

## Third Party Payment Declaration Form

**Declaration Form No.** \_\_\_\_\_

**Third Party Payment Declaration Form** should be completed in English and in BLOCK LETTERS only.  
(Please read the Third Party Payment Rules and Instructions carefully before completing this Form)

**FOR OFFICE USE ONLY**

Date of Receipt	Folio No.	Branch Trans. No.

**1. BENEFICIAL INVESTOR INFORMATION (Refer Instruction No. 2)**

**Folio No.** (For existing investor) \_\_\_\_\_ **Application No.** \_\_\_\_\_

**NAME OF FIRST/SOLE APPLICANT** (Beneficial Investor)

Mr. / Ms. / M/s. \_\_\_\_\_

**2. THIRD PARTY INFORMATION (Refer Instruction No. 3)**

**NAME OF THIRD PARTY** (Person Making the Payment)

Mr. / Ms. / M/s. \_\_\_\_\_

Nationality \_\_\_\_\_ PAN# \_\_\_\_\_ KYC\*\* [Please   Attached  
(Mandatory for any amount)

#Mandatory for any amount. Please attach PAN Proof. Refer instruction No. 6. \*\* Refer instruction No. 8.

**NAME OF CONTACT PERSON & DESIGNATION** (in case of non-Individual Third Party)

Mr. / Ms. \_\_\_\_\_

Designation \_\_\_\_\_

**MAILING ADDRESS** (P.O. Box Address may not be sufficient)

City \_\_\_\_\_ State \_\_\_\_\_ Pin Code \_\_\_\_\_

**CONTACT DETAILS**

**STD Code** \_\_\_\_\_

Tel. : Off. \_\_\_\_\_ Tel. : Res. \_\_\_\_\_ Mobile \_\_\_\_\_

Fax \_\_\_\_\_ Email \_\_\_\_\_

**RELATIONSHIP OF THIRD PARTY WITH THE BENEFICIAL INVESTOR** (Refer Instruction No. 3) [Please  (") as applicable]

Status of the Beneficial Investor	Minor	FII <input type="checkbox"/> Client	Employee (s)
Relationship of Third Party with the Beneficial Investor	<input type="checkbox"/> Parent <input type="checkbox"/> Grand Parent <input type="checkbox"/> Related Person _____ (Please specify)	<input type="checkbox"/> Custodian SEBI Registration No. of Custodian Registration Valid Till <div style="border: 1px solid black; padding: 2px; display: flex; justify-content: space-around;"> <span>D</span><span>D</span><span>M</span><span>M</span><span>Y</span><span>Y</span><span>Y</span><span>Y</span> </div>	Employer
Declaration by Third Party	I/We declare that the payment made on behalf of minor is in consideration of natural love and affection or as a gift.	I/We declare that the payment is made on behalf of FII/ Client and the source of this payment is from funds provided to us by FII/Client.	I/We declare that the payment is made on behalf of employee(s) under Systematic Investment Plans through Payroll Deductions.

**3. THIRD PARTY PAYMENT DETAILS (Refer Instruction No. 4)**

Mode of Payment [Please <input checked="" type="checkbox"/> (/)]	Mandatory Enclosure(s)*
Cheque <input type="checkbox"/>	In case the account number and account holder name of the third party is not pre-printed on the cheque then a copy of the bank passbook / statement of bank account or letter from the bank certifying that the third party maintains a bank account.
Pay Order <input type="checkbox"/>	Certificate from the Issuing Banker stating the Bank Account Holder's Name and Bank Account Number debited for issue of the instrument.
Demand Draft <input type="checkbox"/>	
Banker's Cheque <input type="checkbox"/>	
RTGS <input type="checkbox"/>	Copy of the Instruction to the Bank stating the Bank Account Number which has been debited.
NEFT <input type="checkbox"/>	
Fund Transfer <input type="checkbox"/>	

\* IDFC Mutual Fund/IDFC Asset Management Company Limited ("IDFC AMC") reserves the right to seek information and /or obtain such other additional documents/information from the Third Party for establishing the identity of the Third Party.

<b>Amount#</b>	in figures									
	in words									
Cheque/DD/PO/UTR No.		Cheque/DD/PO/RTGS Date <table border="1" style="display: inline-table; text-align: center; width: 100px;"> <tr> <td>D</td><td>D</td><td>M</td><td>M</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td> </tr> </table>	D	D	M	M	Y	Y	Y	Y
D	D	M	M	Y	Y	Y	Y			
Pay- in Bank A/c No.										
Name of the Bank _____										
Branch _____ Bank City _____										
Account Type [Please <input checked="" type="checkbox"/> <input type="checkbox"/> SAVINGS <input type="checkbox"/> CURRENT <input type="checkbox"/> NRE <input type="checkbox"/> NRO <input type="checkbox"/> FCNR <input type="checkbox"/> OTHERS _____ (please specify)										

# including Demand Draft charges, if any.

#### 4. DECLARATIONS & SIGNATURE/S (Refer Instruction 5)

##### THIRD PARTY DECLARATION

I/We confirm having read and understood the Third Party Payment rules, as given below and hereby agree to be bound by the same.

I/We declare that the information declared herein is true and correct, which IDFC Mutual Fund is entitled to verify directly or indirectly. I agree to furnish such further information as IDFC Mutual Fund may require from me/us. I/We agree that, if any such declarations made by me/us are found to be incorrect or incomplete, IDFC Mutual Fund/IDFC AMC is not bound to pay any interest or compensation of whatsoever nature on the said payment received from me/us and shall have absolute discretion to reject / not process the Application Form received from the Beneficial Investor(s) and refund the subscription monies.

I/We hereby declare that the amount invested in the Scheme is through legitimate sources only and does not involve and is not designed for the purpose of any contravention or evasion of any Act, Rules, Regulations, Notifications or Directions issued by any regulatory authority in India. I/We will assume personal liability for any claim, loss and/or damage of whatsoever nature that IDFC Mutual Fund/IDFC AMC may suffer as a result of accepting the aforesaid payment from me/us towards processing of the transaction in favour of the beneficial investor(s) as detailed in the Application Form.

##### Applicable to NRIs only :

I/We confirm that I am/We are Non-Resident of Indian Nationality/Origin and I/We hereby confirm that the funds for subscription have been remitted from abroad through normal banking channels or from funds in my / our Non-Resident External / Ordinary Account /FCNR Account.

Please (✓)  Yes  No

If yes, (✓)  Repatriation basis

Non-repatriation basis

\_\_\_\_\_  
Signature of the Third Party

##### BENEFICIAL INVESTOR(S) DECLARATION

I/We certify that the information declared herein by the Third Party is true and correct.

I/We acknowledge that IDFC Mutual Fund reserves the right in its sole discretion to reject/not process the Application Form and refund the payment received from the aforesaid Third Party and the declaration made by the Third Party will apply solely to my/our transaction as the beneficial investor(s) detailed in the Application Form. IDFC Mutual Fund/IDFC AMC will not be liable for any damages or losses or any claims of whatsoever nature arising out of any delay or failure to process this transaction due to occurrences beyond the control of IDFC Mutual Fund/IDFC AMC.

##### Applicable to Guardian receiving funds on behalf of Minor only:

I/We confirm that I/We are the legal guardian of the Minor, registered in folio and have no objection to the funds received towards Subscription of Units in this Scheme on behalf of the minor.

SIGNATURE/S

First / Sole Applicant / Guardian

Second Applicant

Third Applicant

### THIRD PARTY PAYMENT RULES

- 1 In order to enhance compliance with Know your Customer (KYC) norms under the Prevention of Money Laundering Act, 2002 (PMLA) and to mitigate the risks associated with acceptance of third party payments, Association of Mutual Funds of India (AMFI) issued best practice guidelines on "risk mitigation process against third party instruments and other payment modes for mutual fund subscriptions". AMFI has issued the said best practice guidelines requiring mutual funds/asset management companies to ensure that Third-Party payments are not used for mutual fund subscriptions
- 2a. The following words and expressions shall have the meaning specified herein:
  - (a) **"Beneficial Investor"** is the first named applicant/ investor in whose name the application for subscription of Units is applied for with the Mutual Fund.
  - (b) **"Third Party"** means any person making payment towards subscription of Units in the name of the Beneficial Investor.
  - (c) **"Third Party payment"** is referred to as a payment made through instruments issued from a bank account other than that of the first named applicant/ investor mentioned in the application form.
- Illustrations**

**Illustration 1:** An Application submitted in joint names of A, B & C alongwith cheque issued from a bank account in names of B, C & Y. This will be considered as Third Party payment.

**Illustration 2:** An Application submitted in joint names of A, B & C alongwith cheque issued from a bank account in names of C, A & B. This will not be considered as Third Party payment.

**Illustration 3:** An Application submitted in joint names of A, B & C alongwith cheque issued from a bank account in name of A. This will not be considered as Third Party payment.
- 2b. IDFC Mutual Fund/ IDFC Asset Management Company Limited ('IDFC AMC') will not accept subscriptions with Third Party payments except in the following exceptional cases, which is subject to submission of requisite documentation/ declarations:
  - (i) Payment by Parents/Grand-Parents/Related Persons\* on behalf of a minor in consideration of natural love and affection or as gift for a value not exceeding ₹ 50,000/- each regular Purchase or per SIP installment.
  - (ii) Payment by Employer on behalf of employee(s) under Systematic Investment Plan (SIP) Payroll deductions.
  - (iii) Custodian on behalf of an FII or a Client.

\* 'Related Person' means any person investing on behalf of a minor in consideration of natural love and affection or as a gift.
- 2c. Applications submitted through the above mentioned 'exceptional cases' are required to comply with the following, without which applications for subscriptions for units will be rejected / not processed / refunded.
  - (i) Mandatory KYC for all investors (guardian in case of minor) and the person making the payment i.e. third party.
  - (ii) Submission of a complete and valid 'Third Party Payment Declaration Form' from the investors (guardian in case of minor) and the person making the payment i.e. third party.
- 2d. Investor(s) are requested to note that any application for subscription of Units of the Scheme(s) of IDFC Mutual Fund accompanied with Third Party payment other than the above mentioned exceptional cases as described in Rule (2b) above is liable for rejection without any recourse to Third Party or the applicant investor(s).

The above mentioned Third Party Payment Rules are subject to change from time to time. Please contact any of the Investor Service Centres of IDFC AMC or visit our website [www.idfcmf.com](http://www.idfcmf.com) for any further information or updates on the same.

# INSTRUCTIONS FOR THIRD PARTY PAYMENT DECLARATION FORM

## 1. GENERAL INSTRUCTIONS

Please read the terms of the Key Information Memorandum, the Scheme Information Document (SID) and Statement of Additional Information (SAI) carefully before filling the Third Party Payment Declaration Form (hereinafter referred to as 'Declaration Form').

The Declaration Form should be completed in ENGLISH and in BLOCK LETTERS only. Please tick in the appropriate box for relevant declarations wherever applicable. Please do not overwrite. For any correction / changes (if any) made in the Declaration Form, the corrections made shall be authenticated by canceling and re-writing the correct details and counter-signed by the Third Party and the Beneficial Investor(s).

Applications along with the Declaration Form completed in all respects, must be submitted at the Official Points of Acceptance / Investor Service Centres (ISCs) of IDFC Mutual Fund.

In case the Declaration Form does not comply with the above requirements, IDFC Mutual Fund /IDFC AMC retains the sole and absolute discretion to reject / not process such Declaration Form and refund the subscription money and shall not be liable for any such rejection.

## 2. BENEFICIAL INVESTOR INFORMATION

The Third Party should provide the Folio Number of the Beneficial Investor already having an account in any of the IDFC Mutual Fund Schemes in Section 1. In case the Beneficial Investor does not have a Folio Number, the Third Party should mention the Application Number as stated in the Application Form. Name must be written in full.

## 3. THIRD PARTY INFORMATION

"Third Party" includes the Parent, Grand Parent, Related Person, Custodian, or Employer, making payment towards subscription of Units in the name of the Beneficial Investor(s).

Full Name and relationship of Third Party with the Beneficial Investor must be provided.

The Relationship declared by the Third Party will suggest that the payment made on behalf of Beneficial Investor(s) is:

- On behalf of a minor in consideration of natural love and affection or as gift for a value not exceeding ₹ 50,000/- (which includes each regular purchase or per SIP installment) made by Parents/Grand Parents/ Related Persons (This limit of ₹ 50,000 shall not be applicable for investments in IDFC Children's Gift Fund); or
- On behalf of employee under Systematic Investment Plans through Payroll deductions made by Employer; or
- On behalf of an FII or a Client made by the Custodian.

Mailing address and contact details of Third Party must be written in full.

## 4. THIRD PARTY PAYMENT DETAILS

Third Party must provide in the Declaration Form the details of the Pay-in Bank Account i.e. account from which subscription payment is made in the name of the Beneficial Investor (s).

The Declaration Form with incomplete payment details shall be rejected. The following document(s) is/are required to be submitted by Third Party as per the mode of payment selected:

### (i) Source of funds - if paid by cheque

In case the account number and account holder name of the third party is not pre-printed on the cheque, then the third party should provide any one of the following documents:

- a copy# of the bank passbook or a statement of bank account having the name and address of the account holder and account number;
- a letter (in original) from the bank on its letterhead certifying that the third party maintains an account with the bank, along with information like bank account number, bank branch, account type, the MICR code of the branch & IFSC Code (where available). The said letter should be certified by the bank manager with his / her full signature, name, employee code, bank seal and contact number.

# the original documents along with the documents mentioned above should be submitted to the ISCs / Official Points of Acceptance of IDFC Mutual Fund. The copy of such documents will be verified with the original documents to the satisfaction of the IDFC AMC/ IDFC Mutual Fund / Registrar and Transfer Agent. The original documents will be returned across the counter after due verification.

### (ii) Source of funds - if funded by pre-funded investments such as Pay Order, Demand Draft, Banker's cheque etc.

A Certificate (in original) from the issuing banker with the purchase application, stating the Account holder's name and the Account Number which has been debited for issue of the instrument. The said Certificate

should be duly certified by the bank manager with his / her full signature, name, employee code, bank seal and contact number.

### (iii) Source of funds - if paid by RTGS, Bank Account-to-Account Transfer, NEFT, ECS, etc.

Acknowledged copy of the instruction to the bank stating the account number debited.

### (iv) Source of funds - if paid by a pre-funded instrument issued by the Bank against Cash

IDFC AMC/IDFC Mutual Fund will not accept any purchase applications from investor if accompanied by a pre-funded instrument such as Pay Order, Demand Draft, Banker's cheque etc. issued by a bank against cash funded by third party for investments of ₹ 50,000/- or more. The third party should provide a Certificate (in original) obtained from the bank giving name, address and PAN (if available) of the person who has requested for the payment instrument. The said Certificate should be duly certified by the bank manager with his / her full signature, name, employee code, bank seal and contact number.

## 5. SIGNATURE(S)

Signature(s) should be in English or in any Indian Language. Declarations on behalf of minors should be signed by their Guardian.

## 6. PERMANENT ACCOUNT NUMBER

It is mandatory for the Third Party to mention the permanent account number (PAN) irrespective of the amount of Purchase\*. In order to verify that the PAN of Third Party has been duly and correctly quoted therein, the Third Party shall attach along with the Declaration Form, a photocopy of the PAN card duly self-certified along with the original PAN card. The original PAN Card will be returned immediately across the counter after verification.

\*includes fresh/additional purchase, Systematic Investment Plan. Declaration Forms not complying with the above requirement will not be accepted/processed.

## 7. PREVENTION OF MONEY LAUNDERING

SEBI vide its circular reference number ISD/CIR/RR/AML/1/06 dated January

18, 2006 mandated that all intermediaries including Mutual Funds should formulate and implement a proper policy framework as per the guidelines on anti money laundering measures and also to adopt a Know Your Customer (KYC) policy.

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

To ensure appropriate identification of the Third Party and with a view to monitor transactions for the prevention of money laundering, IDFC AMC/ IDFC Mutual Fund reserves the right to seek information, record investor's telephonic calls and or obtain and retain documentation for establishing the identity of the third party, proof of residence, source of funds, etc. It may re-verify identity and obtain any incomplete or additional information for this purpose.

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

For further details, please refer Section 'Prevention of Money Laundering' under the Statement of Additional Information available on our website [www.idfcmf.com](http://www.idfcmf.com).

## 8. KNOW YOUR CUSTOMER (KYC) COMPLIANCE

It is mandatory for the Third Party to quote the KYC Compliance Status and attach proof of KYC Compliance viz. KYC Acknowledgement Letter (or Printout of KYC Compliance Status downloaded from CVL website ([www.cvlindia.com](http://www.cvlindia.com)) using the PAN Number. Declaration Form without a valid KYC Compliance of Third Party will be rejected.

In the event of non-compliance of KYC requirements, IDFC Trustee/IDFC AMC reserves the right to freeze the folio of the investor(s) and affect mandatory redemption of unit holdings of the investors at the applicable NAV, subject to payment of exit load, if any.

# Common Key Information Memorandum (KIM)

Offer of Units of during the continuous offer period at NAV based prices

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. **For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investors Service Centres or distributors or from website [www.idfcmf.com](http://www.idfcmf.com).**

**The Scheme particulars have also been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with the Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.**

<p><b>Investment Objective</b></p>	<p><b>IDFC-SSIF-IP, IDFC-SSIF-ST and IDFC-SSIF-MT</b> : To generate stable returns with a low risk strategy by creating a portfolio that is invested in good quality fixed income and money market securities. There can be no assurance that the investment objective of the Scheme will be realised.</p> <p><b>IDFC-DBF</b> : To generate optimal returns with high liquidity by active management of the portfolio; by investing in high quality money market and debt instruments. There can be no assurance that the investment objective of the Scheme will be realised.</p> <p><b>IDFC-GSF-IP, IDFC-GSF-ST and IDFC-GSF-PF</b> : To generate optimal returns with high liquidity by investing in Government Securities. There can be no assurance that the investment objective of the Scheme will be realised.</p> <p><b>IDFC-MMF-IP and IDFC-MMF-TP</b> : To generate stable returns with a low risk strategy by creating a portfolio that is substantially invested in good quality floating rate debt or money market instruments, fixed rate debt or money market instruments swapped for floating returns and fixed rate debt and money market instruments. There can be no assurance that the investment objective of the Scheme will be realised.</p> <p><b>IDFC-ASBF</b> : To generate optimal returns with high liquidity by active management of the portfolio, by investing predominantly in debt oriented mutual fund schemes and money market instruments. There can be no assurance that the investment objective of the Scheme will be realised.</p> <p><b>IDFC-CF</b> : To generate optimal returns with high liquidity by investing in high quality money market and debt instruments. There can be no assurance that the investment objective of the Scheme will be realised.</p> <p><b>IDFC-USTF</b> : To offer an investment avenue for short term savings by looking to generate stable returns with a low risk strategy. The scheme will have a portfolio that is invested in good quality debt and money market instruments such that the fund will offer a blend of liquidity with stability of returns. There can be no assurance that the investment objective of the scheme will be realised.</p> <p><b>IDFC-SAF</b> : To offer an investment avenue for short term savings by looking to generate stable returns with a low risk strategy. The scheme will have a portfolio that is invested in good quality debt and money market instruments such that the fund will offer a blend of liquidity with stability of returns. There can be no assurance that the investment objective of the scheme will be realised.</p> <p><b>IDFC-CEF</b> : To seek to generate long term capital growth from a diversified portfolio of predominantly equity and equity related instruments. There is no assurance or guarantee that the objectives of the Scheme will be realized and the Scheme does not assure or guarantee any returns.</p> <p><b>IDFC-PEF</b> : To seek to generate long-term capital growth from an actively managed portfolio of predominantly equity and equity related instruments. The Scheme portfolio would acquire, inter alia, small and medium size businesses with good long term potential, which are available at cheap valuations. Such securities would be identified through disciplined fundamental research keeping in view medium to long term trends in the business environment. The Scheme shall endeavor to accumulate long-term investor wealth by opening subscriptions to units during periods when stocks are available at reasonable valuations. By doing so, the fund managers would endeavour to prevent short-term money from flowing into the fund which can prove detrimental to the interests of long-term investors. As the Scheme would be sold to investors with a long-term investment horizon, it is also expected that the portfolio would remain relatively more insulated to day to day redemption pressures. The Scheme will close subscription, once it has collected a predetermined "manageable" corpus (approximate amount), which will be decided by the fund manager of the Scheme depending on the available investment opportunities in the stock market / if the fund manager is of the opinion that investment opportunities have diminished. Thus the fund manager will endeavour to ensure that there are sufficient assets available to meet the long-term objectives of the Scheme.</p> <p><b>IDFC-IEF</b> : To seek to generate capital appreciation and / or provide income distribution from a portfolio of predominantly equity and equity related instruments. There is no assurance or guarantee that the objectives of the Scheme will be realized.</p> <p><b>IDFC-AF</b> : To seek to generate capital appreciation and income by predominantly investing in arbitrage opportunities in the cash and the derivative segments of the equity markets and the arbitrage opportunities available within the derivative segment and by investing the balance in debt and money market instruments. There is no assurance or guarantee that the objectives of the Scheme will be realized.</p> <p><b>IDFC-APF</b> : The investment objective of the scheme is to generate income (absolute to low volatility returns) by taking advantage of opportunities in the cash and the derivative segments of the equity markets including the arbitrage opportunities available within the derivative segment, by using other derivative based strategies and by investing the balance in debt and money market instruments. However there is no assurance that the investment objective of the scheme will be realized.</p> <p><b>IDFC-SS(50-50)EF</b> : The investment objective of the scheme is to seek to generate long-term capital appreciation by investing in Equity and Equity related instruments. The investment objective of the fund shall be achieved by investing up to fifty percent of the assets of the scheme in a chosen sector (sector specific exposure) while the balance amount may be invested in companies across market capitalizations and across sectors (diversified exposure). The scheme may also invest in debt and money market instruments. There is no assurance or guarantee that the objectives of the scheme will be realized and the scheme does not assure or guarantee any returns.</p> <p><b>IDFC-TA(ELSS)F</b> : The investment objective of the scheme is to seek to generate long-term capital growth from a diversified portfolio of predominantly Equity and Equity related securities. There is no assurance or guarantee that the objectives of the scheme will be realized and the scheme does not assure or guarantee any returns. The investment policies shall be framed in accordance with SEBI (Mutual Funds) Regulations, 1996 and rules and guidelines for Equity Linked Savings Scheme (ELSS), 2005 (and modifications to them). Specified Investors in the Scheme are entitled to deductions of the amount invested in Units of the Scheme, subject to a maximum of Rs. 1,00,000 under and in terms of Section 80 C (2) (xiii) of the Income Tax Act, 1961.</p> <p><b>IDFC-IG-GF</b> : The investment objective of the scheme is to seek to generate long-term capital appreciation by investing in Equity and Equity related instruments. The scheme aims to capture the growth in India's Gross Domestic Product (GDP). The scheme would endeavour to represent the growth in GDP by capturing the growth in the constituents of the GDP. The scheme may also invest in debt and money market instruments. There is no assurance or guarantee that the objectives of the scheme will be realized and the scheme does not assure or guarantee any returns.</p> <p><b>IDFC-SMEF</b> : The investment objective of the Scheme is to seek to generate capital appreciation from a diversified portfolio of equity and equity related instruments. The Scheme will predominantly invest in small and midcap equity and equity related instruments. Small and Midcap equity and equity related instruments will be the stocks included in the CNX Midcap index or equity and equity related instruments of such companies which have a market capitalization</p>
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	<p>lower than the highest components of CNX Midcap Index. The Scheme may also invest in stocks other than mid cap stocks (i.e. in stocks, which have a market capitalisation of above the market capitalisation range of the defined small - midcap stocks) and derivatives. On defensive consideration, the Scheme may also invest in debt and money market instruments. In case of discontinuation / suspension of CNX Midcap Index, the AMC reserves the right to modify the definition of Mid cap and Small cap companies. In case of such a modification, the interest of investors will be of paramount importance. There can be no assurance that the investment objective of the scheme will be realized.</p> <p><b>IDFC-EEF</b> : The investment objective of the Scheme is to seek to generate capital growth from a portfolio of predominantly equity and equity-related instruments (including equity derivatives). The scheme may also invest in debt and money market instruments to generate reasonable income. There is no assurance or guarantee that the objectives of the scheme will be realized and the scheme does not assure or guarantee any returns.</p> <p><b>IDFC-MIP</b> : The primary objective of Scheme is to generate regular returns through investment primarily in debt oriented Mutual Fund schemes (such as Income and Liquid funds). The secondary objective of the Scheme is to generate long-term capital appreciation by investing a portion of the Scheme's assets in equity oriented MF schemes. Monthly Income is not assumed and the same is subject to availability of distributable surplus.</p> <p><b>IDFC AA FoF (CP, MP, AP)</b> : The primary objective of Scheme is to generate capital appreciation through investment in different mutual fund schemes primarily local funds based on a defined asset allocation model. However, there can be no assurance that the investment objective of the scheme will be realized.</p> <p><b>IDFC-NF</b> : Investment objective of the scheme is to replicate the S&amp;P CNX Nifty index by investing in securities of the S&amp;P CNX Nifty Index in the same proportion/weightage. However, there is no assurance or guarantee that the objectives of the scheme will be realized and the scheme does not assure or guarantee any returns.</p>
<p><b>Investment Strategy</b></p>	<p><b>IDFC Strategic Sector (50-50) Equity Fund (IDFC SS(50-50)EF)</b> : Equity The fund aims to be an early entrant in a sector which has depth, is a core part of the Indian economy, is scalable and where the fund manager believes there is potential. The typical holding period in a particular sector will be around 1-2 years. The AMC would reserve the right to invest in the chosen sector for periods less than or more than this indicated period. This structure allows the fund to take a) concentrated position in the companies in that sector and b) benefit from the positive movement in the sector. However, being an early entrant in a sector and taking concentrated positions makes the portfolio susceptible to view going wrong and the sector underperforming the general market. It shall be the endeavour to reduce this by investing only upto fifty percent of the Net Assets in the sector and the balance 50% will be run as a diversified equity fund. The fund will have a top down approach to narrow down on the sector and then cherry pick companies within that sector. This will hence be a fund where an analyst would have a very significant role to play in helping the fund manager choose a sector. The fund structure allows it to be a core part of an investor portfolio as upto fifty percent of the portfolio will have high Risk/ Return profile by virtue of its concentrated position in one particular sector while the balance amounts in the fund will be invested in a diversified portfolio. The core thus remains constant and satellites keep changing with time and changing phase of the economy.</p> <p><b>IDFC Arbitrage Fund (IDFC-AF)</b> : The Scheme will endeavour to invest predominantly in arbitrage opportunities between spot and futures prices of exchange traded equities. In absence of profitable arbitrage opportunities available in the market, the scheme may predominantly invest in short-term debt and money market securities. The fund manager will evaluate the difference between the price of a stock in the futures market and in the spot market. If the price of a stock in the futures market is higher than in the spot market, after adjusting for costs and taxes the scheme shall buy the stock in the spot market and sell the same stock in equal quantity in the futures market, simultaneously. For example, on 15-12-2005, the scheme buys 10,000 shares of Reliance Capital on spot @ Rs. 430.00 and at the same time sells 10,000 Reliance Capital futures for December 2005 expiry @ Rs. 432.00. The Scheme thus enters into a fully hedged transaction by selling the equity position in the futures market for expiry on say 25 December, 2005. If the scheme holds this position till expiry of the futures, the scheme earns an annualized return of 16.97% irrespective of what is the price of Reliance Capital on the date of expiry. In the eventuality that the scheme has to unwind the transaction prior the expiry date on account of redemption pressures or any other reason, the returns would be a function of the spread at which the transaction is unwound. For example, if spot is sold at Rs. 430 and the futures are bought at Rs. 433 then there would be negative returns on the trade. If the spot is sold at Rs. 430 and the futures are sold at Rs. 431 then there would be positive returns from the trade. On the date of expiry, if the price differential between the spot and futures position of the subsequent month maturity still remains attractive, the scheme may rollover* the futures position and hold onto the position in the spot market. In case such an opportunity is not available, the scheme would liquidate the spot position and settle the futures position simultaneously. Rolling over of the futures transaction means unwinding the short position in the futures of the current month and simultaneously shorting futures of the subsequent month maturity, and holding onto the spot position. There could also be instances of unwinding both the spot and the future position before the expiry of the current-month future to increase the base return or to meet redemption. Return enhancement through the use of arbitrage opportunity would depend primarily on the availability of such opportunities. The Scheme will endeavour to build similar market neutral positions that offer an arbitrage potential for e.g. buying the basket of index constituents in the cash segment and selling the index futures, Buying ADR/GDR and selling the corresponding stock future etc. The Scheme would also look to avail of opportunities between one futures contract and another. For example on 16 March, 06, the scheme buys 1000 futures contracts of ABB Ltd. For March expiry at Rs.3000 each and sells an equivalent 1000 futures contract of ABB Ltd. for April expiry at Rs.3030. Thereby the scheme enters into a fully hedged transaction. Closer to the expiry date of the March contract, the scheme has two options. 1) Unwind the transaction by selling the 1000 March contracts and buying 1000 April contracts of ABB. The returns are a function of the spread between the sale price of the April contract and the buy price of the March contract. If this spread is less than Rs. 30, the returns are positive else the returns are negative. 2) On the expiry date i.e. 30 March, 06, the scheme would let the March contract expire and square off 1000 contracts that it holds for April maturity. The returns would be a function of the spread between settlement price of the March contract and the price at which April contracts are squared-off. If this spread is lower than Rs. 30 then the returns are positive and if it is higher than Rs. 30 the returns are negative. The Scheme can also initiate the transaction in the opposite direction i.e. by selling the March futures and buying the April futures, if it sees a profit potential. Under all circumstances the scheme would keep its net exposures neutral to the underlying direction of the market by maintaining completely hedged positions. In addition to stock specific futures, the scheme can also take offsetting positions in index futures of different calendar month. The debt and money market instruments include any margin money that has to be maintained for the derivative position. The margin money could also be maintained partly as Fixed deposits with Scheduled commercial banks. The maturity profile of the rest of the debt and money market component would be determined by the view of the fund manager. If the view of the fund manager is that interest rates would go up then the average maturity of the debt &amp; money market portfolio would be reduced and if the view of the fund manager is that interest rates would decline, then the average maturity may be increased. This would however depend on the view of the fund manager and can substantially change, depending on the prevailing market circumstances.</p> <p><b>IDFC Arbitrage Plus Fund (IDFC-APF)</b> : The investment objective of the scheme is to generate income (absolute to low volatility returns) by taking advantage of opportunities in the cash and the derivative segments of the equity markets including the arbitrage opportunities available within the derivative segment, by using other derivative based strategies and by investing the balance in debt and money market instruments. The scheme will enter into derivative based strategies to take advantage of pricing inefficiencies in the market. These strategies will be undertaken based on certain statistical models/ technical analysis carried out by the fund manager. The scheme will also invest a part of its corpus in debt and money market instruments. The scheme will target to generate returns with a low correlation with equity markets. The following strategies will be used by the fund manager : 1. Cash-Futures Arbitrage 2. Relative Value Trades 3. Derivative strategies and structured investments Additionally the fund manager may invest in debt and money market instruments for margin and cash flow management purposes. Provided below is a detailed explanation of the individual strategies proposed to be undertaken by the scheme.</p> <p><b>IDFC Classic Equity Fund (IDFC-CEF)</b> : The scheme will endeavor to invest in well managed sustainable businesses whose shares are available at reasonable value through a process of disciplined research. The portfolio will aim to provide part ownership to investors in some of the best run companies in India. The portfolio of securities will be well diversified across sectors, so identified, to mitigate overall risk. As the scheme is expected to be part of the core long term equity holdings of the investors, a well balanced and prudent style of fund management will be adopted to endeavor to deliver good returns at controlled levels of risk. The guiding principles while managing the portfolio are summarized below : 1) Stock prices are directly correlated to company profits over the medium to long term Fund management would focus primarily on business fundamentals of the underlying company. The Equity Research process will endeavor to acquire a robust understanding of the dynamics of the underlying business. This would form the basis for forecasts on future profitability and sustainability of cash profit growth. Stock prices of companies that can sustain periods of high cash profit growth will outperform the markets over the long term. Investors entering this scheme are therefore expected to have at least a 2-3 years time horizon. 2) Margin of Safety The fund managers will look to build a "margin of safety" while making forecasts on business profitability. "Margin of safety" will also be the guiding principle while evaluating a company's current</p>

market price. The portfolio would also be protected from company specific risks by constantly monitoring the economic and business environment and changes in management strategy. 3) Acquire stocks at reasonable value Once good businesses are identified, stocks would be endeavoured to be acquired when they are available at a reasonable value. Overall market corrections and stock price falls due to temporary factors that don't affect long-term profitability are an excellent opportunity to buy stocks cheap. 4) Stay fully invested over most periods The Fund will not try to profit by predicting overall market direction based on technical indicators or momentum. The Fund will generally stay fully invested in equities to give investors the full advantage of a rise in the markets that is inevitable given the current trajectory India's GDP growth. The scheme may however hold cash during periods where in the view of the fund manager the market valuations have run ahead of its fundamentals or when the fund manager is unable to identify stocks at a reasonable value. The scheme may also hold cash to meet anticipated redemptions or to tide over temporary adverse market developments.

**Debt :** The domestic debt markets are maturing rapidly with liquidity emerging in various debt segments through the introduction of new instruments and investors. The actual percentage of investment in various fixed income 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. The Fund has put in place detailed Investment Discretion Guidelines defining the prudential and concentration limits for the portfolio limits. The investment management team is allowed full discretion to make sale and purchase decisions within the limits established. The Fund Manager/(s) record a justification for investments made, on the deal slip. Investment Management Committee (IMC) in its periodic meetings will track portfolio investment rationale, portfolio composition, performance etc. Any modifications to the Investment Discretion Guidelines can be made by the IMC and will be ratified by the Board. The performance of the fund will be monitored against its peer group in the industry and presented at every Board meeting along with the portfolio of the Schemes. The Board of Directors discusses the performance and portfolio composition of the scheme and queries will be responded to by the Managing Director.

**IDFC Super Saver Income Fund - Investment Plan (IDFC-SSIF-IP) :** The Scheme proposes to invest only in a diversified set of fixed income securities with the aim of generating stable long-term returns with a low-risk strategy.

**IDFC Super Saver Income Fund - Short Term Plan (IDFC-SIF-ST) :** The Scheme proposes to invest only in a diversified set of fixed income securities with the aim of generating stable returns even over a short period with a low-risk strategy.

**IDFC Super Saver Income Fund - Medium Term Plan (IDFC-SSIF-MT) :** The Scheme proposes to invest only in a diversified set of fixed income securities with the aim of generating stable medium-term returns with a low-risk strategy. The domestic debt markets are maturing rapidly with liquidity emerging in various debt segments through the introduction of new instruments and investors. The aim of the Investment Manager will be to allocate the assets of the Scheme between various fixed income securities with the objective of achieving consistent returns. The actual percentage of investment in various fixed income 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 as well as other considerations in the economy and markets. The Fund has put in place a detailed Investment Discretion Guidelines defining the prudential and concentration limits for the portfolio and setting dealer limits. The investment management team is allowed full discretion to make sale and purchase decisions within the limits established. For individual transactions dealer limits apply and the maximum limit rests with the Managing Director. The Compliance Officer tracks that limits are not violated on an ongoing basis. The Fund Manager records a justification for investments made, on the deal slip. The Investment Management Committee in its periodic meetings tracks portfolio investment rationale, portfolio composition, performance and limits. Any modifications to the Investment Discretion Guidelines can be made by the IMC and is ratified by the Board. The performance of the fund is monitored against its peer group in the industry and presented at every Board meeting along with the portfolio of the schemes. The Board of Directors discusses the performance and the portfolio composition of the Schemes and queries are responded to by the Managing Director.

**IDFC Cash Fund (IDFC-CF) :** The domestic debt markets are maturing rapidly with liquidity emerging in various debt segments through the introduction of new instruments and investors. The aim of the Investment Manager will be to allocate the assets of the Scheme between various money market and fixed income securities with the objective of achieving stable returns with a highly liquid portfolio. The actual percentage of investment in various fixed income 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. The Fund has put in place a detailed Investment Discretion Guideline defining the prudential and concentration limits for the portfolio and setting dealer limits. The investment management team is allowed full discretion to make sale and purchase decisions within the limits established. For individual transactions dealer limits apply and the maximum limit rests with the Managing Director. The Compliance Officer tracks that limits are not violated on an ongoing basis. The Fund Manager records a justification for investments made, on the deal slip. The Investment Management Committee in its periodic meetings tracks portfolio investment rationale, portfolio composition, performance and limits. Any modifications to the Investment Discretion Guidelines can be made by the IMC and is ratified by the Board. The performance of the fund is monitored against its peer group in the industry and presented at every Board meeting along with the portfolio of the schemes. The Board of directors discusses the performance of and portfolio composition and queries are responded to by the Managing director.

**IDFC Imperial Equity Fund (IDFC-IEF) : Equity :** The scheme will invest in well-managed growth companies that are available at reasonable value. Companies would be identified through a systematic process of forecasting earnings based on a deep understanding of the industry growth potential and interaction with company management to access the company's core competencies to achieve long-term sustainable profit growth. The Scheme is expected to deliver superior relative returns for investors looking for a focused aggressive portfolio of fundamentally good businesses. The guiding principles while managing the portfolio are summarized below: 1) Sustainable company profits drives long term share value Fund management would focus primarily on business fundamentals of the underlying company. The Equity Research process will endeavor to acquire a robust understanding of the dynamics of the underlying business. This would form the basis for forecasts on future profitability and sustainability of cash profit growth. Stock prices of companies that can sustain periods of high cash profit growth will outperform the markets over the long term. Investors entering this scheme are therefore expected to have at least a one year time horizon. 2) Acquire stocks at reasonable value Once good businesses are identified, stocks would be acquired when they are available at a reasonable value. Overall market corrections and stock price falls due to temporary factors that don't affect long-term profitability are an excellent opportunity to buy stocks cheap. 3) Monitor market interest to ensure consistent performance Systematically tracking over stock ownership and over researched sectors would help to reduce the risk of a sudden sell off. Stock prices react to event triggers that are constantly monitored to ensure that portfolio performance is more consistent.

**Debt :** The domestic debt markets are maturing rapidly with liquidity emerging in various debt segments through the introduction of new instruments and investors. The actual percentage of investment in various fixed income 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. The Fund has put in place detailed Investment Discretion Guidelines defining the prudential and concentration limits for the portfolio limits. The investment IDFC Imperial Equity Fund 25 management team is allowed full discretion to make sale and purchase decisions within the limits established. The Fund Manager/ (s) record a justification for investments made, on the deal slip Investment Management Committee (IMC) in its periodic meetings will track portfolio investment rationale, portfolio composition, performance etc. Any modifications to the Investment Discretion Guidelines can be made by the IMC and will be ratified by the Board. The performance of the fund will be monitored against its peer group in the industry and presented at every Board meeting along with the portfolio of the Schemes. The Board of Directors discusses the performance and portfolio composition of the scheme and queries will be responded to by the Managing Director.

**IDFC Premier Equity Fund (IDFC-PEF) :** The scheme will endeavor to invest in well managed sustainable businesses whose shares are available at reasonable value through a process of disciplined research. The portfolio will aim to provide part ownership to investors in some of the best run companies in India. The portfolio of securities will be well diversified across sectors, so identified, to mitigate overall risk. As the scheme is expected to be part of the core long-term equity holdings of our investors, we will adopt a well-balanced and prudent style of fund management that will endeavor to deliver good returns at controlled levels of risk. The guiding principles while managing the portfolio are summarized below: 1) Stock prices are directly correlated to company profits over the medium to long term Fund management would focus primarily on business fundamentals of the underlying company. The Equity Research process will endeavor to acquire a robust understanding of the dynamics of the underlying business. This would form the basis for forecasts on future profitability and sustainability of cash profit growth. Stock prices of companies that can sustain periods of high cash profit growth will outperform the markets over the long term. Investors entering this scheme are therefore expected to have at least a 2-3 year time horizon. 2) Margin of Safety The fund managers will look to build a

"margin of safety" while making forecasts on business profitability. "Margin of safety" will also be the guiding principle while evaluating a company's current market price. The portfolio would also be protected from company specific risks by constantly monitoring the economic and business environment and changes in management strategy. 3) Acquire stocks only at reasonable value Once good businesses are identified, stocks would be acquired when they are available at a reasonable value. Overall market corrections and stock price falls due to temporary factors that don't affect long-term profitability are an excellent opportunity to buy stocks cheap. 4) Stay fully invested over most periods The Fund will not try to profit by predicting overall market direction based on technical indicators or momentum. The Fund will stay fully invested in equities to give investors the full advantage of a rise in the markets that is inevitable given the current trajectory India's GDP growth. The scheme may however hold cash up to 35% during periods where in the view of the fund manager the market valuations have run ahead of its fundamentals or when we are unable to identify stocks at a reasonable value. The scheme may also hold cash to meet anticipated redemptions or to tide over temporary adverse market developments.

**Debt :** The domestic debt markets are maturing rapidly with liquidity emerging in various debt segments through the introduction of new instruments and investors. The actual percentage of investment in various fixed income 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. The Fund has put in place detailed Investment Discretion Guidelines defining the prudential and concentration limits for the portfolio limits. The investment management team is allowed full discretion to make sale and purchase decisions within the limits established. The Fund Manager/(s) record a justification for investments made, on the deal slip Investment Management Committee (IMC) in its periodic meetings will track portfolio investment rationale, portfolio composition, performance etc. Any modifications to the Investment Discretion Guidelines can be made by the IMC and will be ratified by the Board. The performance of the fund will be monitored against its peer group in the industry and presented at every Board meeting along with the portfolio of the Schemes. The Board of Directors would discuss the performance and portfolio composition of the scheme. Any queries will be responded to by the Managing Director.

**IDFC Tax Advantage (ELSS) Fund (IDFC-TA(ELSS)F) : Equity :** The Scheme will invest in well-managed growth companies that are available at reasonable value. Companies would be identified through a systematic process of forecasting earnings based on a deep understanding of the industry growth potential and interaction with company management to access the company's core competencies to achieve long-term sustainable profit growth. The Scheme is expected to deliver superior relative returns for investors looking for a focused aggressive portfolio of fundamentally good businesses. The guiding principles while managing the portfolio are summarized below : 1) Sustainable company profits drives long term share value Fund management would focus primarily on business fundamentals of the underlying company. The Equity Research process will endeavour to acquire a robust understanding of the dynamics of the underlying business. This would form the basis for forecasts on future profitability and sustainability of cash profit growth. Stock prices of companies that can sustain periods of high cash profit growth will outperform the markets over the long term. Investors entering this scheme are therefore expected to have at least a one year time horizon. 2) Acquire stocks at reasonable value Once good businesses are identified, stocks would be acquired when they are available at a reasonable value. Overall market corrections and stock price falls due to temporary factors that don't affect long-term profitability are an excellent opportunity to buy stocks cheap. 3) Monitor market interest to ensure consistent performance Systematically tracking over stock ownership and over researched sectors would help to reduce the risk of a sudden sell off. Stock prices react to event triggers that are constantly monitored to ensure that portfolio performance is more consistent.

**Debt :** The domestic debt markets are maturing rapidly with liquidity emerging in various debt segments through the introduction of new instruments and investors. The actual percentage of investment in various fixed income 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. The Fund has put in place detailed Investment Discretion Guidelines defining the prudential and concentration limits for the portfolio limits. The investment management team is allowed full discretion to make sale and purchase decisions within the limits established. The Fund Manager/(s) record a justification for investments made, on the deal slip. Investment Management Committee (IMC) in its periodic meetings will track portfolio investment rationale, portfolio composition, performance etc. Any modifications to the Investment Discretion Guidelines can be made by the IMC and will be ratified by the Board. The performance of the fund will be monitored against its peer group in the industry and presented at every Board meeting along with the portfolio of the Schemes. The Board of Directors discusses the performance and portfolio composition of the scheme and queries will be responded to by the Managing Director.

**IDFC India GDP Growth Fund (IDFC-IGDPGF) :** The fund endeavors to invest its assets under management (AUM) in the sectors representing the three components of the India GDP i.e. Agriculture, Industry and Services in proportion to their contribution to the overall GDP Growth. The investment strategy followed by the fund will enable it to closely replicate the India growth Story. The weights in the portfolio are based on initial estimates of GDP component growth which may be revised later during the year on account of the changing macroeconomic conditions. The fund will in that case seek to rebalance the portfolio in line with the revised weights. The portfolio rebalancing will be done to realign it in accordance to the GDP growth estimates for the year. The expected growth estimates of the GDP are available from govt institutions, research institutions, industry associations, economic think tanks and multilateral Agencies At the macro level the fund will have three levels – Agriculture, Services and Industry. The AUM will be allocated in the three levels in the same proportion as their contribution to the overall GDP growth, in line with the objective of the fund. Please refer to the illustration. All existing sectors will be benchmarked to one of these three industry levels. The Fund manager will have the discretion to pick up sectors within the three levels of GDP (Agriculture, Services and Industry) and stocks within the sector. The fund structure allows it to be a core part of an investor portfolio as the portfolio will be invested in the drivers of GDP broadly in similar proportion to their contribution to the GDP growth. This portfolio is a dynamic structure portfolio aiming to capture the facets of the growth of the India Economy.

**IDFC All Seasons Bond Fund (IDFC-ASBF) :** IDFC-ASBF an open ended Fund of Funds scheme is designed to help investors create a basket of funds which are rebalanced on a periodical basis for achieving benefits of diversification across various fixed income asset classes and across schemes within an asset class. Funds will be allocated across the basket of debt schemes, depending on the fund manager's view on interest rates. Looking at opportunities in the overseas markets and keeping in view the exchange rates, the fund manager may identify opportunities in overseas mutual funds for investment as may be permitted by regulation from time to time. The fund manager may therefore decide to invest in debt/fixed income schemes (domestic and overseas) of varying average maturities to achieve portfolio diversification and optimum returns. Interest rates like any other asset market, moves in cycles. While investors gain during times of declining interest rates as bond prices rise, the inverse is true in a rising interest rate environment. The investment objective of this scheme is to optimize returns to the investor by designing a portfolio that will dynamically track interest rate movements by investing in schemes with a low duration in a rising rate environment and by investing in high duration in a falling interest rate environment. This will be achieved by actively churning the portfolio in such a manner that we capture as much of the positive price movements within prudent risk measures and will endeavour to minimize negative price movements.

**Debt :** The domestic debt markets are maturing rapidly with liquidity emerging in various debt segments through the introduction of new instruments and investors. The actual percentage of investment in various fixed income 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. The Fund has put in place detailed Investment Discretion Guidelines defining the prudential and concentration limits for the portfolio limits. The investment management team is allowed full discretion to make sale and purchase decisions within the limits established. The Fund Manager/(s) record a justification for investments made, on the deal slip Investment Management Committee (IMC) in its periodic meetings will track portfolio investment rationale, portfolio composition, performance etc. Any modifications to the Investment Discretion Guidelines can be made by the IMC and will be ratified by the Board. The performance of the fund will be monitored against its peer group in the industry and presented at every Board meeting along with the portfolio of the Schemes. The Board of Directors discusses the performance and portfolio composition of the scheme and queries will be responded to by the Managing Director.

**IDFC Small & Midcap Equity Fund (IDFC-SMEF) :** The scheme will invest in well-managed growth companies that are available at reasonable value. Companies would be identified through a systematic process of forecasting earnings based on a understanding of the industry growth potential and interaction with company management to access the company's core competencies to achieve long-term sustainable profit growth. The scheme would predominantly create a portfolio of emerging business and companies that are aspiring leaders in their respective field of operations. Some part of the portfolio would be in stocks/ companies that do not have a significant history of being listed. The Scheme is expected to deliver returns for investors looking for a focused aggressive portfolio of fundamentally good businesses.

**IDFC Ultra Short Term Fund & IDFC Savings Advantage Fund (IDFC-USTF) & (IDFC-SAF) :** The domestic debt markets are maturing rapidly with liquidity emerging in various debt segments through the introduction of new instruments and investors. The aim of the Investment Manager will be to allocate the assets of the Scheme between various money market and fixed income securities with the objective of providing liquidity and achieving optimal returns with the surplus funds. The actual percentage of investment in various money market and other fixed income 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. The Fund has put in place detailed Investment Discretion Guidelines defining the prudential and concentration limits for the portfolio. The Compliance Officer tracks that limits are not violated on an ongoing basis. The Fund Manager/(s) record a justification for investments made, on the deal slip. The Investment Management Committee (IMC) which includes the Managing Director of the Company, in its periodic meetings tracks portfolio investment rationale, portfolio composition, performance and limits. Any modifications to the Investment Discretion Guidelines can be made by the IMC and is ratified by the Board. The performance of the fund is monitored against its peer group in the industry and presented at every Board meeting along with the portfolio of the Schemes. The Board of Directors discusses the performance and portfolio composition of the scheme and queries are responded to by the Managing Director.

**IDFC Government Securities Fund - Investment Plan, Short Term Plan & Provident Fund Plan (IDFC-GSF-IP), (IDFC-GSF-ST) & (IDFC-GSF-PF) :** The domestic debt markets are maturing rapidly with liquidity emerging in various debt segments through the introduction of new instruments and investors. The aim of the Investment Manager will be to allocate the assets of the Scheme between various treasury bills or money at call and short notice and gilt securities with the objective of achieving optimal returns with a highly liquid portfolio. The actual percentage of investment in various gilt 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. The Fund has put in place detailed Investment Discretion Guidelines defining the prudential and concentration limits for the portfolio and setting dealer limits. The investment management team is allowed full discretion to make sale and purchase decisions within the limits established. For individual transactions dealer limits apply and the maximum limit rests with the Managing Director. The Compliance Officer tracks that limits are not violated on an ongoing basis. The Fund Manager/(s) record a justification for investments made, on the deal slip. The Investment Management Committee (IMC) in its periodic meetings tracks portfolio investment rationale, portfolio composition, performance and limits. Any modifications to the Investment Discretion Guidelines can be made by the IMC and is ratified by the Board. The performance of the fund is monitored against its peer group in the industry and presented at every Board meeting along with the portfolio of the Schemes. The Board of Directors discusses the performance of and portfolio composition and queries are responded to by the Managing Director.

**IDFC Money Manager Fund - Investment Plan & Treasury Plan (IDFC-MMF-IP) & (IDFC-MMF-TP) :** The Scheme proposes to invest substantially in floating interest rate securities, fixed interest rate securities swapped for floating rate returns and fixed rate securities. The aim of the investment strategy is to generate stable returns both in the short term and the long term with a low risk, particularly minimal interest rate risk strategy. The domestic debt markets are maturing rapidly with liquidity emerging in various debt segments through the introduction of new instruments and investors. The development of the derivatives markets, particularly swaps and Forward Rate Agreements (FRAs) have made the environment more dynamic and have provided the opportunity to manage interest rate more actively. The aim of the investment manager will be to allocate the assets of the Scheme between various fixed interest rate securities and floating interest rate securities and use derivatives like swaps and FRAs effectively with the objective of achieving stable returns. The Scheme will endeavour to minimise interest rate risk. Fixed interest rate securities are subjected to volatility in price movements corresponding to movements in interest rates. However, the interest rate in the case of floating rate securities is reset at regular time intervals based on certain benchmarks (eg. NSE, MIBOR, etc.). Hence, the prices of these securities are less sensitive to interest rate fluctuation. Therefore, the interest rate risk is minimal in the case of floating interest rate securities. The floating interest rate securities market in India is in a developing phase. The Government of India has started issuing Government Securities carrying floating rate coupon payments. This will help the floating rate market to develop rapidly. A large number of corporates borrow their short term requirements and funds through floating rate instruments. However, as the markets develop, corporates would start accessing the market for their long term requirement of funds at a floating rate. In the absence of floating rate securities, the same can be created synthetically with a combination of derivatives like Interest Rate Swaps and FRAs and fixed interest rate securities. The fixed income derivatives market has developed considerably during the last 2 years in India. The Scheme intends to use derivatives as permitted by RBI/SEBI for hedging interest rate risk. The actual percentage of investments in various floating and fixed interest rate securities and the position of derivatives will be decided after considering the prevailing political conditions, economic environment (including interest rates and inflation), the performance of the corporate sector and general liquidity as well as other considerations in the economy and markets. The Fund has put in place detailed Investment Discretion Guidelines defining the prudential and concentration limits for the portfolio and setting dealer limits. The investment management team is allowed full discretion to make sale and purchase decisions within the limits established. For individual transactions, dealer limits apply and the maximum limit rests with the Managing Director. The Compliance Officer tracks that limits are not violated on an ongoing basis. The Fund Manager/(s) record a justification for investments made, on the deal slip. The Investment Management Committee (IMC) in its periodic meetings tracks the portfolio, the investment rationale, the portfolio composition, the performance and limits. Any modifications to the Investment Discretion Guidelines can be made by the IMC and is ratified by the Board. The performance of the fund is monitored against its peer group in the industry and presented at every Board meeting along with the portfolio of the Schemes. The Board of directors discusses the performance of and portfolio composition and queries are responded to by the Managing Director.

**IDFC Dynamic Bond Fund (IDFC-DBF) :** The management of this scheme will be different from a long term debt fund in the sense that here we will look to micro manage the portfolio in such a manner that we are able to maximise returns in the short term while long term debt funds look to optimise returns over the long term. In order to maximise returns the fund managers may look at curve spreads both on the gilt as well as the corporate bond markets to gain maximum value out of any security/s. The Asset Management Company is of the opinion that the fund managers are sufficiently equipped to identify opportunities in the overseas asset markets as may be permitted by regulations from time to time.

**IDFC Enterprise Equity Fund (IDFC-EEF) :** The term 'Enterprise' connotes activity, venture, project or an endeavour. The Scheme intends to invest in companies which are involved in or are in the process of setting up various business activities, ventures, projects or other commercial endeavours. The Scheme would invest in equities in the IPOs, subsequent public offers or in the secondary market, other equity related instruments (including derivatives), benefit out of the cash and derivative markets arbitrage opportunity and invest the residual sums in debt and money market instruments.

The Scheme will endeavour to generate capital appreciation through investing in equities and equity related instruments by inter alia adopting the mode of applying for Initial Public Offerings (IPOs) or subsequent public offerings made by companies. The Scheme envisages to generate reasonable returns by investing in such equities.

In the event of there not being any well priced IPOs from companies with proven track record / potential growth opportunities etc., the monies collected could be deployed in equities and equity related instruments, cash futures arbitrage, NIFTY spot futures arbitrage etc. Debt and money market instruments could be considered when yields are comparable to those in the spot futures arbitrage segment. The asset allocation would inter-alia depend on various parameters like the availability of initial or subsequent Public Offerings made by the companies, the response to the issue and relative valuations of the peer group of business that the company/ies are operating in, opportunities available in the equity, derivatives, debt markets etc.

**IDFC Monthly Income Plan (IDFC-MIP) :** The primary objective of Scheme is to generate regular returns through investment primarily in debt oriented Mutual Fund schemes (such as Income and Liquid funds). The secondary objective of the Scheme is to generate long-term capital appreciation by investing a portion of the Scheme's assets in equity oriented MF schemes.

The scheme will be fund of fund that will combine the benefits of asset allocation and manager diversification in a single product. Asset allocation allows investors to improve their risk adjusted returns as different asset classes such as equity and debt offer lower correlations with each other. The fund of fund approach allows the fund manager to participate in funds with different styles within each asset class and to easily switch styles depending on the view of the markets. For example within the overall debt allocation of the scheme, the fund manager can invest in schemes with different maturity profiles – money market, medium term or long term.

The fund will follow the following 4 step approach in managing the scheme: a) **Create a master shortlist of schemes:** The fund manager will carry out a review of different equity and debt schemes that have investment philosophy in line with the scheme's objectives and that are open for subscription. The fund

manager will shortlist a series of potential mutual fund schemes based on parameters such as quality of sponsors, AuM of the fund, performance of the scheme and investment objectives. The shortlist will be reviewed and modified on an on-going basis. Final investments will only be made to schemes that are a part of this shortlist. b) **Decide the asset allocation between equity and debt** : The fund manager can choose to allocations depending on the view of the market and on risk-return considerations. The fund will arrive at an overall asset allocation between equity and debt which will be within the overall asset allocation pattern as mentioned in the scheme. The asset allocation can make the scheme overweight, neutral or underweight in debt as compared to equity. The neutral allocation of the fund will be Debt and Money market funds (65% - 75%), Equity Funds (20% - 25%), Money Market securities (5% - 10%). The asset allocation will be reviewed on a monthly basis. c) **Select schemes from the shortlist to invest** : The fund manager will aim to create a portfolio through investments that are complementary to each other and enables it to diversify. The portfolio will look to invest in schemes from different sponsors. The fund will select schemes from its shortlist. d) **Monitor performance of funds** : The fund manager will carry out detailed on-going review of the shortlisted schemes. Additionally be in active touch with the managers of the said schemes to understand the background to their performance and to understand their portfolio positioning.

**IDFC AA FoF: (CP, MP, AP)** : The scheme will be a Fund of Fund scheme that can invest in a mix of ETFs, domestic and offshore Mutual Fund schemes. The FoF will use a multi-manager approach and can invest in schemes of IDFC MF as well as other mutual funds. The scheme will offer 3 different plans - Conservative Asset Allocation plan (Conservative AA Plan), Moderate Asset Allocation plan (Moderate AA Plan) and Aggressive Asset Allocation plan (Aggressive AA plan) that will offer 3 different risk profiles for investors. Conservative AA Plan will target the lowest risk profile followed by Moderate AA Plan. Aggressive AA will be the highest risk profile asset allocation.

The strategy seeks to combine benefits of asset allocation and manager diversification in a single product. Asset allocation allows investors to improve their risk adjusted returns as different asset classes such as equity, fixed income and commodities offer lower correlations with each other. Multi-manager approach is expected to diversify allocation to different managers in order to reduce performance risk of any individual manager on the scheme. Additionally FoFs give fund manager the flexibility of tailoring portfolios by participating in funds with different styles within each asset class and to easily switch styles depending on the view of the markets. For example within the overall debt allocation of the scheme, the fund manager can invest in schemes with different maturity profiles—medium term or long term. Similarly the equity allocation can be divided into mid cap and large cap schemes.

The primary objective of Scheme is to generate capital appreciation through investment in different mutual fund schemes based on a defined asset allocation model covering both local and offshore assets.

- The shortlist will be created in two steps: First from the universe of local fund managers, a shortlist of qualifying fund managers will be selected whose schemes will be taken up for detailed review. The selection of mutual funds will be based on the quality of sponsors, stability of business, assets under management and performance across different asset classes. Secondly from the short-listed fund managers, the fund manager will carry out a review of different schemes in each asset class that have investment philosophy in line with the scheme's objectives and that are open for subscription. The fund manager will shortlist a series of schemes based on parameters such as performance of the scheme, investment objectives, investment strategy and assets under management. The list will also include ETFs wherever available. Higher consideration will be given for stable performance over medium term than near term out-performance. The shortlist will be reviewed and modified on an on-going basis. Final investments will only be made to schemes that are a part of this shortlist.
- Decide the tactical asset allocation: Within the asset allocations mentioned above, the fund manager can carry out a tactical allocation by underweighting/overweighting any of the asset classes. This will be based on the view of individual asset market and risk-return considerations. It can also happen on an ongoing basis due to mark-to-market movements in any of the asset classes. The fund will maintain asset allocation within +/- 5% of the target allocation of that portfolio. The scheme can thus be overweight, neutral or underweight in any of the asset classes. The asset allocation will be reviewed on a quarterly basis or in case mark-to-market movements take the allocations to beyond the permissible bands.
- Select schemes from the shortlist to invest: The fund manager will aim to create a portfolio through investments that are complementary to each other and enables it to diversify. The portfolio will be multi-manager in nature i.e. it will look to invest in schemes from different sponsors. The fund will select schemes from its shortlist. Selection of funds will be based on quantitative and qualitative factors. The fund manager will have detailed discussions with each of the short-listed fund managers to understand their fund management approach. The quantitative factors considered by the fund manager will include risk-adjusted return, information ratio and stability of performance relative to peer group.
- Monitor performance of funds :The fund manager will carry out detailed on-going review of the short-listed schemes and fund managers. This will include meetings with the fund managers to understand the background to their performance and to understand their portfolio positioning. The scheme will target stable allocations to fund managers that are offering consistency in performance with respect to benchmark and peer groups.

**IDFC Nifty Fund (IDFC-NF) :**

**Equity** : The Scheme will be managed passively with investments in stocks in a proportion that it is as close as possible to the weightages of these stocks in the S&P CNX Nifty Index. The investment strategy would revolve around reducing the tracking error to the least possible through rebalancing of the portfolio, taking into account the change in weights of stocks in the index as well as the incremental collections/redemptions from the Scheme. It is proposed to manage the risks by placing limit orders for basket trades and other trades, proactive follow-up with the service providers for daily change in weights in the S&P CNX Nifty Index as well as monitor daily inflows and outflows to and from the Fund closely. While these measures are expected to mitigate the above risks to a large extent, there can be no assurance that these risks would be completely eliminated.

**Debt** : The domestic debt markets are maturing rapidly with liquidity emerging in various debt segments through the introduction of new instruments and investors. The actual percentage of investment in various fixed income 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 economy and markets. The Fund has put in place detailed Investment Discretion Guidelines defining the prudential and concentration limits for the portfolio limits. The investment management team is allowed full discretion to make sale and purchase decisions within the limits established. The Fund Manager/(s) record a justification for investments made, on the deal slip / instruction. Investment Management Committee (IMC) in its periodic meetings will track portfolio investment rationale, portfolio composition, performance etc. Any modifications to the Investment Discretion Guidelines can be made by the IMC and will be ratified by the Board. The performance of the fund will be monitored against its peer group in the industry and presented at every Board meeting along with the portfolio of the Schemes. The Board of Director discusses the performance and portfolio composition of the scheme and queries are responded to by the President & CEO.

<b>Asset Allocation Pattern of the scheme</b>	<b>IDFC-PEF (Plan A &amp; B)</b>		
	<b>Asset Class</b>	<b>Range of allocation (% of Net Assets)</b>	<b>Risk Profile</b>
	Equities & Equity related instruments	65 - 100	Medium to High
	Debt & Money Market instruments	0 - 35	Low to Medium
	Securitised Debt instruments	0 - 35	Low to Medium
	Investments in Derivatives - upto 50% of the net assets of the Scheme		
	Investments in Securities Lending - upto 35% of the net assets of the Scheme		
	Investments in Foreign debt instruments - up to 35% of the net assets of the Scheme		
	Investments in ADRs and GDRs issued by Companies in India / equity of listed overseas companies as permitted by SEBI regulations - upto 50% of the net assets of the scheme.		
	<b>IDFC-IEF (Plan A &amp; B)</b>		
	<b>Asset Class</b>	<b>Range of allocation (% of Net Assets)</b>	<b>Risk Profile</b>
	Equities & Equity related securities	65 - 100	High
	Debt & Money Market instruments	0 - 35	Low to Medium

Securitized debt instruments	0 - 35	Low to Medium
Investments in Derivatives - upto the limits permitted by SEBI Mutual Funds regulations from time to time Investments in Securities Lending - upto 100% of the equity investments of the Scheme Investments in Foreign debt instruments - up to 35% of the net assets of the Scheme Investments in ADRs and GDRs issued by Companies in India / equity of listed overseas companies as permitted by SEBI regulations - upto 50% of the net assets of the scheme.		
<b>IDFC-CEF (Plan A &amp; B)</b>		
<b>Asset Class</b>	<b>Range of allocation (% of Net Assets)</b>	<b>Risk Profile</b>
Equities & Equity related instruments	65 - 100	Medium to High
Debt & Money Market instruments	0 - 35	Low to Medium
Securitized debt instruments	0 - 35	Low to Medium
Investments in Derivatives - upto 50% of net assets of the scheme Investments in Securities Lending - upto 35% of the net assets of the Scheme Investments in Foreign debt instruments - up to 35% of the net assets of the Scheme Investments in ADRs and GDRs issued by Companies in India / equity of listed overseas companies as permitted by SEBI regulations – upto 50% of the net assets of the scheme.		
<b>IDFC-AF</b>		
<b>Under Normal circumstances:</b>		
<b>Asset Class</b>	<b>Range of allocation (% of Net Assets)</b>	<b>Risk Profile</b>
Equities & Equity related instruments *	65 - 90	Medium to High
Derivatives *	65 - 90	Medium to High
Debt & Money Market instruments including the margin money deployed in derivative transactions	10 - 35	Low
<b>Under Defensive circumstances+ :</b>		
<b>Asset Class</b>	<b>Range of allocation (% of Net Assets)</b>	<b>Risk Profile</b>
Equities & Equity related instruments *	0 - 35	Medium to High
Derivatives *	0 - 35	Medium to High
Debt & Money Market instruments including the margin money deployed in derivative transactions	65 - 100	Low
+Defensive circumstances are when the arbitrage opportunities in the market are negligible, in view of the fund manager Investments in securitized debt can be made upto 35% of the portfolio. Investment in derivatives can be made upto 90% of the net assets of the scheme. Investment in Securities Lending can be made upto 50% of net assets of scheme Investments in Foreign debt instruments can be made upto 35% of the net assets of the Scheme Investments in ADRs and GDRs issued by Companies in India, as permitted by SEBI regulations - upto 50% of the net assets of the scheme.		
<b>IDFC-APF</b>		
<b>Under Normal circumstances:</b>		
<b>Asset Class</b>	<b>Range of allocation (% of Net Assets)</b>	<b>Risk Profile</b>
Equities & Equity related instruments *	65 - 90	Medium to High
Derivatives *	65 - 100	Medium to High
Debt & Money Market instruments including the margin money deployed in derivative transactions	0 - 35	Low
<b>Under Defensive circumstances+ :</b>		
<b>Asset Class</b>	<b>Range of allocation (% of Net Assets)</b>	<b>Risk Profile</b>
Equities & Equity related instruments *	0 - 35	Medium to High
Derivatives *	0 - 35	Medium to High
Debt & Money Market instruments including the margin money deployed in derivative transactions	65 - 100	Low
+ Defensive circumstances are when the arbitrage opportunities in the market are negligible, in view of the fund manager Investments in securitized debt can be made upto 35% of the portfolio. Investment in derivatives can be made 100% of the net assets of the scheme. Investment in Securities Lending can be made upto 50% of net assets of scheme Investments in Foreign debt instruments - up to 35% of the net assets of the Scheme Investments in ADRs and GDRs issued by Companies in India, as permitted by SEBI regulations - upto 50% of the net assets of the scheme. *Equity allocation is measured as the Gross exposure to equities, equity related instruments and derivatives. The scheme will enter into equity positions to hedge the investments in derivatives. The derivative positions will be hedged against corresponding positions in either equity or derivative markets depending on the strategies involved and execution costs. On the total portfolio level there will be no short-positions. Unhedged positions in the portfolio (investments in equity shares without corresponding exposure to equity derivative) shall not exceed 5%.		
<b>IDFC-SS(50-50)EF (Plan A &amp; B)</b>		
<b>Asset Class</b>	<b>Range of allocation (% of Net Assets)</b>	<b>Risk Profile</b>
Equities & Equity related securities of which: Investments in equity and equity related instruments of companies in a chosen sector (sector specific exposure) will be 50% of the total equity and equity related investments of the scheme.& Investments in equity and equity related instruments of companies across capitalizations and across sectors (diversified exposure) will be the balance 50% of the total equity and equity related investments in the scheme	65 - 100	High
Debt & Money Market instruments	0 - 35	Low to Medium

Securitized debt instruments	0 - 35	Low to Medium
Investments in Derivatives - upto 100% Investments in Securities Lending - upto 35% of the net assets of the Scheme Investments in Foreign debt instruments - up to 35% of the net assets of the Scheme. Investments in ADRs and GDRs issued by Companies in India / equity of listed overseas companies as permitted by SEBI regulations - upto 50% of the net assets of the scheme.		
<b>IDFC-TA(ELSS)F</b>		
<b>Asset Class</b>	<b>Range of allocation (% of Net Assets)</b>	<b>Risk Profile</b>
Equities & Equity Related securities	80 - 100	High
Debt & Money Market instruments	0 - 20	Low to Medium
Securitized debt instruments	0 - 20	Low to Medium
Investments in Securities Lending - upto 100% of the equity investments of the Scheme (as and when permitted under the applicable regulations). Investments in ADRs and GDRs issued by Companies in India / equity of listed overseas companies as permitted by SEBI regulations - upto 100% of the net assets of the scheme (as and when permitted under the applicable regulations). Investments in Derivatives - upto 50% (as and when permitted under the applicable regulations)		
<b>IDFC-IGGF</b>		
<b>Asset Class</b>	<b>Range of allocation (% of Net Assets)</b>	<b>Risk Profile</b>
Equities & Equity related instruments comprising of the companies representing the constituents of the GDP	65 - 100	High
Debt & Money Market instruments	0 - 35	Low to Medium
Investments in Derivatives - upto 50% Investments in Securities Lending - upto 35% of the net assets of the Scheme Investments in Foreign debt instruments - up to 35% of the net assets of the Scheme Investments in ADRs and GDRs issued by Companies in India, as permitted by SEBI regulations - upto 50% of the net assets of the scheme.		
<b>IDFC-SMEF</b>		
<b>Asset Class</b>	<b>Range of allocation (% of Net Assets)</b>	<b>Risk Profile</b>
Equities & Equity related instruments included in the CNX Midcap Index or Equity and Equity related instruments of companies which have a market capitalization lower than the highest components of CNX Midcap Index, of which Small Cap Stocks shall be: Midcap Stocks shall be:	65 - 100 15 - 50 50 - 100	High
Equity & Equity related instruments of companies which have a market capitalization higher than the highest component of CNX Midcap Index (i.e. in Equity and Equity related instruments of companies with market capitalization above the defined Small-Mid cap stocks)	0 - 35	High
Debt and Money Market instruments (including Securitized Debt instruments) The market capitalization range of CNX Mid cap Index as on December 3, 2007 (Market Capital range is Rs. 1043 Crores to Rs. 33,002 Crores - Source Bloomberg)	0 - 35	Low to Medium
Investments in Derivatives - upto the limits permitted by SEBI Mutual Funds regulations from time to time Investments in Securities Lending - upto 100% of Equity investments in the scheme Investments in Foreign debt instruments - up to 35% of the net assets of the Scheme Investments in ADRs and GDRs issued by Companies in India / equity of listed overseas companies as permitted by SEBI regulations: upto 35% of the net assets of the scheme		
<b>IDFC-ASBF</b>		
<b>Asset Class</b>	<b>Range of allocation (% of Net Assets)</b>	<b>Risk Profile</b>
Units of 100% debt oriented mutual fund schemes of various average maturities in the domestic and overseas* market	85 - 100	Medium to Low
Money Market Instruments and fixed deposits of scheduled commercial banks (including call & repo)	0 - 15	Low
<b>IDFC-SSIF-IP (Plan A, B &amp; C)</b>		
<b>Instruments</b>	<b>Indicative Allocation (% if total assets)</b>	<b>Risk Profile</b>
Debt Instruments	40 - 100	Low to Medium
Money Market Instruments	0 - 60	Low
Investment in Securitized Debt up to 50%. Investment in Foreign Debt Instruments up to 50%.		
<b>IDFC-SSIF-ST (Plan A, B, C, D &amp; E)*</b>		
<b>Instruments</b>	<b>Indicative Allocation (% if total assets)</b>	<b>Risk Profile</b>
Debt Instruments with maturity more than one year	40 - 100	Low to Medium
Debt & Money Market Instruments with maturity less than one year	0 - 60	Low
Investment in Securitized Debt-up to 50%. Investment in Foreign DebtInstruments-up to 50% *All Plans have same portfolio		
<b>IDFC-SSIF-MT (Plan A &amp; B)</b>		
<b>Instruments</b>	<b>Indicative Allocation (% if total assets)</b>	<b>Risk Profile</b>
Debt Instruments with maturity more than one year	0 - 75	Low to Medium
Debt & Money Market Instruments with maturity less than one year	25 - 100	Low
Investment in Securitized Debt up to 50%. Investment in Foreign Debt Instruments up to 50%		

<b>IDFC-GSF-IP (Plan A &amp; B), IDFC-GSF-ST (Plan A &amp; B) &amp; IDFC-GSF-PF (Plan A &amp; B)*</b>		
<b>Instruments</b>	<b>Indicative Allocation (% of total assets)</b>	<b>Risk Profile</b>
Government Securities & Treasury Bills	0 - 100	Low
*All plans of IDFC GSF-PF have the same portfolio The Scheme may invest in repos / reverse repos in Government Securities and may invest in money at call and short notice or such alternatives as may be provided under applicable regulations for meeting liquidity requirements.		
<b>IDFC-DBF (Plan A &amp; B)</b>		
<b>Instruments</b>	<b>Indicative Allocation (% of total assets)</b>	<b>Risk Profile</b>
Money Market and Debentures with residual maturity of less than 1 year	10 - 100	Medium to Low
Debt instruments with maturity more than 1 year	0 - 90	Low
Investment in Securitised Debt up to 50%. Investment in Foreign Debt Instruments up to 50%.		
<b>IDFC-MMF-TP (Plans A, B, C, D &amp; E)* &amp; IP (Plans A, B &amp; C)*</b>		
<b>Under normal circumstances</b>		
<b>Instruments</b>	<b>Indicative Allocation (% of total assets)</b>	<b>Risk Profile</b>
Floating Rate debt instruments (including securitized debt instruments), money market Instruments and fixed rate debt instruments swapped for floating rate returns	65 - 100	Low to Medium
Fixed rate debt instruments 0% to 35% (including securitized debt instruments) and floating rate debt instruments swapped for fixed rate returns	0 - 35	Low to Medium
Investment in Securitised Debt up to 50%. Investment in Foreign Debt Instruments up to 50%. *All Plans of IDFC-MMF-TP have the same portfolio & all Plans of IDFC-MMF-IP have the same portfolio.		
<b>IDFC-CF (Plan A, B &amp; C)*</b>		
<b>Instruments</b>	<b>Indicative Allocation (% of total assets)</b>	<b>Risk Profile</b>
Money Market Instruments and debt instruments with maturity up to 91days	100 - 0	Low to Medium
Investment in Securitised Debt upto 50% Investment in Foreign Debt Instruments upto 50% *All Plans of IDFC-CF have the same portfolio In case of securities where the principal is to be repaid in a single payout the maturity of the securities shall mean residual maturity. In case the principal is to be repaid in more than one payout then the maturity of the securities shall be calculated on the basis of weighted average maturity of security. In case of securities with put and call options (daily or otherwise) the residual maturity of the securities shall not be greater than 91 days.		
<b>IDFC-USTF</b>		
<b>Instruments</b>	<b>Indicative Allocation (% of total assets)</b>	<b>Risk Profile</b>
Money Market Instruments	0 - 100	Low
Debt Instruments with maturity upto 365 days	0 - 75	Low to Medium
Debt Instruments with maturity between 1-5 years	0 - 50	Low to Medium
Securitized Instruments	0 - 25	Low to Medium
Investments in Derivatives - Upto 50% of Net Assets of the scheme Investment in Securities lending (Stock lending) - Upto 35% of Net Assets of the scheme Investment in Foreign Debt instruments - Upto 35% of Net Assets of the scheme In case of securities where the principal is to be repaid in a single payout the maturity of the securities shall mean residual maturity. In case the principal is to be repaid in more than one payout then the maturity of the securities shall be calculated on the basis of weighted average maturity of security. In case of securities with put and call options (daily or otherwise) the residual maturity of the securities shall not be greater than 91 days.		
<b>IDFC-SAF</b>		
<b>Instruments</b>	<b>Indicative Allocation (% of total assets)</b>	<b>Risk Profile</b>
Money Market Instruments	100 - 65	Low
Debt Instruments with maturity upto 365 days	35 - 0	Medium to High
Debt instruments between 1-3 years	10 - 0	Medium to High
Securitized Instruments	35 - 0	Low to Medium
Investments in Derivatives - Upto 50% of Net Assets of the scheme Investment in Securities lending (Stock lending) - Upto 35% of Net Assets of the scheme Investment in Foreign Debt instruments - Upto 35% of Net Assets of the scheme In case of securities where the principal is to be repaid in a single payout the maturity of the securities shall mean residual maturity. In case the principal is to be repaid in more than one payout then the maturity of the securities shall be calculated on the basis of weighted average maturity of security. In case of securities with put and call options (daily or otherwise) the residual maturity of the securities shall not be greater than 91 days.		
<b>IDFC-EEF</b>		
<b>Instruments</b>	<b>Indicative Allocation (% of total assets)</b>	<b>Risk Profile</b>
Equities & Equity related instruments	65 - 100	High
Debt & Money Market instruments	0 - 35	Low to Medium
Securitized debt instruments	0 - 35	Low to Medium
Investments in Derivatives - upto the limits permitted by SEBI Mutual Funds regulations from time to time.		

	<p>Investments in Securities Lending - upto 100% of Equity investments in the Scheme.</p> <p>Investments in Foreign debt instruments – up to 35% of the net assets of the Scheme</p> <p>Investments in ADRs and GDRs issued by Companies in India / equity of listed overseas companies as permitted by SEBI regulations – upto 75% of the net assets of the scheme.</p> <p><b>IDFC-MIP :</b></p> <table border="1"> <thead> <tr> <th>Instruments</th> <th>Indicative Allocation (% of total assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Units of mutual funds investing in debt/liquid/income funds</td> <td>65% - 100%</td> <td>High</td> </tr> <tr> <td>Units of mutual funds investing in equity funds</td> <td>0% - 25%</td> <td>High</td> </tr> <tr> <td>Money Market instruments</td> <td>0% - 15%</td> <td>Low to Medium</td> </tr> </tbody> </table> <p><b>IDFC AA FoF: (CP, MP, AP)</b></p> <p>The asset allocation under the scheme will be as follows:</p> <p><b>Conservative AA Plan:</b></p> <table border="1"> <thead> <tr> <th>Instruments</th> <th>Indicative Allocation (% of total assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity Funds</td> <td>10 - 15</td> <td>Low to Medium</td> </tr> <tr> <td>Debt Funds</td> <td>45 - 50</td> <td>Low to Medium</td> </tr> <tr> <td>Liquid Fund</td> <td>45 -50</td> <td>Low to Medium</td> </tr> <tr> <td>Alternate</td> <td>0</td> <td>-</td> </tr> <tr> <td>Money market securities</td> <td>0-15</td> <td>Low</td> </tr> </tbody> </table> <p><b>Moderate AA Plan:</b></p> <table border="1"> <thead> <tr> <th>Instruments</th> <th>Indicative Allocation (% of total assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity Funds</td> <td>25 - 30</td> <td>Medium</td> </tr> <tr> <td>Debt Funds</td> <td>60 - 70</td> <td>Medium to High</td> </tr> <tr> <td>Liquid Fund</td> <td>0 - 5</td> <td>Low to medium</td> </tr> <tr> <td>Alternate</td> <td>5 -10</td> <td>Low to Medium</td> </tr> <tr> <td>Money market securities</td> <td>0 -15</td> <td>Low</td> </tr> </tbody> </table> <p><b>Aggressive AA Plan :</b></p> <table border="1"> <thead> <tr> <th>Instruments</th> <th>Indicative Allocation (% of total assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity Funds</td> <td>45 - 50</td> <td>High</td> </tr> <tr> <td>Liquid Fund</td> <td>35 - 45</td> <td>Medium</td> </tr> <tr> <td>Money market funds</td> <td>0 - 5</td> <td>Low to medium</td> </tr> <tr> <td>Alternate</td> <td>10 - 15</td> <td>Low to medium</td> </tr> <tr> <td>Money market securities</td> <td>0 - 15</td> <td>Low</td> </tr> </tbody> </table> <p><b>Asset class explanation:</b></p> <ol style="list-style-type: none"> <li>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.</li> <li>Debt Funds - It will consist of allocation to local debt funds with different maturity profile. The two key categories to which allocations will be made will be short maturity funds (0-5 year maturity) and long maturity funds.</li> <li>Liquid Funds - It will consist of allocation to liquid funds.</li> <li>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.</li> </ol> <p>Currently the scheme can invest in Gold ETF/ Equity ETF's only.</p> <p>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.</p> <p>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.</p> <p><b>IDFC NF</b></p> <table border="1"> <thead> <tr> <th>Instruments</th> <th>Indicative Allocation (% of total assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Securities (including derivatives) forming a part of the S&amp;P CNX Nifty Index</td> <td>90 - 100</td> <td>High</td> </tr> <tr> <td>Debt &amp; Money Market instruments</td> <td>0 - 10</td> <td>Low - Medium</td> </tr> </tbody> </table> <p>The net assets of the scheme/Plan will be invested predominantly in stocks constituting the S&amp;P CNX Nifty and / or in exchange traded derivatives on the S&amp;P CNX Nifty. This would be done by investing in almost all the stocks comprising the S&amp;P CNX Nifty Index in approximately the same weightage that they represent in the S&amp;P CNX Nifty Index and / or investing in derivatives including futures contracts and options contracts on the S&amp;P CNX Nifty Index. A small portion of the net assets will be invested in money market instruments permitted by SEBI/ RBI including call money market or in alternative investment for the call money market as may be provided by the RBI, to meet the liquidity requirements of the scheme/plan and for meeting margin money requirement for Nifty futures and/or futures of stocks forming part of the Nifty Index. Further in case wherein the minimum lot size of the index scrip's is not available, then the scheme shall invest in debt and money market instruments. Further in case wherein the minimum lot size of the index scrip's is not available, then the scheme shall invest in debt and money market instruments.</p> <p>Investments in Derivatives - upto 50% of the net assets of the scheme.</p>	Instruments	Indicative Allocation (% of total assets)	Risk Profile	Units of mutual funds investing in debt/liquid/income funds	65% - 100%	High	Units of mutual funds investing in equity funds	0% - 25%	High	Money Market instruments	0% - 15%	Low to Medium	Instruments	Indicative Allocation (% of total assets)	Risk Profile	Equity Funds	10 - 15	Low to Medium	Debt Funds	45 - 50	Low to Medium	Liquid Fund	45 -50	Low to Medium	Alternate	0	-	Money market securities	0-15	Low	Instruments	Indicative Allocation (% of total assets)	Risk Profile	Equity Funds	25 - 30	Medium	Debt Funds	60 - 70	Medium to High	Liquid Fund	0 - 5	Low to medium	Alternate	5 -10	Low to Medium	Money market securities	0 -15	Low	Instruments	Indicative Allocation (% of total assets)	Risk Profile	Equity Funds	45 - 50	High	Liquid Fund	35 - 45	Medium	Money market funds	0 - 5	Low to medium	Alternate	10 - 15	Low to medium	Money market securities	0 - 15	Low	Instruments	Indicative Allocation (% of total assets)	Risk Profile	Securities (including derivatives) forming a part of the S&P CNX Nifty Index	90 - 100	High	Debt & Money Market instruments	0 - 10	Low - Medium
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<b>Risk Profile of the Scheme</b>	<p><b>*Mutual Fund units involve investment risks including the possible loss of principal. Please read the respective Scheme Information Document (SID) carefully for details on risk factors before investment.</b></p> <p><b>Risk profile for Equity Schemes</b> i.e. IDFC Classic Equity Fund, IDFC Imperial Equity Fund, IDFC Premier Equity Fund, IDFC Enterprise Equity Fund, IDFC Arbitrage Fund, IDFC Arbitrage Plus Fund, IDFC Strategic Sector (50-50) Equity Fund, IDFC Tax Advantage (ELSS) Fund, IDFC Small and Midcap Equity Fund, IDFC India GDP Growth Fund and IDFC Nifty Fund.</p> <p><b>Scheme Specific Risk Factors are briefly summarized below:</b> The scheme proposed to invest in equity and equity related instruments. Equity instruments by nature are volatile and prone to price fluctuations on a daily basis due to both micro and macro factors. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments. Different segments of financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities' purchases due to settlement problems could cause the Scheme to miss certain investment opportunities.</p>																																																																											

In addition to the above risk factors **IDFC Small and Midcap Equity Fund** have additional risk factors as below:

The scheme would predominantly invest in Equity and Equity related instruments pertaining to Small and Mid cap companies in line with the Investment objective of the scheme. Investing in such companies may involve more risks than investing in large cap companies on account of higher market volatility and market fluctuations, it may also accordingly affect returns of the investors. Historically, the small and mid cap stocks have experienced lower liquidity than large cap stocks, hence the liquidity risks are also expected to be relatively higher. Thus, investing in the defined portfolio may involve greater risk as compared to investing in more liquid stocks forming part of instruments with large capitalization.

**IDFC Arbitrage Fund and IDFC Arbitrage Plus Fund** have additional risk factors as below:

- The success of the Scheme's investment activities will depend on the fund manager's ability to identify overvalued and undervalued investment opportunities and to exploit price discrepancies in the capital markets. Identification and exploitation of the strategies to be pursued by the Fund manager involve uncertainty. No assurance can be given that the Fund Manager will be able to locate investment opportunities or to correctly exploit price discrepancies in the capital markets. A reduction in the pricing inefficiency of the markets in which the Scheme will seek to invest will reduce the scope for the Fund Manager's investment strategies. In the event that the perceived mispricings underlying the Scheme's positions were to fail to converge toward, or were to diverge further from, relationships expected by the Fund Manager, the Scheme may incur a loss. The Fund Manager's investment strategies may result in high portfolio turnover and, consequently, high transactions costs.
- The Fund Manager will employ certain strategies that depend upon the reliability and accuracy of the Fund Manager's analytical models. To the extent such models (or the assumptions underlying them) do not prove to be correct, the Scheme may not perform as anticipated, which could result in substantial losses.

**Risk Factors for derivatives**

1. Credit Risk: The credit risk is the risk that the counter party will default obligations and is generally negligible, as there is no exchange of principal amounts in a derivative transaction (especially in case of debt derivatives).
2. Market risk: Derivatives carry the risk of adverse changes in the market price.
3. Illiquidity 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.
4. The risk is to the extent that returns are limited for the investor in case of extreme movement in call rates (applicable to debt derivatives)
5. The fund pays the daily compounded rate. In practice however there can be a difference in the actual rate at which money is lent in the call market and the benchmark, which appears and is used (applicable to debt derivatives)

It may be mentioned here that the guidelines issued by the Reserve Bank of India from time to time for forward rate agreements and interest rate swaps and other derivative products would be adhered to.

Risk profile for Debt/Income/Liquid/Fund of fund/Dedicated Gilt Schemes i.e. IDFC Super Saver Income Fund, IDFC Dynamic Bond Fund, IDFC Money Manager Fund, IDFC All Seasons Bond Fund, IDFC Government Securities Fund, IDFC Cash Fund, IDFC Ultra Short Term Fund and IDFC Savings Advantage Fund

- 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. Different types of securities in which the scheme would invest as given in the offer 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, bonds, which are AAA rated, are comparatively less risky than bonds which are AA rated.
- Basis Risk (Interest - rate movement): During the life of a floating rate security or a swap, the underlying benchmark index may become less active and may not capture the actual movement in interest rates or at times the benchmark may cease to exist. These types of events may result in loss of value in the portfolio.
- Spread Risk: In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. However, depending upon the market conditions, the spreads may move adversely or favourably leading to fluctuation in the NAV.
- Liquidity Risk: Due to the evolving nature of the floating rate market, there may be an increased risk of liquidity risk in the portfolio from time to time.
- Other Risk: In case of downward movement of interest rates, floating rate debt instruments will give a lower return than fixed rate debt instruments.

**Risk Management Strategies**

The Fund by utilizing a holistic risk management strategy will endeavor to manage risks associated with investing in thematic equity funds. The risk control process involves identifying & measuring the risk through various risk measurement tools.  
The Fund has identified following risks and designed risk management strategies, which are embedded in the investment process to manage such risks.

<b>Risk &amp; Description specific to Equities</b>	<b>Risk mitigants / management strategy</b>
<b>Equity Schemes :</b>	
<b>Quality risk :</b> Risk of investing in stocks with poor performance	Portfolio carefully selected to only include high quality stocks
<b>Market risk :</b> Risk of adverse price movement in portfolio	Equity as an asset class tends to be volatile in the short term. The fund being a thematic fund is likely to have a higher volatility as compared to a diversified fund. The investors will be appraised of the same.
<b>Concentration risk :</b> Risk of undue concentration in a single stock	The fund manager will have appropriate risk management policies to ensure that the portfolio is not unduly concentrated
<b>Liquidity risk :</b> Risk of liquidity impact of entering/ exiting the underlying stocks in the portfolio	The fund manager will give due care to the liquidity of the stocks while deciding its allocation to the portfolio
<b>Liquid Schemes :</b>	
<b>Quality risk :</b> Risk of investing in unsustainable / weak companies	Stringent credit evaluation process to ensure high quality portfolio
<b>Reinvestment risk :</b> Risk of changes in interest rates impacting the fund as existing securities mature or on fresh inflows / outflows into the fund	Close tracking of different maturity buckets. Investors have to bear a certain amount of interest rate risk as it is the inherent nature of the fund
<b>Concentration risk :</b> Risk of concentration in the portfolio	Create a well-distributed portfolio with defined issuer limits
<b>Liquidity risk :</b> High impact costs at the time of buying or selling.	Create a high quality portfolio with liquid securities which have low impact cost on buying/selling
<b>Income / Debt Schemes :</b>	
<b>Quality risk :</b> Risk of investing in unsustainable / weak companies	Stringent credit evaluation process to ensure high quality portfolio
<b>Market/ Interest rate risk :</b> Risk of bonds prices falling as compared to their purchase prices as a result of rise in interest rates	To the extent of the scheme's allocation to 'mark-to-market' securities investors will be exposed to market risk
<b>Concentration risk :</b> Risk of concentration in the portfolio	Create a well-distributed portfolio with defined issuer limits

	<p><b>Basis risk :</b> Movement in yields in the MTM bonds held by the schemes may be different from overall change in interest rates</p> <p><b>Liquidity risk :</b> High impact costs at the time of buying or selling.</p>	<p>Create a high quality portfolio with liquid securities that minimize basis risk</p> <p>Create a high quality portfolio with liquid securities which have low impact cost on buying / selling</p>																																								
	<p><b>Fund of Funds Schemes :</b></p> <p>Quality risk : Risk of investing in fund with poor performance schemes</p> <p><b>Liquidity risk :</b> Risk of liquidity impact of entering/ exiting the underlying funds</p> <p><b>Concentration risk :</b></p> <p><b>Volatility:</b> Price volatility due to volatility in the equity and debt markets</p>	<p>Fund universe carefully selected to only include high quality</p> <p>Scheme will ensure that the investment made by the scheme underlying funds are not material to the overall AuM of the underlying scheme</p> <p>Invest in multiple funds with varying investment style and allocation to different segment of the equity and debt markets</p> <p>Control the asset allocation of the scheme to manage volatility. The scheme can go underweight or overweight equity relative to debt based on the expected volatility in the 2 asset classes.</p>																																								
	<p>*In case of IDFC-SS(50-50)EF : "Standard &amp; Poor's ("S&amp;P") is a division of The McGraw-Hill Companies, Inc., a New York corporation. Among other things, S&amp;P is engaged in the business of developing, constructing, compiling, computing and maintaining various equity indices that are recognized worldwide as benchmarks for U.S. stock market performance. "Standard &amp; Poor's®" and "S&amp;P®" are trademarks of The McGraw-Hill Companies, Inc. and have been licensed for use by India Index Services &amp; Products Limited in connection with the S&amp;P CNX Nifty Index. IISL may further license the S&amp;P trademarks to third parties, and has sublicensed such marks to IDFC AMC Ltd. in connection with the S&amp;P CNX Nifty Index and IDFC Strategic Sector (50-50) Equity Fund. 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The relationship of S&amp;P and IISL to IDFC AMC Ltd. is only in respect of the licensing of certain trademarks and trade names of their Index which is determined, composed and calculated by IISL without regard to the IDFC AMC Ltd. or the Product(s). Neither S&amp;P nor IISL has any obligation to take the needs of the IDFC AMC Ltd. or the owners of the Product(s) into consideration in determining, composing or calculating the S&amp;P CNX Nifty Index. Neither S&amp;P nor IISL is responsible for or has participated in the determination of the timing of, prices at, or quantities of the Product(s) to be issued or in the determination or calculation of the equation by which the Product(s) is to be converted into cash. 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Thus, investing in the defined portfolio may involve greater risk as compared to investing in more liquid stocks forming part of instruments with large capitalization.</p> <p>"The IDFC Small &amp; Midcap Equity Fund ("Product") is not sponsored, endorsed, sold or promoted by India Index Services &amp; Products Limited (IISL). IISL makes no representation or warranty, express or implied to the owners of the product or any member of the public regarding the advisability of investing in securities generally or in the Product particularly or the ability of the CNX Midcap Index (name of the index) to track general stock market performance in India. 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Without limiting any of the foregoing, in no event shall IISL have any liability for any special, punitive, indirect or consequential damages (including lost profits), even if notified of the possibility of such damages."</p>																																									
<b>Plans / Options</b>	<table border="1"> <thead> <tr> <th>Name of the Scheme</th> <th>Plans</th> <th>Sub plans</th> <th>Options*</th> </tr> </thead> <tbody> <tr> <td>IDFC-PEF, IDFC-CEF, IDFC-IEF, IDFC-SS(50-50)EF</td> <td></td> <td>Plan A &amp; B</td> <td>Growth and Dividend option with payout, and reinvestment facility under the dividend option.</td> </tr> <tr> <td>IDFC-SMEF</td> <td></td> <td>Plan A</td> <td>Growth and Dividend option with payout, and reinvestment facility under the dividend option.</td> </tr> <tr> <td>IDFC-USTF, IDFC-IGGF &amp; IDFC-TA(ELSS)F</td> <td></td> <td></td> <td>Growth and Dividend option with payout and reinvestment facility under the dividend option.</td> </tr> <tr> <td>IDFC-AF</td> <td></td> <td>Plan A &amp; B</td> <td>Growth, Dividend &amp; Sweep Options.</td> </tr> <tr> <td>IDFC-APF</td> <td></td> <td>Plan A &amp; B</td> <td>Growth, Dividend &amp; Sweep Options.</td> </tr> <tr> <td>IDFC-SSIF</td> <td>Investment Plan</td> <td>Plan A, B, C &amp; F</td> <td>Growth, Dividend Options, Reinvestment &amp; Sweep Facility is available under the Dividend option.</td> </tr> <tr> <td>IDFC-SSIF</td> <td>Medium Term Plan</td> <td>Plan A, B &amp; F</td> <td>Growth, Dividend Options, Reinvestment &amp; Sweep Facility is available under the Dividend option.</td> </tr> <tr> <td>IDFC-SSIF</td> <td>Short Term Plan</td> <td>Plan A, B, C, D &amp; F</td> <td>Growth, Dividend Options, Payout, Reinvestment &amp; Sweep Facility is available under the Dividend option.</td> </tr> <tr> <td>IDFC-GSF</td> <td>Investment Plan</td> <td>Plan A &amp; B</td> <td>Growth, Dividend Options, Reinvestment &amp; Sweep Facility is available under the Dividend option.</td> </tr> </tbody> </table>	Name of the Scheme	Plans	Sub plans	Options*	IDFC-PEF, IDFC-CEF, IDFC-IEF, IDFC-SS(50-50)EF		Plan A & B	Growth and Dividend option with payout, and reinvestment facility under the dividend option.	IDFC-SMEF		Plan A	Growth and Dividend option with payout, and reinvestment facility under the dividend option.	IDFC-USTF, IDFC-IGGF & IDFC-TA(ELSS)F			Growth and Dividend option with payout and reinvestment facility under the dividend option.	IDFC-AF		Plan A & B	Growth, Dividend & Sweep Options.	IDFC-APF		Plan A & B	Growth, Dividend & Sweep Options.	IDFC-SSIF	Investment Plan	Plan A, B, C & F	Growth, Dividend Options, Reinvestment & Sweep Facility is available under the Dividend option.	IDFC-SSIF	Medium Term Plan	Plan A, B & F	Growth, Dividend Options, Reinvestment & Sweep Facility is available under the Dividend option.	IDFC-SSIF	Short Term Plan	Plan A, B, C, D & F	Growth, Dividend Options, Payout, Reinvestment & Sweep Facility is available under the Dividend option.	IDFC-GSF	Investment Plan	Plan A & B	Growth, Dividend Options, Reinvestment & Sweep Facility is available under the Dividend option.	
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	IDFC-GSF	Provident Fund Plan	Plan A & B	Growth, Dividend & Sweep Options.
	IDFC-DBF		Plan A & B	Growth, Dividend Options, Reinvestment & Sweep Facility is available under the Dividend option.
	IDFC-CF		Plan A, B & C	Growth, Dividend Options, Reinvestment & Sweep Facility is available under the Dividend option.
	IDFC-MMF	Investment Plan	Plan A, B & F	Growth, Dividend Options, Payout, Reinvestment & Sweep Facility is available under the Dividend option.
	IDFC-MMF	Treasury Plan	Plan A, B, C, D & F	Growth, Dividend Options, Payout, Reinvestment & Sweep Facility is available under the Dividend option.
	IDFC-ASBF		Plan A	Growth, Dividend & Sweep Options.
	IDFC-SAF		Plan A, D & F	Growth, Dividend Options, Reinvestment & Sweep Facility is available under the dividend option.
	IDFC-EEF		Plan A & B	Growth, Dividend Options & Reinvestment Facility is available under the dividend option.
	IDFC-MIP			Growth & Dividend Option
	IDFC AA FoF: (CP, MP, AP) & IDFC-NF			Dividend & Growth
	* Plan A shall be a default plan and Growth Option shall be a default sub option & dividend re-investment shall be the default sub Option for all Schemes.			
<b>Applicable NAV For Purchases/ Subscription (including Switch In)</b>	<p>IDFC-CF: Where the application is received upto 12:00 pm on a day and funds are available for utilization on the same day - the closing NAV of the day immediately preceding the day of application shall be applicable.</p> <p>Where the application is received after 12:00 pm on a day and funds are available for utilization on the same day - the closing NAV of the day immediately preceding the next business day after the day of application shall be applicable. Irrespective of the time of receipt of application, where the funds are not available for utilization on the day of the application - the closing NAV of the day immediately preceding the day on which the funds are available for utilization shall be applicable.</p> <p>For other schemes - Where the application is received up to 3:00 pm with a local cheque or demand draft payable at par at the place where it is received closing NAV of the day of application shall be applicable.</p> <p>Where the application is received after 3:00 pm with a local cheque or demand draft payable at par at the place where it is received closing NAV of the next business day after the day of application shall be applicable.</p> <p>Where the application is received with an outstation cheque or demand draft, which is not payable on par at the place where it is received closing NAV of day on which the cheque or demand draft is credited shall be applicable.</p> <p>In case of 'switch' transactions, the allocation shall be in line with redemption payouts.</p>			
<b>Applicable Nav (for Sales/ Redemption Switch-out)</b>	<p>IDFC-CF and IDFC-USTF : Applicable NAV for redemptions including switch-outs</p> <p>Where the application is received up to 3:00 pm - the closing NAV of the day immediately preceding the next business day after the day of application.</p> <p>Where the application is received after 3:00 pm - the closing NAV of the next business day after the day of application.</p> <p>The Mutual Fund shall under normal circumstances, endeavour to despatch the redemption proceeds within one business day (T+1) from the date of acceptance of redemption request at the official points of acceptance of transactions but as per Regulations under no circumstances, later than ten business days from the date of acceptance of the request.</p> <p>For other schemes - Applicable NAV for redemptions including switch-outs</p> <p>Where the application received is up to 3:00 pm closing NAV of the day of application shall be applicable. An application received after 3:00 pm closing NAV of the next business day after the day of application shall be applicable.</p>			
<b>Minimum Application Amount</b>	<b>Scheme Name / Plan Name</b>	<b>Sub Plan Name</b>	<b>Minimum application Amount</b>	<b>Minimum SIP amount</b>
	IDFC-PEF	Plan A & B	Rs. 25,000	Rs 2,000 (Maximum SIP amount is Rs. 10 lac.)
	IDFC-CEF	Plan A & B	Rs. 5,000	Rs. 1,000
	IDFC-IEF	Plan A & B	Rs. 5,000	Rs. 1,000
	IDFC-SS(50-50)EF	Plan A & B	Rs. 5,000	Rs. 1,000
	IDFC-TA(ELSS)F	-	Rs. 500	Rs. 500
	IDFC-AF	Plan A	Rs. 5,000	-
		Plan B	Rs. 25,00,000	-
	IDFC-APF	Plan A	Rs. 10,000	-
		Plan B	Rs. 25,00,000	-
	IDFC-IGGF	-	Rs. 5,000	Rs. 2,000
	IDFC-SSIF-IP	Plan A	Rs. 5,000	Rs. 1,000
		Plan B	Rs. 25,00,000	-
		Plan F	Rs. 5,00,00,000	-
	IDFC-SSIF-MT	Plan A	Rs. 5,000	Rs. 1,000
		Plan B	Rs. 25,00,000	-
	IDFC-SSIF-ST	Plan A	Rs. 5,000	Rs. 1,000
		Plan B	Rs. 25,00,000	-
		Plan C	Rs. 5,00,00,000	-
		Plan D	Rs. 5,000	-
		Plan F	Rs. 5,000	-
	IDFC-GSF-IP	Plan A	Rs. 5,000	Rs. 1,000
		Plan B	Rs. 25,00,000	-
	IDFC-GSF-ST	Plan A	Rs. 5,000	Rs. 1,000
		Plan B	Rs. 25,00,000	-

	IDFC-GSF-PF	Plan A	Rs. 5,000	Rs. 1,000
		Plan B	Rs. 25,00,000	-
	IDFC-DBF	Plan A	Rs. 5,000	Rs. 1,000
		Plan B	Rs. 25,00,000	-
	IDFC-CF	Plan A	Rs. 5,000	Rs. 1,000
		Plan B	Rs. 1,00,00,000	-
		Plan C	Rs. 5,00,00,000	-
	IDFC-USTF	-	Rs. 5,000	Re. 1
	IDFC-SMEF	-	Rs. 5,000	Rs. 1,000
	IDFC-SAF	Plan A	Rs. 5,000	Rs. 1,000
		Plan D	Rs. 500	-
	IDFC-MMF-IP	Plan A	Rs. 5,000	Rs. 1,000
		Plan B	Rs. 1,00,00,000	-
		Plan C	Rs. 5,000	-
	IDFC-MMF-TP	Plan A	Rs. 5,000	Rs. 1,000
		Plan B	Rs. 1,00,00,000	-
		Plan C	Rs. 5,00,00,000	-
		Plan D	Rs. 25,000	-
		Plan E	Rs. 5,000	-
	IDFC-ASBF	Plan A	Rs. 5,000	Rs. 1,000
	IDFC-EEF	Plan A & B	Rs. 5,000	Rs. 1,000
	IDFC-MIP	-	Rs. 5,000	Rs. 1,000
	IDFC AA FoF (CP, MP, AP)	-	Rs. 5,000	Rs. 1,000
	IDFC-NF	-	Rs. 500	Rs. 500
<b>Despatch of Repurchase (redemption) Request</b>	Within 10 business days of the receipt of the redemption request at the official points of acceptance of transaction of the Registrar and AMC. The Fund shall under normal circumstances, endeavour to dispatch the redemption proceeds on the same day or within 1 business day (T+1) for IDFC-USTF and IDFC-SAF, within 2 business days (T+2) in case of IDFC-ASBF and in case of IDFC-CEF, IDFC-PEF, IDFC-IEF, IDFC-APF, IDFC-SS(50-50)EF, IDFC-TA(ELSS)F, IDFC-IGGF, IDFC-SMEF, IDFC-AF and IDFC-EEF within 3 business days from the date of acceptance of redemption request at the official points of acceptance of transactions but as per Regulation under no circumstances, later than 10 business day from the date of acceptance of the request.			
<b>Benchmark Index</b>	<b>Name of Scheme</b>	<b>Name of Benchmark</b>		
	IDFC-SSIF-IP, IDFC-DBF, IDFC-ASBF	CRISIL Composite Bond Fund Index		
	IDFC-SSIF-MT, ST	CRISIL Short Term Bond Fund Index		
	IDFC-CF, IDFC-USTF, IDFC-SAF, IDFC-AF, IDFC-APF	CRISIL Liquid Fund Index		
	IDFC-GSF-IP, ST, PF	I-Sec Composite Index		
	IDFC-MMF-IP, TP	NSE MIBOR		
	IDFC-CEF, IDFC-TA(ELSS)F	BSE 200 Index		
	IDFC-SS(50-50)EF & IDFC-IEF	S&P CNX Nifty		
	IDFC-IGGF & IDFC-PEF	BSE 500		
	IDFC-EEF	S&P Nifty Index		
	IDFC-SMEF	CNX Midcap Index		
	IDFC-MIP & IDFC AA FoF (CP, MP, AP)	CRISIL MIP Blended Index		
	IDFC-NF	S&P CNX Nifty Index		
<b>Dividend Policy</b>	(The AMC reserves the right to change the periodicity. The exact record date would be communicated to the Registrar.) IDFC-PEF (Plan A & B), IDFC-IEF (Plan A & B), IDFC-AF, IDFC-APF, IDFC-SS(50-50)EF (Plan A & B) & IDFC-EEF (Plan A & B) : Dividends, if declared, will be paid out of net surplus of the Scheme / Plan to those unit holders whose names appear in the register of unit holders on the record date. Unit holders are entitled to receive dividend within thirty calendar days of the date of declaration of the dividend. However, the Mutual Fund will endeavour to make dividend payments sooner to unit holders. There is no assurance or guarantee to unit holders as to the rate that dividends will be regularly of dividend distribution nor paid. IDFC-CEF (Plan A & B): Dividends, if declared, will be paid out of the net surplus of the Scheme / Plan to those unit holders whose names appear in the register of unit holders on the record date. The investors may obtain information on the exact record date from the office of the Mutual Fund / the Registrar. Unit holders are entitled to receive dividend within thirty calendar days of the date of declaration of the dividend. However, the Mutual Fund will endeavour to make dividend payments sooner to unit holders. There is no assurance or guarantee to unit holders as to the rate of dividend distribution nor that dividends will be regularly paid, though it is the intention of the Mutual Fund to make regular dividend distributions under the respective investment option. IDFC-TA(ELSS)F, IDFC-IGGF & IDFC-SMEF: Dividend declaration and distribution shall be in accordance with SEBI Regulations as applicable from time to time. The AMC reserves the right to declared dividend from time to time, depending on availability of distributable surplus. IDFC-SSIF-IP (Plan A, B & C): Quarterly Half yearly, Annually IDFC-SSIF-ST (Plan A, B, C, D & E): Monthly, Fortnightly IDFC-SSIF-MT (Plan A, B): Bimonthly, Monthly, Fortnightly & Daily IDFC-DBF (Plan A, B): Quarterly, Annually IDFC-CF (Plan A, B & C): Daily, Weekly with compulsory re-investment, Periodic (in Plan B only) and Monthly (in Plan C only) IDFC-MMF-IP (Plan A, B & C): Daily, weekly (with reinvest facility in both Plan A & Plan B), Monthly, Quarterly & Annual IDFC-MMF-TP (Plan A, B, C, D & E): Monthly & Daily / Weekly with compulsory reinvestment. Regular Dividend in Plan C IDFC-USTF : Daily, Weekly and Monthly IDFC-SAF : Daily & Weekly (with Compulsory re-investment) Monthly IDFC-GSF-IP (Plan A, B): Quarterly / Half yearly / Yearly IDFC-GSF-ST (Plan A, B): Quarterly / Monthly			

	<p>IDFC-GSF-PF (Plan A, B) : Quarterly / Yearly  IDFC-ASBF : Quarterly, Half Yearly &amp; Annual  IDFC-MIP : The Fund will endeavour to declare dividends on a monthly basis, subject to availability of distributable surplus. Dividend declaration and distribution shall be in accordance with SEBI Regulations as applicable from time to time. The AMC reserves the right to declared dividend from time to time, depending on availability of distributable surplus.  IDFC AA FoF (CP, MP, AP) &amp; IDFC-NF : Dividend declaration and distribution shall be in accordance with SEBI Regulations as applicable from time to time. The AMC reserves the right to declared dividend from time to time, depending on availability of distributable surplus.</p>																
<b>Name of The Fund Manager</b>	<b>Name of Scheme</b>	<b>Name of Fund Manager</b>															
	IDFC-SSIF-IP, IDFC-DBF, IDFC-GSF-IP, ST, PF & IDFC-ASBF IDFC-CF, IDFC-USTF, IDFC-SAF, IDFC-MMF-IP, TP, IDFC-SSIF-MT & ST IDFC-AF & IDFC-APF IDFC-PEF, IDFC-SS(50-50)EF, IDFC-TA(ELSS)F, IDFC-SMEF, IDFC-TS(ELSS)F & IDFC-EEF IDFC-CEF, IDFC-IEF, IDFC-IGGF & IDFC-NF IDFC-MIP & IDFC AA FoF (CP, MP, AP)	Mr. Arjun Parthasarathy Mr. Anupam Joshi Mr. Ashwin Patni & Mr. Ritesh Kumar Mr. Kenneth Andrade Mr. Tridip Pathak Mr. Ashwin Patni															
<b>Name Of The Trustee Company</b>	IDFC AMC Trustee Company Limited																
<b>Performance Of The Scheme</b>	<p><b>IDFC PREMIER EQUITY FUND (IDFC-PEF)</b>  Performance of the Scheme (As on June 30, 2010)</p> <table border="1"> <thead> <tr> <th>Compounded annualised returns</th> <th>Scheme returns %</th> <th>Benchmark returns%</th> </tr> </thead> <tbody> <tr> <td>Last 1 year</td> <td>51.31</td> <td>29.14</td> </tr> <tr> <td>Last 2 years</td> <td>27.95</td> <td>16.61</td> </tr> <tr> <td>Last 3 years</td> <td>19.25</td> <td>7.04</td> </tr> <tr> <td>Since allotment (28-09-2005)</td> <td>25.68</td> <td>15.84</td> </tr> </tbody> </table> <p>Benchmark - BSE 500 Index (BSE500). Past performance may or may not be substantiated in future.</p> <p>Performance of the scheme vis - a - vis Benchmark.</p>		Compounded annualised returns	Scheme returns %	Benchmark returns%	Last 1 year	51.31	29.14	Last 2 years	27.95	16.61	Last 3 years	19.25	7.04	Since allotment (28-09-2005)	25.68	15.84
Compounded annualised returns	Scheme returns %	Benchmark returns%															
Last 1 year	51.31	29.14															
Last 2 years	27.95	16.61															
Last 3 years	19.25	7.04															
Since allotment (28-09-2005)	25.68	15.84															
	<p><b>IDFC CLASSIC EQUITY FUND (IDFC-CEF)</b>  Performance of the Scheme (As on June 30, 2010)</p> <table border="1"> <thead> <tr> <th>Compounded annualised returns</th> <th>Scheme returns %</th> <th>Benchmark returns%</th> </tr> </thead> <tbody> <tr> <td>Last 1 year</td> <td>25.15</td> <td>27.22</td> </tr> <tr> <td>Last 2 years</td> <td>11.11</td> <td>16.93</td> </tr> <tr> <td>Last 3 years</td> <td>5.43</td> <td>7.58</td> </tr> <tr> <td>Since allotment (9-08-2005)</td> <td>15.42</td> <td>18.31</td> </tr> </tbody> </table> <p>Benchmark - BSE 200 Index (BSE200). Past performance may or may not be substantiated in future.</p> <p>Performance of the scheme vis - a - vis Benchmark.</p>		Compounded annualised returns	Scheme returns %	Benchmark returns%	Last 1 year	25.15	27.22	Last 2 years	11.11	16.93	Last 3 years	5.43	7.58	Since allotment (9-08-2005)	15.42	18.31
Compounded annualised returns	Scheme returns %	Benchmark returns%															
Last 1 year	25.15	27.22															
Last 2 years	11.11	16.93															
Last 3 years	5.43	7.58															
Since allotment (9-08-2005)	15.42	18.31															
	<p><b>IDFC IMPERIAL EQUITY FUND (IDFC-IEF)</b>  Performance of the Scheme (As on June 30, 2010)</p> <table border="1"> <thead> <tr> <th>Compounded annualised returns</th> <th>Scheme returns %</th> <th>Benchmark returns%</th> </tr> </thead> <tbody> <tr> <td>Last 1 year</td> <td>24.3</td> <td>23.80</td> </tr> <tr> <td>Last 2 years</td> <td>20.13</td> <td>14.66</td> </tr> <tr> <td>Last 3 years</td> <td>13.24</td> <td>7.14</td> </tr> <tr> <td>Since allotment (16-3-2006)</td> <td>15.51</td> <td>12.32</td> </tr> </tbody> </table> <p>Benchmark - S&amp;P CNX Nifty. Past performance may or may not be substantiated in future.</p> <p>Performance of the scheme vis - a - vis Benchmark.</p>		Compounded annualised returns	Scheme returns %	Benchmark returns%	Last 1 year	24.3	23.80	Last 2 years	20.13	14.66	Last 3 years	13.24	7.14	Since allotment (16-3-2006)	15.51	12.32
Compounded annualised returns	Scheme returns %	Benchmark returns%															
Last 1 year	24.3	23.80															
Last 2 years	20.13	14.66															
Last 3 years	13.24	7.14															
Since allotment (16-3-2006)	15.51	12.32															
	<p><b>IDFC ARBITRAGE FUND (IDFC-AF)</b>  Performance of the Scheme (As on June 30, 2010)</p> <table border="1"> <thead> <tr> <th>Compounded annualised returns</th> <th>Scheme returns %</th> <th>Benchmark returns%</th> </tr> </thead> <tbody> <tr> <td>Last 1 year</td> <td>3.13</td> <td>3.27</td> </tr> <tr> <td>Last 2 years</td> <td>4.18</td> <td>5.80</td> </tr> <tr> <td>Last 3 years</td> <td>5.33</td> <td>6.12</td> </tr> <tr> <td>Since allotment (21-12-2006)</td> <td>6.11</td> <td>6.50</td> </tr> </tbody> </table> <p>Benchmark - Crisil Liquid Fund Index (CLFI). Past performance may or may not be substantiated in future.</p> <p>Performance of the scheme vis - a - vis Benchmark.</p>		Compounded annualised returns	Scheme returns %	Benchmark returns%	Last 1 year	3.13	3.27	Last 2 years	4.18	5.80	Last 3 years	5.33	6.12	Since allotment (21-12-2006)	6.11	6.50
Compounded annualised returns	Scheme returns %	Benchmark returns%															
Last 1 year	3.13	3.27															
Last 2 years	4.18	5.80															
Last 3 years	5.33	6.12															
Since allotment (21-12-2006)	6.11	6.50															
	<p><b>IDFC ARBITRAGE PLUS FUND (IDFC-APF)</b>  Performance of the Scheme (As on June 30, 2010)</p> <table border="1"> <thead> <tr> <th>Compounded annualised returns</th> <th>Scheme returns %</th> <th>Benchmark returns%</th> </tr> </thead> <tbody> <tr> <td>Last 1 year</td> <td>3.38</td> <td>3.27</td> </tr> <tr> <td>Last 2 year</td> <td>5.61</td> <td>5.80</td> </tr> <tr> <td>Since allotment (9-6-2008)</td> <td>5.65</td> <td>5.80</td> </tr> </tbody> </table> <p>Benchmark - CRISIL Liquid Fund Index. Past performance may or may not be substantiated in future.</p> <p>Performance of the scheme vis - a - vis Benchmark.</p>		Compounded annualised returns	Scheme returns %	Benchmark returns%	Last 1 year	3.38	3.27	Last 2 year	5.61	5.80	Since allotment (9-6-2008)	5.65	5.80			
Compounded annualised returns	Scheme returns %	Benchmark returns%															
Last 1 year	3.38	3.27															
Last 2 year	5.61	5.80															
Since allotment (9-6-2008)	5.65	5.80															

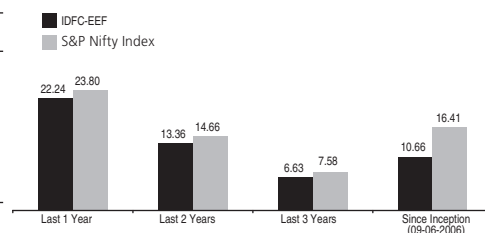
**IDFC ENTERPRISE EQUITY FUND (IDFC-EEF)**

Performance of the Scheme (As on June 30, 2010)

Compounded annualised returns	Scheme returns %	Benchmark returns%
Last 1 year	22.24	23.80
Last 2 years	13.36	14.66
Last 3 years	6.63	7.58
Since allotment (09-06-2006)	10.66	16.41

Benchmark - S&amp;P Nifty Index. Past performance may or may not be substantiated in future.

## Performance of the scheme vis - a - vis Benchmark.

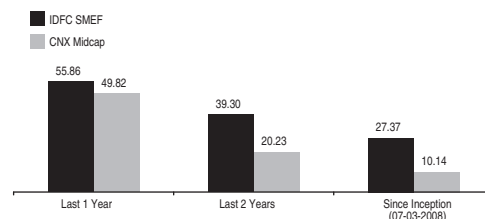
**IDFC SMALL & MIDCAP EQUITY (SME) FUND (IDFC-SMEF)**

Performance of the Scheme (As on June 30, 2010)

Compounded annualised returns	Scheme returns %	Benchmark returns%
Last 1 year	55.86	49.82
Last 2 years	39.30	20.23
Since allotment (07-03-2008)	27.37	10.14

Benchmark - CNX Midcap. Past performance may or may not be substantiated in future.

## Performance of the scheme vis - a - vis Benchmark.

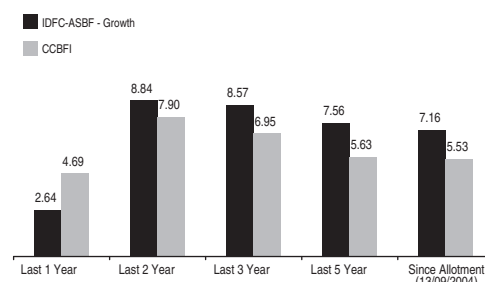
**IDFC ALL SEASONS BOND FUND (IDFC-ASBF)**

Performance of the Scheme (As on June 30, 2010)

Compounded annualised returns	Scheme returns %	Benchmark returns%
Last 1 year	2.64	4.69
Last 2 years	8.84	7.90
Last 3 years	8.57	6.95
Last 5 years	7.56	5.63
Since allotment (13-09-2004)	7.16	5.53

Benchmark - Crisil Composite Bond Fund Index (CCBFI). Past performance may or may not be substantiated in future.

## Performance of the scheme vis - a - vis Benchmark.

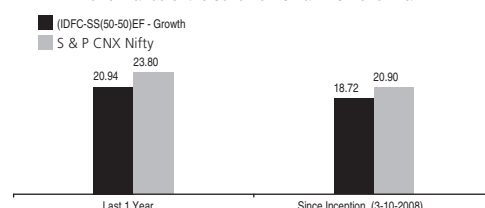
**IDFC STRATEGIC SECTOR (50-50) EQUITY FUND (IDFC-SS(50-50)EF)**

Performance of the Scheme (As on June 30, 2010)

Compounded annualised returns	Scheme returns %	Benchmark returns%
Last 1 year	20.94	23.80
Since allotment (3-10-2008)	18.72	20.90

Benchmark - S &amp; P CNX Nifty. Past performance may or may not be substantiated in future.

## Performance of the scheme vis - a - vis Benchmark.

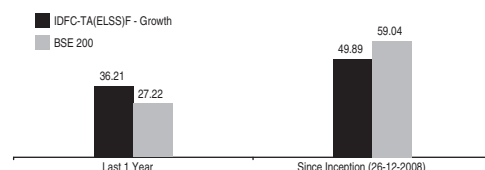
**IDFC TAX ADVANTAGE (ELSS) FUND (IDFC-TA(ELSS)F)**

Performance of the Scheme (As on June 30, 2010)

Compounded annualised returns	Scheme returns %	Benchmark returns%
Last 1 year	36.21	27.22
Since allotment (26-12-2008)	49.89	59.04

Benchmark - BSE 200 Index. Past performance may or may not be substantiated in future.

## Performance of the scheme vis - a - vis Benchmark.

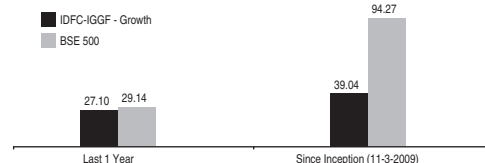
**IDFC INDIA GDP GROWTH FUND (IDFC-IGGF)**

Performance of the Scheme (As on June 30, 2010)

Absolute returns	Scheme returns %	Benchmark returns%
Last 1 year	27.10	29.14
Since allotment (11-3-2009)	39.04	94.27

Benchmark - BSE 500 Index. Past performance may or may not be substantiated in future.

## Performance of the scheme vis - a - vis Benchmark.

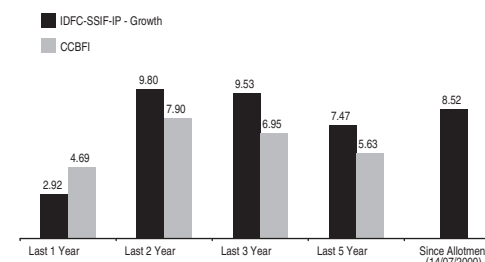
**IDFC-SUPER SAVER INCOME FUND - INVESTMENT PLAN (IDFC-SSIF-IP)**

Performance of the Scheme (As on June 30, 2010)

Absolute returns	Scheme returns %	Benchmark returns%
Last 1 year	2.92	4.69
Last 2 years	9.80	7.90
Last 3 years	9.53	6.95
Last 5 years	7.47	5.63
Since allotment (14-07-2000)	8.52	-

Benchmark - Crisil Composite Bond Fund Index (CCBFI). Past performance may or may not be substantiated in future.

## Performance of the scheme vis - a - vis Benchmark.



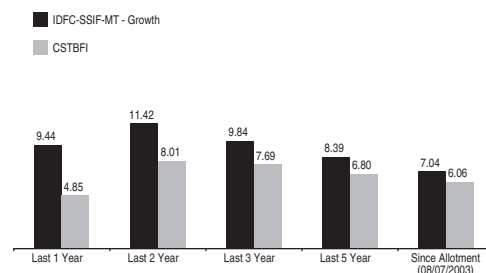
**IDFC SUPER SAVER INCOME FUND - MEDIUM TERM PLAN (IDFC-SSIF-MT)**

Performance of the Scheme (As on June 30, 2010)

Compounded annualised returns	Scheme returns %	Benchmark returns%
Last 1 year	9.44	4.85
Last 2 years	11.42	8.01
Last 3 years	9.84	7.69
Last 5 years	8.39	6.80
Since allotment (8-07-2003)	7.04	6.06

Benchmark - Crisil Short Term Bond Fund Index (CSTBFI). Past performance may or may not be substantiated in future.

Performance of the scheme vis - a - vis Benchmark.

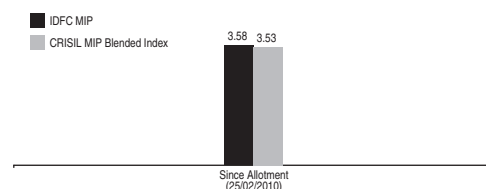

**IDFC MONTHLY INCOME PLAN (IDFC-MIP)**

Performance of the Scheme (As on June 30, 2010)

Absolute returns	Scheme returns %	Benchmark returns%
Since allotment (25-02-2010)	3.58	3.53

Benchmark - CRISIL MIP Blended Index. Past performance may or may not be substantiated in future.

Performance of the scheme vis - a - vis Benchmark.

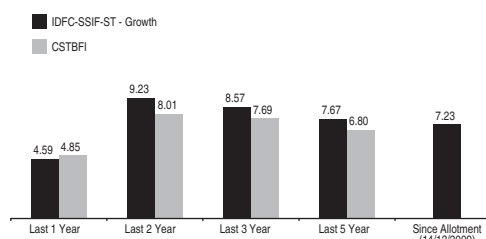

**IDFC SUPER SAVER INCOME FUND - SHORT TERM PLAN (IDFC-SSIF-ST)**

Performance of the Scheme (As on June 30, 2010)

Compounded annualised returns	Scheme returns %	Benchmark returns%
Last 1 year	4.59	4.85
Last 2 years	9.23	8.01
Last 3 years	8.57	7.69
Last 5 years	7.67	6.80
Since allotment (14-12-2000)	7.23	-

Benchmark - Crisil Short Term Bond Fund Index (CSTBFI). Past performance may or may not be substantiated in future.

Performance of the scheme vis - a - vis Benchmark.

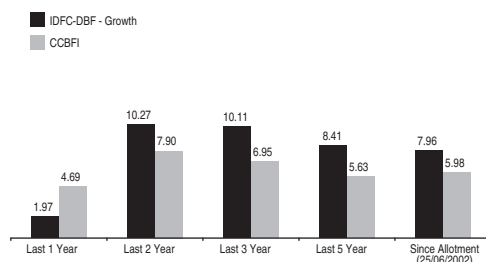

**IDFC DYNAMIC BOND FUND (IDFC-DBF)**

Performance of the Scheme (As on June 30, 2010)

Compounded annualised returns	Scheme returns %	Benchmark returns%
Last 1 year	1.97	4.69
Last 2 years	10.27	7.90
Last 3 years	10.11	6.95
Last 5 years	8.41	5.63
Since allotment (25-06-2002)	7.96	5.98

Benchmark - Crisil Composite Bond Fund Index (CCBFI). Past performance may or may not be substantiated in future.

Performance of the scheme vis - a - vis Benchmark.

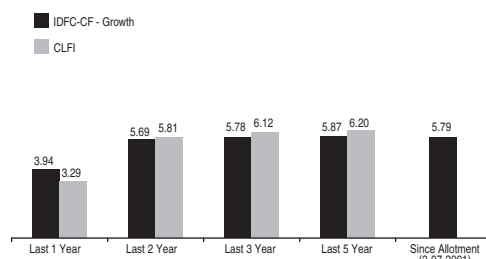

**IDFC CASH FUND (IDFC-CF)**

Performance of the Scheme (As on June 30, 2010)

Compounded annualised returns	Scheme returns %	Benchmark returns%
Last 1 year	3.94	3.29
Last 2 years	5.69	5.81
Last 3 years	5.78	6.12
Last 5 years	5.87	6.20
Since allotment (2-07-2001)	5.79	-

Benchmark - Crisil Liquid Fund Index (CLFI). Past performance may or may not be substantiated in future.

Performance of the scheme vis - a - vis Benchmark.

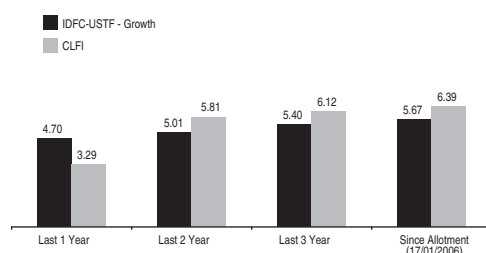

**IDFC ULTRA SHORT TERM FUND (IDFC-USTF)**

Performance of the Scheme (As on June 30, 2010)

Compounded annualised returns	Scheme returns %	Benchmark returns%
Last 1 year	4.70	3.29
Last 2 years	5.01	5.81
Last 3 years	5.40	6.12
Since allotment (17-01-2006)	5.67	6.39

Benchmark - Crisil Liquid Fund Index (CLFI). Past performance may or may not be substantiated in future.

Performance of the scheme vis - a - vis Benchmark.



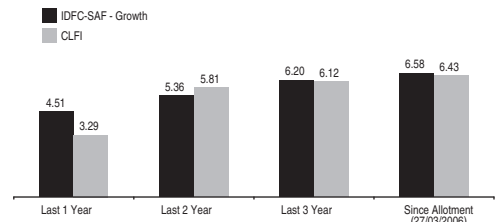
**IDFC SAVINGS ADVANTAGE FUND (IDFC-SAF)**

Performance of the Scheme (As on June 30, 2010)

Compounded annualised returns	Scheme returns %	Benchmark returns%
Last 1 year	4.51	3.29
Last 2 years	5.36	5.81
Last 3 years	6.20	6.12
Since allotment (27-03-2006)	6.58	6.43

Benchmark - Crisil Liquid Fund Index (CLFI). Past performance may or may not be substantiated in future.

## Performance of the scheme vis - a - vis Benchmark.

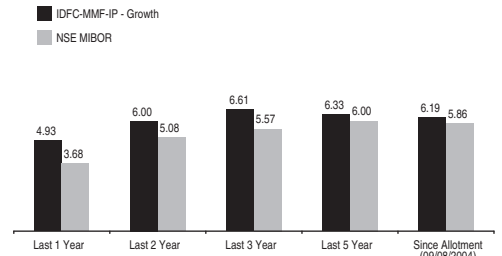
**IDFC MONEY MANAGER FUND - INVESTMENT PLAN (IDFC-MMF-IP)**

Performance of the Scheme (As on June 30, 2010)

Compounded annualised returns	Scheme returns %	Benchmark returns%
Last 1 year	4.93	3.68
Last 2 years	6.00	5.08
Last 3 years	6.61	5.57
Last 5 Year	6.33	6.00
Since allotment (9-08-2004)	6.19	5.86

Benchmark - NSE MIBOR. Past performance may or may not be substantiated in future.

## Performance of the scheme vis - a - vis Benchmark.

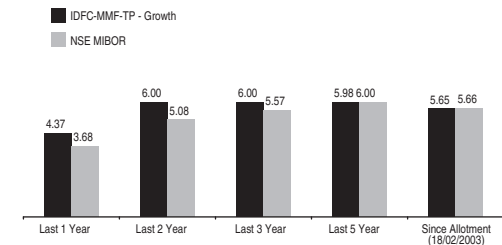
**IDFC MONEY MANAGER FUND - TREASURY PLAN (IDFC-MMF-TP)**

Performance of the Scheme (As on June 30, 2010)

Compounded annualised returns	Scheme returns %	Benchmark returns%
Last 1 year	4.37	3.68
Last 2 years	6.00	5.08
Last 3 years	6.00	5.57
Last 5 years	5.98	6.00
Since allotment (18-02-2003)	5.65	5.66

Benchmark - NSE MIBOR. Past performance may or may not be substantiated in future.

## Performance of the scheme vis - a - vis Benchmark.

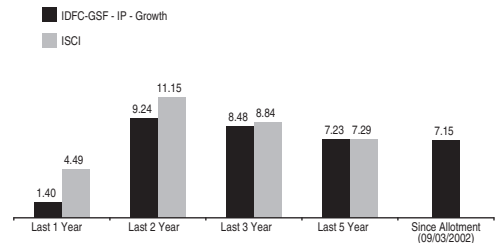
**IDFC GOVERNMENT SECURITIES FUND - INVESTMENT PLAN (IDFC-GSF-IP)**

Performance of the Scheme (As on June 30, 2010)

Compounded annualised returns	Scheme returns %	Benchmark returns%
Last 1 year	1.40	4.49
Last 2 years	9.24	11.15
Last 3 years	8.48	8.84
Last 5 years	7.23	7.29
Since allotment (9-03-2002)	7.15	-

Benchmark - I-SEC Composite Bond Fund Index (ISCI). Past performance may or may not be substantiated in future.

## Performance of the scheme vis - a - vis Benchmark.

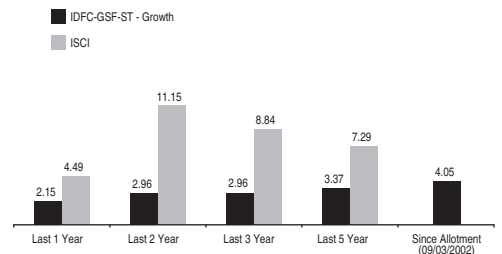
**IDFC GOVERNMENT SECURITIES FUND - SHORT TERM PLAN (IDFC-GSF-ST)**

Performance of the Scheme (As on June 30, 2010)

Compounded annualised returns	Scheme returns %	Benchmark returns%
Last 1 year	2.15	4.49
Last 2 years	2.96	11.15
Last 3 years	2.96	8.84
Last 5 years	3.37	7.29
Since allotment (9-03-2002)	4.05	-

Benchmark - I-SEC Composite Bond Fund Index (ISCI). Past performance may or may not be substantiated in future.

## Performance of the scheme vis - a - vis Benchmark.

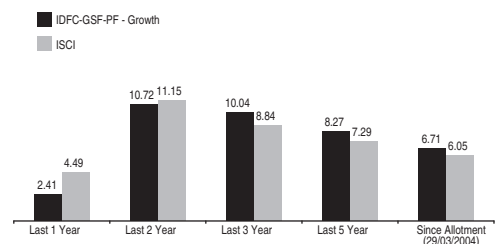
**IDFC GOVERNMENT SECURITIES FUND - PROVIDENT FUND PLAN (IDFC-GSF-PF)**

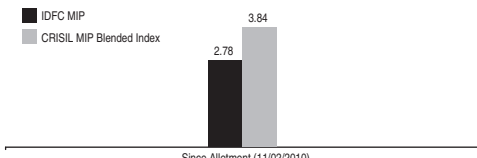
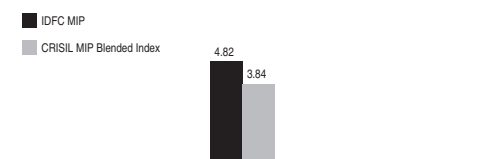
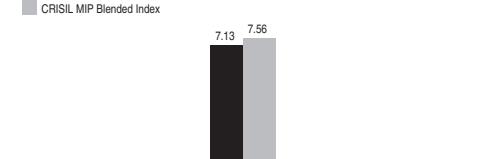
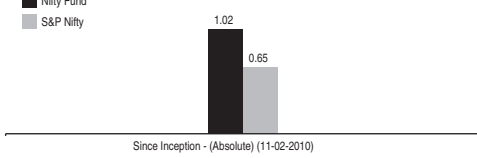
Performance of the Scheme (As on June 30, 2010)

Compounded annualised returns	Scheme returns %	Benchmark returns%
Last 1 year	2.41	4.49
Last 2 years	10.72	11.15
Last 3 years	10.04	8.84
Last 5 years	8.27	7.29
Since allotment (29-03-2004)	6.71	6.05

Benchmark - I-SEC Composite Bond Fund Index (ISCI). Past performance may or may not be substantiated in future.

## Performance of the scheme vis - a - vis Benchmark.



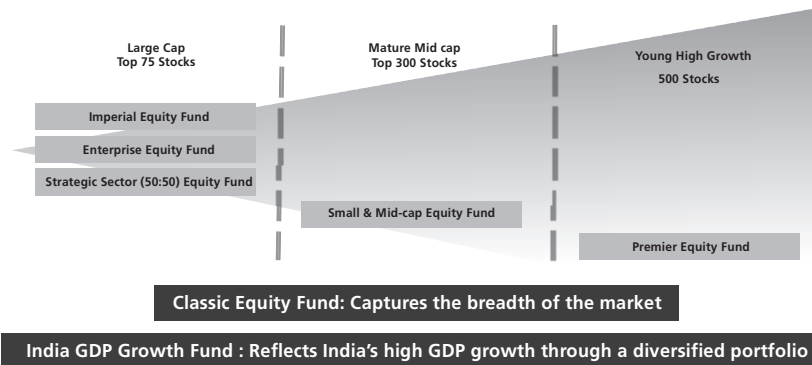
	<p><b>IDFC ASSET ALLOCATION FUND - CONSERVATIVE PLAN (IDFC-AAF-CP)</b> Performance of the Scheme (As on June 30, 2010)</p> <table border="1"> <thead> <tr> <th>Absolute returns</th> <th>Scheme returns %</th> <th>Benchmark returns%</th> </tr> </thead> <tbody> <tr> <td>Since allotment (11-02-2010)</td> <td>2.78</td> <td>3.84</td> </tr> </tbody> </table> <p>Benchmark - CRISIL MIP Blended Index. Past performance may or may not be substantiated in future.</p>	Absolute returns	Scheme returns %	Benchmark returns%	Since allotment (11-02-2010)	2.78	3.84	<p>Performance of the scheme vis - a - vis Benchmark.</p>  <p>Since Allotment (11/02/2010)</p>																												
Absolute returns	Scheme returns %	Benchmark returns%																																		
Since allotment (11-02-2010)	2.78	3.84																																		
	<p><b>IDFC ASSET ALLOCATION FUND - MODERATE PLAN (IDFC-AAF-MP)</b> Performance of the Scheme (As on June 30, 2010)</p> <table border="1"> <thead> <tr> <th>Absolute returns</th> <th>Scheme returns %</th> <th>Benchmark returns%</th> </tr> </thead> <tbody> <tr> <td>Since allotment (11-02-2010)</td> <td>4.82</td> <td>3.84</td> </tr> </tbody> </table> <p>Benchmark - CRISIL MIP Blended Index. Past performance may or may not be substantiated in future.</p>	Absolute returns	Scheme returns %	Benchmark returns%	Since allotment (11-02-2010)	4.82	3.84	<p>Performance of the scheme vis - a - vis Benchmark.</p>  <p>Since Allotment (11/02/2010)</p>																												
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	<p><b>IDFC ASSET ALLOCATION FUND - AGGRESSIVE PLAN (IDFC-AAF-AP)</b> Performance of the Scheme (As on June 30, 2010)</p> <table border="1"> <thead> <tr> <th>Absolute returns</th> <th>Scheme returns %</th> <th>Benchmark returns%</th> </tr> </thead> <tbody> <tr> <td>Since allotment (11-02-2010)</td> <td>7.13</td> <td>7.56</td> </tr> </tbody> </table> <p>Benchmark - CRISIL MIP Blended Index Past performance may or may not be substantiated in future.</p>	Absolute returns	Scheme returns %	Benchmark returns%	Since allotment (11-02-2010)	7.13	7.56	<p>Performance of the scheme vis - a - vis Benchmark.</p>  <p>Since Allotment (11/02/2010)</p>																												
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	<p><b>IDFC NIFTY FUND (IDFC-NF)</b> Performance of the Scheme (As on June 30, 2010)</p> <table border="1"> <thead> <tr> <th>Absolute returns</th> <th>Scheme returns %</th> <th>Benchmark returns%</th> </tr> </thead> <tbody> <tr> <td>Since allotment (11-02-2010)</td> <td>1.02</td> <td>0.65</td> </tr> </tbody> </table> <p>Benchmark - S&amp;P Nifty Past performance may or may not be substantiated in future.</p>	Absolute returns	Scheme returns %	Benchmark returns%	Since allotment (11-02-2010)	1.02	0.65	<p>Performance of the scheme vis - a - vis Benchmark.</p>  <p>Since Inception - (Absolute) (11-02-2010)</p>																												
Absolute returns	Scheme returns %	Benchmark returns%																																		
Since allotment (11-02-2010)	1.02	0.65																																		
<p><b>Expenses of The Scheme</b></p>	<p><b>New Fund Offer Expenses :</b> New fund offer expenses for all the Schemes had been borne by the AMC, except IDFC-CEF, IDFC-PEF and IDFC-IEF were in, the expenses were charged to the Scheme.</p> <table border="1"> <thead> <tr> <th>Name of the scheme</th> <th>% New fund offer expenses charged to the Scheme (as per the disclosure made in the scheme information document)</th> </tr> </thead> <tbody> <tr> <td>IDFC-SSIF-IP, MT, ST, IDFC-DBF, IDFC-GSF-IP, ST, PF &amp; IDFC-ASBF, IDFC-CF, IDFC-USTF, IDFC-SAF, IDFC-MMF-IP, TP, IDFC-AF, IDFC-APF, IDFC-MIP &amp; IDFC AA FoF (CP, MP, AP) IDFC-NF</td> <td>Nil</td> </tr> <tr> <td>IDFC-CEF</td> <td>1.0008 (Charged to Load - 1.846)</td> </tr> <tr> <td>IDFC-PEF</td> <td>0.27 (Charged to Load - 2.180)</td> </tr> <tr> <td>IDFC-IEF</td> <td>4.15</td> </tr> <tr> <td>IDFC-TA(ELSS)F</td> <td>Nil</td> </tr> <tr> <td>IDFC-IGGF</td> <td>Nil</td> </tr> <tr> <td>IDFC-SS(50-50)EF</td> <td>Nil</td> </tr> <tr> <td>IDFC-SMEF &amp; IDFC-EEF</td> <td>NFO expenses were amortized over the closed end period</td> </tr> </tbody> </table> <p><b>(I) LOAD STRUCTURE</b> Equity, Debt &amp; Fund of Funds Schemes: Entry Load: There shall be no Entry Load* applicable in all the equity and debt schemes of IDFC Mutual Fund w.e.f. August 1, 2009. Exit Load</p> <table border="1"> <thead> <tr> <th>Name of the scheme</th> <th>Revised Exit Load / CDSC Applicable form August 24, 2009</th> </tr> </thead> <tbody> <tr> <td>IDFC Cash Fund</td> <td>Plan A, B &amp; C : Nil</td> </tr> <tr> <td>IDFC Ultra Short Term Fund</td> <td>1.00% of the NAV shall be applicable if investors who redeem / switch out such investments within 90 days from the date of subscription applying First in First Out basis, (including investments through SIP/STP) w.e.f August 05, 2010.</td> </tr> <tr> <td>IDFC Savings Advantage Fund</td> <td>Plan A, D &amp; F : Nil</td> </tr> <tr> <td>IDFC Money Manager Fund - Treasury Plan</td> <td>Plan A, B, C, D &amp; F : Nil</td> </tr> <tr> <td>IDFC Money Manager Fund - Investment Plan</td> <td>Plan A, B &amp; F: Exit Load for all investment including SIP/Micro SIP/STP shall be 1% of the applicable NAV if redeemed /switched out within 30 days from the date of allotment w.e.f August 12, 2010.</td> </tr> <tr> <td>IDFC Super Saver Income Fund - Short Term Plan</td> <td>Plan A, B, C, D &amp; F : Nil</td> </tr> <tr> <td>IDFC Super Saver Income Fund - Investment Plan</td> <td>Plan A, B, C &amp; F : 1% if redeemed before 365 days from the date of Investment</td> </tr> </tbody> </table>		Name of the scheme	% New fund offer expenses charged to the Scheme (as per the disclosure made in the scheme information document)	IDFC-SSIF-IP, MT, ST, IDFC-DBF, IDFC-GSF-IP, ST, PF & IDFC-ASBF, IDFC-CF, IDFC-USTF, IDFC-SAF, IDFC-MMF-IP, TP, IDFC-AF, IDFC-APF, IDFC-MIP & IDFC AA FoF (CP, MP, AP) IDFC-NF	Nil	IDFC-CEF	1.0008 (Charged to Load - 1.846)	IDFC-PEF	0.27 (Charged to Load - 2.180)	IDFC-IEF	4.15	IDFC-TA(ELSS)F	Nil	IDFC-IGGF	Nil	IDFC-SS(50-50)EF	Nil	IDFC-SMEF & IDFC-EEF	NFO expenses were amortized over the closed end period	Name of the scheme	Revised Exit Load / CDSC Applicable form August 24, 2009	IDFC Cash Fund	Plan A, B & C : Nil	IDFC Ultra Short Term Fund	1.00% of the NAV shall be applicable if investors who redeem / switch out such investments within 90 days from the date of subscription applying First in First Out basis, (including investments through SIP/STP) w.e.f August 05, 2010.	IDFC Savings Advantage Fund	Plan A, D & F : Nil	IDFC Money Manager Fund - Treasury Plan	Plan A, B, C, D & F : Nil	IDFC Money Manager Fund - Investment Plan	Plan A, B & F: Exit Load for all investment including SIP/Micro SIP/STP shall be 1% of the applicable NAV if redeemed /switched out within 30 days from the date of allotment w.e.f August 12, 2010.	IDFC Super Saver Income Fund - Short Term Plan	Plan A, B, C, D & F : Nil	IDFC Super Saver Income Fund - Investment Plan	Plan A, B, C & F : 1% if redeemed before 365 days from the date of Investment
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IDFC Super Saver Income Fund - Investment Plan	Plan A, B, C & F : 1% if redeemed before 365 days from the date of Investment																																			

	IDFC Super Saver Income Fund - Medium Term Plan	Plan A, B & F : 0.5% if redeemed before 182 days from the date of investment
	IDFC Dynamic Bond Fund	Plan A & B : Nil
	IDFC All Seasons Bond Fund	0.75% if redeemed before 365 days from the date of investment
	IDFC Government Securities Fund - Short Term Plan	Plan A & B : 0.25% if redeemed within 30 days from the date of investment
	IDFC Government Securities Fund - Investment Plan	Plan A & B : 1% if redeemed before 365 days from the date of investment
	IDFC Government Securities Fund - PF Plan	Plan A & B : 1% if redeemed before 365 days from the date of investment
	IDFC Arbitrage Fund	0.25% if redeemed before 30 days from the date of investment
	IDFC Arbitrage Plus Fund	0.50% if redeemed before 365 days from the date of investment
	All Equity Schemes (other than IDFC Arbitrage Fund, IDFC Arbitrage Plus Fund ELSS Schemes of IDFC), IDFC Monthly Income Plan	Exit Load for all investment including SIP/Micro SIP/STP shall be 1% of the applicable NAV if redeemed /switched out within 365 days from the date of allotment
	IDFC Tax Advantage (ELSS) Fund (IDFC TA(ELSS)F)	Nil
	IDFC AA FoF (CP, MP,AP)	1.50% of the NAV shall be applicable if investors who redeem / switch out such investments within 18 months from the date of subscription applying First In First Out basis, (including investments through SIP/STP). Switches between Plans (within the scheme) shall not attract load (w.e.f. July 01, 2010).  The exit load/ CDSC of up to 1% of the redemption value charged to the unit holder by the Fund on redemption of units shall be retained by each of the schemes in a separate account and will be utilized for payment of commissions to the ARN Holder and to meet other marketing and selling expenses. Any amount in excess of 1% of the redemption value charged to the unit holder as exit load/ CDSC shall be credited to the respective scheme immediately
	IDFC NF	Nil
	In case of Switches, Exit load shall be NIL for all switch transactions between equity schemes of IDFC Mutual Fund. (With effect from: October 12, 2009).	
	<b>(II) ACTUAL EXPENSES</b>	
	<b>Scheme</b>	<b>Plans</b>
		<b>Actual Expenses for the previous financial year ended March 31, 2009 (%) (Unaudited)</b>
	IDFC-PEF	Plan A & B
	IDFC-CEF	Plan A & B
	IDFC-IEF	Plan A & B
	IDFC-SS(50-50)EF	Plan A & B
	IDFC-TA(ELSS)F	-
	IDFC-AF	Plan A & B
	IDFC-APF	Plan A & B
	IDFC-IGGF	-
	IDFC-SMEF	-
	IDFC-SSIF-IP	Plan A, B, C & F
	IDFC-SSIF-MT	Plan A, B & F
	IDFC-SSIF-ST	Plan A, B, C, D & F
	IDFC-GSF-IP	Plan A & B
	IDFC-GSF-ST	Plan A & B
	IDFC-GSF-PF	Plan A & B
	IDFC-DBF	Plan A & B
	IDFC-CF	Plan A, B & C
	IDFC-USTF	-
	IDFC-SAF	-
	IDFC-MMF-IP	Plan A, B & F
	IDFC-MMF-TP	Plan A, B, C, D & F
	IDFC-ASBF	Plan A
	IDFC-EEF	Plan A & B
<b>NUMBER OF FOLIOS &amp; AUM (as on July 30, 2010)</b>	<b>Fund Names</b>	<b>Number of Folio</b>
	IDFC Asset Allocation Fund of Fund	3710
	IDFC Arbitrage Fund	1358
	IDFC Arbitrage Plus Fund	795
	IDFC All Seasons Bond Fund	1938
	IDFC Cash Fund	878
	IDFC Classic Equity Fund	45393
	IDFC Dynamic Bond Fund	3022
	IDFC Enterprise Equity Fund	126143
	IDFC Imperial Equity Fund	39983
	IDFC Money Manager Fund	10153
	IDFC Premier Equity Fund	112128
	IDFC Small & Mid Cap Equity Fund	66451
	IDFC Strategic Sector (50-50) Equity Fund	1112
	IDFC Super Saver Income Fund	8525
	IDFC Tax Advantage Fund	30601
	IDFC India GDP Growth Fund	2388
		<b>AUM in crs.</b>
	IDFC Asset Allocation Fund of Fund	305.23
	IDFC Arbitrage Fund	147.75
	IDFC Arbitrage Plus Fund	100.51
	IDFC All Seasons Bond Fund	7.20
	IDFC Cash Fund	120.62
	IDFC Classic Equity Fund	265.13
	IDFC Dynamic Bond Fund	57.71
	IDFC Enterprise Equity Fund	579.79
	IDFC Imperial Equity Fund	544.65
	IDFC Money Manager Fund	4732.40
	IDFC Premier Equity Fund	1674.68
	IDFC Small & Mid Cap Equity Fund	831.68
	IDFC Strategic Sector (50-50) Equity Fund	42.25
	IDFC Super Saver Income Fund	1026.38
	IDFC Tax Advantage Fund	92.33
	IDFC India GDP Growth Fund	40.79

IDFC Nifty Fund	1455	46.92
IDFC Savings Advantage Fund	1342	2146.77
IDFC Monthly Income Plan	9234	273.73
IDFC Government Securities Fund	583	36.85
IDFC Ultra Short Term Fund	777	42.54

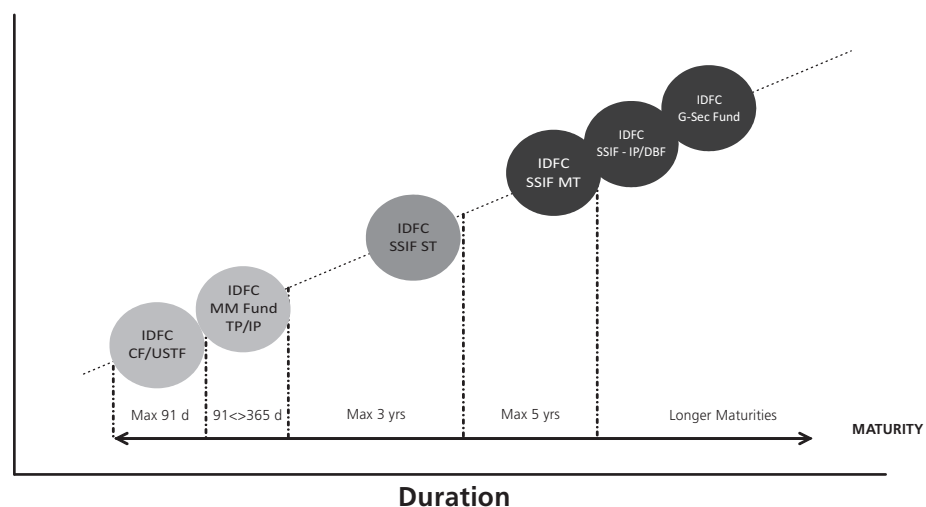
**COMPARISON OF EQUITY / INCOME SCHEMES WITH OTHER SCHEMES OF IDFC MUTUAL FUND IS AS UNDER**

Investment Products - Equity Funds



Fund	Comparison
IDFC Imperial Equity Fund	It is a diversified equity fund. It uses an active portfolio construction approach with large cap bias.
IDFC Enterprise Equity Fund	Tracks the index of the large cap stocks and invests in IPO opportunities.
IDFC Strategic Sector (50-50) Equity Fund	It is a large-cap focused fund that builds a portfolio with part concentration risk of a sector.
IDFC Classic Equity Fund	It is a diversified equity fund that captures the breadth of the market. It can invest across the capitalization universe.
IDFC India GDP Growth Fund	It invests across capitalization universe and invests in sectors that reflect India's high growth through a diversified portfolio.
IDFC Small & Midcap Equity Fund	It is a diversified equity fund that builds a portfolio of small & mid-cap companies.
IDFC Premier Equity Fund	It is a diversified equity fund that looks at young and high growth companies. Builds a portfolio of companies with strong tailwind of cultural and societal trends.
IDFC Arbitrage Fund & IDFC Arbitrage Plus Fund	Both these schemes do not take directional investments calls, The schemes invest in arbitrage opportunities in cash & derivative segments unlike other equity schemes of IDFC Mutual Fund which take directional investments.
IDFC Tax Advantage (ELSS) Fund	This Scheme is an Equity Linked Savings Scheme; Specified Investors in the Scheme are entitled to deductions of the amount invested in Units of the Scheme, subject to a maximum of Rs. 1,00,000 under and in terms of Section 80 C (2) (xiii) of the Income Tax Act, 1961.

**IDFC Asset Allocation Fund of Fund (AP, MP, CP), IDFC Monthly Income Plan & IDFC All Seasons Bond Fund :** All the schemes are Fund of Fund schemes. IDFC All Seasons Bond Fund predominantly invests in debt schemes/ Funds of IDFC Mutual Fund/ Other Mutual Funds unlike IDFC Asset Allocation Fund of Fund (AP, MP, CP) and IDFC Monthly Income Plan that invests in equity funds & Debt Funds of IDFC MF & other Mutual Fund schemes.



<b>Tax Treatment For The Investors (unitholders)</b>	Investors are advised to refer to the details in the Statement of Additional Information (SAI) and also independently refer to their tax advisor.
<b>Daily Net Asset Value (NAV) Publication</b>	The NAV will be declared on every Business Day & on every calendar day (in case of Liquid Schemes) except in special circumstances and will be published in 2 newspapers. NAV can also be viewed on <a href="http://www.idfcmf.com">www.idfcmf.com</a> and <a href="http://www.amfiindia.com">www.amfiindia.com</a> ; you can also contact us on our call free number -1-800-226622.

<b>For Investor Grievances Please Contact</b>	<b>Name and Address of Registrar</b>		
	Computer Age Management Services Private Limited, 148, Old Mahabalipuram Road, Okkiyamthuraipakkam, Chennai - 96.		
	<b>Name</b>	<b>Region</b>	<b>Address and Contact Number</b>
	Sunil Aryamane	West	17/18, 3rd Floor, Vaswani Mansion, 120, Dinshaw Vachha Road, Opp. K. C. College, Churchgate, Mumbai - 400 020. Tel.: 91-22-22841378 E-Mail ID : sunil.aryamane@idfcmf.com
	Vijith Raghavan	East	Oswal Chambers, 1st Floor, 2 Church Lane, Kolkata - 700 001. Tel.: 91-33-30249778 / 80 / 81. Fax: 91-33-3024 9793. E-Mail ID : vijith.raghavan@idfcmf.com
	Jincy John	North	4th Floor, Narain Manzil, 23, Barakhamba Road, New Delhi - 110 001. Tel.: 91-11-47311323. Fax: 91-11-23326669, 41524332. E-Mail ID : jincy.john@idfcmf.com
	Shaji Perincheri	South	KRM Tower, 8th Floor, No. 1, Harrington Road, Chetpet, Chennai - 600 031. Tel.: 91-44-45644200. Fax: 91-44-45644222. E-Mail ID : shaji.perincheri@idfcmf.com
<b>Unitholders' Information</b>	Accounts statement (on transactions), Annual financial results and Half yearly portfolio disclosure shall be provided to investors by post.		

Dated: August 10, 2010.

Notwithstanding anything contained in the Scheme Information Document (SID) / Statement of Additional Information (SAI) / Key Information Memorandum (KIM) the provisions of SEBI (Mutual Funds) Regulations 1996 and Guidelines thereunder shall be applicable. Further, investors may ascertain about any further changes from the Mutual Fund / Investor Service Centres / distributors or brokers.

All Plans are available for investments by all categories of investors.

\*In terms of SEBI Circular No. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor effective August 1, 2009. Upfront commission shall be paid directly by the investor to the AMFI registered Distributors based on the investors' assessment of various factors including the service rendered by the distributor.