

NOTICE

Notice is hereby given that Trustees of IDFC Mutual Fund have decided to declare dividend under dividend option of IDFC Premier Equity Fund (IDFC-PEF)

Scheme / Plan / Option	Dividend (Rs. Per unit) (subject to availability of distributable surplus)	NAV of Dividend Option (as on April 21, 2009)
IDFC Premier Equity Fund (Dividend Option) Plan - A	Rs. 1.50 per unit	Plan A – Rs. 15.1428

The Record Date for the purpose of declaring dividend has been fixed as April 28, 2009 for the scheme. All investors whose names appear in the register of unit holders as on the close of April 28, 2009 will receive dividend. **Pursuant to the payment of dividend, NAV of the scheme would fall to the extent of payout and statutory levy, if applicable.**

Risk Factors: Mutual Funds and securities investments are subject to market risks, reinvestment risk, changes in political, economic environment and government policy and there is no assurance or guarantee that the objectives of the Scheme will be achieved. The NAV of the Scheme can go up or down depending on factors and forces affecting the Securities Market. Past performance of the Sponsor/AMC/Mutual Fund is not necessarily indicative of the future performance of the Scheme and may not necessarily provide a basis for comparison with other investments. IDFC Premier Equity Fund (IDFC-PEF) is the name of the Scheme and does not in any manner indicate either the quality of the Scheme, its future prospects or returns. The Sponsor or any of its associates is not responsible or liable for any loss resulting from the operation of the Scheme beyond the corpus of the Trust of Rs. 30,000/-. Investors in the scheme are not being offered any guaranteed or assured rate of return. **Scheme specific risk:** The scheme proposes to invest in equity and equity related instruments which by nature are volatile and prone to price fluctuations on a daily basis due to both macro and micro factors. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments. **Investment Objective:** The Scheme shall 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 endeavor 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 fund 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 fund document. However, there can be no assurance that the investment objective of the scheme will be realized. **Terms of Issue, Redemption & Load Structure:** IDFC-PEF is Open Ended Equity Scheme. The Units are available at Applicable NAV, subject to applicable load, on all business days during the continuous offer. Entry Load (Plan A): During the Ongoing Offer Period load will be charged as follows: amount to be invested (including by way of SIP/STP) being less than Rs. 5 Crores - 2.25%, Rs. 5 Crores or more (including by way of SIP/STP) - Nil, by a FOF (irrespective of the amount of Purchase)-Nil, by way of Dividend Re-investment – Nil. A switch-in/STP may also attract an Entry Load like any Purchase however no load shall be chargeable on investments switched in by investor from any other Equity Scheme(s) of IDFC Mutual Fund (other than in case of switch-ins of less than Rs. 5 Crores from IDFC Arbitrage Fund and IDFC Arbitrage Plus Fund, where entry load of 2.25% shall be applicable). Such switches may however be subject to exit load as applicable in the scheme from where the investments are switched out. Entry Load (Plan B): Nil. Exit Load (Plan A & Plan B): For Redemption within 1 year from the date of subscription applying First in First out basis for investments (including through SIPs/ STPs/ SWP/STAR) - 1%. There will be no Exit load for investment made by FOF scheme irrespective of amount of redemption / switch out. No Entry / Exit Loads / CDSC will be chargeable in case of switches made between different options of the Scheme. No entry load will be charged in case of direct applications received by the AMC i.e. applications received through internet, submitted to AMC or collection centre/ Investor Service Centre that are not routed through any distributor/agent/broker. It shall also be applicable to additional purchases done directly by the investor under the same folio and switch-in to a scheme from other schemes if such a transaction is done directly by the investor. **Statutory Details:** IDFC Mutual Fund has been set up as a trust by Infrastructure Development Finance Company Limited (IDFC) (liability restricted to corpus of Trust of Rs. 30,000) with IDFC AMC Trustee Company Ltd. (Company with limited liability) as the trustee and IDFC Asset Management Company Ltd. (Company with limited liability) as the investment manager.

Copy of Offer Document / Scheme Information Document / Statement of Additional Information and Key Information Memorandum along with application form may be obtained from the office of IDFC Mutual Fund, One India Bulls Centre, 841, Jupiter Mills Compound, Senapati Bapat Marg, Elphinstone Road (West), Mumbai - 400 013. Contact 1-800-226622 for details.

For other scheme specific risk factors and other details please read the Offer Document/Scheme Information Document/Statement of Additional Information carefully before investing.