<p>Being a close-ended Scheme, investors can subscribe to the Units of the Scheme during the New Fund Offer Period only and the scheme will not reopen for subscriptions after the closure of NFO.</p> <p>To provide liquidity to the investors, the Fund proposes to be listed on National Stock Exchange of India Ltd. (NSE) where the units are listed.</p>
<p>Ongoing price for subscription (purchase) /switch-in (from other schemes/plans of the mutual fund) by the investors</p> <p>This is the price you need to pay for purchase/switch-in.</p> <p><i>Example: If the applicable NAV is Rs. 10, entry load is 2% then sales price will be:</i> $Rs. 10 * (1+0.02) = Rs. 10.20$</p>	<p>Units cannot be subscribed after the closure of NFO. After the NFO, the persons can invest in the Scheme only through demat mode by purchasing the units on NSE where the scheme will list its units.</p>
<p>Ongoing price for redemption (sale) / repurchase / switch outs (to other schemes/plans of the Mutual Fund) by investors.</p> <p>This is the price you will receive for redemptions/switchouts.</p> <p><i>Example: If the applicable NAV is Rs. 10, exit load is 2% then redemption price will be:</i> $Rs. 10 * (1 - 0.02) = Rs. 9.80$</p>	<p>No redemption/repurchase of units shall be allowed prior to the maturity of the scheme. Investors wishing to exit may do so by selling their units through stock exchanges. The scheme shall be fully redeemed on the date of maturity at the applicable NAV on that date and redemption proceeds shall be paid out within 10 business days.</p> <p>BANK ACCOUNT DETAILS</p> <p>In order to protect unit holder interest from fraudulent encashment of cheques, the current SEBI Regulations, has made it mandatory for investors to mention in their application/repurchase-redemption request, the bank name and account number of the unit holders. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques and or any delay /loss in transit. In the absence of these details, applications are liable for rejection</p>
<p>Cut off timing for redemptions / switches</p> <p>This is the time before which your application (complete in all respects) should reach the official</p>	<p>No redemption/repurchase of units shall be allowed prior to the maturity of the scheme. If maturity of the scheme falls on a holiday or any non business day the immediate next business</p>

(complete in all respects) should reach the official points of acceptance	day will be considered as a date of maturity.
Trading and Demat	Investors have option to hold the units in demat form in addition to account statement. Since the scheme is going to be listed and no direct repurchase facility is available with the Mutual Fund, the investors who intend to trade in units are required to have a Demat Account and hold the units in the dematerialised form only. This being a Closed Ended Scheme, no premature redemption can be made through redemption instruction to the Mutual Fund until maturity. However, the Scheme provides for liquidity through listing on the NSE where the units are listed). Unitholders who intend to avail of the facility to trade in units are required to have a Demat Account.
Where can the applications for purchase / redemption / switches be submitted	Units of the scheme will not be available for subscription / redemption after the closure of NFO. Units of the scheme will automatically get redeemed as on the date of maturity. The details of official points of acceptance, collecting banker etc. are provided on back cover page
Minimum amount for redemption/switches	The units of the scheme will not be available for subscription / switch-in / redemption / switch-out after the closure of NFO and will be redeemed as on the date of maturity at the applicable NAV. The units of the scheme will be listed on National Stock Exchange of India Ltd. (NSE).
Minimum balance to be maintained and consequences of non maintenance	As the units of the scheme will be listed on National Stock Exchange of India Ltd. (NSE), the provision of minimum balance amount to be maintained and consequences of not maintaining the same will not be applicable to the scheme.
Special Products Available	Below mention facilities are not available: Systematic Investment Plan Systematic Transfer Plan Systematic Withdrawal Plan
Accounts Statements	<p>For transactions during NFO</p> <ul style="list-style-type: none"> For any investments during the New Fund Offer period, the Statement of Accounts will be dispatched to unitholders within 30 days after the closure of New Fund Offer period For those unitholders who have provided an e-mail address, the AMC will send the account statement by e-mail. The unitholder may request for a physical account statement by writing/calling the AMC/ISC/R&T. <p>For SIP / STP transactions - Not Applicable</p> <p>Annual Account Statement:</p> <ul style="list-style-type: none"> The Mutual Funds shall provide the Account Statement to the Unitholders who have not transacted during the last six months prior to the date of generation of account statements.

	<p>The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement</p> <ul style="list-style-type: none"> • 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' email address, instead of physical statement, if so mandated.
Dividend	The dividend warrants shall be dispatched to the unitholders within 30 days of the date of declaration of dividend. Dividend may also be paid to the Unitholder in any other manner viz., through ECS, Direct Credit or NEFT in to Bank account, RTGS facility offered RBI or through Banker's cheque, etc as the AMC may decide, from time to time for the smooth and efficient functioning of the Scheme
Redemption	Investors will not be able to redeem their units during the period of the scheme directly from the mutual fund and the units will be redeemed only on the date of maturity. The redemption proceeds will be dispatched to the unitholders within 10 working days from the date of maturity. Redemption cheques will be paid by cheques marked "Account Payee only" and drawn in the name of the sole / first unitholder as per the details available with the Registrars. Also the bank account of the sole/first unitholders will be printed on the cheque. Redemption may also be paid to the Unitholder in any other manner viz., through ECS, Direct Credit or NEFT in to Bank account, RTGS facility offered by RBI or through Banker's cheque, etc as the AMC may decide, from time to time for the smooth and efficient functioning of the Scheme
Delay in payment of redemption / repurchase proceeds	The Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum)

C. PERIODIC DISCLOSURES

<p>Net Asset Value</p> <p>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</p>	<p>The AMC will calculate and disclose the first NAV of the scheme not later than 30 days from the closure of the New Fund Offer Period of the scheme. Thereafter NAV shall be calculated on all Business Day and announced at the close of each Business Day and declared in accordance with the SEBI guidelines from time to time and will be displayed / available at the Corporate office, Registrars office and other Authorized Centres such as the Area Offices / Business Centres. The NAV will also be published in two daily newspapers in accordance with SEBI guidelines, and will also be updated on AMFI website www.amfiindia.com by 9.00</p>
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	<p>PM and LICMF website www.licmutual.com on all business days. 17a In case of any delay, the reasons for such delay would be explained to AMFI in writing.</p> <p>In case of close ended schemes, the repurchase price shall not be lower than 95% of the NAV till time of maturity. 17b</p>						
<p>Half-Yearly Disclosures: Portfolio / Financial Results</p> <p>This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures</p>	<p>The Fund shall before the expiry of one month from the close of each half year i.e. as on March 31 and September 30, publish its unaudited financial results and half-yearly schemewise portfolio in one English daily newspaper having all India circulation and in a newspaper published in the language of the region where the Head Office of the Fund is situated and update the same on AMC's website www.licmutual.com and on AMFI's website www.amfiindia.com within 30 days from the close of each half year, in the prescribed formats.</p> <p>The mutual fund may opt to send the portfolio of all unit holders in lieu of the advertisement.</p>						
<p>Half-Yearly Results</p>	<p>The Mutual Fund and Asset Management Company shall before the expiry of one month from the close of each half year that is on 31st March and on 30th September, publish its unaudited financial results in one national English daily newspaper and in a regional newspaper published in the language of the region where the Head Office of the mutual fund is situated.</p>						
<p>Annual Report</p>	<p>The Fund will, not later than four months after the close of each financial year (March 31), mail to the Unitholders an abridged scheme wise annual report. Further, the full text of the Annual Report will be available for inspection at the office of the Fund. A copy of the Annual Report will be sent to Unit holders, on a nominal fee, on specific request. The fund shall disclose the Annual Report on its website www.licmutual.com.</p>						
<p>Associate Transactions</p>	<p>Please refer to Statement of Additional Information (SAI)</p>						
<p>Taxation</p> <p>The information is provided for general information only. However, in view of the</p>	<table border="1"> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>Resident Investor</td> <td>Mutual Fund</td> </tr> </table>					Resident Investor	Mutual Fund
	Resident Investor	Mutual Fund					

information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors / authorized dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes	Tax on dividend	Nil in the hands of investors	Dividend Distribution Tax: For the investments by individual/HUF investors - 14.1625 % For the investments by other than individual/HUF investors - 22.66%
	Capital Gains		
	Long Term	10% (plus surcharge and education cess) without indexation benefit & 20% (plus surcharge and education cess) with indexation benefit	Nil
	Short Term	At marginal tax rate applicable to the investor	Nil
For further details on taxation please refer to the clause on Taxation in the SAI			
Investor services	Ms Arleene D'Souza AGM (Mktg) LIC Mutual Fund, Indl. Assurance Bldg., 4 th Floor, Opp. Churchgate Station, Mumbai – 400 020 Tel: (022) 22810343 Email address: redressal@licmutual.com		

D. COMPUTATION OF NAV

The Net Asset Value (NAV) per Unit of the respective Plan(s) will be computed by dividing the net assets of the scheme by the number of Units outstanding under the scheme on the valuation date. The Mutual Fund will value its investments according to the valuation norms, as specified in Schedule VIII of the SEBI (MF) Regulations, or such norms as may be specified by SEBI from time to time.

The AMC will calculate and disclose the first NAV not later than 30 days from the closure of New Fund Offer Period and thereafter the NAV will be calculated and disclosed at the close of every Business Day. The NAVs will be calculated upto 4 decimals.

NAV shall be calculated on all business days and announced at the close of each Business Day and declared in accordance with the SEBI guidelines from time to time and will be displayed / available at the Corporate office, Registrars office and other Authorized Centers such as the Area Offices / Business Centers. The NAV will also be published in two daily newspapers in accordance with SEBI guidelines, and will also be updated on AMFI website and LICMF website on all business days. The NAV per unit shall be calculated as follows

$$\text{NAV} = \frac{\text{Market/Fair Value of Scheme's Investments} + \text{Receivables} + \text{Accrued Income} + \text{Other Assets} - \text{Accrued Expenses} - \text{Payables} - \text{Other Liabilities}}{\text{No. of Units outstanding}}$$

IV. FEES AND EXPENSES

A. NEW FUND OFFER 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. Entire NFO expenses will be borne by the AMC.

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 following percentage of the weekly 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%
Custodian Charges	0.15%
Registrar & Transfer Agent Fees including cost related to providing account statement, dividend/redemption cheque/warrants etc	0.10%
Marketing & Selling Expenses including Agents Commission and statutory advertisement, Brokerage & Transaction Cost pertaining to the distribution of units, Audit Fees / Fees and expenses of trustees, Listing Fee, Costs related to investor communications, Cost of fund transactions location to location, other expenses	0.75%
Total Recurring Expenses	2.25%

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

Investment Management fees charged by LICMFAMC shall be 1.25% of the weekly average net assets for net assets upto Rs. 100 crores and 1.00% of the weekly average net assets on the balance amount above Rs. 100 crores. This fee shall be conformity with SEBI Regulations & shall be payable at a frequency as agreed between the AMC and Trustees from time to time. LICMFAMC shall not charge any fees on its investment in Units of the Funds/Schemes/Plans in LICMF.

The recurring expenses of the Schemes, and the additional management fee shall be as per the limits prescribed under Sub-Regulations (6) of Regulations 52 of the Regulations and shall not exceed the limits prescribed thereunder .

As per the Regulations, the maximum recurring expenses that can be charged to the Scheme shall be subject to a percentage limit of weekly net assets as in the table below:

First Rs.100 crore Net assets	Next Rs.300 crore	Next Rs.300 crore	Balance
2.25%	2.00%	1.75%	1.50%

C. LOAD STRUCTURE

Load is an amount which is paid by the investor to subscribe to the units or to redeem the units from the scheme. This amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC (www.licmutual.com) or may call our Corporate Office, Area Offices, Business Centers & R&T Agent

Type of Load	Load chargeable (as% of NAV)
Entry Load	Nil. Pursuant to SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, no entry load will be charged by the Plan(s) under the Scheme to the investor. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder (AMFI registered Distributor) directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder
Exit Load	Not applicable. Since the scheme will be listed on stock exchange, there will not be any exit load. No exit load will be charged on maturity

- 1) Any load / fee charged will be within the admissible limits under the Regulations in force at that time
- 2) As per SEBI Regulations, of the exit load or CDSC charged to the investor, a maximum of 1% of the redemption proceeds shall be maintained in a separate account which can be used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Any balance shall be credited to the scheme immediately. The investor is requested to check the prevailing load structure of the scheme before investing.
- 3) The AMC reserves the right to change/modify exit / switchover load (including zero load), depending upon the circumstances prevailing at any given time. However any change in the load structure will be applicable on prospective investment only. The AMC may charge an exit load for switch of units from one plan/option to another plan/option within the Scheme and/or any other scheme of LICMF depending upon the circumstances prevailing at any given time. The switchover load may be different for different plans/options and the switchover load may be different from the entry and /or exit load charged for sale and/or repurchase units. The load charged could also be different for different options in the plans of the Scheme at the same time and different as regards the amount/tenor of investment, etc.

At the time of changing the load structure the fund may consider the following measures:

- The addendum detailing the changes in load structure may be attached to scheme information documents and Key Information Memorandum. The addendum detailing the changes may be circulated to all distributors / brokers so that the same can be attached to all scheme information documents and

Key Information Memorandum already in stock. The addendum may be sent along-with the newsletter to the unit holders immediately after the changes.-

- Arrangements may be made to display the changes/modifications in the scheme information document in the form of a notice in all the investor service centres and distributors/ brokers office
- The introduction of the exit load along-with the details may be stamped in the acknowledgement slip issued to the investors on submission of the stamped application form and may also be disclosed in the statement of accounts issued after the introduction of such load.
- Any other measures the fund may feel necessary

Of the exit load or CDSC, if charged, a maximum of 1% of the redemption proceeds shall be maintained in a separate account which can be utilized towards payment of commissions to the distributors and towards meeting the sales and marketing expenses. Any balance in excess shall be credited to the scheme immediately.

The investor is requested to check the prevailing load structure of the scheme before investing. For any change in load structure AMC will issue an addendum and display it on the website/Investor Service Centres.

D. WAIVER OF ENTRY LOAD

Pursuant to SEBI circular No. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 there shall be no entry load for all mutual fund schemes. The same is applicable Investments in mutual fund schemes (including additional purchases and switch-in to a scheme from other schemes) with effect from August 1, 2009, Redemptions from mutual fund schemes (including switch-out from other schemes) with effect from August 1, 2009, New mutual fund schemes launched on and after August 1, 2009 and Systematic Investment Plans (SIP) registered on or after August 1, 2009

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-

A penalty of Rs. 1 Lac each has been imposed on LIC Mutual Fund and LIC Mutual Fund Asset Management Co. Ltd. For violation of investment norms as per SEBI (Mutual Funds) Regulations, 1996 Vide adjudication order dated 31/12/2002. The same has been paid of by both LIC Mutual Fund and LIC Mutual Fund Asset Management Co. Ltd. -20

"Notwithstanding anything contained in the offer document the provisions of the SEBI(Mutual Funds) Regulations, 1996 and the guidelines thereunder shall be applicable." 22

This scheme information document contains no clause which limits the jurisdiction for settlement of claims of the investors to a specific place/region.

The draft scheme information document of LICMF Fixed Maturity Plan – SERIES 46-47-48-49 was approved by the Trustee of LIC Mutual Fund in its Board Meeting held on 29/04/2009.

The scheme information document has been submitted as per the SEBI Mutual Funds Regulations 1996.

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

Place : Mumbai
Date: 09/11/2009

Sushobhan Sarker
Chief Executive Officer

ADDRESSES OF OFFICES & BUSINESS CENTERS OF LICMF AMC/ LIC MUTUAL FUND

Corporate Office: LIC Mutual Fund, 4th Floor, Industrial Assurance Bldg., Opp. Churchgate Station, MUMBAI - 400020
Phone No. 22851661/ 663, 22842338, 22842521 Fax No. 22880633

PLACE	ADDRESS	LANDLINE	MOBILE
AHMEDABAD	Jeevan Sadan, 3rd Floor, LIC Building, Opp. Capital Commercial Center, Ashram Road, Ahmedabad – 380 006	079-26631989 / 65431989	9375090006 / 9924403147
BANGALORE	No.4, Canara Mutual Building (Opp. Cash Pharmacy), 2nd Floor, Residency Road, Bangalore – 560 025	080-22210180 / 22295598	9845172957 / 9972092957 / 9986500721
BHUBANESHWAR	OCHC Building, Ground Floor, 24-Janpath, Unit-3, BHUBANESHWAR - 751001.	0674-2390694	9438132162 / 9438081037 / 9438526420
CHENNAI	15, Anna Salai, Next to V.G.P. Bldg., CHENNAI - 600002.	044-28411984 / 28555883	9382315850 / 9382980073 / 9962526278
DEHRADUN	56, Gandhi Road, 1st Floor, Opp. Hyundi Commercial, Dehradun - 248 001		9412039057
ERNAKULAM	11th Floor, Jeevan Prakash, M.G. Road, Ernakulam, Kochi – 682011	0484-2367643	9895036554 / 9745249789/9745612888 / 9446042945
GOA	T 9/10, 3rd Floor, Alfran Plaza, Opp. Don Bosco High School, M. G. Road, Panaji, Goa-403001.	0832-2420561	9421151400 / 9890711551
GUWAHATI	LICMF AMC Ltd., C/o LIC of India, Jeevan Deep Building, Panbazar, Guwahati -782 001	0361 - 2735323	9435040478 / 9707021706
HYDERABAD	LIC Mutual Fund, House No. 5-9-57, 4th Floor, Jeevan Jyoti Building, Basheerbagh, HYDERABAD - 500029.	040-23244445 / 23210572	9392471583 / 9000444850 / 9000550850
INDORE	U.V. Business Centre, 1st Floor, Snehil 9/1-A South Tukoganj, INDORE - 452001.	0731-2520262 / 4069162	9753242050 / 9425870126
JAIPUR	327 – A, 3rd Floor, Ganpati Plaza, M. I. Road, JAIPUR - 1.	0141-5112620	9460873120 / 9829098323 / 9929095005
KANPUR	Jeevan Vikas, 16/98, M.G. Road, KANPUR - 208001.	0512-2360240 / 3244949	9415060134 / 9984006600 / 9838038440/9918971258
KOLKATA	Ground Floor, Hindustan Building Annexe, 4, Chittaranjan Avenue, KOLKATA - 700072.	033-22129455 / 65290605	9432128113 / 9433098459 / 9339531895 / 9339002574 / 9231407611
LUCKNOW	LIC Divisional Office Campus, 30, Hazaratganj, Lucknow - 226 001		9415060134
LUDHIANA	LICMF AMC LTD., Room No. 103, 1st Fl., S.C.O. 19, Opp. Stock Exchange Feroz Gandhi Market, Ludhiana - 141 001	0161 - 2405805 / 2405806	9814703558 / 9888320209 / 9872106060
MADURAI	C/o LIC of India, Divisional Office, Near to SDM Secretariat, Bridge Station Road, Sellur, Madurai - 625 002		9442109039
MANGALORE	LICMF AMC Ltd., No. 6, Gr. Floor, Popular Building, K S Rao Road, Managalore - 575 001	0824 - 2411482	9845190466 / 9980950466
MUMBAI – I	LIC Mutual Fund, 5th Floor, Industrial Assurance Bldg., Opp. Churchgate Station, MUMBAI - 400020.	022-22885971 / 55719750	9324543832 / 9323181203 / 9323180802 / 9892550455 / 9930957772 / 9870775600
MUMBAI – II	LIC Mutual Fund, 4th Floor, Industrial Assurance Bldg., Opp. Churchgate Station, MUMBAI - 400020.	022-22851660	9820002994 / 9967655060 / 9371617717 / 9920675088
NAGPUR	LIC Mutual Fund, IInd Floor, Indian Mutual Bldg., Mount Road, Sadar, Nagpur - 440 001	0712 - 2542497	9422113800
NASHIK	Shop No.2, Ground Floor, Rajvee Enclave, New Pandit Colony, NASHIK - 422002.	0253-2579507	9922996155 / 9823366379
NEW DELHI	7 th Floor, Jeevan Prakash, 25 K.G. Marg, NEW DELHI - 110001.	011-23359190/2331439 / 6	9818039607 / 9818039603 / 9818030124 /

			9999828173 / 9818191263 / 9811108744
PATNA	Ground floor, Jeevan Jyothi Bldg. Exhibition Road, PATNA - 800001.	0612-2501157/6452757	9470610695 / 9431023274
PUNE	C/o LIC of India, 2nd Floor, IT Dept., Jeevan Prakash, 6/7 Shivaji Nagar		9822474487
	University Road, Pune - 411 005		
RAIPUR	SF-22-23, Millennium Plaza, Near Indian Coffee House,	0771-2236780/4051137	9329731077 / 9329100009/ 9329778201
	G.E. Road, RAIPUR - 492001 C.G.		
RANCHI	Narsaria Tower, 2nd Floor, Opp. Lalpur Police Station, Post Lalpur, RANCHI -834001.	0651-2206372	9470524099 / 9334768543

BUSINESS CENTRE

PLACE	ADDRESS	CONTACT NO.
BHOPAL	LIC Mutual Fund, LIC Branch No 3, City Nagar, New Market, BHOPAL.	9300380797
CHANDIGARH	SCO 158 / 159, First floor, Sector 34/A, CHANDIGARH - 160034.	9316065681
GHAZIABAD	LIC Mutual Fund, LIC of India, Building No 1, Model Town II, GHAZIABAD.	9350455141
HUBLI	LIC Mutual Fund, C/o LIC Branch Office No 1, Lamington Road, HUBLI-1.	9880058223
JAMMU	LIC Mutual Fund, LIC Divisional Office, Jeevan Jyoti, 18-A, Rail Head Complex, JAMMU.	9419213201
KARNAL	LIC Mutual Fund, Divisional Office, 489, 1st Floor, Jeevan Prakash Building, Model Town, KARNAL - 132001.	9315563229
KOTTAYAM	LIC of India, OS Department, Jeevan Prakash Opp. Nehru Stadium, KOTTAYAM - 686001.	9349736595
KOZHIKODE	LIC of India, P & IR Department, Jeevan Prakash, KOZHIKODE - 673001.	9349739890
PONDICHERRY	LIC of India, Branch No 1, Opp Kamaraj Salai, New Saram, PONDICHERRY - 605013.	9360644001
THANE	LIC of India, 2nd Floor, P & IR Department, Jeevan Chintamani, Eastern Express Highway, THANE - 406004.	9323180806
THIRUVANANTHAPURAM	LIC of India, Sales Department, Jeevan Prakash, THIRUVANANTHAPURAM - 695004.	9349739151
THRISSUR	LIC of India, Br No II, 2nd Floor, Palace Road, THRISSUR - 2.	9349739119
VISHAKHAPATNAM	LIC Mutual Fund, Divisional Office, Jeevitha Bima Road, P B No 411, VISHAKHAPATNAM - 530004	9393339593
COIMBATORE	India Life Building, 1543/44, Trichy Road, Coimbatore - 641 018	92882216891
PANIPAT	514, Krishna Tower, 2nd Fl., G.R. Road, Panipat - 131 103	9315563229
SALEM	No.1, A K P Complex, 2nd Floor, Permannoor Road, Four Roads, Salem - 5636 007	9944744424
AURANGABAD	Opp. LICHFL, Cosmu Avenue Shopping Complex, Shop No.21, CBS Road, Aurangabad	9422728151
MEERUT	Jeevan Prakash, Prabhat Nagar, Meerut	939267811
MYSORE	C/o LIC of India, LIC Br.1, Next to Mandvi Motors, KRS Road, Mysore - 570020	9986117183
VADODARA	GF-10, Orient Business Center, Opp.Suraj Plaza, Sayajiganj, Vadadora - 3900005	9327294916
AGRA	C/o LIC of India, Jeevan Prakash, Gr.Fl., 'B' Wing, Sanjay Place, MR Road, Agra-282002	9927888854
TRICHY	No.A6, 3rd Fl., Nachiyar's Park, 11th Cr., Thillai Nagar Main Rd., Trichy - 620 018	9842524130
ANANTAPUR	Shop No.49, Balaji Towers, SubhashRoad, Anantapur - 515 001	9866157000
KARIMNAGAR	1st Fl., Hina Business Towers, Above UTI Bank, Mukarampura, Karimnagar - 505 001	9932454688
NELLORE	C/o LIC of India (CB-1) Dargamitta, Nellore - 524 003	9397851718
VIJAYAWADA	C/o LIC of India, Br.1, Jeevan Deep Bldg., 2nd Fl., Sevoke Road, Siliguri - 534 001	9322114747
GORAKHPUR	Prathibha Complex, Jubilee Road, Gorakhpur - 273 001	9336833448
VARANASI	C/o LIC of India, DO, "Jeevank Prakash", B-12/120, Gauriganj, Varanasi - 221 001	9336501004
KOLHAPUR	Shop No. 60, Upper Gr.Fl., Gemestone Complex, 517/2, New Shahupuri, Nr Central Bus Stand, Kolhapur - 416 001	9822851948
JHARKHAND	B P Agarwalla Bldg., P.O. Dhansar, Dhanbad - 828 016	9955189443
BELLARY	No.116/17, Opp. Cosmopolitan Club, Double Road, Bellary - 583 101	9980830179
BELGAUM	Shop No.3, Annapurna Krupa, Opp. To Doddanavar Petrol Pump, Thanapur Road, Goa Vayes, Belgaum - 590006	9845205168
RAJKOT	721, Star Chamber, Harihar Chowk, Rajkot - 360 001	9898733233
SURAT	C/o Hetal Shah, 35, Ramdev Nagar Society, Nr.Shantiniketan Schoo, Palanpur Patia, Surat -9	9925027406
BHAGALPUR	C/o LIC of India, DO Bldg., OS Dept., Priyadarshini, Sakhichand Ghat Road, Mayabazar, Bhagalpur - 812 002	9431609765
MUZAFARPUR	C/o LIC of India, DO Bldg., OS Dept., Jeevan Prakash, Umashankar PD Marg, Muzafarpur - 842 002	9431023274
GAYA	3rd Fl., Raja Niwas, Above LIC Br., 2, Swarajpuri Road, Gaya (Bihar) - 801 503	9334118071
AJMER	LIC Bldg., Kutchary Road, Ajmer - 305 001	9829077674
UDAIPUR	74, Pathon Ki Magri, Sewa AshramChouraha, B N College Road, Udaipur - 313 001	9928498775

