

## KEY INFORMATION MEMORANDUM

### IDFC Asset Management Company Limited IDFC Mutual Fund

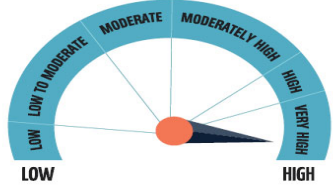
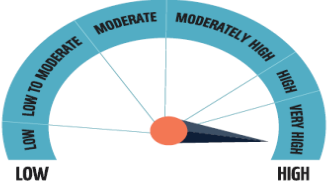
#### IDFC MULTI CAP FUND

*(Multi Cap Fund - An open-ended equity scheme investing across large cap, mid cap, small cap stocks)*

This product is suitable for investors who are seeking\*:

- To create wealth over a long term
- Investment in a portfolio of large, mid and small cap equity and equity related securities

*\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.*

Scheme Riskometer#	Benchmark Riskometer
 <p>LOW TO MODERATE MODERATE MODERATELY HIGH HIGH VERY HIGH LOW HIGH</p> <p>Investors understand that their principal will be at Very High risk</p>	 <p>LOW TO MODERATE MODERATE MODERATELY HIGH HIGH VERY HIGH LOW HIGH</p> <p><b>NIFTY 500 Multicap 50:25:25 TRI</b></p>

Offer of Units at Rs.10 each during the New Fund Offer and Continuous offer for Units at NAV based prices.

Face value of units of the Scheme is Rs. 10 per unit

<b>New Fund Offer Opens on</b>	<b>:</b>	<b>November 12, 2021</b>
<b>New Fund Offer Closes on</b>	<b>:</b>	<b>November 26, 2021</b>

The Scheme will re-open for ongoing subscription and redemption within five business days from the date of allotment of units.

#The product labelling assigned during the New Fund Offer is based on internal assessment of the Scheme Characteristics or model portfolio and the same may vary post NFO when actual investments are made.

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 Investor Service Centres or distributors or from the website [www.idfcmf.com](http://www.idfcmf.com).**

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with 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.

<b>Name of the Mutual Fund</b>	:	IDFC MUTUAL FUND
<b>Name of the Asset Management Company</b>	:	IDFC ASSET MANAGEMENT COMPANY LIMITED
<b>Name of the Trustee Company</b>	:	IDFC AMC TRUSTEE COMPANY LIMITED
<b>Address of the entities</b>	:	6 <sup>th</sup> Floor One World Centre, Jupiter Mills Compound, 841, Senapati Bapat Marg, Mumbai – 400013
<b>Website</b>	:	<a href="http://www.idfcmf.com">www.idfcmf.com</a>

#### INVESTMENT OBJECTIVE:

The Fund seeks to generate long term capital appreciation by investing in a diversified portfolio of equity & equity related instruments across large cap, mid cap, small cap stocks.

Disclaimer: There is no assurance or guarantee that the objectives of the scheme will be realised.

#### ASSET ALLOCATION:

Instruments	Indicative Allocation (% of total assets)		Risk Profile
	Minimum	Maximum	
Equity and Equity related Instruments of which:	75%	100%	
Large Cap^ Companies	25%	50%	Medium to High
Mid Cap^ Companies	25%	50%	
Small Cap^ Companies	25%	50%	
International equity, equity mutual funds*	0%	25%	Medium to High
Debt Securities and Money Market Instruments (including Government securities, securitised debt)	0%	25%	Low to Medium

#### ^Definition of Large Cap, Mid Cap and Small Cap:

As per the SEBI circular SEBI/HO/IMD/DF3/CIR/P/2017/114 of Oct 06 2017 a definition has been provided of large cap, mid cap and small cap as follows.

- Large Cap: 1st - 100th company in terms of full market capitalization
- Mid Cap: 101st - 250th company in terms of full market capitalization
- Small Cap: 251st company onwards in terms of full market capitalization.

The said list would be uploaded on the AMFI website and would be updated every six months based on the data as on the end of June and December of each year or periodically as specified by SEBI.

Subsequent to any updation in the above list, the portfolio would be re-balanced in line with the updated list within a period of one month.

This definition and updation will continue till such time that it may be revised or modified by SEBI or any other agency as prescribed by SEBI.

- \*Investment in International equity, equity mutual funds - up to 25% of the total assets of the scheme. The scheme intends to invest maximum of USD 30 million in Overseas securities. This limit will be applicable for a period of six months from the date of closure of NFO, subject to overall limit of fund house up to maximum of US\$ 1 billion.
- Investment in Securities Lending - up to 20% of the total assets with maximum single counter party exposure restricted to 5% of the total assets.

- Exposure in Equity Derivatives (other than for hedging purpose) - up to 50% of total assets
- Gross Exposure to Repo of Corporate Debt Securities – up to the extent permitted by the Regulations (currently up to 10% of total assets, subject to change in line with the regulations from time to time).
- The Scheme shall invest in securitized debt - up to 10% of the total assets.

The Scheme may engage in short selling of securities in accordance with the applicable guidelines / regulations.

The Scheme will not invest in foreign securitized debt.

The scheme will not invest in debt Instruments having Structured Obligations / Credit Enhancements.

The scheme will not invest in Debt Derivatives instruments.

The scheme will not invest in commodity derivatives.

The scheme will not invest in Credit Default Swaps (CDS).

The scheme will not invest in instruments having special features as stated in SEBI circular no. SEBI/HO/IMD/DF4/CIR/P/2021/032 dated March 10, 2021, SEBI/HO/IMD/DF4/CIR/P/2021/034 dated March 22, 2021 as amended from time to time.

The cumulative gross exposure through equity, debt, derivative positions (including fixed income derivatives), repo transactions, other permitted securities/assets and such other securities/assets as may be permitted by the Board from time to time, subject to regulatory approvals if any, should not exceed 100% of the net assets of the scheme.

#### **INVESTMENT STRATEGY:**

Being in the Multi-Cap category, the scheme will invest across all market capitalization categories. The scheme will invest a minimum of 25% each in large, mid, and Small Cap stocks, with the balance of 25% providing flexibility to the fund manager to invest in market capitalization categories and/or foreign securities depending on opportunities available at the time.

The Scheme would a bottom-up approach to investing and will endeavor to be diversified across various sectors and/ or market capitalization categories. The focus of the scheme would be on identifying companies with long-term growth potential, disciplined capital allocation, and sound management pedigree.

While the Scheme would invest a substantial portion of its investible assets in equity and equity-related instruments including exposure to foreign securities, there might be periods when the scheme may be invested in debt & money market instruments and other liquid instruments or both. The scheme may also have exposure to Futures & Options to capture any opportunities and to hedge the portfolio, whenever necessary.

#### **CREATION OF SEGREGATED PORTFOLIO**

The AMC may create segregated portfolio of debt and money market instruments in a mutual fund scheme in case of a credit event / actual default and to deal with liquidity risk.

In this regard, the term ‘segregated portfolio’ shall mean a portfolio comprising of debt or money market instrument affected by a credit event / actual default that has been segregated in a mutual fund scheme and the term ‘main portfolio’ shall mean the scheme portfolio excluding the segregated portfolio. The term ‘total portfolio’ shall mean the scheme portfolio including the securities affected by the credit event / actual default.

A segregated portfolio may be created in a mutual fund scheme in case of a credit event at issuer level i.e. downgrade in credit rating by a SEBI registered Credit Rating Agency (CRA), as under:

- a. Downgrade of a debt or money market instrument to 'below investment grade', or
- b. Subsequent downgrades of the said instruments from 'below investment grade', or
- c. Similar such downgrades of a loan rating.

In case of difference in rating by multiple CRAs, the most conservative rating shall be considered. Creation of segregated portfolio shall be based on issuer level credit events as detailed above and implemented at ISIN level.

Further, segregated portfolio of unrated debt or money market instruments may also be created in case of actual default of either the interest or principal amount.

#### **Monitoring by Trustees:**

1. In order to ensure timely recovery of investments of the segregated portfolio, trustees will ensure that:
  - a. The AMC puts in sincere efforts to recover the investments of the segregated portfolio.
  - b. Upon recovery of money, whether partial or full, it shall be immediately distributed to the investors in proportion to their holding in the segregated portfolio. Any recovery of amount of the security in the segregated portfolio even after the write off shall be distributed to the investors of the segregated portfolio.
  - c. An action taken report on the efforts made by the AMC to recover the investments of the segregated portfolio is placed in every trustee meeting till the investments are fully recovered / written-off.
  - d. The trustees shall monitor the compliance of guidelines prescribed by SEBI in this regard and disclose in the half-yearly trustee reports filed with SEBI, the compliance in respect to every segregated portfolio created.
2. In order to avoid misuse of the segregated portfolio facility, the Trustees have ensured that the AMC has a mechanism in place to negatively impact the performance incentives of the Fund Manager, Chief Investment Officer (CIO), etc involved in investment process of securities under the segregated portfolio, mirroring the existing mechanism for performance incentives of the AMC, including claw back of such amount to the segregated portfolio of the Scheme.

For detailed process for creation of segregated portfolios, illustration on how segregated portfolios will work, etc. please refer to the Scheme Information Document / Statement of Additional Information (SAI) available on the Mutual Fund's website.

#### **WHERE WILL THE SCHEME INVEST?**

The corpus of the Scheme will be invested in equity and equity related products & in debt and money market instruments.

Subject to the Regulations, the corpus of the Scheme will mainly be invested in any (but not exclusively) of the following securities:

1. Equity and Equity related instruments of the relevant sectors include equity warrants and convertible instruments.
2. ADRs / GDRs issued by Indian company's subject to necessary regulatory requirements (or such other limits that the regulations may permit from time to time).
3. Stock futures / index futures and such other permitted derivative instruments.
4. Securities created and issued by the Central and State Governments and/or repos/reverse repos in such Government Securities/Corporate Bonds as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).

5. Securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).
6. Debt instruments issued by domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee.
7. Corporate debt and securities (of both public and private sector undertakings) including Bonds, Debentures, Notes, Strips, etc.
8. Debt instruments (both public and private sector) issued by banks / development financial institutions.
9. Money market instruments permitted by SEBI including call money market or in alternative investments for the call money market as may be provided by RBI to meet the liquidity requirements.
10. Certificate of Deposits (CDs).
11. Commercial Paper (CPs).
12. Securitized debt
13. The non-convertible part of convertible securities.
14. Any other domestic fixed income securities as may be permitted by SEBI/ RBI from time to time.
15. International securities including stocks, equity Mutual Funds and other permitted overseas instruments.
16. Any other securities / instruments as may be permitted by SEBI from time to time, subject to regulatory approvals if any.

The Scheme may invest in another scheme managed by the same AMC or by the AMC of any other Mutual Fund without charging any fees on such investments, provided that aggregate inter-scheme investment made by all schemes managed by the same AMC or by the AMC of any other Mutual Fund shall not exceed 5% of the net asset value of the Fund.

The securities mentioned above could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity. The securities may be acquired through Initial Public Offerings (IPOs), secondary market operations, private placement, rights offer or negotiated deals. The scheme may invest the funds of the scheme in short term deposits of scheduled commercial banks as permitted under extant regulations.

The Scheme may also enter into repurchase and reverse repurchase obligations in all securities held by it as per the guidelines and regulations applicable to such transactions.

The Scheme may participate in securities lending as permitted under the Regulations. Investment in overseas securities shall be made in accordance with the requirements stipulated by SEBI and RBI from time to time.

Pending deployment of funds of the Scheme in securities in terms of the investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, August 16, 2019 and September 20, 2019 as amended from time to time. The AMC shall not charge any investment management and advisory fees for parking of funds in such short term deposits of scheduled commercial banks for the scheme.

## **RISK PROFILE OF THE SCHEME**

### **Scheme Specific Risk Factors**

1. The scheme seeks to invest minimum of 25% in large, mid and small market cap companies at all points in time. This nature of the portfolio may result in higher volatility vis-à-vis other diversified equity oriented funds. It may also entail higher market liquidity risk since there will be minimum 50% investment in small cap and mid cap companies.
2. The companies are subject to risks arising from exchange rate fluctuations.
3. The value of the Scheme's investments, may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency

- exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. Consequently, the NAV of the Units of the Scheme may fluctuate and can go up or down.
4. While securities that are listed on the stock exchange carry lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges. Money market securities, while fairly liquid, lack a well-developed secondary market, which may restrict the selling ability of the Scheme(s) and may lead to the Scheme(s) incurring losses till the security is finally sold.
  5. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Scheme. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances leading to delays in receipt of proceeds from sale of securities. The NAV of the Scheme(s) can go up and down because of various factors that affect the capital markets in general.
  6. Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options to the investor, including a put option. Within the Regulatory limits, the AMC may choose to invest in unlisted securities that offer attractive yields. This may however increase the risk of the portfolio.
  7. The NAV of the Scheme is likely to be affected by changes in the prevailing rates of interest.
  8. The AMC may, considering the overall level of risk of the portfolio, invest in lower rated/ unrated securities offering higher yields. This may increase the risk of the portfolio.
  9. Different segments of the Indian 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. By the same rationale, the inability to sell securities held in the Scheme's portfolio due to the absence of a well developed and liquid secondary market for debt securities would result, at times, in potential losses to the Scheme, in case of a subsequent decline in the value of securities held in the Scheme's portfolio.
  10. Different types of securities in which the scheme would invest (bonds / money market instruments etc.) as given in the Scheme Information Document carry different levels and types of risks. Accordingly the scheme's risk may increase or decrease depending upon its investment pattern. 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.
  11. As zero coupon securities do not provide periodic interest payments to the holder of the security, these securities are more sensitive to changes in interest rates. Therefore, the interest rate risk of zero coupon securities is higher. The AMC may choose to invest in zero coupon securities that offer attractive yields. This may increase the risk of the portfolio. Zero coupon or deep discount bonds are debt obligations that do not entitle the holder to any periodic payment of interest prior to maturity or a specified date when the securities begin paying current interest and therefore, are generally issued and traded at a discount to their face values. The discount depends on the time remaining until maturity or the date when securities begin paying current interest. It also varies depending on the prevailing interest rates, liquidity of the security and the perceived credit risk of the Issuer. The market prices of zero coupon securities are generally more volatile than the market prices of securities that pay interest periodically.
  12. Apart from normal credit risk, zero coupon bonds carry an additional risk, unlike bonds that pay interest throughout the period to maturity, zero coupon instruments/deferred interest bonds typically would not realise any cash until maturity. If the issuer defaults, the Scheme may not obtain any return on its investment.
  13. **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.

14. **Reinvestment Risk:** Investments in fixed income securities may carry reinvestment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.
15. **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.
16. **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.
17. **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.
18. **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.
19. **Other Risk:** In case of downward movement of interest rates, floating rate debt instruments will give a lower return than fixed rate debt instruments.
20. **Securities Lending:** Engaging in securities lending is subject to risks related to fluctuations in collateral value and settlement/liquidity and counter party risks. The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of another party, in this case the approved intermediary, to comply with the terms of agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure to comply can result in the possible loss of rights in the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary. The Mutual Fund may not be able to sell such lent securities and this can lead to temporary illiquidity.
21. **Short-selling of Securities:** Purchasing a security entails the risk of the security price going down. Short selling of securities (i.e. sale of securities without owning them) entails the risk of the security price going up there by decreasing the profitability of the short position. Short selling is subject to risks related to fluctuations in market price, and settlement/liquidity risks. If required by the Regulations, short selling may entail margin money to be deposited with the clearing house and daily mark to market of the prices and margins. This may impact fund pricing and may induce liquidity risks if the fund is not able to provide adequate margins to the clearing house. Failure to meet margin requirements may result in penalties being imposed by the exchanges and clearing house.

#### **Risks associated with segregated portfolio:**

1. Liquidity risk – A segregated portfolio is created when a credit event / default occurs at an issuer level in the scheme. This may reduce the liquidity of the security issued by the said issuer, as demand for this security may reduce. This is also further accentuated by the lack of secondary market liquidity for corporate papers in India. As per SEBI norms, the scheme is to be closed for redemption and subscriptions until the segregated portfolio is created, running the risk of investors being unable to redeem their investments. However, it may be noted that, the proposed segregated portfolio is required to be formed within one day from the occurrence of the credit event.

Investors may note that no redemption and subscription shall be allowed in the segregated portfolio. However, in order to facilitate exit to unit holders in segregated portfolio, AMC shall list the units of the segregated portfolio on a recognized stock exchange within 10 working days of creation of segregated portfolio and also enable transfer of such units on receipt of transfer requests. For the units listed on the exchange, it is possible that the market price at which the units are traded may be at a discount to the NAV of such Units. There is no assurance that an active secondary market will develop for units of segregated portfolio listed on the stock exchange. This could limit the ability of the investors

to resell them.

2. Valuation risk - The valuation of the securities in the segregated portfolio is required to be carried out in line with the applicable SEBI guidelines. However, it may be difficult to ascertain the fair value of the securities due to absence of an active secondary market and difficulty to price in qualitative factors.

For more disclosures on Risk factors, please refer to Scheme Information Document.

### RISK MANAGEMENT STRATEGIES

Risk Description	Risk management strategy
<b>Quality risk:</b> Risk of investing in fund with poor performance	Fund universe carefully selected to only include high quality schemes
<b>Liquidity risk:</b> Risk of liquidity impact of entering/ exiting the underlying funds	Scheme will endeavor to ensure that the investment made by the scheme of the underlying funds is not material to the overall AUM of the underlying scheme.
<b>Concentration risk:</b> Risk of undue concentration in the portfolio	As the Scheme will predominantly invest in units of Underlying Funds which invest in US Securities, the Scheme carries concentration risk. However, Underlying Funds may have diversified portfolios comprising equities of various companies and concentration risk to that extent is minimized.
<b>Volatility:</b> Price volatility due to volatility in the equity and debt markets	Control the asset allocation of the scheme to the equity and debt markets manage volatility.

### PLANS AND OPTIONS

The Scheme offers **Regular Plan & Direct Plan**.

Both the Plans will have separate NAV and a common portfolio.

Regular Plan: Regular plan is for investors purchasing / subscribing units in this scheme through distributors

Direct Plan: Direct Plan is only for investors who purchase /subscribe Units in a Scheme directly with the Fund and is not available for investors who route their investments through a distributor

Both the Plans under the Scheme offer **Income Distribution cum capital withdrawal Option<sup>^</sup> & Growth Option**. Dividend Option under each Plan further offers of choice of **Payout of Income Distribution cum capital withdrawal option, Reinvestment of Income Distribution cum capital withdrawal option & Transfer of Income Distribution cum capital withdrawal option**.

<sup>^</sup>the amounts can be distributed out of investors capital (Equalization Reserve), which is part of sale price that represents realized gains.

Please note that where the Unitholder has opted for Payout of Income Distribution cum capital withdrawal option and in case the amount of dividend payable to the Unitholder is Rs.100/- or less under a Folio, the same will be compulsorily reinvested in the Scheme.

**Default option:** The investors must clearly indicate the Option/facility (Growth or Income Distribution cum capital withdrawal option / Reinvestment of Income Distribution cum capital withdrawal option or Payout of Income Distribution cum capital withdrawal option or Transfer of Income Distribution cum capital withdrawal option) in the relevant space provided for in the Application Form. In case the investor does not select any Option, the default shall be considered as **Growth Option**. Within dividend Option if the investor does not select any facility, then default facility shall be **Reinvestment of Income Distribution cum capital withdrawal option**.



Investors subscribing under Direct Plan of a Scheme will have to indicate “Direct Plan” in the application form e.g. “IDFC Multi Cap Fund - Direct Plan”. Investors should also indicate “Direct” in the ARN column of the application form.

**Treatment of applications under "Direct" / "Regular" Plans:**

Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured
1	Not mentioned	Not mentioned	Direct Plan
2	Not mentioned	Direct	Direct Plan
3	Not mentioned	Regular	Direct Plan
4	Mentioned	Direct	Direct Plan
5	Direct	Not Mentioned	Direct Plan
6	Direct	Regular	Direct Plan
7	Mentioned	Regular	Regular Plan
8	Mentioned	Not Mentioned	Regular Plan

In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of application without any exit load.

**CUT OFF TIMING FOR SUBSCRIPTIONS/ REDEMPTIONS/ SWITCHES:**

Subscription and redemption facility is available on a continuous basis.

Applicable NAV

**For Subscriptions / Switch-ins (irrespective of application amount):**

1. In respect of valid applications received upto 3.00 p.m on a Business Day at the official point(s) of acceptance and funds for the entire amount of subscription/purchase (including switch ins) as per the application are credited to the bank account of the Scheme before the cut-off time on same day i.e available for utilization before the cut-off time - the closing NAV of the day shall be applicable
2. In respect of valid applications received after 3.00 p.m on a Business Day at the official point(s) of acceptance and funds for the entire amount of subscription/purchase (including switch ins) as per the application are credited to the bank account of the Scheme either on same day or before the cut-off time of the next Business Day i.e available for utilization before the cut-off time of the next Business Day - the closing NAV of the next Business Day shall be applicable
3. Irrespective of the time of receipt of application at the official point(s) of acceptance, where funds for the entire amount of subscription/purchase (including switch-ins) as per the application are credited to the bank account of the Scheme before the cut-off time on any subsequent Business Day - i.e available for utilization before the cut-off time on any subsequent Business Day - the closing NAV of such subsequent Business Day shall be applicable.
4. In case of switch transactions from one scheme to another scheme, units allotment in switch-in scheme shall be in line with the redemption payouts.

The aforesaid provisions shall also apply to systematic transactions i.e Systematic Investment Plan (SIP), Systematic Transfer Plan (STP), Transfer of Income Distribution cum capital withdrawal plan etc. irrespective of the installment date or Income Distribution cum capital withdrawal record date.

**For Repurchase/Redemption/Switch-outs:**

In respect of valid applications received upto 3.00 pm by the Mutual Fund, same day’s closing NAV shall be applicable. In respect of valid applications received after 3.00 pm by the Mutual Fund, the

closing NAV of the next business day shall be applicable.

#### **MINIMUM APPLICATION AMOUNT/ NUMBER OF UNITS**

**During New Fund Offer:** Rs. 5000/- and in multiples of Re. 1/- thereafter

#### **During Ongoing Offer:**

##### **Subscription:**

- Fresh Purchase including switch-in - Rs. 5000/- and in multiples of Re. 1/- thereafter
- Additional Purchase including switch-in - Rs. 1,000/- and in multiples of Re. 1/- thereafter
- SIP - Rs. 100 and in multiples of Re. 1/- thereafter
- STP (being Target Scheme): Rs. 1,000/- and any amount thereafter (for Fixed amount option) / Rs.500/- and any amount thereafter (for capital appreciation option)
- SWP - Rs. 200 and any amount thereafter

##### **Redemption:**

Rs. 1,000/- or the account balance of the investor, whichever is less.

The redemption will be at Applicable NAV based prices, subject to applicable exit load. In case an investor has purchased Units on more than one Business Day, the Units purchased prior in time (i.e. those Units which have been held for the longest period of time) will be deemed to have been redeemed first i.e. on a First-in First-Out basis.

#### **DESPATCH OF REPURCHASE (REDEMPTION) REQUEST:**

Within 10 working days of the receipt of the redemption request at the authorised centre of IDFC Mutual Fund.

#### **RIGHT TO RESTRICT REDEMPTION OR SUSPEND REDEMPTION IN THE SCHEME**

The AMC/Trustee, at its sole discretion, reserves the right to impose restriction on redemption (including switches) or suspend redemption (including switches) from the Scheme in the general interest of the Unitholders of the Scheme and keeping in view the unforeseen circumstances/unusual market conditions.

Imposition of such restriction will be subject to following conditions:

- a) Restriction on redemption may be imposed when there are circumstances leading to a systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as:
  - i. Liquidity issues - when market at large becomes illiquid affecting almost all securities rather than any issuer specific security;
  - ii. Market failures, exchange closures;
  - iii. Operational issues – when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures.
- b) Restriction on redemption may be imposed for a period not exceeding 10 working days in any 90 days period.
- c) When restriction on redemption is so imposed, the following procedure shall be applied:
  - i. No redemption requests of value up to Rs.2 lakhs shall be subject to such restriction.
  - ii. For redemption request of value above Rs.2 lakhs, the first Rs.2 lakhs shall be redeemed without such restriction and the restriction shall apply for the redemption amount exceeding Rs.2 lakhs.

Any restriction on Redemption or suspension of redemption (including switches) of the Units in the Scheme shall be made applicable only after specific approval of the Board of Directors of the AMC and the Trustee Company and thereafter, immediately informing the same to SEBI.

It is clarified that since the occurrence of the abovementioned eventualities have the ability to impact the overall market and liquidity situation, the same may result in exceptionally large number of Redemption requests being made and in such a situation the indicative timelines (i.e. within 3 Business Days for schemes other than interval funds and within 1 Business Day for interval funds) mentioned by the Fund in the scheme offering documents, for processing of requests for Redemption may not be applicable.

The AMC / Trustee reserves the right to change / modify the provisions of right to restrict or suspend redemption of Units in the Scheme, subject to the applicable regulatory provisions from time to time.

**DIVIDEND POLICY:**

Dividend declaration and distribution shall be in accordance with SEBI Regulations as applicable from time to time. The AMC reserves the right to declare dividend from time to time, depending on availability of distributable surplus. There is no assurance or guarantee to Unitholders as to the rate of dividend distribution nor will that dividends be paid, though it is the intention of the Mutual Fund to make dividend distributions.

Dividends, if declared, will be paid out of the net surplus of the Scheme to those Unit holders whose names appear in the Register of Unitholders on the record date. The actual date for declaration of dividend will be notified suitably to the Registrar. It may be noted that pursuant to payment of dividend, NAV of the dividend option of the Scheme would fall to the extent of dividend payout and statutory levy, if any.

**DIVIDEND:**

The dividend warrants shall be dispatched to the unitholders within 15 days from the record date.

**DELAY IN PAYMENT OF REDEMPTION / REPURCHASE PROCEEDS AND DIVIDEND WARRANTS:**

The Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).

**TREATMENT OF UNCLAIMED DIVIDEND & REDEMPTION AMOUNTS:**

In accordance with No SEBI/HO/IMD/DF2/CIR/P/2016/37 dated February 25, 2016, the unclaimed Redemption amount and dividend amount may be deployed by the Mutual Fund in call money market or money market Instruments as well as in a separate plan or liquid scheme/money market mutual fund scheme floated by mutual funds. Investors who claim these amounts during a period of three years from the due date shall be paid initial unclaimed amount along with the income earned on its deployment. Investors who claim these amounts after 3 years, shall be paid initial unclaimed amount along with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education. AMC shall play a proactive role in tracing the rightful owner of the unclaimed amounts considering the steps suggested by regulator vide the referred circular. Further, AMC shall not charge any exit load in this plan and TER (Total Expense Ratio) of such plan shall be capped at 50 bps.

**BENCHMARK INDEX:**

NIFTY 500 Multicap 50:25:25 TRI

**NAME OF THE FUND MANAGER:**

Mr. Daylynn Pinto (equity portion), Mr. Harshal Joshi (debt portion) and Mr. Viraj Kulkarni (overseas investment portion) will be the fund managers of the Scheme.

(Since the Scheme is a new scheme, tenure of the fund manager(s) is not available)

**NAME OF THE TRUSTEE COMPANY: IDFC AMC TRUSTEE COMPANY LIMITED**

**PERFORMANCE OF THE SCHEME:**

Since the Scheme is a new scheme, this information is not available.

**ADDITIONAL DISCLOSURES:****a. Scheme Portfolio holdings:**

Since the Scheme is a new scheme, this information is not available. Monthly portfolio statement of the Scheme will be hosted on website – <http://www.idfcmf.com/Downloads.aspx>

**b. Portfolio Turnover:**

Since the Scheme is a new scheme, this information is not available.

**LOAD STRUCTURE:**

**Entry load:** Nil

**Exit Load:**

- 1% of applicable NAV - if the units are redeemed/switched out within 1 year from the date of allotment
- Nil – if the units are redeemed / switched-out after 1 year from the date of allotment

**TRANSACTION CHARGES:**

In accordance with SEBI circular no. CIR/ IMD/ DF/ 13/ 2011 dated August 22, 2011, Transaction Charge per subscription of Rs.10,000 and above shall be charged from the investors and shall be payable to the distributors/ brokers (who have opted in for charging the transaction charge for this scheme) in respect of applications routed through distributor/ broker relating to Purchases / subscription / new inflows only (lump sum and SIP), subject to the following:

- For Existing / New investors: Rs.100 / Rs.150 as applicable per subscription of Rs. 10,000/ – and above
- Transaction charge for SIP shall be applicable only if the total commitment through SIP amounts to Rs.10,000/ – and above. In such cases the transaction charge would be recovered in maximum 4 successful installments.
- There shall be no transaction charge on subscription below Rs.10,000/-.
- There shall be no transaction charges on direct investments.

The Transaction Charge as mentioned above shall be deducted by the AMC from the subscription amount of the Unit Holder and paid to the distributor and the balance shall be invested in the Scheme.

The statement of account shall clearly state that the net investment as gross subscription less transaction charge and give the number of units allotted against the net investment.

The requirement of minimum application amount shall not be applicable if the investment amount falls below the minimum amount required due to deduction of transaction charges from the subscription amount.

The AMCs shall be responsible for any malpractice/mis-selling by the distributor while charging transaction costs.

**EXPENSES OF THE SCHEME:**

**NFO Expenses:** New Fund offer expenses will be borne by the AMC.

**Recurring Expenses:**

As per SEBI (MF) Regulations, 1996, recurring expenses will not exceed the following limits

1. on the first Rs. 500 crore of the Scheme's daily net assets, will not exceed 2.25%;
2. on the next Rs. 250 crore of the Scheme's daily net assets, will not exceed 2.00%;

3. on the next Rs. 1,250 crore of the Scheme's daily net assets, will not exceed 1.75%;
4. on the next Rs. 3,000 crore of the Scheme's daily net assets, will not exceed 1.60%;
5. on the next Rs. 5,000 crore of the Scheme's daily net assets, will not exceed 1.50%;
6. on the next Rs. 40,000 crore of the Scheme's daily net assets, Total Expense Ratio reduction of 0.05% for every increase of Rs. 5,000 crores of daily net assets or part thereof; and
7. on balance of the assets, will not exceed 1.05%.

In addition to the recurring expense mentioned above, additional expenses of 0.05% of daily net assets of the scheme shall be chargeable.

The total fees and expenses for operating the scheme as listed hereunder would be 2.30% (2.25% plus 0.05%) of the daily net assets which includes expenses towards management fees, commission, marketing expense and other expense relating to operating the scheme.

Expense Head	% of daily Net Assets
Investment Management and Advisory Fees	Upto 2.25%
Trustee fee	
Audit fees	
Custodian fees	
RTA Fees	
Marketing & Selling expense incl. agent commission	
Cost related to investor communications	
Cost of fund transfer from location to location	
Cost of providing account statements and dividend redemption cheques and warrants	
Costs of statutory Advertisements	
Cost towards investor education & awareness (at least 2 bps) ^	
Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.	
Goods & Services Tax on expenses other than investment and advisory fees	
Goods & Services Tax on brokerage and transaction cost @	
Other Expenses	
<b>Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and (6) (a) &amp;#x209c;</b>	<b>Upto 2.25%</b>
Additional expenses under regulation 52 (6A) (c)	Upto 0.05%
Additional expenses for gross new inflows from specified cities	Upto 0.30%

^ In terms of SEBI Circular No. CIR/IMD/DF/21/2012 dated September 13, 2012, the AMC / Mutual Fund shall annually set apart at least 2 basis points (i.e. 0.02%) on daily net assets of the scheme within the maximum limit of Total Expense Ratio as per Regulation 52 of the SEBI (MF) Regulations for investor education and awareness initiatives.

@ Brokerage and transaction costs incurred for the execution of trades and included in the cost of investment, not exceeding 0.12 per cent of the value of trades of cash market transactions and 0.05 per cent of the value of trades of derivative market transactions. Thus, in terms of SEBI circular CIR/IMD/DF/24/2012 dated November 19, 2012, it is hereby clarified that the 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 of cash market transactions and 0.05 per cent of the value of trades of derivative market transactions. Any payment towards brokerage and transaction costs (including Goods & Services Tax, if any) incurred for the execution of trades, over and above the said 0.12 per cent for cash market transactions and 0.05 per cent of the value of trades of derivative market transactions may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under

Regulation 52 of the SEBI (MF) Regulations.

The expense of 30 bps shall be charged if the new inflows from retail investors from B30 cities as specified from time to time are at least -

(i) 30 per cent of gross new inflows from retail investors in the scheme, or; (ii) 15 per cent of the average assets under management (year to date) of the scheme, whichever is higher:

Provided that if inflows from retail investors from B30 cities is less than the higher of sub-clause (i) or sub-clause (ii), such expenses on daily net assets of the scheme shall be charged on proportionate basis.

Provided further that expenses charged under this clause shall be utilized for distribution expenses incurred for bringing inflows from retail investors from B30 cities. Provided further that amount incurred as expense on account of inflows from retail investors from B30 cities shall be credited back to the scheme in case the said inflows are redeemed within a period of one year from the date of investment.

In case inflows from retail investors from beyond top 30 cities is less than the higher of (i) or (ii) above, additional TER on daily net assets of the scheme shall be charged as follows:

Daily net assets X 30 basis points X New inflows from individuals beyond top 30 cities

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365\* X Higher of (i) or (ii) above

\* 366, wherever applicable.

For the above purposes, 'B30 cities' shall be beyond Top 30 cities as at the end of previous financial year as communicated by AMFI. Retail investors would mean individual investors from whom inflows into the Scheme would amount upto Rs. 2,00,000/- per transaction.

Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc and no commission for distribution of Units will be paid / charged under Direct Plan. All fees and expenses charged in a Direct Plan (in percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in other than Direct Plan.

The AMC shall adhere provisions of SEBI Circular dated October 22, 2018 and various guidelines specified by SEBI as amended from time to time, with reference to charging of fees and expenses. Accordingly:

- a. All scheme related expenses including commission paid to distributors, shall be paid from the Scheme only within the regulatory limits and not from the books of the AMC, its associates, sponsor, trustee or any other entity through any route.  
Provided that, such expenses that are not specifically covered in terms of Regulation 52 (4) can be paid out of AMC books at actual or not exceeding 2 bps of the Scheme AUM, whichever is lower.
- b. The Fund / the AMC shall adopt full trail model of commission in the Scheme, without payment of any upfront commission or upfronting of any trail commission, directly or indirectly, in cash or kind, through sponsorships, or any other route.
- c. All fees and expenses charged in a Direct Plan (in percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in Regular Plan.
- d. No pass back, either directly or indirectly, shall be given by the Fund / the AMC / Distributors to the investors.

### Disclosure on Goods & Services Tax:

Goods & Services Tax on investment management and advisory fees shall be in addition to the above expense.

Further, with respect to Goods & Services Tax on other than management and advisory fees:

- Goods & Services 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.
- Goods & Services Tax on exit load, if any, shall be paid out of the exit load proceeds and exit load net of Goods & Services Tax, if any, shall be credited to the scheme.
- Goods & Services Tax on brokerage and transaction cost paid for asset purchases, if any, shall be within the limit prescribed under regulation 52 of the Regulations.

For the actual current expenses being charged to the Scheme, the investor should refer to the website of the mutual fund at [www.idfcmf.com](http://www.idfcmf.com) (Home > Total Expense Ratio of Mutual Fund Schemes). Any change proposed to the current expense ratio will be updated on the website at least three working days prior to the change.

As per the Regulations, the total recurring expenses that can be charged to the Scheme in this Scheme information document shall be subject to the applicable guidelines. The total recurring expenses of the Scheme, will however be limited to the ceilings as prescribed under Regulation 52(6) of the Regulations.

### Impact of Expense on the performance of the Scheme

Particulars		Dates	
		1-Apr-21	2-Apr-21
Opening Net Assets	a	100,000.00	100,119.62
Income earned during the day	b	25.00	20.00
Incremental Portfolio gain	c	100.00	-80
Net Assets before expenses	a+b+c	100,125.00	100,059.62
Units Balance	d	1,000.00	1,000.00
NAV before charging expenses	(a+b+c)/d	100.125	100.0596
Expenses charged @ 2% p a	e	5.38	5.38
Net Assets after expenses	a+b+c-e	100,119.62	100,054.25
NAV after charging expenses	(a+b+c-e)/d	100.1196	100.0542
i.e. final NAV			
Returns before expenses		46%	-22%
Returns after expenses		44%	-24%
expenses charged = e = (a+b+c)*expense ratio/(100+ expense ratio)/365 days			

### TAX TREATMENT FOR THE INVESTORS (UNITHOLDERS):

Investors are requested to refer to Statement of Additional Information (SAI) available on website [www.idfcmf.com](http://www.idfcmf.com) and also independently refer to the tax advisor.

### DAILY NET ASSET VALUE (NAV) PUBLICATION:

NAV will be determined for every Business Day except in special circumstances. The NAV shall be calculated and rounded off up to at least two decimals, as decided by the AMC from time to time. The first NAV shall be calculated and disclosed within 5 business days of allotment.

NAV of the Scheme shall be made available on the website of AMFI ([www. amfiindia.com](http://www.amfiindia.com)) and the Mutual Fund ([www.idfcmf.com](http://www.idfcmf.com)) by 11.00 p.m. on all business days. In case the NAV is not uploaded by 11.00 p.m it shall be explained in writing to AMFI for non adherence of time limit for uploading NAV on AMFI's website. If the NAVs are not available before the commencement of business hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV. The NAV shall also be available on the Toll Free number 1-800-300-66688/1-800-2666688 and on the website of the Registrar and Transfer Agent CAMS ([www.camsonline.com](http://www.camsonline.com)).

In case the NAV is not uploaded by 11.00 p.m. on same business day, it shall be explained in writing to AMFI for non adherence of time limit for uploading NAV on AMFI's website. If the NAVs are not available before the commencement of business hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.

**FOR INVESTOR GRIEVANCES PLEASE CONTACT:**

Name	Address and Contact Number
Ms. Neeta Singh	6 <sup>th</sup> Floor, One World Center, Jupiter Mills Compound, 841 Senapati Bapat Marg, Mumbai 400013. Contact number #022 66289999 Email: <a href="mailto:investormf@idfc.com">investormf@idfc.com</a> Fax: 022-66466953

**UNITHOLDERS' INFORMATION:**

**Account Statements**

**For NFO allotment and fresh purchase during ongoing sales with creation of a new Folio:**

- The AMC shall allot the units to the applicant whose application has been accepted and also send confirmation specifying the number of units allotted to the applicant by way of email and/or SMS's to the applicant's registered email address and/or mobile number within five working days from the date of closure of the NFO / transaction.
- The AMC shall issue to the investor whose application has been accepted, an account statement specifying the number of units allotted within five business days of closure of NFO/transaction. For allotment in demat form the account statement shall be sent by the depository / depository participant, and not by the AMC.
- For NFO allotment in demat form, the AMC shall issue units in dematerialized form to a unit holder within two working days of the receipt of request from the unit holder.
- For those unitholders who have provided an e-mail address, the AMC will send the account statement by e-mail instead of physical statement.
- The unitholder may request for an account statement by writing / calling us at any of the ISC and the AMC shall provide the account statement to the investor within 5 business days from the receipt of such request.

Pursuant to sub regulation (1), (2) and (4) of Regulation 36 of SEBI (Mutual Funds) Regulations, 1996 read with SEBI circulars no. Cir/ IMD/DF/16/ 2011 dated September 08, 2011, no. Cir/MRD/D9/31/2014 dated November 12, 2014, no. SEBI/HO/IMD/DF2/CIR/P/2016/42dated March 18, 2016 and no. SEBI/HO/IMD/DF2/CIR/P/2016/89 dated September 20, 2016, investors are requested to note the following regarding dispatch of account statements:



**A) Consolidated Account Statement (CAS) - for Unitholders who have registered their PAN / PEKRN with the Mutual Fund:**

Investors who hold demat account and have registered their PAN with the mutual fund:

For transactions in the schemes of IDFC Mutual Fund, a Consolidated Account Statement, based on PAN of the holders, shall be sent by Depositories to investors holding demat account, for each calendar month on or before fifteenth day of the succeeding month to the investors in whose folios transactions have taken place during that month.

Due to this regulatory change, AMC has now ceased sending account statement (physical / e-mail) to the investors after every financial transaction including systematic transactions.

The CAS shall be generated on a monthly basis. AMCs/ RTAs shall share the requisite information with the Depositories on monthly basis to enable generation of CAS. Consolidation of account statement shall be done on the basis of PAN. In case of multiple holding, it shall be the PAN of the first holder and pattern of holding. Based on the PANs provided by the AMCs/MF-RTAs, the Depositories shall match their PAN database to determine the common PANs and allocate the PANs among themselves for the purpose of sending CAS. For PANs which are common between depositories and AMCs, the Depositories shall send the CAS.

In case investors have multiple accounts across the two depositories, the depository having the demat account which has been opened earlier shall be the default depository which will consolidate details across depositories and MF investments and dispatch the CAS to the investor. However, option shall be given to the demat account holder by the default depository to choose the depository through which the investor wishes to receive the CAS.

In case of demat accounts with nil balance and no transactions in securities and in mutual fund folios, the depository shall send the account statement to the investor as specified under the regulations applicable to the depositories.

Consolidated account statement sent by Depositories is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan, bonus etc. (including transaction charges paid to the distributor) and transaction in dematerialised securities across demat accounts of the investors and holding at the end of the month. The CAS shall also provide the total purchase value / cost of investment in each scheme.

Further, a consolidated account statement shall be sent by Depositories every half yearly (September/March), on or before twenty first day of succeeding month, providing the following information:

- holding at the end of the six month
- The amount of actual commission paid by AMCs/Mutual Funds (MFs) to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each MF scheme. The term 'commission' here refers to all direct monetary payments and other payments made in the form of gifts / rewards, trips, event sponsorships etc. by AMCs/MFs to distributors. Further, a mention may be made in such CAS indicating that the commission disclosed is gross commission and does not exclude costs incurred by distributors such as Goods & Services Tax (wherever applicable, as per existing rates), operating expenses, etc.
- The scheme's average Total Expense Ratio (in percentage terms) along with the break up between investment and advisory fees, commission paid to the distributor and other expenses for the period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in.

Such half-yearly CAS shall be issued to all MF investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period.

Investors whose folio(s)/demat account(s) are not updated with PAN shall not receive CAS. Investors are therefore requested to ensure that their folio(s)/demat account(s) are updated with PAN.

For Unit Holders who have provided an e-mail address to the Mutual Fund or in KYC records, the CAS will be sent by e-mail. However, where an investor does not wish to receive CAS through email, option shall be given to the investor to receive the CAS in physical form at the address registered in the Depository system.

Investors who do not wish to receive CAS sent by depositories have an option to indicate their negative consent. Such investors may contact the depositories to opt out.

Other investors:

The Consolidated Account Statement (CAS) for each calendar month shall be issued on or before fifteenth day of succeeding month to the investors who have provided valid Permanent Account Number (PAN) / PAN Exempt KYC Registration Number (PEKRN).

Due to this regulatory change, AMC has now ceased sending physical account statement to the investors after every financial transaction including systematic transactions.

The CAS shall be generated on a monthly basis. The Consolidated Account Statement issued is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan, bonus etc. (including transaction charges paid to the distributor) and holding at the end of the month. The CAS shall also provide the total purchase value / cost of investment in each scheme.

Further, a consolidated account statement shall be issued every half yearly (September/March), on or before twenty first day of succeeding month, providing the following information:

- holding at the end of the six month
- The amount of actual commission paid by AMCs/Mutual Funds (MFs) to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each MF scheme. The term 'commission' here refers to all direct monetary payments and other payments made in the form of gifts / rewards, trips, event sponsorships etc. by AMCs/MFs to distributors. Further, a mention may be made in such CAS indicating that the commission disclosed is gross commission and does not exclude costs incurred by distributors such as Goods & Services Tax (wherever applicable, as per existing rates), operating expenses, etc.
- The scheme's average Total Expense Ratio (in percentage terms) along with the break up between investment and advisory fees, commission paid to the distributor and other expenses for the period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in.

Such half-yearly CAS shall be issued to all MF investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period.

The CAS will be sent via email (instead of physical statement) where any of the folios consolidated has an email id or to the email id of the first unit holder as per KYC records.

**B) For all Unitholders**

In case of a specific request received from the unit holder, the AMC shall provide the account statement to the investor within 5 business days from the receipt of such request.

### **Monthly and Half Yearly Portfolio Disclosures:**

The Mutual Fund/AMC shall e-mail to all unitholders (if an e-mail address is provided) the complete scheme portfolio as at the end of each month and each half year (i.e., 31st March and 30th September) within ten days of end of the month/half year. These shall also be displayed on the website of the Mutual Fund ([www.idfcmf.com](http://www.idfcmf.com)) and that of AMFI ([www.amfiindia.com](http://www.amfiindia.com)) in a user-friendly and downloadable spreadsheet format. Investors may also place a specific request to the Mutual Fund for sending the half yearly portfolio through email. The Mutual Fund shall publish an advertisement disclosing uploading of such half yearly scheme portfolios on its website, in all India editions of one English and one Hindi daily newspaper. The Mutual Funds shall provide a physical copy of the scheme portfolio, without charging any cost, on specific request received from a unitholder.

### **Half Yearly Financial Results**

The Mutual Fund shall within one month from the close of each half year, that is on 31st March and on 30th September, host a soft copy of its unaudited financial results on their website and shall publish an advertisement disclosing the hosting of such financial results on their website, in atleast one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the mutual fund is situated.

The unaudited financial results will be displayed on the website of the Mutual Fund ([www.idfcmf.com](http://www.idfcmf.com)) and that of AMFI ([www.amfiindia.com](http://www.amfiindia.com)).

### **Annual Report**

The Scheme wise annual report or an abridged summary hereinafter shall be sent by AMC/Mutual Fund as under:

- (i) by e-mail to the Unit holders whose e-mail address is available with the Fund,
- (ii) in physical form to the Unit holders whose email address is not available with the Fund and who have expressly opted-in to receive physical copy of the same.

The scheme wise annual report or an abridged summary shall be sent by mail/e-mail not later than four months from the date of closure of the relevant accounting year (i.e. 31st March each year).

The physical copy of the scheme wise annual report or abridged summary shall be made available to the investors at the registered office of the AMC. Physical copy of the abridged summary of the Annual Report shall be provided to the unitholder, without charging any cost, on such specific request by the unitholder.

A link of the scheme annual report shall be displayed prominently on the website of the Mutual Fund ([www.idfcmf.com](http://www.idfcmf.com)) and that of AMFI ([www.amfiindia.com](http://www.amfiindia.com)). The Mutual Fund shall publish an advertisement disclosing uploading of such scheme annual report thereof on its website, in all India editions of one English and one Hindi daily newspaper.

### **COMPARISON WITH OTHER EQUITY FUND OF IDFC MUTUAL FUND:**

<b>Name of the scheme</b>	<b>Category of the scheme</b>	<b>Type of scheme</b>	<b>Investment Objective</b>
IDFC Focused Equity Fund	Focused Fund	An open ended equity scheme investing in maximum 30 stocks with multi cap	The investment objective of the Scheme is to generate long term capital appreciation by investing in a concentrated portfolio of equity and equity related instruments up to 30 companies.

Name of the scheme	Category of the scheme	Type of scheme	Investment Objective
		focus	Disclaimer: There is no assurance or guarantee that the objectives of the scheme will be realized.
IDFC Sterling Value Fund	Value Fund	An open ended equity scheme following a value investment strategy	The investment objective of the Scheme is to seek to generate capital appreciation from a diversified portfolio of equity and equity related instruments by following a value investment strategy.  <u>Disclaimer:</u> There is no assurance or guarantee that the objectives of the scheme will be realised.
IDFC Core Equity Fund	Large & Mid Cap Fund	An open ended equity scheme investing in both large cap and mid cap stocks	The Scheme seeks to generate long-term capital growth by investing predominantly in large cap and mid cap stocks.  <u>Disclaimer:</u> There is no assurance or guarantee that the objectives of the scheme will be realised.
IDFC Tax advantage (ELSS) Fund	ELSS	An open ended equity linked saving scheme with a statutory lock in of 3 years and tax benefit	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.  <u>Disclaimer:</u> 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)
IDFC Flexi Cap Fund	Flexi Cap Fund	An open ended dynamic equity scheme investing across large cap, mid cap, small cap stocks	The Scheme shall seek to generate long-term capital growth by investing in a diversified portfolio of equity and equity related instruments across market capitalization – large cap, mid cap and small cap, fixed income securities and Money Market Instruments.  <u>Disclaimer:</u> There is no assurance or guarantee that the objectives of the scheme will be realised.
IDFC Large Cap Fund	Large Cap Fund	An open ended equity scheme predominantly investing in large	The investment objective of the Scheme is to seek to generate capital growth from predominantly investing in large cap stocks.

Name of the scheme	Category of the scheme	Type of scheme	Investment Objective
		cap stocks	<u>Disclaimer:</u> There is no assurance or guarantee that the objectives of the scheme will be realised.
IDFC Infrastructure Fund	Sectoral / Thematic	An open ended equity scheme investing in Infrastructure sector	The investment objective of the scheme is to seek to generate long-term capital growth through an active diversified portfolio of predominantly equity and equity related instruments of companies that are participating in and benefiting from growth in Indian infrastructure and infrastructural related activities.  <u>Disclaimer:</u> However, there can be no assurance that the investment objective of the scheme will be realized.
IDFC Emerging Businesses Fund	Small Cap Fund	Small Cap Fund – An open ended equity scheme predominantly investing in small cap stocks	The Fund seeks to generate long term capital appreciation by investing predominantly in equities and equity linked securities of small cap segment.  <u>Disclaimer:</u> There is no assurance or guarantee that the objectives of the scheme will be realised.
IDFC Midcap Fund (proposed fund)	Mid Cap Fund	An open ended equity scheme predominantly investing in mid cap stocks.	The Fund seeks to generate long term capital appreciation by investing predominantly in equities and equity linked securities of mid cap segment.  <u>Disclaimer:</u> There is no assurance or guarantee that the objectives of the scheme will be realised.

**Please refer to the Statement of Additional Information and Scheme Information Document for any further details.**

The Scheme Information Document containing details of the Scheme of IDFC Mutual Fund, had been approved by the Board of IDFC AMC Trustee Company Limited on July 26, 2021. The Board of Directors of IDFC AMC Trustee Company Limited have ensured that the scheme approved by them is a new product offered by the Mutual Fund and is not a minor modification of the existing scheme/fund/product.

**For IDFC Asset Management Company Limited**

Sd/-  
**Vishal Kapoor**  
CEO

Date: October 18, 2021