

Addendum No 65–June 2013

ADDENDUM dated June 26, 2013 to the Scheme Information Document(s)/Key Information Memorandum(s)/Statement of Additional Information (as applicable) of the schemes of IDFC Mutual Fund

1. Introduction of Half Yearly Dividend Option in IDFC Dynamic Bond Fund – Regular Plan

The Board of Directors of IDFC AMC Trustee Company Ltd. (Trustee of IDFC Mutual Fund) has decided to introduce Half Yearly Dividend Option under IDFC Dynamic Bond Fund – Regular Plan. Under this option the Board shall reserve the right to declare Half Yearly Dividend, subject to availability of distributable surplus.

The above half yearly dividend option shall be effective from July 01, 2013

2. Appointment of Key Personnel and Change in fund management responsibilities:

- A. Mr. Yogik Pitti has been appointed as a Key Personnel of IDFC Asset Management Company Limited and shall be the fund manager for IDFC Arbitrage Fund and IDFC Arbitrage Plus Fund w.e.f. June 27, 2013.

The following modifications shall be effected in the Scheme Information Document of the IDFC Arbitrage Fund and IDFC Arbitrage Plus Fund and Statement of Additional Information.

Details of Mr. Yogik Pitti are as under:

Name/ Designation	Qualification	Brief Experience (past 10 years)
Mr. Yogik Pitti – Senior Manager	B.Com.	He is associated with IDFC Mutual Fund since 2007 as Equity Dealer. He has an overall experience of over 6 years.

- B. Change in fund managers of various schemes of IDFC Mutual Fund w.e.f June 27, 2013 is as under:

Name of the Schemes	Existing Fund Managers(s)	Proposed New Fund Manager(s)
IDFC Sterling Equity Fund	Kenneth Andrade	Aniruddha Naha
IDFC Imperial Equity Fund	Ankur Arora & Kenneth Andrade	Ankur Arora
IDFC Strategic Sector (50-50) Equity Fund	Kenneth Andrade	Ankur Arora
IDFC Equity Fund	Ankur Arora	Kenneth Andrade

Name of the Schemes	Existing Fund Managers(s)	Proposed New Fund Manager(s)
IDFC Monthly Income Fund	Suyash Choudhary & Kenneth Andrade	Punam Sharma
IDFC Infrastructure Fund	Kenneth Andrade	Rajendra Mishra
IDFC Arbitrage Fund	Suyash Choudhary & Kenneth Andrade	Yogik Pitti
IDFC Arbitrage Plus Fund	Suyash Choudhary & Kenneth Andrade	Yogik Pitti

C. Details of the Fund Managers.

Details of Mr. Aniruddha Naha are as under:

Name/ Designation	Qualification	Brief Experience
Mr. Aniruddha Naha Associate Director - Fund Management	Master in Finance & Control	Prior to IDFC, he was heading the Naha Fund Management & Control Offshore Advisory for Mirae Asset Investment management (Nov. 2012 t March 2013) in Mumbai. Prior to that, he worked with the Mirae Global team (July 2010 to October 2012) in Hong Kong as a Fund Manager for the India Solomon Fund, India Infrastructure fund and the Asia Banking Fund. Prior to joining Mirae Global Investment team in Hong Kong, he has worked as a fund manager with DSP Blackrock MF, where he was managing the DSP Blackrock Microcap Fund. He has a collective experience of 13 years.

Other Schemes managed by Mr. Aniruddha Naha: IDFC Tax Saver Fund and IDFC Tax Advantage (ELSS) Fund

Details of Mr. Ankur Arora are as under:

Name/ Designation	Qualification	Brief Experience
Mr. Ankur Arora Associate Director - Fund Management	PGDM (IIM-Lucknow), B.Com.	He has more than seven years of experience in equity market, spread between research and portfolio management. Prior to joining IDFC, he was working with ING Investments Management (India) Pvt. Ltd. as Portfolio Manager - Equities. Prior to that he has worked with Macquarie Capital Securities, Evalueserve.com Pvt Ltd. and UTI Asset Management Co. Pvt. Ltd.

Other Schemes managed by Mr. Ankur Arora: IDFC Classic Equity Fund and IDFC India GDP Growth Fund.

Details of Mr. Kenneth Andrade are as under:

Name/ Designation	Qualification	Brief Experience
Mr. Kenneth Andrade CIO, Head-Investments	B.Com.	He has been with IDFC Mutual Fund since 2005 the year when the organization (then Standard Chartered Mutual Fund) launched its equity business. Apart from heading the investment function he actively manages few Equity schemes at the AMC. He has worked across industry in the investment function for the last 22 years having started his career in 1991. His last two assignments were at the Kotak Mutual Fund (2002-2005) where he was a portfolio/ fund manager and at Sharekhan/ SSKI where he headed portfolio advisory (1999 – 2002)

Other Schemes managed by Mr. Kenneth Andrade: IDFC Premier Equity Fund and IDFC Equity Opportunity Series 1

Details of Ms. Punam Sharma are as under:

Name/ Designation	Qualification	Brief Experience
Ms. Punam Sharma Director - Fund Management	B.Sc. (Non Medical), MBA (Finance)	She is a management graduate with over 12 years of experience, 11 years of which has been in the Indian Mutual Fund Industry. She has over 7 years of experience in equity market research spanning companies across market capitalizations and sectors. In her more than a decade long career with the Mutual Fund Industry she has amassed experience in product planning and development, mutual fund research and fixed income training Her last Assignment was at Kotak Mahindra Asset management Company where she was responsible for setting up of the research desk, Product Planning and development.

Other Schemes managed by Ms. Punam Sharma: IDFC Asset Allocation Fund of Fund- Conservative Plan, Moderate Plan, & Aggressive Plan, IDFC Nifty Fund, IDFC Capital Protection Oriented Fund Series II & III & IDFC Savings Scheme Series I.

Details of Mr. Rajendra Mishra are as under:

Name/ Designation	Qualification	Brief Experience
Rajendra Kumar Mishra Associate Director - Fund Management	PGDM (IIM Lucknow), B.E.	He has around 11 years of work experience, 8 years of which has been in equity markets. In his last assignment, he was designated as Vice President, Proprietary Equity at IDFC Ltd. wherein he was responsible for investments in the hybrid infrastructure equity portfolio across listed/unlisted space. Prior to that, he worked with JP Morgan, Asian Paints and Telco.

3. Appointment of Compliance Officer

Mr. Ketav Chaphekar has been appointed as Compliance Officer for IDFC Asset Management Company Limited w.e.f June 27, 2013.

Details of Mr. Ketav Chaphekar are as under:

Name/ Designation	Qualification	Brief Experience (past 10 years)
Mr. Ketav Chaphekar Senior Vice President - Compliance	ACS, Grad.CWA, M.Com.	Prior to joining IDFC, he was working with Franklin Templeton Asset Management (India) Pvt. Ltd. (2004-2013) where he handled compliance for mutual fund and PMS activities. Prior to that, he worked with Mehta & Mehta, Company Secretaries (2001-2003 including 15 months of Apprenticeship training under the CS course) handling corporate secretarial matters. He has a total experience of 14 years.

4. Introduction of a SIP-Care Facility

A facility called "SIP-Care" has been introduced by the AMC which is a normal Systematic Investment Plan (SIP) in the equity scheme which will allow subscribers to avail preventive health care and related services at a discounted rate. No additional cost would be charged to the customer or to the fund for this benefit. There are certain specific health care benefits attached to this "SIP care". The subscribers would be provided a Health Card which will help them in getting certain benefits provided by Indian Health Organization Pvt. Ltd. (IHO) through their network of doctors and medical practitioners and pathology labs etc. This facility will be effective from July 2, 2013. The product features and associated terms and conditions are as under:

1. GENERAL INSTRUCTIONS

- (a) Prospective investor(s) / Unitholder(s) are requested to read the Scheme Information Document ("SID"), Key Information Memorandum ("KIM") of the relevant Schemes offered under the SIP-Care facility (collectively the "Offering Documents") and these instructions and terms and conditions ("Instructions") carefully before opting for the facility.

- (b) Prospective investor(s) / Unitholder(s) proposing to avail the SIP-Care Facility ("User") are deemed to have read and accepted the terms and conditions as stated in the Offering Documents, the Know Your Customer (KYC) norms, the Privacy and Security Policy on the website of the Mutual Fund and these Instructions, and bind themselves to the terms thereof upon opting for the facility.
- (c) The AMC is offering the SIP-Care facility with a view to accommodate / facilitate the User and is as such offered at the sole discretion of the AMC. The AMC is not bound and / or obliged in any way to give SIP-Care facility to the User.
- (d) **Product Features:**
 - i. SIP Care is available only in the monthly frequency.
 - ii. SIP-Care would be available only for an SIP of 36 months or more
 - iii. In case of SIP-Care minimum amount has been kept as Rs. 2000/-. Any SIP care application for a monthly SIP of less than Rs. 2000/- would be rejected.
 - iv. The Health care benefits would be discontinued and the Card would be deactivated if the SIP is discontinued during the period for which the AMC is offering the facility.
 - v. The Health care benefits are available to the subscribers of IDFC SIP Care only for a period of one year from the date of subscription. The subscribers desirous of availing the facility beyond 1 year can get the card renewed by paying the fees directly to IHO.
 - vi. All the other terms and condition of the normal SIP facility will be applicable to SIP-Care facility.
- (e) **Product Health Care Benefits.** The subscribers for SIP Care will have to contact the IHO Helpline to seek appointments and availing the benefits offered. All benefits are available through appointment and with the IHO empanelled entity only.

2. UNITHOLDER INFORMATION

- (a) SIP-Care facility is only available to Resident Individuals (with mode of holding of the folio as 'single' or 'anyone or survivor' or 'either or survivor') and minors (through guardians). This facility is not available to User(s) who are non-resident investors (including NRIs/PIOs) and non-individuals entities such as HUF, Corporates, Partnership Firms, Trusts etc.
- (b) In case of 'single' holding folio, SIP-Care facility will be offered to the sole User. In case the mode of holding of the folio is 'Anyone or Survivor', the AMC shall offer the facility in favour of the first holder mentioned in the folio.
- (c) User(s) should specify their full name, PAN details, folio no, mobile number and email address in the 'Unitholders Information' section in the Registration cum Debit Mandate. User's name and mobile number should match with the details in the existing folio, failing which the Registration cum Debit Mandate is liable to be rejected.
- (d) The mobile number specified in the Registration form will be registered for availing this SIP-Care facility and such details will supersede corresponding existing details (if any) for the User(s) folio. A user can avail benefits under the SIP-Care facility only through the registered mobile no. Only one folio can be tagged to one mobile number and once a mobile number is registered for one folio, the same mobile number cannot be re-registered against another folio in the Mutual Fund. Further, only one mobile number can be registered against one folio.

3. FUND OPTION

SIP-Care is currently available only to subscribers of equity schemes of IDFC Mutual Fund under any plan or option. All other criteria like load structure and cutoff time etc of the normal Systematic Investment Plan (SIP) would be applicable to SIP-Care scheme as well.

4. OTHER TERMS AND CONDITIONS

- (a) All Healthcare related services would be provided by IHO. IHO shall issue Health Cards to customers of SIP-Care. IHO shall provide all the benefits and services associated to the Health Cards to the SIP-Care customers. IHO shall be solely responsible for providing the health services to the subscribers of SIP Care.
- (b) The User has to immediately notify the AMC/Mutual Fund on toll-free number 1800 2666688 followed by email from his registered email address informing of the loss or change in mobile number, to enable the AMC/Mutual Fund to de-register the mobile number mapped to the Health care facilities and register the new Mobile Number.
- (c) The User agrees that the AMC / the Mutual Fund has the sole discretion at any time to restrict or permit a particular set/class of User(s) from availing the SIP-Care facility, subject to SEBI Regulations.
- (d) The User(s) understands that the data / information provided by him / her / them pursuant to dealing with the AMC / Mutual Fund could be dealt/shared by the AMC with the Sponsor or its associates, Trustee Company, Registrar, banks and / or authorized external third parties who are involved in transaction processing, dispatches, etc. of the Scheme or who have been appointed by the Trustees/AMC to provide services to the Scheme, distributors or sub-brokers or any other persons for compliance with any legal or regulatory requirements or directives or to verify the identity of User(s) for complying with anti-money laundering requirements or for prevention of fraud purposes in accordance with the Privacy and Security Policy of the Mutual Fund which is available on its website www.idfcmf.com.
- (e) The AMC / Mutual Fund may at its sole discretion modify / vary or suspend the SIP-Care facility in whole or in part, at any time with or without prior notice to the User(s), as may be deemed expedient or necessary. By agreeing to these Instructions, the User(s) shall at all times be bound by any such modifications / variations or suspension to the SIP-Care facility.
- (f) AMC will take all reasonable steps to ensure accuracy; the AMC is not liable for any error. If the User(s) defaults in intimating the alleged discrepancies in the statement within a period of thirty (30) days of receipt of the statement, he / she / it waives all his rights to raise the same against the AMC, unless the discrepancy /error is apparent on the face of it.
- (g) Providing SIP-Care facility shall not be considered as solicitation to buy or an offer to sell or recommendation for a security or any other product or service, to any person in any jurisdiction where such solicitation, offer, recommendation, purchase or sale would be unlawful under the laws of that jurisdiction.
- (h) The AMC accepts no liability whatsoever, direct or indirect, for non-compliance with the laws of any country other than the Republic of India.

- (i) The AMC will not be liable to the User(s) for any damages whether direct or indirect, consequential or special, exemplary or punitive losses, costs or injury suffered, by the User(s), or by others, related to the use of the Health Care benefits provided by IHO to the subscribers of SIP care..
 - (j) The grant of SIP-Care facility is not transferable / assignable under any circumstances.
 - (k) The User(s) understands that the AMC shall, at its discretion, decide to make available additional schemes under the SIP-Care facility from time to time. The User(s) acknowledges and agrees to be bound by the terms and conditions of this SIP-Care facility for such additional schemes that the AMC may make available from time to time.
5. Additionally, the subscriber(s) confirm that the AMC, Registrar or their respective delegates, agents, representatives or service providers, shall under no circumstances be liable for any damages or losses whatsoever whether such damages or losses are direct, indirect, incidental, consequential and irrespective of whether any claim is based on loss of revenue, investment, production, goodwill, profit, interruption of business or any other loss or want character or nature whatsoever and whether sustained by the User(s) or any other person, due to: error, defect, failure, interruption, disruption or non-availability of SIP-Care facility in the desired manner for reasons including but not limited to cancellation of the SIP-Care facility, natural calamity, floods, fire and other natural disasters, legal restraints, period maintenance of servers, technical fault/error or virus, any failure of the service provider, loss or corruption of data, mobile device failure or malfunctioning, faults or failures in telecommunication network, software or hardware error or any other reason beyond the control of the AMC;

All other features shall remain the same as set out in the Scheme Information Document/Key Information Memorandum of the schemes of IDFC Mutual Fund

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

Addendum Date: June 26, 2013