

Addendum No 39–December 2012

ADDENDUM dated December 04, 2012 to the Scheme Information Document(s)/Key Information Memorandum(s) (as applicable) of the schemes of IDFC Mutual Fund

1) The following changes has been made in the SIP ECS Mandate Form

In case of SIP's where the end date is not mentioned by the investors, the SIP shall be considered as perpetual SIP (end date 2099).

2) The following line has been added in all the SID's of IDFC Mutual Fund under the paragraph "Who can Invest"

Subscriptions from residents in Canada shall not be accepted by the scheme with immediate effect

3) Modifications in the paragraph titled "Annual Scheme Recurring Expenses" in all the SIDs/KIMs of the IDFC Mutual Fund

a) Pursuant to clarification issued by SEBI vide its circular no. CIR/IMD/DF/24/2012 dated November 19, 2012 and in line with our current practice, investors are requested to note the following revised provisions in the captioned paragraph:

Existing provision	Revised provision
Service tax on brokerage and transaction cost paid for asset purchases, if any, shall be within the limit prescribed under regulation 52 of the SEBI Regulations.	Service tax on brokerage and transaction cost paid for execution of trade, if any, shall be within the limit prescribed under regulation 52 of the Regulations.
Brokerage and Transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment, not xceeding 0.12 per cent in case of cash market transactions and 0.05 per cent in case of derivatives transactions.	Brokerage and Transaction costs incurred for the execution of trades may be capitalized to the extent of 0.12 per cent of the value of trades in case of cash market transactions and 0.05 per cent of the value of trades in case of derivatives transactions. Any payment towards brokerage and transaction costs incurred for the execution of trades, over and above the said 0.12 per cent and 0.05 per cent for cash market transactions and derivatives transactions respectively may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under Regulation 52 of the SEBI (Mutual Funds) Regulations, 1996. Any expenditure in excess of the said prescribed limit (including brokerage and transaction costs, if any) shall be borne by the AMC or by the Trustee or Sponsors.

b) Service tax on other than management and advisory fees:

- Service tax on other than investment and advisory fees, if any, shall be borne by the scheme within the maximum limit of TER as per regulation 52 of the Regulations.
- Service tax on exit load, if any, shall be paid out of the exit load proceeds and exit load net of service tax, if any, shall be credited to the scheme.
- Service tax on brokerage and transaction cost paid for asset purchases, if any, shall be within the limit prescribed under regulation 52 of the Regulations.

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

Dated: December 04, 2012