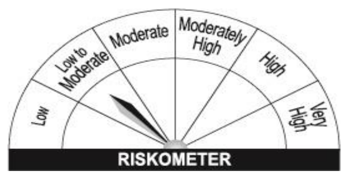
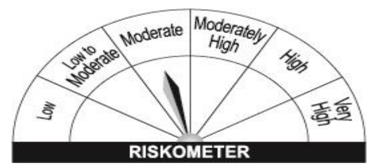
KEY INFORMATION MEMORANDUM (KIM)

IDBI DYNAMIC BOND FUND

(An open-ended dynamic debt scheme investing across duration. A relatively high interest rate risk and relatively low credit risk scheme.)

This product is suitable for investors who are seeking*:		
	Scheme Risk-o-meter	**Benchmark Risk-o-meter**
• Generate Income along with attendant liquidity through active management of portfolio with at least medium term horizon • Investments in Debt (including Government Securities)/ Money market instruments	 Investors understand that their principal will be at Low to Moderate Risk	 Investors understand that their principal will be at Moderate Risk

Potential Risk Class (PRC) Matrix (as per SEBI Circular No. SEBI/HO/IMD/IMD-II DOF3/P/CIR/2021/573 dated June 07, 2021)	Credit Risk → Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	Relatively Low (Class I)			
	Moderate (Class II)			
	Relatively High (Class III)	A-III		

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

Continuous offer for Units at NAV related prices

Name of Mutual Fund	IDBI Mutual Fund
Name of Asset Management Company	IDBI Asset Management Limited (AMC) **(CIN: U65100MH2010PLC199319)**
Name of Trustee Company	IDBI MF Trustee Company Limited **(CIN: U65991MH2010PLC199326)**
Address – Registered Office	IDBI Tower, WTC Complex, Cuffe Parade, Colaba Mumbai 400005
Address - Corporate Office	4th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400 005, Maharashtra
Website	www.idbimutual.co.in

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. Idbimutual.co.in

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.

 # The average AUM for IDBI Dynamic Bond Fund for half year rolling period 16th January 2022 – 17th July 2022 has gone below from Rs. 20 crores to Rs. 19.90 crores on July 17th, 2022. As per the SEBI Regulations the Scheme has been wound up and the unit holders have been paid off on December 8, 2022.

The Key Information Memorandum is dated April 28, 2023.

<table>
<tr><td>Investment Objective</td><td>The objective of the Scheme is to generate regular income while maintaining liquidity through active management of a portfolio comprising of debt and money market instruments. However, there is no guarantee or assurance that the investment objective of the scheme will be achieved.</td></tr>
<tr><td>Asset Allocation Pattern</td><td>Under normal circumstances the asset allocation pattern will be:

<table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative Allocation</th><th rowspan="2">Risk Profile</th></tr>
<tr><td>Minimum</td><td>Maximum</td></tr>
<tr><td>Debt instruments (including fixed/floating rate debt instruments, government securities and securitized debt)</td><td>0%</td><td>100%</td><td>Low to Medium</td></tr>
<tr><td>Money Market Instruments</td><td>0%</td><td>100%</td><td>Low</td></tr>
</table>

Investment in Securitized Debt not to exceed 25% of the net assets of the Scheme.

The Mutual Fund shall comply with the applicable provisions of SEBI Circular dated January 7, 2014 and all other guidelines issued by SEBI, Exchanges and other Governmental authorities with respect to transactions in securitized debt instruments.

Investment in Derivatives will be up to 50% of the net assets of the Scheme. Investment in derivatives shall be for hedging, portfolio balancing and such other purposes as maybe permitted from time to time. All investments in derivative instruments shall be subject to the limits mentioned in SEBI circular ref. Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010

The Scheme does not propose to invest in ADRs/GDRs and foreign securities.

In case of Mutual Fund Schemes entering into repo transactions, in corporate debt securities at any point in time, the gross exposure of the concerned Scheme to repo transactions (including reverse repo) in corporate debt securities shall not be more than 10% of the net assets of that Scheme. At any point in time, the gross exposure of such Scheme to repo transactions (including reverse repo) in corporate debt securities of a single issuer shall not be more than 5% of its net assets

The Scheme will enter into the repo/reverse repo transactions in corporate debt securities.

Pending deployment of funds as per the investment objective of the Scheme, the funds may be parked in short term deposits of the Scheduled Commercial Banks, subject to guidelines and limits specified by SEBI vide its circular dated April 16, 2007 and September 20, 2019 as may be amended from time to time.

Short-term fixed deposits shall be held in the name of the Scheme and the duration of such fixed deposit shall not exceed 91 days from the date of deposit
The Scheme may engage in short selling of securities in accordance with the framework relating to Short Selling and securities lending and borrowing specified by SEBI. The scheme shall not deploy more than 20% of its net asset in securities lending and not more than 5% in securities lending to any single counterparty.</td></tr>
</table>

	The Scheme may also participate in securities lending to augment its income. Securities lending in the scheme will be in accordance with the guidelines on securities lending and borrowing scheme issued by SEBI from time to time. The cumulative gross exposure through investment in securities under the scheme, which includes Money market instruments, debt instruments including floating rate debt instruments and securitized debt, and gross exposure to derivatives and other permitted securities/assets provided by SEBI will not exceed 100% of the net assets of the scheme Subject to the Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions and investment opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially depending upon the perception of the AMC, the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the asset allocation pattern will be for short term and defensive considerations. As per SEBI Circular no. SEBI/HO/IMD/IMD-II DOF3/P/CIR/2022/39 dated March 30, 2022, as may be amended/ clarified from time to time, in the event of change in the asset allocation due to passive breaches (occurrence of instances not arising out of omission and commission of the AMC), the fund manager is required to carry out portfolio rebalancing within 30 Business Days. In case the portfolio is not rebalanced within the period of 30 Business days, justification in writing, including details of efforts taken to rebalance the portfolio shall be placed before the Investment Committee. The Investment Committee, if it so desires, can extend the timeline for rebalancing up to sixty (60) Business days from the date of completion of mandated rebalancing period. In case the portfolio of the scheme is not rebalanced within the aforementioned mandated plus extended timelines, the AMC shall follow the requirements specified under the aforesaid circular including reporting the deviation to Trustees at each stage. No guaranteed returns are being offered under the Scheme.
Risk Profile of the Scheme	1. The Trustees, AMC, Mutual Fund, their Directors or their employees shall not be liable for any tax consequences that may arise in the event that the scheme is wound up for the reasons and in the manner provided under the Scheme Information Document & Statement of Additional Information. The Scheme will seek to invest in credit/debt instruments, government securities, securitized debt, debt derivative and money market instruments. 2. Redemption by the unit holders due to change in the fundamental attributes of the scheme or due to any other reasons may entail tax consequences. The Trustees, AMC, their directors or their employees shall not be liable for any tax consequences that may arise. 3. The tax benefits described in the SID of the scheme are as available under the present taxation laws and are available subject to relevant condition. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India and the Investors and Unit Holders should be aware that the relevant fiscal rules or their interpretation may change. As in the case with any investment, there can be no guarantee that the tax position or the proposed tax

position prevailing at the time of the investment in the Scheme(s) will endure indefinitely. In view of the individual nature of tax consequences, each Investor / Unit holder is advised to consult his/her/its own professional tax advisor.

4. Different types of securities in which the Scheme/Plans would invest as given in the SID carry different levels of risk. Accordingly the Scheme's/Plan's risk may increase or decrease depending upon the investment pattern. For e.g. corporate bonds carry a higher amount of risk than Government Securities. Further even among corporate bonds, bonds, which are AAA rated, are comparatively less risk than bonds, which are AA rated.

5. The IDBI Mutual Fund is not assuring any Income Distribution cum capital withdrawal (IDCW) nor is it assuring that it will make any Income Distribution cum capital withdrawal (IDCW) distributions. All Income Distribution cum capital withdrawal (IDCW) distributions are subject to the availability of distributable surplus and would depend on the performance of the scheme and will be at the discretion of the AMC and the trustee company.

6. Trading volumes and settlement periods may inherently restrict the liquidity of the Scheme's investments. In the event of an inordinately large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant. In view of the same, the Trustees have the right in their sole discretion to limit redemptions (including suspending redemptions) under certain circumstances.

7. The Sponsor is not responsible or liable for any loss or shortfall resulting from the operations of the scheme beyond the initial contribution of Rs.20 lakhs made by it towards setting up the Fund and/or such other accretions / additions to the same made from time to time.

8. **Risks associated with investments in Money Market and Debt Securities**

   i. **Credit risk**: This risk arises due to any uncertainty in counterparty's ability or willingness to meet its contractual obligations. This risk pertains to the risk of default of payment of principal and interest. Government Securities have zero credit risk while other debt instruments are rated according to the issuer's ability to meet the obligations.

   The AMC seek to manage credit risk by restricting investments only to investment grade securities. Regular review of the issuer profile to monitor and evaluate the credit quality of the issuer will be carried out.

   ii. **Interest Rate risk:** This risk is associated with movements in interest rate, which depend on various factors such as government borrowing, inflation, economic performance etc. The values of investments will appreciate/depreciate if the interest rates fall/rise.

   Interest rate risk mitigation will be through active duration management at the portfolio level through regular monitoring of the interest rate environment in the economy.

   iii. **Liquidity risk:** The liquidity of a bond may change depending on market conditions leading to changes in the liquidity premium linked to the price of the bond. At the time of selling the security, the security can become illiquid leading to loss in the value of the portfolio.

The AMC will endeavour to mitigate liquidity risk by mapping investor profile and potential redemption expectations into the portfolio construction to allow the scheme to liquidate assets without significantly impacting portfolio returns.

iv. **Reinvestment risk**: This risk arises from uncertainty in the rate at which cash flows from an investment may be reinvested. This is because the bond will pay coupons, which will have to be reinvested. The rate at which the coupons will be reinvested will depend upon prevailing market rates at the time the coupons are received.

The AMC will endeavor to manage this risk by diversifying the investments in instruments with appropriate maturity baskets.

v. **Settlement risk –** Fixed income securities run the risk of settlement which can adversely affect the ability of the fund house to swiftly execute trading strategies which can lead to adverse movements in NAV.

vi. **Spread Risk:** In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. In the life of the security this spread may move adversely leading to loss in value of the portfolio. The yield of the underlying benchmark might not change, but the spread of the security over the underlying benchmark might increase leading to loss in value of the security.

9. Risks associated with Investing in Derivatives

Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

The Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Derivatives require the maintenance of adequate controls to monitor the transactions entered into to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. There is a possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the “counterparty”) to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mis-pricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices, illiquidity risk whereby the Scheme may not be able to sell or purchase derivative quickly enough at a fair price. The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments. The AMC may use various derivative products, as permitted and within the limits prescribed by SEBI and the RBI from time to time, in an attempt to optimize the value of the portfolio and enhance Unit holder’s interest/value of the Scheme.

	There are certain risks inherent in derivatives. These are i. **Price Risk**: Despite the risk mitigation provided by various derivative instruments, there remains an inherent price risk which may result in losses exceeding actual underlying. ii. **Default Risk**: This is the risk that losses will be incurred due to default by counter party. This is also known as credit risk or counterparty risk. iii. **Basis Risk** – This risk arises when the derivative instrument used to hedge the underlying asset does not match the movement of the underlying being hedged for e.g. mismatch between the maturity date of the futures and the actual selling date of the asset iv. **Limitations on upside:** Derivatives when used as hedging tool can also limit the profits from a genuine investment transaction. v. **Liquidity risk** pertains to how saleable a security is in the market. All securities/instruments irrespective of whether they are bonds or derivatives may be exposed to liquidity risk (when the sellers outnumber buyers) which may impact returns while exiting opportunities. The AMC will monitor the overall economic and credit environment including the systemic liquidity on a regular basis and the outlook will be integrated into the risk control and monitoring of the Scheme to control the risk emanating from derivative investments. **10. Risks associated with investing in Securitized Debt** Securitized Debt is a financial instrument (bond) whose interest and principal payments are backed by an underlying cash flow from another asset. The risks associated with investing in such instruments are: **Limited Recourse:** The instruments represent an undivided beneficial interest in the underlying receivables and do not represent an obligation of either the Issuer or the Seller or the originator, or the parent or any affiliate of the Seller, Issuer and Originator. No financial recourse is available to the buyer of the security against the Investors' Representative. **Delinquency and Credit Risk:** Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the Monthly Investor Payouts to the Holders may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall. On persistent default of an Obligor to repay his obligation, the Servicer may repossess and sell the Vehicle/ Asset. However many factors may affect, delay or prevent the repossession of such Vehicle/Asset or the length of time required to realize the sale proceeds on such sales. In addition, the price at which such Vehicle/Asset may be sold may be lower than the amount due from that Obligor. **Risks due to possible prepayments:** Full prepayment of a contract may lead to an event in which investors may be exposed to changes in tenor and yield. **Bankruptcy of the Originator or Seller**: If the service provider becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that either

the sale from each Originator was not a sale then an Investor could experience losses or delays in the payments due under the instrument.

Liquidity risk:- There is no assurance that a deep secondary market will develop for the instrument. This could limit the ability of the investor to resell them.

11. Risks associated with Short Selling and Securities Lending

Short Selling: When the Fund engages in short selling, it will borrow the security from a third party with the understanding that the security will be returned at a later date as and when required by the lender. Short selling a security demonstrates a negative view on a particular security (i.e. an expectation that the stock price will fall in future). However, there is a risk that the stock price may go up contrary to expectations which will result in losses to the Scheme. The losses will be realized to the Scheme if the Scheme may be forced to buy the shares in the market at the prevailing higher market price (than the price at which sold initially) to return the security to the lender if so required by the lender.

Securities lending: There are risks inherent to securities lending, including the risk of failure or bankruptcy of the counter party, leading to non-compliance with the terms of the agreement by the counterparty. Such failure can result in the possible loss of rights to the collateral, the inability of the counterparty to return the securities deposited by the lender and the possible loss of any corporate benefits accruing thereon.

12. The Risk factors associated with repo/reverse repo in corporate bonds

The risk factors associated with repo/reverse repo transactions in corporate bonds and risk mitigations strategies are as follows:

1. **Settlement Risk** - Corporate Bond Repo will be settled between two counterparties in the OTC segment unlike in the case of Tri-party repo transactions where CCIL stands as central counterparty on all transactions (no settlement risk). Settlement risk in reverse repo will be mitigated by requiring the counterparty (entity borrowing funds from the Mutual Fund) to deliver the defined collateral in the account of the MF before the cash is lent to the counterparty. Further, the Mutual Fund will also have a limited universe of counterparties comprising of Scheduled Commercial Banks, Primary Dealers, Mutual Funds and National Financial Institutions.

2. **Quality of collateral** – The Mutual Fund will be exposed to credit risk on the underlying collateral – downward migration of rating. The Mutual Fund will mitigate this risk by a thorough in-house credit research on the quality of collateral with the objective to minimize instance of rating downgrades on collateral. The Mutual Fund will also impose adequate haircut on the collateral to cushion against any diminution in the value of the collateral. Collateral will require to be rated AAA or equivalent. The Mutual Fund will also not accept as collateral, securities issued by the counterparties themselves.

3. **Liquidity of collateral** – In the event of default by the counterparty, the Mutual Fund would have recourse to recover its investments by selling the collateral in the market. If the underlying collateral is illiquid, then the Mutual Fund may incur an impact cost at the time of sale (lower price realization). The Mutual Fund seeks to mitigate this risk by imposing specific constraints on the collateral – issuer (PSUs/ Financial

Institutions etc.), tenor of the collateral (shorter maturity papers are more liquid than longer dated papers) on a case to case basis.

13. Risks associated with segregated portfolio

1. Investor holding units of segregated portfolio may not able to liquidate their holding till the time recovery of money from the issuer.
2. Security comprises of segregated portfolio may not realise any value.
3. Listing of units of segregated portfolio in recognised stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units in the stock market. Further trading price of units on the stock market may be significantly lower than the prevailing NAV.

I. Risk factors associated with investments in Perpetual Debt Instrument (PDI)

Default risk- This is the risk that losses will be incurred due to default by counter party. This is also known as credit risk or counterparty risk. This risk pertains to the risk of default of payment of principal and interest. Perpetual bonds issued by banks too have no guarantee as these bonds are issued under Basel norms to shore up the capital of banks. If a bank's capital dips below certain thresholds, they can skip interest payments on these bonds and even write-down their value. This makes them a lot closer in nature to equity than debt.

Repayment date risk- Maturity of these bonds is simply the Issuer's right to repay the principal value. The Issuer is not bound to pay back the investors in these bonds. They may choose not to repay the principal and simply keep paying the interest.

Interest rate risk- Higher interest rates often follow a rise in inflation. When interest rates rise, bond prices fall and vice-versa. The effect is particularly strong for long-dated bonds such as perpetual bonds. A drop in the bond's price does make much difference in case if the bond held till maturity. However, if in case of sale of these bonds, the seller may get a lower price.

Risk on coupon servicing- Banks As per the terms of the instruments, Issuers of these bonds have discretion at all times to cancel distributions/ payment of coupons. Coupon can also be deferred (instead of being cancelled), in case paying the coupon leads to breach of capital ratios.

Risk of write-down or conversion into equity As per current RBI guidelines, banks have to maintain a Common Equity Tier-1 (CET-1) ratio of minimum 5.5% of Risk Weighted Assets (RWAs), failing which the AT-1 bonds can get written down. Further, AT-1 Bonds are liable to be written down or converted to common equity, at the discretion of RBI, in the event of Point of Non Viability Trigger (PONV). PONV is a point, determined by RBI, when a bank is deemed to have become non-viable unless there is a write off/ conversion to equity of AT-1 Bonds or a public sector capital injection happens. The write off/conversion has to occur prior to public sector injection of capital.

Risk of instrument not being called by the Issuer Banks- The Issuers have an option to call back the instrument after certain period from the date of issuance of these instruments subject to meeting the necessary guidelines. However, if they do not exercise call option, one may need to hold the instruments for a period beyond the first call exercise date.

Product differentiation vis-à-vis other debt funds and liquid fund of IDBI Mutual Fund	**Category of the Scheme**		
	1	IDBI Credit Risk Fund	Credit Risk Fund
	2	IDBI Gilt Fund	Gilt Fund
	3	IDBI Dynamic Bond Fund	Dynamic Bond
	4	IDBI Short Term Bond Fund	Short Duration Fund
	5	IDBI Ultra Short Term Fund	Ultra Short Duration Fund
	6	IDBI Liquid Fund	Liquid Fund
	Type of Scheme		
	1	IDBI Credit Risk Fund	An open ended debt scheme predominantly investing in AA and below rated corporate bonds (excluding AA+ rated corporate bonds). A relatively high interest rate risk and Moderate credit risk scheme.
	2	IDBI Gilt Fund	An open ended debt scheme investing in government securities across maturities. A relatively high interest rate risk and relatively low credit risk scheme.
	3	IDBI Dynamic Bond Fund	An open ended dynamic debt scheme investing across duration. A relatively high interest rate risk and relatively low credit risk scheme.
	4	IDBI Short Term Bond Fund	An open ended short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 1 year ato 3 years (please refer page no 24 of SID)#. A relatively high interest rate risk and relatively low credit risk.
	5	IDBI Ultra Short Term Fund	# please refer to the page number of offer document on which the concept of Macaulay's Duration has been explained.
	6	IDBI Liquid Fund	An open ended ultra-short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 months to 6 months (please refer page no 23 of SID)#. A relatively high interest rate risk and moderate credit risk scheme.
	Investment Universe		
	1	IDBI Credit Risk Fund	Predominantly Investment in AA and Below rated corporate bonds across maturity
	2	IDBI Gilt Fund	Investment in Government securities across maturities
	3	IDBI Dynamic Bond Fund	Investment in a wide variety of debt instruments across duration
	4	IDBI Short Term Bond Fund	Investment in Debt / Money Market instruments such that the Macaulay duration of the portfolio is between 1 year – 3 years
	5	IDBI Ultra Short Term Fund	Investment in Debt / Money Market instruments with relatively lower interest rate risk such that the Macaulay duration of the portfolio is between 3 months - 6 months

	6	IDBI Liquid Fund	Investment in Debt and money market securities with maturity/residual maturity up to 91 days
	Investment Objective		
	1	IDBI Credit Risk Fund	The investment objective of the Scheme is to generate regular income and opportunities for capital appreciation by investing predominantly in AA and below rated corporate bonds across maturity spectrum. However, there is no guarantee or assurance that the investment objective of the scheme will be achieved.
	2	IDBI Gilt Fund	The investment objective of the scheme would be to provide regular income along with opportunities for capital appreciation through investments in a diversified basket of central government dated securities, state government securities and treasury bills. However, there can be no assurance that the investment objective of the scheme will be realized / achieved.
	3	IDBI Dynamic Bond Fund	The objective of the Scheme is to generate regular income while maintaining liquidity through active management of a portfolio comprising of debt and money market instruments. However, there can be no assurance that the investment objective of the scheme will be realized / achieved.
	4	IDBI Short Term Bond Fund	The investment objective of the Scheme is to provide investors with regular income by investing in debt and money market instruments, such that the Macaulay duration of the portfolio is maintained between 1 year to 3 years. However, there can be no assurance that the investment objective of the Scheme will be realized.
	5	IDBI Ultra Short Term Fund	The objective of the Scheme will be to provide investors with regular income for their investment by investing in debt and money market instruments with relatively lower interest rate risk, such that the Macaulay duration of the portfolio is maintained between 3 months to 6 months. However, there can be no assurance that the investment objective of the Scheme will be realized.
	6	IDBI Liquid Fund	The investment objective of the Scheme will be to provide investors with high level of liquidity along with regular income for their investment.

		The Scheme will endeavour to achieve this objective through an allocation of the investment corpus in a low risk portfolio of money market and debt instruments with maturity of up to 91 days. However, there can be no assurance that the investment objective of the Scheme will be realized.
Asset Allocation		
1	IDBI Credit Risk Fund	65%-100% AA and below rated Corporate Bonds *$ 0%-35% Other Debt Securities and Money Market Instruments** 0%-10% units issued by Real Estate Investment Trusts (REITs) & Investment & Infrastructure Investment Trusts (InvITs) $ excludes AA+ rated corporate bonds * Corporate Bonds means bonds which are issued by entities other than Central or State Government. ** Money market Instruments including but not limited to CDs, CPs, T-Bills, Tri party Repo,, Repo / Reverse Repo (including repo in corporate bonds), Liquid schemes etc. The Scheme intends to invest in debt instruments with special features such as subordination to equity (absorbs losses before equity capital) and /or convertible to equity upon trigger of a pre-specified event for loss absorption (“hereinafter referred to as “perpetual debt instruments”).
2	IDBI Gilt Fund	80%-100% Government of India dated Securities/ State Government dated Securities/ Government of India Treasury Bills/ Cash Management Bills of Government of India 0%-20% Tri party Repo ,and repo/reverse repo in Central Government or a State Government securities
3	IDBI Dynamic Bond Fund	0%-100% Debt instruments (including fixed / floating rate debt instruments, government securities and securitized debt) 0%-100% Money Market Instruments
4	IDBI Short Term Bond Fund	Up to 100% Debt and Money Market Instruments* Up to 10% Units issued by Real Estate Investment Trusts (REITs) & Investment & Infrastructure Investment Trusts (InvITs)

			*under normal circumstances, Macaulay duration of the portfolio will be maintained between 1 year and 3 years
	5	IDBI Ultra Short Term Fund	Up to 100% Debt and Money Market Instruments* Up to 10% Units issued by Real Estate Investment Trusts (REITs) & Investment & Infrastructure Investment Trusts (InvITs) *under normal circumstances, Macaulay duration of the portfolio will be maintained between 3 months to 6 months
	6	IDBI Liquid Fund	Up to 100% Debt and Money market securities with maturity / residual maturity of up to 91 days
	Benchmark		
	1	IDBI Credit Risk Fund	NIFTY Credit Risk Bond Index C-III
	2	IDBI Gilt Fund	CRISIL Dynamic Gilt Index
	3	IDBI Dynamic Bond Fund	CRISIL Dynamic Bond A-III Index
	4	IDBI Short Term Bond Fund	CRISIL Short Duration Debt A-II Index
	5	IDBI Ultra Short Term Fund	CRISIL Ultra Short Duration Debt B-I Index
	6	IDBI Liquid Fund	CRISIL Liquid Debt B-I Index
	No of Folios as on March 31, 2023		
	1	IDBI Credit Risk Fund	643
	2	IDBI Dynamic Bond Fund	0
	3	IDBI Gilt Fund	0
	4	IDBI Liquid Fund	4604
	5	IDBI Short Term Bond Fund	1226
	6	IDBI Ultra Short Term Fund	1682
	AUM as on March 31, 2023 (in Rs Crores)		
	1	IDBI Credit Risk Fund	22.95
	2	IDBI Dynamic Bond Fund	0
	3	IDBI Gilt Fund	0
	4	IDBI Liquid Fund	540.36
	5	IDBI Short Term Bond Fund	26.31
	6	IDBI Ultra Short Term Fund	173.10
Plans/ and Options	The Scheme offers the following Plans for investment- ○ Regular Plan ○ Direct Plan		

As per SEBI circular no CIR/IMD/DF/21/2012 dated September 13, 2012, a separate plan (Direct Plan) is provided to the investors for direct investments, i.e., investments not routed through a distributor.

The Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc., and no commission shall be paid from such plan.

The Scheme shall declare a separate NAV for all sub-options under both direct and regular plan.

The Direct and regular plan will be maintained under common portfolio. In case where investors do not opt for a particular plan at the time of investment and the application is not routed through a distributor, Direct Plan shall be considered as the default plan.

The default Plan (Direct Plan/Regular Plan) under various scenarios, is mentioned as below

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 (broker code) 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.

Within each Plan there are two options

- Income Distribution cum capital withdrawal (IDCW)option and
- Growth option

The Growth option will not declare any Income Distribution cum capital withdrawal (IDCW).

In cases where investors do not opt for a particular Option at the time of investment, the default Option will be the Growth Option.

The Income Distribution cum capital withdrawal (IDCW) option will endeavour to declare Income Distribution cum capital withdrawal (IDCW) at quarterly and annual intervals.
Investors can opt for any one of following modes of Income Distribution cum capital withdrawal (IDCW)–

- Income Distribution cum capital withdrawal (IDCW) Payout
- Income Distribution cum capital withdrawal (IDCW) Reinvestment

	o Income Distribution cum capital withdrawal (IDCW) Transfer. In such cases where the investors have opted for the Income Distribution cum capital withdrawal (IDCW)option but not specified the sub-option (frequency), Quarterly Income Distribution cum capital withdrawal (IDCW)would be treated as the default sub-option. The record date/day for quarterly and annual Income Distribution cum capital withdrawal (IDCW)option will as decided by Trustees. If the record date falls on a non-business day the immediately succeeding business day will be the record date. Notwithstanding anything stated herein above, the record date can be changed / modified by the AMC/Trustees at their discretion by disclosing the same in the website of the Mutual Fund. In cases, where investors have not specified the mode of Income Distribution cum capital withdrawal (IDCW)i.e. payout, reinvestment, Income Distribution cum capital withdrawal (IDCW)transfer, the default mode will be reinvestment. If the Income Distribution cum capital withdrawal (IDCW)amount is less than Rs. 100/-, the entire Income Distribution cum capital withdrawal (IDCW)amount shall be compulsorily reinvested and no Income Distribution cum capital withdrawal (IDCW) payout will be made. All unit holders in the Income Distribution cum capital withdrawal (IDCW)option of the scheme can transfer their Income Distribution cum capital withdrawal (IDCW)to any open ended schemes (as and when made available for subscription) of IDBI Mutual Fund Under Income Distribution cum capital withdrawal (IDCW)Transfer Plan. Minimum Income Distribution cum capital withdrawal (IDCW)in the scheme required to avail Income Distribution cum capital withdrawal (IDCW) Planis Rs.1000/-. If an Investor has opted for Income Distribution cum capital withdrawal (IDCW) Plan and amount is less than Rs.1000, the Income Distribution cum capital withdrawal (IDCW) amount will be reinvested and no transfer will be made. If investors apply for subscription of units under any Plans / Options, the minimum subscription limits for new purchases/additional purchases/SIP will apply to each Plan / Option. Please note that the Scheme does not assure any Income Distribution cum capital withdrawal (IDCW) under any sub-options in the Income Distribution cum capital withdrawal (IDCW) option. Declaration of Income Distribution cum capital withdrawal (IDCW)is subject to the availability of distributable surplus, if any, in the scheme and at the discretion of the AMC and Trustee Company.
Special Facilities available	Systematic Investment Plan (SIP), Systematic Withdrawal Plan (SWP), Systematic Transfer Plan(STP)
Applicable NAV	Cut-off time is the time before which the Investors Application Form(s) (complete in all respects) should reach the Official Points of Acceptance to be entitled to the Applicable NAV of that Business Day An application will be considered accepted on a Business Day, subject to it being complete in all respects and received and time stamped upto the relevant Cut-off time mentioned below, at any of the Official Points of Acceptance of transactions. Where an application is

received and the time stamping is done after the relevant Cut-off time the request will be deemed to have been received on the next Business Day.

Subscription including switch-in

The following cut-off timings shall be observed by a mutual fund for any application amount in respect of purchase of units in the schemes and its plans / options, where the following NAVs shall be applied for such purchase:

1. In respect of valid applications received up to 3.00 p.m. on a business day and where the funds for the entire amount are available for utilization before the cut-off time without availing any credit facility, whether, intra-day or otherwise - the closing NAV of the Business Day shall be applicable.

2. In respect of valid applications received after 3.00 p.m. on a business day and funds for the entire amount are available for utilization on the same day before the cut-off time of the next Business Day without availing any credit facility, whether, intra-day or otherwise – the closing NAV of the next business day shall be applicable.

and

3. Irrespective of the time of receipt of application, where the funds for the entire amount are not available for utilization before the cut-off time without availing any credit facility, whether, intra-day or otherwise - the closing NAV of such business day on which the funds are available for utilization before cut-off time shall be applicable.

For investments of any amount through systematic investment routes such as Systematic Investment Plans (SIP), Systematic Transfer Plans (STP) Income Distribution cum capital withdrawal (IDCW) Transfer etc., the units will be allotted as per the closing NAV of the Business day on which the funds are available for utilization before cut-off time, irrespective of the amount and installment date of the SIP, STP or record date of Income Distribution cum capital withdrawal (IDCW) etc.

Redemption including switch-out:

The following cut-off timings shall be applicable with respect to repurchase of units in the Scheme and the following NAVs shall be applied for such repurchase:

a. Where the application is received up to 3.00 pm on a business day – closing NAV of the day on which the application is received; and

b. An application received after 3.00 pm on a business day – closing NAV of the next business day.

Switches:

In case of ‘switch’ transactions from one scheme to another, the allotment shall be in line with redemption payouts and realization of funds into the switch-in scheme (where applicable)

Transactions through online facilities / electronic modes:

The time of transaction done through various online facilities / electronic modes offered by the AMC, for the purpose of determining the applicability of NAV, would be the time when the request for purchase / sale / switch of units is received in the servers of AMC/RTA.

<table>
<tr><td></td><td colspan="3">In case of transactions through online facilities / electronic modes, there may be a time lag of upto 1 to 3 banking days between the amount of subscription being debited to investor's bank account and the subsequent credit into the respective Scheme's bank account. This lag may impact the applicability of NAV for transactions where NAV is to be applied, based on actual realization of funds by the Scheme. Under no circumstances will IDBI Asset Management Limited or its bankers or its service providers be liable for any lag / delay in realization of funds and consequent pricing of units.</td></tr>
<tr><td rowspan="2">Minimum Application Amount/ Number of Units</td><td>Purchase</td><td>Additional Purchase</td><td>Repurchase</td></tr>
<tr><td>For new purchases
Minimum Rs. 5000/- and in multiples of Rs. 1 thereafter

Subscription in IDBI Dynamic Bond Fund is subject to below condition

Maximum Investment per PAN per year in IDBI Dynamic Bond Fund- 10% of the previous day’s Scheme AUM. (Please refer our notice no 08/2019-20 dated October 30, 2019)

For Systematic Investment Plan
• Rs. 1000/- per month for a minimum period of 6 months

• Rs. 500/- per month for atleast 12 months

• Rs.1500/- per quarter for a minimum period of 4 quarters.

Investments above the minimum amount mentioned, shall be made in multiples of Re. 1 for all SIP irrespective of frequency of SIP or the Plan.</td><td>Rs.1000 and in multiples of Re. 1</td><td>Rs. 1000 or 100 units or account balance whichever is lowest.

In case the Investor specifies the number of units and amount, the number of Units shall be considered for redemption. In case the unit holder does not specify both, i.e. the number of units and amount, the request will not be processed.</td></tr>
<tr><td></td><td colspan="3">Note - The provisions relating to Minimum Amount (including Additional Application Amount) for subscription / purchase will not be applicable for investments made in the name of Designated Employees of the AMC pursuant to SEBI circular vide reference no. SEBI/HO/IMD/IMD-I/DOF-5/P/CIR/2021/553 dated April 28, 2021 read along with SEBI circular vide reference no. SEBI/HO/IMD/IMD-I/DOF-5/P/CIR/2021/629 dated September 20, 2021 (Alignment of interest of Designated Employees of Asset Management Companies (AMCs) with the Unitholders of the Mutual Fund Schemes).</td></tr>
</table>

Dispatch of Repurchase (Redemption) Request	The Mutual Fund will endeavour to dispatch the redemption proceeds not later than 10 business days from the date of acceptance of a valid redemption request. In case the redemption proceeds are not dispatched within 10 business days of the date of receipt of valid redemption request, the AMC will pay interest @ 15% p.a.(at present)
Restriction on Redemption	Restrictions on redemptions, if any, shall be imposed only as per the stipulations of SEBI circular No. SEBI/HO/IMD/DF2/CIR/P/2016/57 dated May 31, 2016. Such a restriction 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. AMC should have in place sound internal liquidity management tools for schemes. Restriction on redemption cannot be used as an ordinary tool in order to manage the liquidity of a scheme. Further, restriction on redemption due to illiquidity of a specific security in the portfolio of a scheme due to a poor investment decision shall not be allowed. ii. **Market failures, exchange closures** - when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies. iii. **Operational issues** – when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out). Such cases can only be considered if they are reasonably unpredictable and occur in spite of appropriate diligence of third parties, adequate and effective disaster recovery procedures and systems. Restriction on redemption shall be imposed only with the approval of the Board of AMC and Trustee Company. Such imposition of restriction shall be immediately intimated to SEBI. The restriction shall be imposed for a specified period of time not exceeding 10 working days in any 90 days period. When restriction on redemption is imposed, following procedure shall be applied by AMC: 1. No redemption requests upto INR 2 lakh shall be subject to such restriction. 2. Where redemption requests are above INR 2 lakh, AMC shall redeem the first INR 2 lakh without such restriction and remaining part over and above INR 2 lakh shall be subject to such restriction.
Benchmark Index	CRISIL Dynamic Bond A-III Index
Income Distribution cum capital withdrawal (IDCW) Policy	The Income Distribution cum capital withdrawal (IDCW) Policy for the Scheme will be in line with the guidelines laid down by SEBI through its circular SEBI/HO/IMD/DF2/CIR/P/2021/024 dated March 04, 2021 and SEBI/IMD/CIR No.1 /64057 / 06 dated April 4, 2006, the procedure for which will be as follows – a. Quantum of Income Distribution cum capital withdrawal (IDCW) and the record date shall be fixed by the trustees in their meeting. Income Distribution cum capital withdrawal (IDCW) so decided shall be paid, subject to availability of distributable surplus and at the discretion of the AMC and Trustee Company

<table>
<tr><td></td><td>
b. Record date shall be the date which will be considered for the purpose of determining the eligibility of investors whose names appear on the register of unit holders for receiving Income Distribution cum capital withdrawal (IDCW). Further, the NAV shall be adjusted to the extent of Income Distribution cum capital withdrawal (IDCW) distribution and statutory levy, if any, at the close of business hours on record date.

c. Within one calendar day of the decision by the trustees, AMC shall issue notice to the public communicating the decision including the record date. The record date shall be 5 calendar days from the issue of notice.

d. Such notice shall be given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the head office of the mutual fund is situated.

e. The notice shall, in font size 10, bold, categorically state that pursuant to payment of Income Distribution cum capital withdrawal (IDCW), the NAV of the scheme would fall to the extent of payout and statutory levy (if applicable).

f. Before the issue of such notice, no communication indicating the probable date of Income Distribution cum capital withdrawal (IDCW) declaration in any manner whatsoever may be issued by mutual fund or distributors of its products.

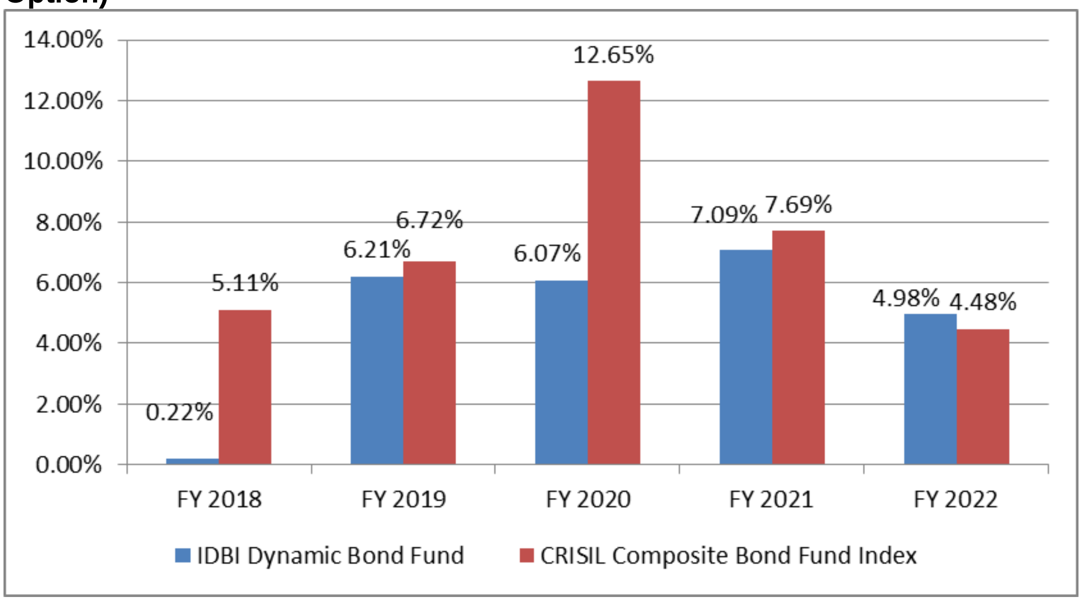
The requirement of giving notice shall not be applicable for Income Distribution cum capital withdrawal (IDCW) options having frequency of Income Distribution cum capital withdrawal (IDCW) distribution from daily to monthly Income Distribution cum capital withdrawal (IDCW). There is no assurance or guarantee to the Unit holders as to the rate of Income Distribution cum capital withdrawal (IDCW) nor that will the Income Distribution cum capital withdrawal (IDCW) be paid regularly.
</td></tr>
<tr><td>Name of the Fund Manager/ Tenure of management of Scheme</td><td>Mr. Raju Sharma
Managing the Scheme since May 3, 2017</td></tr>
<tr><td>Name of the Trustee Company</td><td>IDBI MF Trustee Company Limited</td></tr>
<tr><td>Performance of the scheme</td><td>
<u>Performance if IDBI Dynamic Bond Fund (IDBF) as on </u>March 31, 2023
<table>
<tr><th>Compounded Annualized Returns (As on March 31, 2023)</th><th>IDBI Dynamic Bond Fund (Regular Plan)^^ (%)</th><th>CRISIL Composite Bond Fund (%)</th></tr>
<tr><td>Returns for the last 1 Year</td><td>0</td><td>0</td></tr>
<tr><td>Returns for the last 3 Year</td><td>0</td><td>0</td></tr>
</table>
</td></tr>
</table>

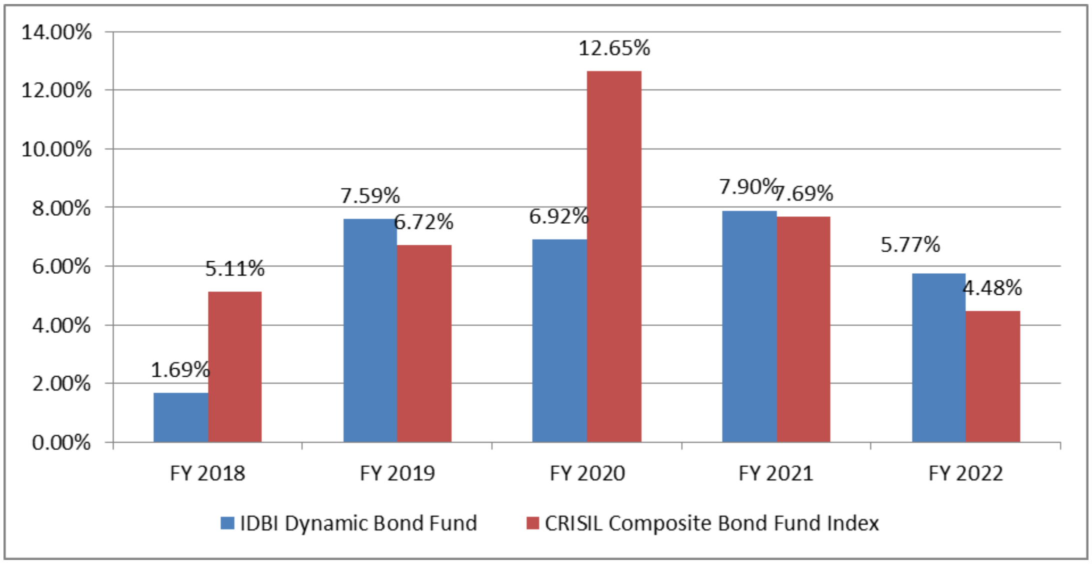
Returns for the last 5 Year	0	0
Returns Since Inception (21st February, 2012)	0	0

Compounded Annualized Returns (As on March 31, 2023)	**IDBI Dynamic Bond Fund (Direct Plan)^^ (%)**	**CRISIL Composite Bond Fund Index (%)**
Returns for the last 1 Year	0	0
Returns for the last 3 Year	0	0
Returns for the last 5 Year	0	0
Returns Since Inception (21st February, 2012)	0	0

*Returns for one year are absolute returns and returns for more than one year are compounded annualized

Absolute Returns for each financial year for the last 5 years (Regular Plan/ Growth Option)^



	Absolute Returns for each financial year for the last 5 years (Direct Plan/ Growth Option)^  **^Past performance of the Scheme does not indicate future returns.** **<u>SCHEME RELATED DISCLOSURES</u>** **<u>(incompliance to SEBI circular dated March 18, 2016)</u>** **a) Scheme's Portfolio Holding- Top 10 holdings by Issuer- Portfolio as on March 31, 2023- Nil** **b) Allocation towards various sectors- as on March 31, 2023- Nil** # Includes Tri –party repo, Reverse Repo, Term Deposit and Mutual Fund Units Rounded off to nearest two digit after decimal **<u>Note-</u>** For complete details and latest monthly portfolio, investors are requested to visit https://www.idbimutual.co.in/Downloads/FundPortfolios/Monthly# **b) Portfolio Turnover Ratio – NA**
Expenses of the Scheme (i) Load Structure	**<u>i) Load Structure</u>** **Entry Load (For normal transactions / Switch-in and SIP) –** Not applicable

SEBI vide its circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes. The commission, if any, as specified in the aforesaid circular to the ARN Holder (AMFI registered distributors), on the investment made by the investor will be paid by the investor directly to the distributor, based on his assessment of various factors including the service rendered by the ARN Holder (AMFI registered distributors).

Exit Load (Redemption/ Switch-out/ Transfer/ SWP): Nil

The exit load will be applicable for both normal transactions and SIP transactions. In case of Systematic Investment Plan (SIP) transactions, the date of allotment for each instalment for subscription will be reckoned for charging exit load on redemption.

SEBI vide circular Ref no: CIR/IMD/DF/21/2012 dated September 13, 2012 and notification dated September 26, 2012 requires, the exit load, if any, charged by mutual fund scheme to be credited to the respective scheme after debiting applicable GST, if any on the next business day.

No exit load shall be levied for switching between Options (Growth/ Income Distribution cum capital withdrawal (IDCW)) under the same Plan (Regular/Direct) within a Scheme. Switch of investments from Regular Plan to Direct Plan under the same Scheme shall be subject to applicable exit load, unless the investments were made directly i.e. without any distributor code. However, any subsequent switch-out or redemption of such investments from Direct Plan will not be subject to any exit load.

No exit load shall be levied for switch-out from Direct Plan to Regular Plan within the same Scheme. However, any subsequent switch-out or redemption of such investment from Regular Plan shall be subject to exit load based on the date of switch-in of investment into the Regular Plan.

No exit load will be levied on Units allotted on Income Distribution cum capital withdrawal (IDCW) Re-investment.

ii) Recurring Expenses

As per regulation 52(6)(C) the total expenses of the scheme excluding issue or redemption expenses, whether initially borne by the Mutual Fund or by the AMC, but including the investment management and advisory fee shall be subject to the following limits :—

Assets under management Slab (In Rs. Crore)	**Total expense ratio limits**
on the first Rs.500 crores of the daily net assets	2.00%
on the next Rs.250 crores of the daily net assets	1.75%
on the next Rs.1,250 crores of the daily net assets	1.50%
on the next Rs.3,000 crores of the daily net assets	1.35%
on the next Rs.5,000 crores of the daily net assets	1.25%

On the next Rs.40,000 crores of the 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.
On balance of the assets	0.80 %

As per regulation 52(6A) of SEBI (MF) Regulations, 1996, the AMC may charge the scheme with following additional expense.

a) expenses not exceeding of 0.30% of daily net assets, if the new inflows from beyond top 30 cities (or such cities as specified by the Board from time to time) are at least -

(i) 30% of gross new inflows in the scheme,
or;
(ii) 15% of the average assets under management (year to date) of the scheme,
Whichever is higher:

Provided that if inflows from such 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 by using the following formula.

$$\frac{\text{Daily net assets X 30 basis points X New inflows from beyond top 15 cities}}{\text{365* X Higher of (i) or (ii) above}}$$

* 366, wherever applicable.

Provided further that expenses charged under this clause shall be utilized for distribution expenses incurred for bringing inflows from such cities:

Further that amount incurred as expense on account of inflows from such 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;

The top 30 cities shall mean top 30 cities based on Association of Mutual Funds in India (AMFI) data on 'AUM by Geography – Consolidated Data for Mutual Fund Industry' as at the end of the previous financial year.

b) Additional expenses, incurred towards different heads mentioned under sub-regulations (2) and (4) of regulation 52 of SEBI (Mutual Fund) (Second Amendment) Regulations, 2012, not exceeding 0.05% of daily net assets of the scheme."

Investors making investments directly with the mutual fund under the direct plan will be benefitted with a lower expense ratio excluding distribution expenses, commission, etc and no commission shall be paid from such plans. The AMC has estimated that annual recurring expenses of up to 2.05% p.a. (for the first 500 crores.) of the daily net assets may be charged to Regular Plan of the Scheme without including the additional expense incurred towards distribution of assets to cities beyond Top 30 cities. The maximum expense including additional expense towards distribution of assets to cities beyond Top 30 cities, if any, will not exceed 2.35% p.a of the daily net assets that may be charged to the Scheme.

	For the actual current expenses being charged, the investor should refer to the website of the Mutual Fund (www.idbimutual.co.in). Further, any change in the expense ratio will be updated on our website and the same change will be communicated to investor via SMS / e-mail 3 working days prior to the effective date of change (not applicable for changes in TER due to change in AUM or due to various other regulatory requirement). The exact web link for TER is https://www.idbimutual.co.in/statutory-disclosure/total-expense-ratio-of-mutual-fund-schemes# GST on Investment Management and Advisory Fees will be outside the maximum limit of TER prescribed under Regulation 52 of the Regulations **Investor Education and Awareness -** Mutual Funds/AMCs shall annually set apart at least 2 basis points (0.02%) on daily net assets within the maximum limit of TER as per regulation 52 of the Regulations for investor education and awareness initiatives. The actual expense incurred by the Scheme in the previous financial year is also provided below for the reference of the investors.

Actual expenses for the previous financial year ended March 2023 (p.a)	
Regular Plan	**Direct Plan**
0	0

The fees and expenses mentioned above are the maximum limits allowed under the regulations and the AMC may at its absolute discretion adopt any fees/expense structure within the regulatory limits mentioned above.

For the actual current expenses being charged, the investor should refer to the website of the Mutual Fund.

Goods and Services Tax (GST)

- The AMCs may charge GST on investment and advisory fees to the scheme in addition to the maximum limit of TER as prescribed in regulation 52 of the Regulations.
- GST 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
- GST 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, the investor should refer to the website of the Mutual Fund (www.idbimutual.co.in). Further, any change in the expense ratio will be updated on our website and the same change will be communicated to investor via SMS / e-mail 3 working days prior to the effective date of change (not applicable for changes in TER due to change in AUM or due to various other regulatory requirement). The exact web link for TER is https://www.idbimutual.co.in/statutory-disclosure/total-expense-ratio-of-mutual-fund-schemes

The actual expense incurred by the Scheme in the previous financial year is also provided below for the reference of the investors

<table>
<tr><td>Waiver of Load for Direct Applications</td><td>Not applicable</td></tr>
<tr><td>Tax treatment for the Investors (Unitholders)</td><td>
<table>
<tr><th>IDBI Dynamic Bond Fund</th><th>Tax Position in Hand of Mutual Fund</th><th>Tax Position in the hand of Unit Holder</th></tr>
<tr><td>Tax on Income Distribution cum capital withdrawal (IDCW)-</td><td>Mutual is liable to deduct TDS @ 10% (if PAN not Furnished then 20%) U/s 194K.

Threshold Limit is Rs 5,000</td><td>Dividend will add in the total income of Unit Holder and will be tax as per investor tax status.</td></tr>
<tr><td>Short Term Capital Gain (if period of holding is upto 36 Months)</td><td>No Tax Implication</td><td>Short Term Capital Gain will be add in the total income of Unit Holder and will be tax as per investor tax status.</td></tr>
<tr><td>Long Term Capital Gain (If period of holding is greater than 36 Months)</td><td>No Tax Implication</td><td>Long Term Capital Gain will be tax @ *20% with Indexation. It may be noted that as per Finance Bill 2023, benefit of indexation is not available for investments made in specified debt funds (where the equity portion of the mutual fund scheme does not exceed 35%) on or after April 01, 2023.</td></tr>
</table>
*The above tax Rate (Excluding Surcharge and Education Cess)

**For further details on taxation please refer to the Section on Taxation in the SAI.

Investors are requested to consult their own tax advisors with respect to the specific amount of tax and other implications arising out of their participation in the scheme.</td></tr>
<tr><td>Product Labeling/ Risk-o-meter</td><td>In terms of SEBI Circular no. SEBI/HO/IMD/DF3/CIR/P/2020/197 dated October 5, 2020 and clarifications issued by SEBI in this regard, the product labeling /risk level assigned for the Scheme during the New Fund Offer is based on internal assessment of the Scheme's characteristics and the same may vary post New Fund Offer when the actual investments are made.

Further, the Mutual Fund/AMC shall evaluate the Risk-o-meter of the Scheme on a monthly basis and shall disclose the same along with portfolio disclosure of the Scheme on its website viz. www.idbimutual.co.in and on the website of AMFI viz. www.amfiindia.com within 10 days from the close of each month. Further, any change in Risk-o-meter shall be communicated by way of Notice-cum-Addendum and by way of an e-mail or SMS to unitholders of the Scheme.</td></tr>
<tr><td>Daily Net Asset Value (NAV) Publication</td><td>NAV shall be calculated for all business days for all Plans/Options/ Sub Options within the Scheme.

NAV can also be viewed on Mutual Fund's website (www.idbimutual.co.in) and AMFI's website (www.amfiindia.com)</td></tr>
</table>

	The NAV of the Scheme will be rounded off to 4 decimal places. Units in the Scheme will be rounded off to 3 decimals.
Daily Net Asset Value (NAV) Publication	NAV shall be calculated for all business days for all Plans/Options/ Sub Options within the Scheme. NAV can also be viewed on Mutual Fund's website (www.idbimutual.co.in) and AMFI's website (www.amfiindia.com) The NAV of the Scheme will be rounded off to 4 decimal places. Units in the Scheme will be rounded off to 3 decimals.
For Investor Grievances, please contact	**Registrar** **KFin Technologies Limited** SEBI Registration Number: INR000000221 Unit: IDBI Mutual Fund Selenium Tower B, Plot Nos. 31 & 32 Financial District Nanakramguda, Serilingampally Mandal Hyderabad - 500032 | India Phone: 040-7961 1000 Email: idbimf.customercare@kfintech.com **IDBI Mutual Fund / IDBI Asset Management Limited** In case of any queries / Service requests, please contact: **Mr. Anil Dhawan** **Investor Relations Officer** IDBI Asset Management Limited 4th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400 005 Phone: 022-6644 2812; Fax: 022-6644 2801 Email: contactus@idbimutual.co.in. In case of any grievance / complaint against IDBI Mutual Fund / IDBI Asset Management Ltd, please contact: **Mr. Rajender Kumar** **Chief Compliance Officer** IDBI Asset Management Limited 4th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400 005. Phone No. 022-6644 2888 Email ID:-complianceofficer@idbimutual.co.in You may also approach **Mr. Raj Kishore Singh** **Managing Director & Chief Executive Officer** IDBI Asset Management Limited 4th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400 005.

	Phone No. 022-6644 2822 email-id: ceodesk@idbimutual.co.in If not satisfied with the response of the intermediary you can lodge your grievances with SEBI at http://scores.gov.in or you may also write to any of the offices of SEBI. For any queries, feedback or assistance, please contact SEBI Office on Toll Free Helpline at 1800 22 7575 / 1800 266 7575.
Unitholders' Information	**1. Account Statement** Pursuant to Regulation 36 of SEBI (Mutual Funds) Regulations, 1996 and amendments thereto, read with SEBI Circular No. Cir/IMD/DF/16/ 2011 dated September 8, 2011 and SEBI Circular no. CIR/MRD/DP/31/2014 dated November 12, 2014, SEBI/HO/IMD/DF2/CIR/P/2016/42 dated March 18, 2016, and SEBI/HO/IMD/DF2/CIR/P/2016/89 dated September 20, 2016 and SEBI Circular no. SEBI/HO/IMD/DF2/CIR/P/2018/137 dated October 22, 2018 and SEBI Circular SEBI/HO/IMD/DF2/CIR/P/2021/024 dated March 04, 2021; the investor whose transaction has been accepted by IDBI Asset Management Limited. / IDBI Mutual Fund shall receive the following: 1. A consolidated account statement (CAS) for each calendar month on or before 15th of the succeeding month shall be sent by email (wherever investor has provided email id) or physical account statement where investor has not provided email id., across the schemes of the mutual funds, to all the investors in whose folio(s) transaction(s) has/have taken place during the month. The same shall be sent by the AMC or by the Agencies appointed by the AMC for non demat unit holders. 2. For the purpose of sending CAS, common investors across mutual funds shall be identified by their Permanent Account Number (PAN). 3. The CAS will not be received by the investors for the folio(s) not updated with PAN details. The Unit holders are therefore requested to ensure that the folio(s) are updated with their PAN and email id. Such investors will get monthly account statement from IDBI Mutual Fund in respect of transactions carried out in the schemes of IDBI Mutual Fund during the month. 4. Pursuant to SEBI Circular no. CIR /MRD /DP /31/2014 dated November 12, 2014 requiring Depositories to generate and dispatch a single consolidated account statement for investors having mutual fund investments and holding demat accounts, the following modifications are made to the existing guidelines on issuance of CAS • Such Investors shall receive a single Consolidated Account Statement (CAS) from the Depository. • Consolidation shall be done on the basis of Permanent Account Number (PAN). In case of multiple holding, it shall be PAN of the first holder and pattern of holding. • In case an investor has multiple accounts across two depositories, the depository with whom the Demat account has been opened earlier will be the default depository which will consolidate the details across depositories and MF investments and dispatch the CAS to the investor. • The CAS will be generated on monthly basis. • If there is any transaction in any of the Demat accounts of the investor or in any of his mutual fund folios, depositories shall send the CAS within fifteen days from the month end. In case, there is no transaction in any of the mutual fund folios and demat

	accounts, then CAS with holding details shall be sent to the investor on half yearly basis. • The dispatch of CAS by the depositories shall constitute compliance by IDBI AMC/ IDBI Mutual Fund with the requirements under Regulation 36(4) of SEBI (Mutual Funds) Regulations, 1996 • Further, a consolidated account statement shall be sent by Depositories every half yearly (September/March), on or before 21st 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 and 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 5. 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. 6. In case of a specific request is received from the investors, IDBI Asset Management Limited./ IDBI Mutual Fund will provide the physical account statement to the investors. 7. In case of units held in demat, on allotment, confirmation specifying the units allotted shall be sent by way of email and/or SMS within 5 Business Days of the closure of the NFO Period to the Unit holder's registered e-mail address and/or mobile number The statement of holding of the beneficiary account holder for units held in demat will be sent by the respective DPs periodically. 8. An Account Statement may be sent to a Unitholder using e-mail. Account Statements to be issued in lieu of Unit Certificates under the Scheme are non-transferable. These Account Statements shall not be construed as proof of title and are only computer printed statements, indicating the details of transactions under the Scheme concerned. 9. Any discrepancy in the Account Statement / Unit Certificate should be brought to the notice of the Fund/AMC immediately. Contents of the Account Statement / Unit Certificate will be deemed to be correct if no error is reported within 30 days from the date of Account Statement / Unit Certificate. **Half Yearly Account Statement:**

	• Asset management company will send consolidated account statement every half yearly (September/ March), on or before twenty first day of succeeding month, detailing holding at the end of the six month, across all schemes of all mutual funds, to all such investors in whose folios no transaction has taken place during that period. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement. • The Account Statement shall reflect – 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 and 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 account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme. • Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated. "Transaction" shall include purchase, redemption, switch, Payout of Income Distribution cum capital withdrawal option (IDCW), Reinvestment of Income Distribution cum capital withdrawal option (IDCW), systematic investment plan, systematic withdrawal plan, systematic transfer plan and bonus transactions. **2. Portfolio** Mutual fund/AMC will disclose portfolio of the Scheme (along with ISIN) as on the last day of the month/ half year for all their schemes in the format prescribed by SEBI in its website within 10 days from the close of each month/ half year respectively in a user-friendly and downloadable spreadsheet format. In case of Unitholders whose e-mail addresses are registered, the Mutual Funds/ AMC shall send via email both the monthly and half-yearly statement of scheme portfolio within 10 days from the close of each month/ half-year respectively. Mutual Fund/ AMC shall publish an advertisement every half-year disclosing the hosting of the half-yearly statement of its schemes portfolio on their respective website and on the website of AMFI. Such advertisement shall be published in the all India edition of at least two daily newspapers, one each in English and Hindi.

	The Mutual Fund/ AMC shall dispatch an account statement within 5 Business Days from the date of the receipt of request from the Unit holder. An Unitholder can also request for a physical or electronic copy of the statement of scheme portfolio through SMS, telephone, email or through letter. Mutual Funds/AMCs shall provide a physical copy of the statement of it scheme portolio without charging any cost, on specific request received from a Unitholder. **3. Half Yearly Results** The Mutual Fund and the AMC shall before the expiry of one month from the close of each half year that is on 31st March and on 30th September, publish its unaudited financial results in its website in a user friendly and downloadable format as per the format prescribed by SEBI vide their Circular No. MFD/CIR/1/200/2001 dated April 20, 2001.The unaudited financial results will also be displayed on the website of IDBI Mutual Fund and AMFI. Mutual fund shall publish an advertisement disclosing the hosting of such financial results on their website, in 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. 4. **Annual Report or Abridged Annual Report:** The Scheme wise Annual Report or an abridged summary thereof shall be mailed to all Unitholders within four months from the date of closure of the relevant accounts year i.e. 31st March each year. The annual report or Abridged Scheme wise Annual Report will be sent in electronic form on their registered email address in the manner specified by the Board. The AMC shall also display the link of the full scheme wise annual report prominently in its website and also in the website of AMFI. Mutual Funds/AMCs shall provide a physical copy of the abridged summary of the Annual Report without charging any cost, on specific request received from a Unitholder. Mutual Fund/ AMC shall publish an advertisement every year disclosing the hosting of the scheme wise annual report on its website and on the website of AMFI. and the modes such as SMS, telephone, email or written request (letter) etc through which Unitholders can submit a request for a physical or electronic copy of scheme wise annual report or abridged summary thereof. Such advertisement shall be published in all India edition of at least 2 daily newspapers, one each in English and Hindi. The audited financial statements of the schemes shall form part of the Annual Report. The statutory auditors appointed by the Trustees for the audit of Mutual Fund are M/s JCR & Co., Chartered Accountants, Mumbai
Transaction Charges	As per SEBI circular Cir/ IMD/ DF/13/ 2011 dated August 22, 2011 the distributor is entitled to charge a transaction charge per subscription of Rs. 10,000/- and above. However, there shall be no transaction charges on direct investments. The transaction charge shall be subject to the following:

	i. For existing investors in a Mutual Fund, the distributor may be paid Rs.100/- as transaction charge per subscription of Rs. 10,000/- and above. ii. The distributor may be paid Rs.150/- as transaction charge for a first time investor in Mutual Funds. iii. The transaction charge, if any, shall be deducted by the AMC from the subscription amount and paid to the distributor; and the balance shall be invested. iv. The AMCs shall be responsible for any malpractice/mis-selling by the distributor while charging transaction costs. v. There shall be no transaction charge on subscription below Rs.10, 000/- vi. In case of SIPs, the transaction charge shall be applicable only if the total commitment through SIPs amounts to Rs. 10,000/- and above. In such cases the transaction charge shall be recovered in 3-4 instalments. vii. There shall be no transaction charge on transactions other than purchases/ subscriptions relating to new inflows. viii. The statement of account shall clearly state that the net investment as gross subscription less transaction charge and the number of units allotted against the net investment. ix. Distributors shall be able to choose to opt out of charging the transaction charge. However, the 'opt-out' shall be at distributor level and not investor level i.e. a distributor shall not charge one investor and choose not to charge another investor. Further, Distributors shall have also the option to either opt in or opt out of levying transaction charge based on type of the product. It is also clarified that as per SEBI circular no. SEBI/IMD/CIR No. 4/ 168230/09, dated June 30, 2009, upfront commission to distributors shall continue to be paid by the investor directly to the distributor by a separate cheque based on his assessment of various factors including the service rendered by the distributor.
Prudential Limit:	a) **Sector exposure limit: -** The scheme shall not invest more than 20% of net assets of the scheme in a particular sector (excluding investments in Bank CDs, Tri –Party Repo, G-Secs, T-Bills, short term deposits of scheduled commercial banks and AAA rated securities issued by Public Financial Institutions and Public Sector Banks). For the purpose of identifying sector, Scheme would use AMFI sector definitions. Provided that the scheme may take an additional exposure to financial services sector (over and above the limit of 20% mentioned above) not exceeding 10% of the net assets of the scheme by way of increase in exposure to Housing Finance Companies (HFCs) and additional limit of 5% of net assets of the scheme has been allowed for investments in securitized debt instruments based on retail housing loan portfolio and/or affordable housing loan portfolio. Provided further that the additional exposure to such securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NHB) and the total investment/ exposure in HFCs shall not exceed 20% of the net assets of the scheme. b) **Group exposure limit:** The Scheme's total exposure in a group (excluding investments in securities issued by Public Sector Units, Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the Scheme. Such investment limit may be extended to 25% of the net assets of the Scheme with the prior approval of the Board of Trustee.

	The investments by the Scheme in debt and money market instruments of group companies of both the Sponsor and the AMC shall not exceed 10% of the net assets of the scheme. Such investment limit may be extended to 15% of the net assets of the scheme with the prior approval of the Board of Trustees. For this purpose, a group means a group as defined under regulation 2 (mm) of the Regulations and shall include an entity, its subsidiaries, fellow subsidiaries, its holding company and its associates.

Date: April 28, 2023