

Addendum

Addendum to the Scheme Information Documents / Key Information Memoranda of IDFC Asset Allocation Fund

Notice is hereby given to all the unit holders IDFC Asset Allocation Fund that the Board of Directors of IDFC AMC Trustee Company Limited and IDFC Asset Management Company Limited have, in terms of the enabling provision of SEBI (Mutual Funds) Regulations, 1996, approved the change in asset allocation pattern of the scheme as mentioned hereunder

Asset Class	Conservative Plan	Risk profile	Moderate Plan	Risk profile	Aggressive Plan	Risk profile
	Indicative asset allocation (% to net assets)					
Equity (Including Offshore Equity) Fund	10-15%	Low to Medium	25-30%	Low to Medium	45-50%	Medium to High
Debt Fund (Including Liquid funds)	0-90%	Medium	0-70%	Medium	0-45%	Medium
Alternate (Including Gold/Commodity Equity Funds)	0%	-	5-10%	Low to medium	10-15%	Low to medium
Money Market Securities	0-15%	Low	0-15%	Low	0-15%	Low

Asset class explanation:

- 1) Equity Funds– It will primarily consist of allocations to local equity funds/ ETFs/ Index funds. There can also be a small allocation (0-5% of net assets) to offshore emerging market equity funds, depending on the quantum of allocation to equity and the positioning of the fund. Within active local equity funds the allocation can be to large cap, diversified, thematic or mid cap strategies.
- 2) Debt Funds and Liquid Funds - It will consist of allocation to local debt funds and liquid funds with different maturity profile (including Gilt funds). The two key categories to which allocations will be made will be short maturity funds (0-5 year maturity) and long maturity funds.
- 3) Alternate – It will consist of allocations to offshore commodity equity funds as well as domestic Gold ETFs.. Offshore commodity equity funds are funds that would invest in securities of companies that deal in commodities/commodities related activities.

Currently the scheme can invest in Gold ETF/ Equity ETF's only.

The scheme shall invest in equity ETF's upto 30% of the net assets and 50% of the net assets in Moderate AA Plan and Aggressive AA Plan respectively. Further, the scheme shall invest in gold ETF upto 10% and 15% of the net assets in Moderate AA Plan and Aggressive AA plan respectively. Under the Conservative AA Plan the scheme shall invest upto 15% of the net assets in Equity ETF's.

Investments in offshore funds i.e foreign securities, ADR's and GDR's shall be in compliance with the requirement of SEBI circular dated September 26, 2007.

All other features/terms and conditions of the SID / SAI remains unchanged.

This Addendum forms an integral part of the Statement of Additional Information / Scheme Information Document(s)/ Key Information Memorandum cum Application Form(s) of the IDFC Asset Allocation Fund read with the addenda issued there under.

Addendum dated: November 04, 2011
