IDBI Asset Management Limited

IDBI mutual

CIN: U65100MH2010PLC199319, **Registered Office:** IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400005, **Corporate Office:** 5th Floor, Mafatlal Centre, Nariman Point, Mumbai- 400021. **Tel:** (022) 66442800, **Fax:** (022) 66442801, **Website:** www.idbimutual.co.in, **E-mail:** contactus@idbimutual.co.in

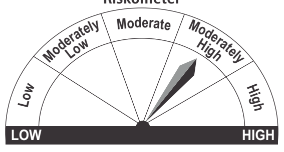
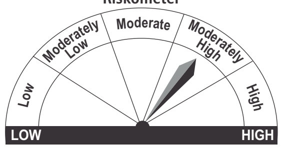
NOTICE CUM ADDENDUM NO. 10/2018
CHANGE IN FUNDAMENTAL ATTRIBUTES OF THE VARIOUS SCHEMES OF IDBI MUTUAL FUND

NOTICE is hereby given to the investors/ unit holders of the following schemes (hereinafter referred to as "Schemes") of IDBI Mutual Fund ('Fund') that the Board of Directors of IDBI MF Trustee Company Limited, Trustee to Fund, have approved change in fundamental attribute of the Schemes as summarize below and SEBI has also consented to the same vide their letter no. IMD/DF3/OW/P/2018/1109/1 dated January 11, 2018. The changes will be effective from March 27, 2018.

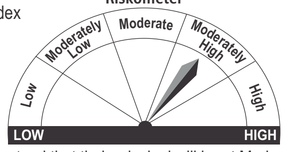
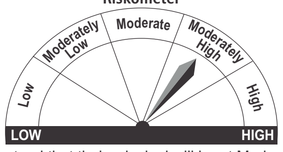
1. IDBI Diversified Equity Fund	2. IDBI India Top 100 Equity Fund	3. IDBI Midcap Fund
4. IDBI Small Cap Fund	5. IDBI Prudence Fund	6. IDBI Monthly Income Plan
7. IDBI Liquid Fund	8. IDBI Ultra Short Term Fund	9. IDBI Short Term Bond Fund
10. IDBI Corporate Debt Opportunities Fund	11. IDBI Gilt Fund	

The Existing and proposed changes are as under: -

1. IDBI DIVERSIFIED EQUITY FUND

<table>
<tr><th>S.No.</th><th>Particulars</th><th>Existing</th><th>Revised</th></tr>
<tr><td>1.</td><td>Type of Scheme</td><td>An open-ended growth scheme.</td><td>Multi Cap Fund - An open-ended equity scheme investing across large cap, mid cap, small cap stocks.</td></tr>
<tr><td rowspan="3">2.</td><td rowspan="3">Product Labelling</td><td>This product is suitable for investors who are seeking*:</td><td>This product is suitable for investors who are seeking*:</td></tr>
<tr><td>• Long term capital growth
• Investments predominantly in equity & equity related instruments
Riskometer

Investors understand that their principal will be at Moderately High Risk</td><td>• Long term capital appreciation
• Investments in a diversified portfolio consisting of equity & equity related instruments across market capitalization
Riskometer

Investors understand that their principal will be at Moderately High Risk</td></tr>
<tr><td>*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td><td>*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td></tr>
<tr><td>3.</td><td>Investment Objective</td><td>To provide investors with opportunities for long-term growth in capital through investment in a diversified basket of equity stocks, debt and money market instruments. The equity portfolio will be well diversified and actively managed to realize the scheme objective. However, there can be no assurance that the investment objective of the scheme will be realized.</td><td>The Investment objective of the Scheme is to provide investors with the opportunities for long-term capital appreciation by investing in a diversified portfolio of Equity and Equity related Instruments across market capitalization. However there can be no assurance that the investment objective under the Scheme will be realized.</td></tr>
<tr><td>4.</td><td>Asset Allocation Pattern</td><td>
<table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Equities and equity related instruments</td><td>70%</td><td>100%</td><td>High</td></tr>
<tr><td>Debt and Money market instruments and CBLO</td><td>0%</td><td>30%</td><td>Low to Medium</td></tr>
</table>
The cumulative gross investment in securities under the scheme, which includes Equity, Money market instruments, debt instruments including floating rate debt instruments and gross exposure to derivatives, will not exceed 100% of the net assets of the Scheme.</td><td>
<table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Equity and Equity related instruments across market capitalization</td><td>65%</td><td>100%</td><td>High</td></tr>
<tr><td>Debt and Money market instruments</td><td>0%</td><td>35%</td><td>Low to Medium</td></tr>
<tr><td>Units issued by Real Estate Investment Trusts (REITs) & Infrastructure Investment Trusts (InvITs)</td><td>0%</td><td>10%</td><td>Medium to High</td></tr>
</table>
The gross investment in securities under the scheme, which includes Equity and Equity related instruments, Money market and debt instruments, units of mutual fund schemes, units of InvIT and REIT and gross exposure in derivatives will not exceed 100% of the net assets of the scheme.</td></tr>
<tr><td>5.</td><td>Where will the scheme Invest?</td><td><u>Equity and equity related Instruments</u>
Equity and Equity related instruments shall include stocks and shares of companies, foreign currency convertible bonds (FCCB), derivative instruments like stock future/options and index futures and options, warrants, convertible preference shares.</td><td><u>Equity and equity related Instruments</u>
Equity and Equity related instruments shall include stocks and shares of companies, foreign currency convertible bonds (FCCB), derivative instruments like stock future/options and index futures and options, equity warrants, convertible preference shares etc. as may be permitted by SEBI/RBI from time to time. The Scheme will invest across large cap, mid cap and small cap stocks.
<u>Units issued by Real Estate Investment Trusts (REITs) & Infrastructure Investment Trusts (InvITs)</u>
The scheme shall invest in REITs/InvITs to the extent mentioned in asset allocation and in line with, SEBI (Mutual Funds) (Amendment) Regulations, 2017.
<u>Addition to Debt and Money Market instruments</u>
Units of Liquid Funds or any other schemes offered by Mutual Funds as may be permitted by RBI/SEBI/such other regulatory authority from time to time.</td></tr>
<tr><td>6.</td><td>Risk Factors</td><td>Refer existing disclosures in the SID under Section IA titled as Risk Factors.</td><td>The following shall be added under Section IA titled as Risk Factors:-
<u>Risks associated with investments in REITs & InvITs:</u>
• Market Risk: REITs and InvITs are volatile and prone to price fluctuations on a daily basis owing to market movements. AMC/Fund Manager's investment decisions may not always be profitable, as actual market movements may be at variance with the anticipated trends. NAV of the Scheme is vulnerable to movements in the prices of securities invested by the scheme, due to various market related factors like changes in the general market conditions, factors and forces affecting capital market, level of interest rates, trading volumes, settlement periods and transfer procedures.
• Liquidity Risk: As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes, settlement periods, dissolution of the trust, potential delisting of units on the exchange etc, the time taken by the Mutual Fund for liquidating the investments in the scheme may be high in the event of immediate redemption requirement. Investment in such securities may lead to increase in the scheme portfolio risk.
• Reinvestment Risk: Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns.
• Regulatory/Legal Risk: REITs and InvITs being new asset classes, rights of unit holders such as right to information etc may differ from existing capital market asset classes under Indian Law.
• Price-Risk or Interest-Rate Risk: REITs & InvITs run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing 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.
• 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. REITs & InvITs are likely to have volatile cash flows as the repayment dates would not necessarily be pre scheduled.
To mitigate the risks associated with investments in REITs & InvITs, the Scheme will invest in REITS/InvITs, where adequate due diligence and research has been performed by AMC. The AMC also relies on its own research as well as third party research. This involves one-to-one meetings with the managements, attending conferences and analyst meets and also teleconferences. The analysis will focus, amongst others, on the strength of management, predictability and certainty of cash flows, value of assets, capital structure, business prospects, policy environment, volatility of business conditions, etc.
<u>Risks associated with investing in Liquid Funds offered by Mutual Funds</u>
To the extent of the investments in liquid mutual funds, the risks associated with investing in liquid funds like market risk, credit & default risk, liquidity risk, redemption risk including the possible loss of principal etc. will exist</td></tr>
</table>

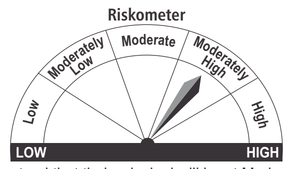
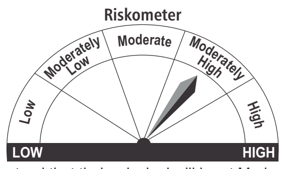
2. IDBI INDIA TOP 100 EQUITY FUND

<table>
<tr><th>S.No.</th><th>Particulars</th><th>Existing</th><th>Revised</th></tr>
<tr><td>1.</td><td>Type of Scheme</td><td>An open-ended growth scheme.</td><td>Large Cap Fund - An open-ended equity scheme predominantly investing in large cap stocks.</td></tr>
<tr><td rowspan="3">2.</td><td rowspan="3">Product Labelling</td><td>This product is suitable for investors who are seeking*:</td><td>This product is suitable for investors who are seeking*:</td></tr>
<tr><td>• Long term capital growth
• Investments in equity stocks and equity related instruments of companies that are constituents of Nifty 100 Index
Riskometer

Investors understand that their principal will be at Moderately High Risk</td><td>• Long term capital growth
• Investments predominantly in large cap equity and equity related instruments
Riskometer

Investors understand that their principal will be at Moderately High Risk</td></tr>
<tr><td>*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td><td>*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td></tr>
<tr><td>3.</td><td>Investment Objective</td><td>The Investment Objective of the Scheme is to provide investors with opportunities for long-term growth in capital through active management of a diversified basket of equity stocks, debt and money market instruments. The investment universe of the scheme will be restricted to equity stocks and equity related instruments of companies that are constituents of the Nifty 50 Index and the Nifty Next 50 Index comprising a total of 100 stocks. These two indices are collectively referred to as the Nifty 100 Index. The equity portfolio will be well-diversified and actively managed to realize the Scheme objective.</td><td>The Investment objective of the Scheme is to provide investors with the opportunities for long-term capital appreciation by investing predominantly in Equity and Equity related Instruments of Large Cap companies. However there can be no assurance that the investment objective under the Scheme will be realized.</td></tr>
<tr><td>4.</td><td>Asset Allocation Pattern</td><td>
<table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Equities and equity related instruments of constituents of the Nifty 100 Index</td><td>70%</td><td>100%</td><td>High</td></tr>
<tr><td>Debt and Money market instruments</td><td>0%</td><td>30%</td><td>Low to Medium</td></tr>
</table>
Investment in Derivative instruments 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.
The Scheme does not propose to invest in Securitized Debt/ADRs/ GDRs and foreign securities.
The Scheme may engage in short selling. Scheme may participate in securities lending and borrowing.
The gross investment in securities under the scheme, which includes Equity and equity related instruments, Money market instruments, debt instruments including floating rate debt instruments and gross exposure to derivatives will not exceed 100% of the net assets of the scheme.</td><td>
<table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Equities and Equity related instruments of Large Cap Companies</td><td>80%</td><td>100%</td><td>High</td></tr>
<tr><td>Equities and Equity related instruments of other than Large Cap Companies</td><td>0%</td><td>20%</td><td>High</td></tr>
<tr><td>Debt and Money market instruments</td><td>0%</td><td>20%</td><td>Low to Medium</td></tr>
<tr><td>Units issued by Real Estate Investment Trusts (REITs) & Infrastructure Investment Trusts (InvITs)</td><td>0%</td><td>10%</td><td>Medium to High</td></tr>
</table>
The Scheme may engage in short selling. Scheme may participate in securities lending and borrowing as specified by SEBI.
Investment in Derivative instruments 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.
The Scheme does not propose to invest in Securitized Debt/ADRs/GDRs and foreign securities.
The cumulative gross investment in securities under the scheme, which includes Equity and Equity related instruments, Money Market and Debt instruments, units of mutual fund schemes, units of InvIT and REIT and gross exposure in derivatives will not exceed 100% of the net assets of the scheme.
The definition of the large cap will be as per the SEBI circular no. SEBI/HO/IMD/DF3/CIR/P/2017/114 dated October 06, 2017 and SEBI circular no. SEBI/HO/IMD/DF3/CIR/P/2017/126 dated December 04, 2017.</td></tr>
</table>

2. IDBI INDIA TOP 100 EQUITY FUND

<table>
<tr><th>S.No.</th><th>Particulars</th><th>Existing</th><th>Revised</th></tr>
<tr><td>5.</td><td>Where will the scheme Invest?</td><td><u>Equity and equity related Instruments</u>
The scheme will invest in the stocks and equity related instruments of constituents of the Nifty 50 Index and the Nifty Next 50 Index comprising a total of 100 stocks. These two indices are collectively referred to as the Nifty 100 Index.</td><td><u>Equity and Equity related Instruments</u>
The scheme will invest predominantly in the Equity and Equity related instruments of large cap companies.
<u>Units issued by Real Estate Investment Trusts (REITs) & Infrastructure Investment Trusts (InvITs)</u>
The scheme shall invest in REITs/InvITs to the extent mentioned in asset allocation and in line with, SEBI (Mutual Funds) (Amendment) Regulations, 2017.
<u>Addition to Debt and Money Market instruments</u>
Units of Liquid Funds or any other schemes offered by Mutual Funds as may be permitted by RBI/SEBI/such other regulatory authority from time to time.</td></tr>
<tr><td>6.</td><td>What are the Investment Strategies?</td><td>The investment strategy for the Scheme would be to actively manage a diversified portfolio of stocks from within the Nifty 100 universe to generate opportunities for long-term growth in capital. Within this universe, the Fund Manager will use a combination of top-down and bottom-up approach that will include amongst others metrics, competitive position, earnings growth, management quality, liquidity etc. to identify fundamentally sound companies that have long-term growth potential at reasonable prices while also exploiting short-term trading opportunities that may arise from time to time. The returns would be commensurate with the levels of risk taken in the portfolio and the portfolio would be structured to incorporate reasonable liquidity by the use of cash and cash equivalents.</td><td>The investment strategy for the Scheme would be to actively manage a portfolio, predominantly of large cap stocks to generate opportunities for long term capital appreciation. Within the universe the fund manager will use a combination of top-down and bottom-up approach that will include amongst others metrics, competitive position, earnings growth, management quality, liquidity etc. to identify fundamentally sound companies that have long-term growth potential at reasonable prices while also exploiting short-term trading opportunities that may arise from time to time. The returns would be commensurate with the levels of risk taken in the portfolio and the portfolio would be structured to incorporate reasonable liquidity by the use of cash and cash equivalents.</td></tr>
<tr><td>7.</td><td>Risk Factors</td><td>Refer existing disclosures in the SID under Section IA titled as Risk Factors.</td><td>The following shall be added under Section IA titled as Risk Factors:-
Risks associated with investments in REITs & InvITs:
• Market Risk: REITs and InvITs are volatile and prone to price fluctuations on a daily basis owing to market movements. AMC/Fund Manager's investment decisions may not always be profitable, as actual market movements may be at variance with the anticipated trends. NAV of the Scheme is vulnerable to movements in the prices of securities invested by the scheme, due to various market related factors like changes in the general market conditions, factors and forces affecting capital market, level of interest rates, trading volumes, settlement periods and transfer procedures.
• Liquidity Risk: As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes, settlement periods, dissolution of the trust, potential delisting of units on the exchange etc, the time taken by the Mutual Fund for liquidating the investments in the scheme may be high in the event of immediate redemption requirement. Investment in such securities may lead to increase in the scheme portfolio risk.
• Reinvestment Risk: Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns.
• Regulatory/Legal Risk: REITs and InvITs being new asset classes, rights of unit holders such as right to information etc may differ from existing capital market asset classes under Indian Law.
• Price-Risk or Interest-Rate Risk: REITs & InvITs run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing 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.
• 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. REITs & InvITs are likely to have volatile cash flows as the repayment dates would not necessarily be pre scheduled.
To mitigate the risks associated with investments in REITs & InvITs, the Scheme will invest in REITS/InvITs, where adequate due diligence and research has been performed by AMC. The AMC also relies on its own research as well as third party research. This involves one-to-one meetings with the managements, attending conferences and analyst meets and also teleconferences. The analysis will focus, amongst others, on the strength of management, predictability and certainty of cash flows, value of assets, capital structure, business prospects, policy environment, volatility of business conditions, etc.
Risks associated with investing in Liquid Funds offered by Mutual Funds
To the extent of the investments in liquid mutual funds, the risks associated with investing in liquid funds like market risk, credit & default risk, liquidity risk, redemption risk including the possible loss of principal etc. will exist.</td></tr>
</table>

3. IDBI MIDCAP FUND

<table>
<tr><th>S.No.</th><th>Particulars</th><th>Existing</th><th>Revised</th></tr>
<tr><td>1.</td><td>Type of Scheme</td><td>An open ended equity scheme.</td><td>Mid Cap Fund - An open-ended equity scheme predominantly investing in mid cap stocks.</td></tr>
<tr><td rowspan="3">2.</td><td rowspan="3">Product Labelling</td><td>This product is suitable for investors who are seeking*:</td><td>This product is suitable for investors who are seeking*:</td></tr>
<tr><td>• Long term capital growth
• Investment predominantly in equity & equity related instruments of Midcap companies
Riskometer

Investors understand that their principal will be at Moderately High Risk</td><td>• Long term capital growth
• Investment predominantly in equity & equity related instruments of Midcap companies
Riskometer

Investors understand that their principal will be at Moderately High Risk</td></tr>
<tr><td>*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td><td>*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td></tr>
<tr><td>3.</td><td>Asset Allocation Pattern</td><td>
<table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Equity & Equity related instruments of Midcap Companies</td><td>65%</td><td>100%</td><td>High</td></tr>
<tr><td>Debt and Money Market instruments</td><td>0%</td><td>35%</td><td>Low to Medium</td></tr>
</table>
Debt and money market instruments may include securitized debt up to 10% of the net assets of the Scheme. The scheme may invest up to 50% of Net Assets of Scheme into equity derivatives instruments. Investment in derivatives shall be for hedging, portfolio balancing and such other purposes as maybe permitted from time to time.
The Scheme will not invest in ADRs/GDRs, foreign securities. The scheme will not invest in Repo in Corporate Debt Securities.
The Scheme will invest in equity and equity related instruments of those companies that are either constituent of Nifty Free Float Midcap 100 Index (benchmark) or companies that have a market capitalization between the highest and the lowest market capitalization of Nifty Free Float Midcap 100 Index (Benchmark).
These companies may or may not be a constituent of the benchmark Index. Initial Public Offerings of companies, the market capitalization of which, on listing, would be estimated to meet the above mentioned criteria, will also qualify as midcap companies.
This market capitalization range for midcap companies will be determined at the end of every calendar quarter and will be applicable for all investments. The portfolio will be reviewed at every calendar quarter end. In the event of asset allocation falling outside the limits specified in the asset allocation table, the fund manager will rebalance the same within 30 days.
The cumulative gross exposure under the Scheme through Equity, Money market instruments, debt instruments and derivatives positions, will not exceed 100% of the net assets of the scheme.</td><td>
<table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Equity & Equity related instruments of Midcap Companies</td><td>65%</td><td>100%</td><td>High</td></tr>
<tr><td>Equity & Equity related instruments of other than midcap companies</td><td>0%</td><td>35%</td><td>High</td></tr>
<tr><td>Debt and Money Market instruments</td><td>0%</td><td>35%</td><td>Low to Medium</td></tr>
<tr><td>Units issued by Real Estate Investment Trusts (REITs) & Infrastructure Investment Trusts (InvITs)</td><td>0%</td><td>10%</td><td>Medium to High</td></tr>
</table>
Debt and money market instruments may include securitized debt up to 10% of the net assets of the Scheme. The scheme may invest up to 50% of Net Assets of Scheme into equity derivatives instruments. Investment in derivatives shall be for hedging, portfolio balancing and such other purposes as maybe permitted from time to time.
The Scheme will not invest in ADRs/GDRs, foreign securities.
The scheme will not invest in Repo in Corporate Debt Securities.
In the event of asset allocation falling outside the limits specified in the asset allocation table, the fund manager will rebalance the same within 30 days.
The cumulative gross investment in securities under the Scheme, which includes Equity and equity related instruments, Money market and debt instruments, units of mutual fund schemes, units of InvIT and REIT and gross exposure in derivatives will not exceed 100% of the net assets of the scheme.
The definition of the mid cap will be as per the SEBI circular no. SEBI/HO/IMD/DF3/CIR/P/2017/114 dated October 06, 2017 and SEBI circular no. SEBI/HO/IMD/DF3/CIR/P/2017/126 dated December 04, 2017.</td></tr>
<tr><td>4.</td><td>Where will the scheme Invest?</td><td><u>Equity and equity related Instruments</u>
Equity and Equity related instruments shall include stocks and shares of companies, foreign currency convertible bonds (FCCB), derivative instruments like stock future/options and index futures and options, warrants, convertible preference shares.</td><td><u>Equity and equity related Instruments</u>
Equity and Equity related instruments shall include stocks and shares of companies, foreign currency convertible bonds (FCCB), derivative instruments like stock future/options and index futures and options, equity warrants, convertible preference shares etc as may be permitted by SEBI/RBI from time to time.
The Scheme will invest predominantly in mid cap stocks.
<u>Units issued by Real Estate Investment Trusts (REITs) & Infrastructure Investment Trusts (InvITs)</u>
The scheme shall invest in REITs / InvITs to the extent mentioned in asset allocation and in line with, SEBI (Mutual Funds) (Amendment) Regulations, 2017.
<u>Addition to Debt and Money Market instruments</u>
Units of Liquid Funds or any other schemes offered by Mutual Funds as may be permitted by RBI / SEBI / such other regulatory authority from time to time.</td></tr>
<tr><td>5.</td><td>Investment strategy</td><td>The investment strategy of the Scheme would be geared towards constructing a well-diversified portfolio of companies from the midcap universe. Mid Cap Companies, for the purpose of this Scheme, is defined as the companies that are either constituent of Nifty Free Float Midcap 100 Index (benchmark) or companies that have a market capitalization between the highest and the lowest market capitalization of Nifty Free Float Midcap 100 Index (Benchmark). These companies may or may not be a constituent of the benchmark Index. Initial Public Offerings (IPOs) of companies, the market capitalization of which, on listing, would be estimated to meet the above mentioned criteria, will also qualify as midcap companies.
This market capitalization range for midcap companies will be determined at the end of every calendar quarter and will be applicable for all investments. The portfolio will be reviewed at every calendar quarter end. In the event of asset allocation falling outside the limits specified in the asset allocation table, the fund manager will rebalance the same within 30 days.
Nifty Free Float Midcap 100 Index intends to capture the movement and be a benchmark of the midcap segment of the market. It captures the most liquid securities within the midcap segment of the market.
The investment team will adopt a combination of top-down and bottom-up approaches for portfolio construction and the investment philosophy will focus on growth at reasonable prices (price at entry is an important determinant for inclusion in portfolio). Any stock which will eventually form a part of the portfolio will be analyzed by the in-house equity research team for its investments merits and fundamentals – competitive position, earnings growth, management quality, promoter track record, future plans, valuation corporate governance, sustainable cash flows etc. – and will be monitored on an ongoing basis also. In addition to in-house research, external research such as newspapers, database, magazines etc. may be used as an additional source of information.
The returns would be commensurate with the levels of risk taken in the portfolio and the portfolio would be structured to incorporate reasonable liquidity by the use of cash and cash equivalents.</td><td>The investment strategy of the Scheme would be geared towards constructing a well-diversified portfolio of companies predominantly from the midcap universe. Mid Cap Companies, for the purpose of this Scheme, is defined as 101st to 250th company in terms of full, market capitalization.
The investment team will adopt a combination of top-down and bottom-up approaches for portfolio construction and the investment philosophy will focus on growth at reasonable prices. Any stock which will eventually form a part of the portfolio will be analyzed by the in-house equity research team for its investments merits and fundamentals – competitive position, earnings growth, management quality, promoter track record, future plans, valuation corporate governance, sustainable cash flows etc. – and will be monitored on an on-going basis also. In addition to in-house research, external research such as newspapers, database, magazines etc. may be used as an additional source of information.
The returns would be commensurate with the levels of risk taken in the portfolio and the portfolio would be structured to incorporate reasonable liquidity by the use of cash and cash equivalents.</td></tr>
</table>

Continued to next page.

IDBI Asset Management Limited

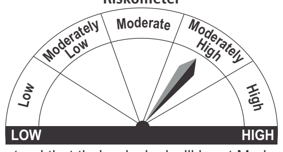
CIN: U65100MH2010PLC199319, **Registered Office:** IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400005, **Corporate Office:** 5th Floor, Mafatlal Centre, Nariman Point, Mumbai- 400021. **Tel:** (022) 66442800, **Fax:** (022) 66442801, **Website:** www.idbimutual.co.in, **E-mail:** contactus@idbimutual.co.in

NOTICE CUM ADDENDUM NO. 10/2018
CHANGE IN FUNDAMENTAL ATTRIBUTES OF THE VARIOUS SCHEMES OF IDBI MUTUAL FUND

3. IDBI MIDCAP FUND

<table>
<tr><th>S.No.</th><th>Particulars</th><th>Existing</th><th>Revised</th></tr>
<tr><td>6.</td><td>Risk Factors</td><td>Refer existing disclosures in the SID under Section IA titled as Risk Factors.</td><td>The following shall be added under Section IA titled as Risk Factors:-
Risks associated with investments in REITs & InvITs:
• Market Risk: REITs and InvITs are volatile and prone to price fluctuations on a daily basis owing to market movements. AMC/Fund Manager's investment decisions may not always be profitable, as actual market movements may be at variance with the anticipated trends. NAV of the Scheme is vulnerable to movements in the prices of securities invested by the scheme, due to various market related factors like changes in the general market conditions, factors and forces affecting capital market, level of interest rates, trading volumes, settlement periods and transfer procedures.
• Liquidity Risk: As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes, settlement periods, dissolution of the trust, potential delisting of units on the exchange etc, the time taken by the Mutual Fund for liquidating the investments in the scheme may be high in the event of immediate redemption requirement. Investment in such securities may lead to increase in the scheme portfolio risk.
• Reinvestment Risk: Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns.
• Regulatory/Legal Risk: REITs and InvITs being new asset classes, rights of unit holders such as right to information etc may differ from existing capital market asset classes under Indian Law.
• Price-Risk or Interest-Rate Risk: REITs & InvITs run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing 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.
• 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. REITs & InvITs are likely to have volatile cash flows as the repayment dates would not necessarily be pre scheduled.
To mitigate the risks associated with investments in REITs & InvITs, the Scheme will invest in REITS/InvITs, where adequate due diligence and research has been performed by AMC. The AMC also relies on its own research as well as third party research. This involves one-to-one meetings with the managements, attending conferences and analyst meets and also teleconferences. The analysis will focus, amongst others, on the strength of management, predictability and certainty of cash flows, value of assets, capital structure, business prospects, policy environment, volatility of business conditions, etc.
Risks associated with investing in Liquid Funds offered by Mutual Funds
To the extent of the investments in liquid mutual funds, the risks associated with investing in liquid funds like market risk, credit & default risk, liquidity risk, redemption risk including the possible loss of principal etc. will exist</td></tr>
</table>

4. IDBI SMALL CAP FUND

<table>
<tr><th>S.No.</th><th>Particulars</th><th>Existing</th><th>Revised</th></tr>
<tr><td>1.</td><td>Type of Scheme</td><td>An open ended equity scheme.</td><td>Small Cap Fund - An open-ended equity scheme predominantly investing in small cap stocks.</td></tr>
<tr><td>2.</td><td>Product Labelling</td><td>This product is suitable for investors who are seeking*:
• Long term capital growth
• Investment predominantly in equity & equity related instruments of Small Cap companies
Riskometer


Investors understand that their principal will be at Moderately High Risk
Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td><td>This product is suitable for investors who are seeking:
• Long term capital growth
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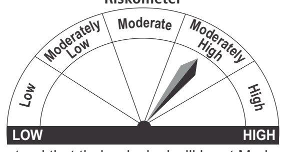

Investors understand that their principal will be at Moderately High Risk
*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td></tr>
<tr><td>3.</td><td>Investment Objective</td><td>The objective of the scheme is to provide investors with the opportunities for long-term capital appreciation by investing predominantly in Equity and Equity related instruments of Small Cap companies. However there can be no assurance that the investment objective under the Scheme will be realized.</td><td>The Investment objective of the Scheme is to provide investors with the opportunities for long-term capital appreciation by investing predominantly in Equity and Equity related instruments of Small Cap companies. However there can be no assurance that the investment objective under the Scheme will be realized.</td></tr>
<tr><td>4.</td><td>Asset Allocation Pattern</td><td><table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Equity & Equity related instruments of Small Cap Companies</td><td>65%</td><td>100%</td><td>High</td></tr>
<tr><td>Equity & Equity related instruments of Companies other than Small Cap Companies</td><td>0%</td><td>35%</td><td>High</td></tr>
<tr><td>Debt and Money market instruments and CBLO</td><td>0%</td><td>35%</td><td>Low to Medium</td></tr>
</table>
Debt and money market instruments may include securitized debt up to 10% of the net assets of the Scheme.
The scheme may invest up to 50% of Net Assets of Scheme into equity derivatives instruments. Investment in derivatives shall be for hedging, portfolio balancing and such other purposes as maybe permitted from time to time.
The Scheme will not invest in ADRs/GDRs, foreign securities.
The scheme will not invest in Repo in Corporate Debt Securities.
Definition of Small Cap companies- Small Cap companies, for the purpose this Scheme, are defined as those companies that are either constituents of Nifty Smallcap 250 Index (Benchmark) or a company, whose market capitalization at the time of investment is lower than or equal to the highest market cap stock in the Nifty Smallcap 250 Index (Benchmark).
The Scheme may also invest in Initial Public Offerings (IPOs) of those companies whose market capitalization on listing, would be estimated to meet the above mentioned criteria and would be in line with the above definition of small-cap companies.
The cumulative gross investment in securities under the scheme, which includes Equity, Money market instruments, debt instruments including floating rate debt instruments and gross exposure to derivatives, will not exceed 100% of the net assets of the Scheme.</td><td><table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
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<tr><td>Units issued by Real Estate Investment Trusts (REITs) & Infrastructure Investment Trusts (InvITs)</td><td>0%</td><td>10%</td><td>Medium to High</td></tr>
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Debt and money market instruments may include securitized debt up to 10% of the net assets of the Scheme.
The scheme may invest up to 50% of Net Assets of Scheme into equity derivatives instruments. Investment in derivatives shall be for hedging, portfolio balancing and such other purposes as maybe permitted from time to time.
The Scheme will not invest in ADRs/GDRs, foreign securities.
The scheme will not invest in Repo in Corporate Debt Securities.
The cumulative gross investment in securities under the scheme, which includes Equity and equity related instruments, Money market and debt instruments, units of mutual fund schemes, units of InvIT and REIT and gross exposure in derivatives will not exceed 100% of the net assets of the scheme.
The definition of the small cap will be as per the SEBI circular no. SEBI/HO/IMD/DF3/CIR/P/2017/114 dated October 06, 2017 and SEBI circular no. SEBI/HO/IMD/DF3/CIR/P/2017/126 dated December 04, 2017.</td></tr>
<tr><td>5.</td><td>Where will the scheme Invest?</td><td><u>Equity and equity related Instruments</u>
Equity and Equity related instruments shall include stocks and shares of companies, foreign currency convertible bonds (FCCB), derivative instruments like stock future/options and index futures and options, warrants, convertible preference shares.</td><td><u>Equity and equity related Instruments</u>
Equity and Equity related instruments shall include stocks and shares of companies, foreign currency convertible bonds (FCCB), derivative instruments like stock future/options and index futures and options, equity warrants, convertible preference shares etc. as may be permitted by SEBI/RBI from time to time.
The Scheme will invest predominantly in small cap stocks.
<u>Units issued by Real Estate Investment Trusts (REITs) & Infrastructure Investment Trusts (InvITs)</u>
The scheme shall invest in REITs/InvITs to the extent mentioned in asset allocation and in line with, SEBI (Mutual Funds) (Amendment) Regulations, 2017.
<u>Addition to Debt and Money Market instruments</u>
Units of Liquid Funds or any other schemes offered by Mutual Funds as may be permitted by RBI/SEBI/such other regulatory authority from time to time.</td></tr>
<tr><td>6.</td><td>Investment strategy</td><td>The scheme seeks to achieve its investment objective by predominantly investing in equity/equity related instruments of small cap companies as well a small portion in equity and equity related instruments of other than small cap companies. The investment strategy of the Scheme would be geared towards constructing a well-diversified portfolio of companies from the small cap universe.
Small Cap Companies, for the purpose of this Scheme, is defined as those companies that are either constituents of Nifty Smallcap 250 Index (Benchmark) or a company, whose market capitalization at the time of investment is lower than or equal to the highest market cap stock in the Nifty Smallcap 250 Index.
The Scheme may also invest in Initial Public Offerings (IPOs) of those companies whose market capitalization on listing, would be estimated to meet the above mentioned criteria and would be in line with the above definition of small Cap companies.
The investment team will adopt a combination of top-down and bottom-up approaches for portfolio construction and the investment philosophy will focus on growth at reasonable prices (price at entry is an important determinant for inclusion in portfolio). Any stock which will eventually form a part of the portfolio will be analysed by the in-house equity research team for its investments merits and fundamentals – competitive position, earnings growth, management quality, promoter track record, future plans, valuation corporate governance, sustainable cash flows etc. – and will be monitored on an ongoing basis also. In addition to inhouse research, external research such as newspapers, database, magazines etc. may be used as an additional source of information.
The returns would be commensurate with the levels of risk taken in the portfolio and the portfolio would be structured to incorporate reasonable liquidity by the use of cash and cash equivalents.</td><td>The scheme seeks to achieve its investment objective by predominantly investing in equity/equity related instruments of small cap companies as well a small portion in equity and equity related instruments of other than small cap companies. The investment strategy of the Scheme would be geared towards constructing a well-diversified portfolio of companies from the small cap universe.
Small Cap Companies, for the purpose of this Scheme, is defined as 251st company onwards in term of full market capitalization.
The investment team will adopt a combination of top-down and bottom-up approaches for portfolio construction and the investment philosophy will focus on growth at reasonable prices (price at entry is an important determinant for inclusion in portfolio). Any stock which will eventually form a part of the portfolio will be analysed by the in-house equity research team for its investments merits and fundamentals – competitive position, earnings growth, management quality, promoter track record, future plans, valuation corporate governance, sustainable cash flows etc. – and will be monitored on an on-going basis also. In addition to in-house research, external research such as newspapers, database, magazines etc. may be used as an additional source of information.
The returns would be commensurate with the levels of risk taken in the portfolio and the portfolio would be structured to incorporate reasonable liquidity by the use of cash and cash equivalents.</td></tr>
<tr><td>7.</td><td>Risk Factors</td><td>Refer existing disclosures in the SID under Section IA titled as Risk Factors.</td><td>The following shall be added under Section IA titled as Risk Factors:-
Risks associated with investments in REITs & InvITs:
• Market Risk: REITs and InvITs are volatile and prone to price fluctuations on a daily basis owing to market movements. AMC/Fund Manager's investment decisions may not always be profitable, as actual market movements may be at variance with the anticipated trends. NAV of the Scheme is vulnerable to movements in the prices of securities invested by the scheme, due to various market related factors like changes in the general market conditions, factors and forces affecting capital market, level of interest rates, trading volumes, settlement periods and transfer procedures.
• Liquidity Risk: As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes, settlement periods, dissolution of the trust, potential delisting of units on the exchange etc, the time taken by the Mutual Fund for liquidating the investments in the scheme may be high in the event of immediate redemption requirement. Investment in such securities may lead to increase in the scheme portfolio risk.</td></tr>
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4. IDBI SMALL CAP FUND

<table>
<tr><th>S.No.</th><th>Particulars</th><th>Existing</th><th>Revised</th></tr>
<tr><td>7.</td><td>Risk Factors</td><td>Refer existing disclosures in the SID under Section IA titled as Risk Factors.</td><td>• Reinvestment Risk: Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns.
• Regulatory/Legal Risk: REITs and InvITs being new asset classes, rights of unit holders such as right to information etc may differ from existing capital market asset classes under Indian Law.
• Price-Risk or Interest-Rate Risk: REITs & InvITs run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing 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.
• 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. REITs & InvITs are likely to have volatile cash flows as the repayment dates would not necessarily be pre scheduled.
To mitigate the risks associated with investments in REITs & InvITs, the Scheme will invest in REITS/InvITs, where adequate due diligence and research has been performed by AMC. The AMC also relies on its own research as well as third party research. This involves one-to-one meetings with the managements, attending conferences and analyst meets and also teleconferences. The analysis will focus, amongst others, on the strength of management, predictability and certainty of cash flows, value of assets, capital structure, business prospects, policy environment, volatility of business conditions, etc.
Risks associated with investing in Liquid Funds offered by Mutual Funds
To the extent of the investments in liquid mutual funds, the risks associated with investing in liquid funds like market risk, credit & default risk, liquidity risk, redemption risk including the possible loss of principal etc. will exist.</td></tr>
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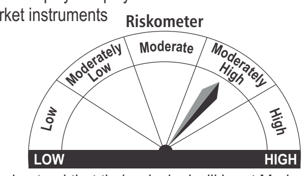
5. IDBI PRUDENCE FUND

<table>
<tr><th>S.No.</th><th>Particulars</th><th>Existing</th><th>Revised</th></tr>
<tr><td>1.</td><td>Name of the Scheme</td><td>IDBI Prudence Fund</td><td>IDBI Hybrid Equity Fund</td></tr>
<tr><td>2.</td><td>Type of Scheme</td><td>An open-ended balanced scheme.</td><td>An open-ended hybrid scheme investing predominantly in equity and equity related instruments.</td></tr>
<tr><td>3.</td><td>Product Labelling</td><td>This product is suitable for investors who are seeking*:
• Long term capital appreciation with income
• Investments in equity & equity related instruments as well as debt and money market instruments
Riskometer


Investors understand that their principal will be at Moderately High Risk
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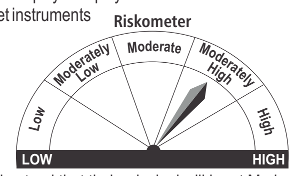

Investors understand that their principal will be at Moderately High Risk
*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td></tr>
<tr><td>4.</td><td>Asset Allocation Pattern</td><td><table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Equity and Equity Related Instruments</td><td>35%</td><td>60%</td><td>High</td></tr>
<tr><td>Equity Arbitrage Exposure</td><td>5%</td><td>10%</td><td>Low to Medium</td></tr>
<tr><td>Debt instruments (including fixed / floating rate debt instruments and securitized debt) and Money Market instruments</td><td>30%</td><td>60%</td><td>Low to Medium</td></tr>
</table>
Arbitrage will have fully set-off position with Zero Net Market Exposure. To the extent of arbitrage allocations, the Scheme would hold spot market positions only for the purpose of arbitrage opportunities and not to benefit from any upside potential that stocks may provide in the present or in future.
If the suitable arbitrage opportunities are not available in the opinion of the Fund Manager, the Scheme may invest arbitrage allocation (5%-10%) in debt and money market instruments. This is subject to the 30 days' rebalancing period provision mentioned.
Equity investments will be limited to companies that will be constituents of the S&P BSE 500 Index universe and with total market capitalization of at least Rs.2,500 crores at the time of investment.
Investments in debt instruments will be limited to instruments with rating of A1+/AA+ and above while investing.
Due to on-going addition/deletion to the index constituents by the Index provider, if a company ceases to be a part of the S&P BSE 500 Index post investment, the fund manager may continue to retain the company in the Portfolio if the fundamental outlook of the company merits continuation of the stock in the Scheme. However, no incremental purchases will be permitted in these companies after exclusion from the index.
Investment in Derivative instruments will not exceed 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.
The Scheme does not propose to invest in ADRs/GDRs and foreign securities.
Investment in Securitized Debt not to exceed 10% of the net assets of the Scheme. Scheme may enter into repos/reverse repos, including repo in corporate debt securities, as may be permitted by RBI.
The Scheme may engage in short selling of securities/securities lending.
The cumulative gross investment in securities under the scheme, which includes Equity, Money market instruments, debt instruments including floating rate debt instruments and derivative positions, will not exceed 100% of the net assets of the scheme.</td><td><table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Equity and Equity Related Instruments</td><td>65%</td><td>80%</td><td>High</td></tr>
<tr><td>Debt and Money Market instruments</td><td>20%</td><td>35%</td><td>Low to Medium</td></tr>
<tr><td>Units issued by Real Estate Investment Trusts (REITs) & Infrastructure Investment Trusts (InvITs)</td><td>0%</td><td>10%</td><td>Medium to High</td></tr>
</table>
The scheme shall invest in Equity and equity related instruments across market caps without any sector bias.
The Scheme retains the flexibility to invest across all the securities in the debt and money markets as permitted by SEBI/RBI from time to time.
Investment in Derivative instruments will not exceed 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.
The Scheme does not propose to invest in ADRs/GDRs and foreign securities.
Investment in Securitized Debt not to exceed 10% of the net assets of the Scheme. Scheme may enter into repos/reverse repos, including repo in corporate debt securities, as may be permitted by RBI. The Scheme may engage in short selling of securities/securities lending
The cumulative gross investment in securities under the scheme, which includes Equity and Equity related instruments, Money market and debt instruments, units of mutual fund schemes, units of InvIT and REIT, securitized debt and gross exposure in derivatives will not exceed 100% of the net assets of the scheme.</td></tr>
<tr><td>5.</td><td>What are the Investment Strategies?</td><td>To achieve the investment objective, the Scheme will actively manage both equity and debt components. Debt exposure would be actively managed from both credit and interest rate risk perspectives with focus on accruals and liquidity of investments.
Investment in debt and money market instruments shall be limited to instruments with rating of A1+/AA+ and above while investing.
The Scheme will invest in equity instruments without any sector/ style bias with due consideration given to liquidity of investments. Equity investments will be limited to companies that are constituents of the S&P BSE 500 Index universe with total market capitalization of at least Rs.2500 crores while investing. These limits will apply at the time of investment. The scheme may retain securities in the portfolio even if they are excluded from the S&P BSE 500 Index subsequently, if the fundamental outlook of the company merits continuation of the security in the scheme. However, no additional purchases in the security will be permitted in the Scheme.
These companies will be shortlisted on the basis of their superior growth potential and likelihood to be long-term wealth creators. The Scheme will adopt bottom-up stock picking approach to identify companies based on various drivers including earnings growth and quality, competitive advantage, pricing power, robust business model, liquidity, established or emergent leadership position, management quality current valuation and long term growth potential. This will help to identify fundamentally sound companies that have long-term growth potential at reasonable prices while also exploiting short-term trading opportunities that may arise from time to time.
The Scheme will also invest in profitable arbitrage opportunities that may potentially exist between the cash and derivative segments of equity market, other arbitrage strategies permissible under regulations. The arbitrage exposure will be 5%-10% of net assets. To the extent of arbitrage allocations, the Scheme would hold spot market positions only for the purpose of arbitrage opportunities and not to benefit from any upside potential that stocks may provide in the present or in future. If the suitable arbitrage opportunities are not available in the opinion of the Fund Manager, the Scheme may invest arbitrage allocation (5%-10%) in debt and money market instruments. This is subject to the 30 days rebalancing period.
The scheme portfolio will be monitored on an on-going basis and returns would be commensurate with the levels of risk taken in the portfolio and the portfolio would be structured to incorporate reasonable liquidity by the use of cash and cash equivalents.</td><td>To achieve the investment objective, the Scheme will actively manage both equity and debt components. Debt exposure would be actively managed from both credit and interest rate risk perspectives with focus on accruals and liquidity of investments. The Scheme retains the flexibility to invest across all the securities in the debt and money markets as permitted by SEBI/RBI from time to time.
The Scheme will invest in equity instruments across market capitalization without any sector/style bias with due consideration given to liquidity of investments.
These companies will be shortlisted on the basis of their superior growth potential and likelihood to be long-term wealth creators.The Scheme will adopt bottom-up stock picking approach to identify companies based on various drivers including earnings growth and quality, competitive advantage, pricing power, robust business model, liquidity, established or emergent leadership position, management quality current valuation and long term growth potential. This will help to identify fundamentally sound companies that have long-term growth potential at reasonable prices while also exploiting short-term trading opportunities that may arise from time to time.
The scheme portfolio will be monitored on an on-going basis and returns would be commensurate with the levels of risk taken in the portfolio and the portfolio would be structured to incorporate reasonable liquidity by the use of cash and cash equivalents.</td></tr>
<tr><td>6.</td><td>Where will the scheme Invest?</td><td>Refer existing disclosures in the SID under Section IID.</td><td>The following will be added in the existing disclosure in SID under Section IID:
<u>Units issued by Real Estate Investment Trusts (REITs) & Infrastructure Investment Trusts (InvITs)</u>
The scheme shall invest in REITs/InvITs to the extent mentioned in asset allocation and in line with, SEBI (Mutual Funds) (Amendment) Regulations, 2017.
<u>Addition to Debt and Money Market instruments</u>
Units of Liquid Funds or any other schemes offered by Mutual Funds as may be permitted by RBI/SEBI/such other regulatory authority from time to time.</td></tr>
<tr><td>7.</td><td>Benchmark</td><td>50% S&P BSE 500 Index + 50% CRISIL Composite Bond Fund Index</td><td><u>CRISIL Balanced Fund - Aggressive Index</u>
CRISIL Balanced Fund - Aggressive Index seeks to track the performance of an equity-oriented hybrid portfolio having a blend of the Nifty 50 Index (65%) and CRISIL Composite Bond Fund Index (35%). As the Scheme is hybrid scheme investing predominantly in equity and equity related instruments, this is the best suited index to track the performance of the Scheme. Trustees reserve the right to change the benchmark for the evaluation of the performance of the Scheme from time to time, keeping in mind the investment objective of the Scheme and appropriateness of the benchmarks, subject to the Regulations and other prevalent guidelines.</td></tr>
<tr><td>8.</td><td>Risk Factors</td><td>Refer existing disclosures in the SID under Section IA titled as Risk Factors.</td><td>The following shall be added under Section IA titled as Risk Factors:-
Risks associated with investments in REITs & InvITs:
• Market Risk: REITs and InvITs are volatile and prone to price fluctuations on a daily basis owing to market movements. AMC/Fund Manager's investment decisions may not always be profitable, as actual market movements may be at variance with the anticipated trends. NAV of the Scheme is vulnerable to movements in the prices of securities invested by the scheme, due to various market related factors like changes in the general market conditions, factors and forces affecting capital market, level of interest rates, trading volumes, settlement periods and transfer procedures.</td></tr>
</table>

Continued to next page.

IDBI Asset Management Limited

CIN: U65100MH2010PLC199319, **Registered Office:** IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400005, **Corporate Office:** 5th Floor, Mafatlal Centre, Nariman Point, Mumbai- 400021. **Tel:** (022) 66442800, **Fax:** (022) 66442801, **Website:** www.idbimutual.co.in, **E-mail:** contactus@idbimutual.co.in

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5. IDBI PRUDENCE FUND

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• Reinvestment Risk: Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns.
• Regulatory/Legal Risk: REITs and InvITs being new asset classes, rights of unit holders such as right to information etc may differ from existing capital market asset classes under Indian Law.
• Price-Risk or Interest-Rate Risk: REITs & InvITs run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing 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.
• 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. REITs & InvITs are likely to have volatile cash flows as the repayment dates would not necessarily be pre scheduled.
To mitigate the risks associated with investments in REITs & InvITs, the Scheme will invest in REITS/InvITs, where adequate due diligence and research has been performed by AMC. The AMC also relies on its own research as well as third party research. This involves one-to-one meetings with the managements, attending conferences and analyst meets and also teleconferences. The analysis will focus, amongst others, on the strength of management, predictability and certainty of cash flows, value of assets, capital structure, business prospects, policy environment, volatility of business conditions, etc.
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To the extent of the investments in liquid mutual funds, the risks associated with investing in liquid funds like market risk, credit & default risk, liquidity risk, redemption risk including the possible loss of principal etc. will exist.</td></tr>
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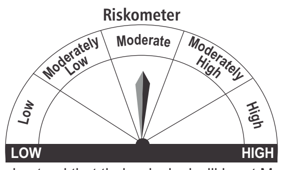
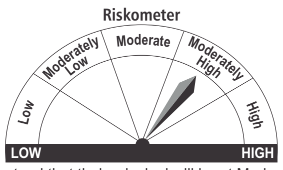
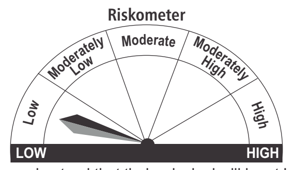
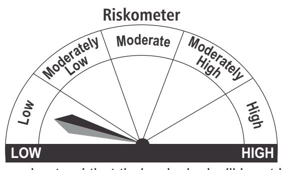
6. IDBI MONTHLY INCOME PLAN

<table>
<tr><th>S.No.</th><th>Particulars</th><th>Existing</th><th>Revised</th></tr>
<tr><td>1.</td><td>Name of the Scheme</td><td>IDBI Monthly Income Plan</td><td>IDBI Equity Savings Fund</td></tr>
<tr><td>2.</td><td>Type of Scheme</td><td>An open-ended Income Scheme. Monthly Income is not assured and is subject to availability of distributable surplus.</td><td>An open-ended equity scheme investing in equity, arbitrage and debt.</td></tr>
<tr><td>3.</td><td>Product Labelling</td><td>This product is suitable for investors who are seeking*:
• Medium term regular income and capital appreciation
• Investments in fixed income securities (debt and money market) as well as equity and equity related instruments
Riskometer

Investors understand that their principal will be at Moderate Risk
Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td><td>This product is suitable for investors who are seeking:
• Regular income & Capital appreciation over Medium to Long term
• Investment in equity and equity related Instruments including equity derivatives, arbitrage and debt and money market instruments
Riskometer

Investors understand that their principal will be at Moderately High Risk
*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td></tr>
<tr><td>4.</td><td>Investment Objective</td><td>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 debt, equity and money market instruments.</td><td>The investment objective of the Scheme is to generate regular income by investing in Debt and money market instruments and using arbitrage and other derivative strategies. The Scheme also intends to generate long capital appreciation through unhedged exposure to equity and equity related instruments. However, there can be no assurance or guarantee that the investment objective of the scheme will be achieved.</td></tr>
<tr><td>5.</td><td>Asset Allocation Pattern</td><td><table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Debt instruments (including floating rate debt instruments and securitized debt*) and money market instruments</td><td>80%</td><td>100%</td><td>Low to Medium</td></tr>
<tr><td>Equity and equity related instruments^</td><td>0%</td><td>20%</td><td>Medium to High</td></tr>
</table>
*Investment in Securitized Debt will be only in investment grade rated papers and will not to exceed 25% of the net assets of the Scheme.
^ The Scheme will invest in the equity and equity related instruments of only such companies which are the constituents of either the Nifty 50 Index (Nifty 50) or the Nifty Next 50 Index(Nifty Next 50) comprising a combined universe of 100 stocks. These two indices are collectively referred to as the Nifty 100 Index. The equity portfolio will be welldiversified and actively managed to ensure the Scheme's investment objectives are realized.
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. The Scheme does not propose to invest in ADRs/GDRs and foreign securities. The Scheme may engage in short selling/securities lending.
The gross 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 will not exceed 100% of the net assets of the scheme.</td><td><table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Equity and equity related instruments including derivatives out of which</td><td>65%</td><td>90%</td><td>Medium to High</td></tr>
<tr><td>Cash future arbitrage opportunities*$</td><td>20%</td><td>70%</td><td>Low to Medium</td></tr>
<tr><td>Net Long Equity exposure**</td><td>20%</td><td>45%</td><td>High</td></tr>
<tr><td>Debt & Money market Instruments (including margin for derivatives)@^</td><td>10%</td><td>35%</td><td>Low</td></tr>
<tr><td>Units issued by Real Estate Investment Trusts (REITs) and Investment & Infrastructure Investment Trusts (InvITs)</td><td>0%</td><td>10%</td><td>Medium to High</td></tr>
</table>
The Scheme can take exposure to a stock for either or both arbitrage as well as unhedged exposure.
Note-
* This denotes equity exposure completely hedged with corresponding equity derivatives.
**Net long Equity means exposure to equity shares alone without a corresponding equity derivative exposure. It aims to gain from potential capital appreciation and thus is a directional equity exposure which will not be hedged.
$ The exposure to derivative shown in the above asset allocation table would normally be the exposure taken against the underlying equity investments and in such case, exposure to derivative will not be considered for calculating the gross exposure.
If the suitable arbitrage opportunities are not available in the opinion of the Fund Manager, the Scheme may invest arbitrage allocation in debt and money market instruments.
Investment in derivatives instruments will not exceed 50% of the Net Assets.
Debt & MMI allocation will include Investment in Securitized Debt which will not exceed 50% of the Debt Net Assets of the Scheme.
The Scheme will not invest in ADR/GDR/Foreign securities.
The Scheme may also participate in repo of money market and corporate debt securities.
The Scheme shall engage in Securities lending.
The Scheme shall engage in short selling.
The cumulative gross exposure through Equity and Equity related Instruments including derivatives Position, Debt, Money Market Instruments will not exceed 100% of the net assets of the scheme.
In case if asset allocation falling outside the limits specified in asset allocation table, fund manager will rebalance the same within 30 days from the date of deviation.</td></tr>
<tr><td>6.</td><td>What are the Investment Strategies?</td><td>The Fund shall be managed in line with the Investment Objective – to provide regular income along with opportunities for capital appreciation through investments in a diversified basket of debt instruments, equity and money market instruments. Both the debt and equity portions of the portfolio will be actively managed and well diversified. The credit exposure in the scheme will lean towards high rated investment grade securities. The Fund Manager will take active calls on interest rate movements, will not be constrained by any duration limits and will position the portfolio accordingly to maximize returns from investments. The equity investment universe will be restricted only to such stocks that are constituents of the Nifty 50 Index and the Nifty Next 50 Index (collectively referred to as the Nifty 100 Index). Within this universe, the Fund Manager will use a combination of top-down and bottom-up approach that will include amongst others fundamental metrics, competitive position, earnings growth, management quality, liquidity etc to identify stocks that have long-term growth potential while also exploiting short-term trading opportunities that may arise from time to time. This scheme is positioned to meet the needs of those investors who want to invest their funds for an investment horizon of at least 12 months. The returns would be commensurate with the levels of risk taken in the portfolio and the portfolio would be structured to incorporate reasonable liquidity by the use of cash and cash equivalents.</td><td>To achieve the investment objective, the net assets of the Scheme are invested primarily into equity and equity related instruments including equity derivatives. The Scheme invests rest of the assets into debt and money market instruments for liquidity and regular income. The expected returns from this Scheme can be attributed to the following return drivers:
<u>Investment Strategy for Equity and Equity related Instruments</u>
The Scheme may invest a small portion of its net assets in equity and equity related instruments with an aim to generate long-term capital appreciation. The Scheme shall invest into a well-diversified portfolio of equity and equity related securities across market capitalization and sectors with due consideration given to liquidity of investments. These companies will be shortlisted on the basis of their superior growth potential and likelihood to be long-term wealth creators. The Scheme will adopt bottom-up stock picking approach to identify companies based on various drivers including earnings growth and quality, competitive advantage, pricing power, robust business model, liquidity, established or emergent leadership position, management quality current valuation and long term growth potential etc.
<u>Investment Strategy for Debt and Money Market Instruments</u>
The Scheme may invest up to 35% of the net assets of the Scheme into debt and money market instruments to provide liquidity into the scheme, management of derivative margins and accrual of regular income. Scheme may invest across all the securities in debt and money market as permitted by SEBI/RBI from time to time.
<u>Investment Strategy for Arbitrage</u>
The Scheme will also invest in profitable arbitrage opportunities that may potentially exist between the cash and derivative segments of equity market, other arbitrage strategies permissible under regulations. In case of arbitrage, the exposure to equities shall be offset by simultaneously taking equivalent exposure in derivatives. The scheme may invest into equity stocks in the cash market and take short position in futures market equivalent to the extent of equity assets that covers the exposure and only avail arbitrage between spot & futures market. Thus, the entire position may be used to lock risk free returns. To the extent of arbitrage allocations, the Scheme would hold spot market positions only for the purpose of arbitrage opportunities and not to benefit from any upside potential that stocks may provide in the present or in future. If the suitable arbitrage opportunities are not available in the opinion of the Fund Manager, the Scheme may invest arbitrage allocation in debt and money market instruments.</td></tr>
<tr><td>7.</td><td>Where will the scheme Invest?</td><td>Refer existing disclosures in the SID under Section IID.</td><td>The following will be added in the existing disclosure in SID under Section IID:
Units issued by Real Estate Investment Trusts (REITs) & Infrastructure Investment Trusts (InvITs)
The scheme shall invest in REITs/InvITs to the extent mentioned in asset allocation and in line with, SEBI (Mutual Funds) (Amendment) Regulations, 2017.
Addition to Debt and Money Market instruments
Units of Liquid Funds or any other schemes offered by Mutual Funds as may be permitted by RBI/SEBI/such other regulatory authority from time to time.</td></tr>
</table>

6. IDBI MONTHLY INCOME PLAN

<table>
<tr><th>S.No.</th><th>Particulars</th><th>Existing</th><th>Revised</th></tr>
<tr><td>8.</td><td>Benchmark</td><td>CRISIL MIP Blended Index</td><td>40% of CRISIL Liquid Fund Index + 30% CRISIL Short term Bond Fund Index + 30% of Nifty 50 Index.
The scheme intends to invest in a mix of equity and related instruments using a blend of arbitrage opportunities along with unhedged equity investments with a marginal exposure to debt and money market instruments.
CRISIL Liquid Fund Index seems to be appropriate for benchmarking the income generated by the equity arbitrage opportunities which constitutes the significant part of the portfolio.
CRISIL Short Term Bond Fund Index seems to be appropriate for benchmarking the income generated by the debt & money market instruments in the portfolio.
NIFTY 50 seems to be appropriate for benchmarking un-hedged equity portion of the portfolio of the scheme.
Hence we propose a synthetic index comprising 40% in CRISIL Liquid Fund Index to reflect arbitrage exposure, 30% in CRISIL Short Term Bond Fund Index for debt/money market exposure and 30% in Nifty 50 Index to reflect unhedged equity exposure.
The Trustee reserves the right to change the benchmark for evaluation of performance of the Scheme from time to time in conformity with the investment objectives and appropriateness of the benchmark subject to SEBI (Mutual Funds) Regulation, 1996 and other prevailing guidelines, if any.</td></tr>
<tr><td>9.</td><td>Risk Factors</td><td>Refer existing disclosures in the SID under Section IA titled as Risk Factors.</td><td>The following shall be added under Section IA titled as Risk Factors:-
Risks associated with investments in REITs & InvITs:
• Market Risk: REITs and InvITs are volatile and prone to price fluctuations on a daily basis owing to market movements. AMC/Fund Manager's investment decisions may not always be profitable, as actual market movements may be at variance with the anticipated trends. NAV of the Scheme is vulnerable to movements in the prices of securities invested by the scheme, due to various market related factors like changes in the general market conditions, factors and forces affecting capital market, level of interest rates, trading volumes, settlement periods and transfer procedures.
• Liquidity Risk: As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes, settlement periods, dissolution of the trust, potential delisting of units on the exchange etc, the time taken by the Mutual Fund for liquidating the investments in the scheme may be high in the event of immediate redemption requirement. Investment in such securities may lead to increase in the scheme portfolio risk.
• Reinvestment Risk: Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns.
• Regulatory/Legal Risk: REITs and InvITs being new asset classes, rights of unit holders such as right to information etc may differ from existing capital market asset classes under Indian Law.
• Price-Risk or Interest-Rate Risk: REITs & InvITs run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing 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.
• 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. REITs & InvITs are likely to have volatile cash flows as the repayment dates would not necessarily be pre scheduled.
To mitigate the risks associated with investments in REITs & InvITs, the Scheme will invest in REITS/InvITs, where adequate due diligence and research has been performed by AMC. The AMC also relies on its own research as well as third party research. This involves one-to-one meetings with the managements, attending conferences and analyst meets and also teleconferences. The analysis will focus, amongst others, on the strength of management, predictability and certainty of cash flows, value of assets, capital structure, business prospects, policy environment, volatility of business conditions, etc.
Risks associated with investing in Liquid Funds offered by Mutual Funds
To the extent of the investments in liquid mutual funds, the risks associated with investing in liquid funds like market risk, credit & default risk, liquidity risk, redemption risk including the possible loss of principal etc. will exist.</td></tr>
</table>

7. IDBI LIQUID FUND

<table>
<tr><th>S.No.</th><th>Particulars</th><th>Existing</th><th>Revised</th></tr>
<tr><td>1.</td><td>Product Labelling</td><td>This product is suitable for investors who are seeking*:
• High level of liquidity along with regular income for short term
• Investments in Debt/Money Market Instruments with maturity/ residual maturity up to 91 days
Riskometer

Investors understand that their principal will be at Low Risk
Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td><td>This product is suitable for investors who are seeking:
• High level of liquidity along with regular income for short term
• Investments in Debt/Money market instruments with maturity / residual maturity up to 91 days
Riskometer

Investors understand that their principal will be at Low Risk
*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td></tr>
<tr><td>2.</td><td>Investment Objective</td><td>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.</td><td>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.</td></tr>
<tr><td>3.</td><td>Asset Allocation Pattern</td><td><table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Money market instruments with maturity/residual maturity up to 91 days</td><td>50%</td><td>100%</td><td>Low</td></tr>
<tr><td>Debt instruments (including floating rate debt instruments and securitized debt)* with maturity/residual maturity/interest rate resets up to 91 days</td><td>0%</td><td>50%</td><td>Low to Medium</td></tr>
</table>
*Investment in Securitized Debt not to exceed 50% of the net assets of the Scheme. Investment in Derivatives will be up to 50% of the net assets of the Scheme. The Scheme does not propose to invest in ADRs/GDRs and foreign securities. The Scheme may engage in short selling/securities lending. Scheme may also invest in repo transactions (including reverse repo) in corporate debt securities.
Pursuant to SEBI circular No SEBI/IMD/CIR No. 13/150975/09 dated January 19, 2009, the Scheme shall make investments only in debt and money market instruments with maturity of up to 91 days. 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.
It is the intent of the Scheme to maintain the average maturity of the portfolio within a range of 30 days to 91 days depending on the fund manager's assessment of various parameters including interest rate environment, liquidity and macro-economic factors. However, the maturity profile of the scheme can undergo a change in case the market conditions warrant and at the discretion of the fund manager.
The cumulative gross 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 will not exceed 100% of the net assets of the scheme.</td><td><table>
<tr><th>Instrument</th><th>Indicative allocation (% of total assets)</th><th>Risk Profile</th></tr>
<tr><td>Debt and Money market securities with maturity/residual maturity of up to 91 days</td><td>Up to 100%</td><td>Low</td></tr>
</table>
*Investment in Securitized Debt not to exceed 50% of the net assets of the Scheme. Investment in Derivatives will be up to 50% of the net assets of the Scheme. The Scheme does not propose to invest in ADRs/GDRs and foreign securities. The Scheme may engage in short selling/securities lending. Scheme may also invest in repo transactions (including reverse repo) in corporate debt securities.
Pursuant to SEBI circular No. SEBI/IMD/CIR No.13/150975/09 dated January 19, 2009, the Scheme shall make investments only in debt and money market instruments with maturity of up to 91 days. 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.
It is the intent of the Scheme to maintain the average maturity of the portfolio within a range of 30 days to 91 days depending on the fund manager's assessment of various parameters including interest rate environment, liquidity and macro-economic factors. However, the maturity profile of the scheme can undergo a change in case the market conditions warrant and at the discretion of the fund manager.
The cumulative gross 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 will not exceed 100% of the net assets of the scheme.</td></tr>
<tr><td>4.</td><td>What are the Investment Strategies?</td><td>The Fund shall be managed according to the Investment Objective - provide investors with high level of liquidity along with regular income for their investment. The Scheme will invest only in money market instruments & debt instruments with maturity/residual maturity/ interest rate reset not greater than 91 days.
It is the intent of the Scheme to maintain the average maturity of the portfolio within a range of 30 days to 91 days under normal conditions.
This scheme is positioned to meet the needs of those investors who want to deploy their funds for a short period of time with the least amount of risk (investment horizon up to 30 days). The returns would match the levels of risk taken in the portfolio and the portfolio would be structured to incorporate high liquidity by the use of cash and cash equivalents.</td><td>The Fund shall be managed according to the Investment Objective - provide investors with high level of liquidity along with regular income for their investment. The Scheme will invest only in money market instruments & debt instruments with maturity /residual maturity of up to 91 days.
This scheme is positioned to meet the needs of those investors who want to deploy their funds for a short period of time with the least amount of risk (investment horizon up to 30 days). The returns would match the levels of risk taken in the portfolio and the portfolio would be structured to incorporate high liquidity by the use of cash and cash equivalents.</td></tr>
<tr><td>5.</td><td>Expense Ratio</td><td>The AMC has estimated that annual recurring expenses of up to 0.60% p.a. of the daily net assets may be charged to the Scheme (under each Plan) without including the additional expense incurred towards distribution of assets to cities beyond Top 15 cities. The maximum expense including additional expense towards distribution of assets to cities beyond Top 15 cities, if any, will not exceed 0.90% p.a of the daily net assets may be charged to the Scheme.</td><td>The AMC has estimated that annual recurring expenses of up to 2.45% p.a. of the daily net assets may be charged to the Scheme (under each Plan) without including the additional expense incurred towards distribution of assets to cities beyond Top 15 cities. The maximum expense including additional expense towards distribution of assets to cities beyond Top 15 cities, if any, will not exceed 2.75% p.a of the daily net assets may be charged to the Scheme.</td></tr>
</table>

8. IDBI ULTRA SHORT TERM FUND

<table>
<tr><th>S.No.</th><th>Particulars</th><th>Existing</th><th>Revised</th></tr>
<tr><td>1.</td><td>Type of Scheme</td><td>An open-ended debt scheme.</td><td>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 to the Scheme Information Document (SID) on which the concept of Macaulay's duration has been explained.</td></tr>
</table>

Continued to next page.

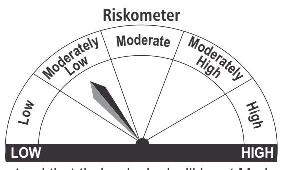
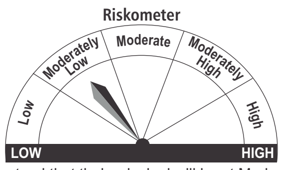
IDBI mutual

IDBI Asset Management Limited

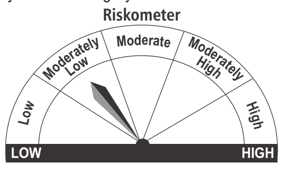
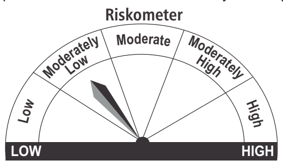
CIN: U65100MH2010PLC199319, **Registered Office:** IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400005, **Corporate Office:** 5th Floor, Mafatlal Centre, Nariman Point, Mumbai- 400021. **Tel:** (022) 66442800, **Fax:** (022) 66442801, **Website:** www.idbimutual.co.in, **E-mail:** contactus@idbimutual.co.in

NOTICE CUM ADDENDUM NO. 10/2018
CHANGE IN FUNDAMENTAL ATTRIBUTES OF THE VARIOUS SCHEMES OF IDBI MUTUAL FUND

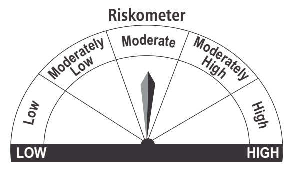
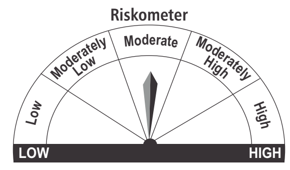
8. IDBI ULTRA SHORT TERM FUND

<table>
<tr><th>S.No.</th><th>Particulars</th><th>Existing</th><th>Revised</th></tr>
<tr><td>2.</td><td>Product Labelling</td>
<td>This product is suitable for investors who are seeking*:
• Regular income for short term
• Investments in Debt/Money Market Instruments with maturity predominantly between a liquid fund and short term fund while maintaining portfolio risk profile similar to liquid fund
Riskometer

Investors understand that their principal will be at Moderately Low Risk
*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td>
<td>This product is suitable for investors who are seeking*:
• Regular income for short term
• Investments in Debt/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
Riskometer

Investors understand that their principal will be at Moderately Low Risk
*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td></tr>
<tr><td>3.</td><td>Investment Objective</td>
<td>The objective of the Scheme will be to provide investors with regular income for their investment. The Scheme will endeavour to achieve this objective through an allocation of the investment corpus in a diversified portfolio of money market and debt instruments with maturity predominantly between a liquid fund and a short term fund while maintaining a portfolio risk profile similar to a liquid fund.</td>
<td>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.</td></tr>
<tr><td>4.</td><td>Asset Allocation Pattern</td>
<td><table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Money market instruments/ debt instruments (including floating rate debt instruments and securitized debt*) with maturity/residual maturity up to 1 year (or 365 days)</td><td>80%</td><td>100%</td><td>Low to Medium</td></tr>
<tr><td>Debt instruments (including floating rate debt instruments and securitized debt*) with duration/maturity/residual maturity above 1 year</td><td>0%</td><td>20%</td><td>Medium</td></tr>
</table>
It is the intent of the Scheme to maintain the average maturity of the portfolio within a range of 30 days to 120 days under normal market conditions depending on the fund manager's assessment of various parameters including interest rate environment, liquidity and macroeconomic factors. However, the maturity profile of the scheme can undergo a change in case the market conditions warrant and at the discretion of the Fund Manager.
Investment in Securitized Debt not to exceed 50% of the net assets of the Scheme. 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. The Scheme does not propose to invest in ADRs/ GDRs and foreign securities. The Scheme may engage in short selling of securities/securities lending.
The cumulative gross 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 will not exceed 100% of the net assets of the scheme.</td>
<td><table>
<tr><th>Instrument</th><th>Indicative allocation (% of total assets)</th><th>Risk Profile</th></tr>
<tr><td>Debt and Money Market Instruments*</td><td>Up to 100%</td><td>Low to Medium</td></tr>
<tr><td>Units issued by Real Estate Investment Trusts (REITs) & Investment & Infrastructure Investment Trusts (InvITs)</td><td>Up to 10%</td><td>Medium to High</td></tr>
</table>
*under normal circumstances, Macaulay duration of the portfolio will be maintained between 3 months to 6 months.
Investment in Securitized Debt not to exceed 50% of the net assets of the Scheme. 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. The Scheme does not propose to invest in ADRs/GDRs and foreign securities. The Scheme may engage in short selling of securities/securities lending.
The gross investment in securities under the scheme, which includes Money market and debt instruments including securitized debt, units of mutual fund schemes, units of InvIT and REIT and gross exposure in derivatives will not exceed 100% of the net assets of the scheme.</td></tr>
<tr><td>5.</td><td>What are the Investment Strategies?</td>
<td>The Fund shall be managed according to the Investment Objective - provide investors with regular income for their investment. The Scheme will invest only in money market instruments & debt instruments with portfolio maturity under normal market conditions maintained between a liquid fund and a short term fund while maintaining a portfolio risk profile similar to a liquid fund. It is the intent of the Scheme to maintain the average maturity of the portfolio within a range of 30 days to 120 days under normal conditions. This scheme is positioned to meet the needs of those investors who want to deploy their funds for an investment horizon between 30 days up to 90 days with low risk. The returns would be commensurate with the levels of risk taken in the portfolio and the portfolio would be structured to incorporate liquidity by the use of cash and cash equivalents.</td>
<td>The Fund shall be managed according to the Investment Objective - provide investors with regular income for their investment. The Scheme will invest only in money market instruments & debt instruments with portfolio maturity under normal market conditions maintained between a liquid fund and a short duration fund while maintaining a portfolio risk profile similar to a liquid fund. As the scheme is likely to have higher maturity than a liquid fund, the scheme would predominantly invest in money market and debt instruments such that the Macaulay duration of the portfolio will be maintained between 3 months to 6 months.
The portfolio strategy seeks to increase yield by having a marginally higher maturity and moderately higher credit risk as compared to a liquid fund while maintaining a balance between safety and liquidity.
The returns would be commensurate with the levels of risk taken in the portfolio and the portfolio would be structured to incorporate liquidity by the use of cash and cash equivalents.
The investment team of the AMC will carry out rigorous in depth credit evaluation of the money market and debt instruments proposed to be invested in.</td></tr>
<tr><td>6.</td><td>Where will the scheme Invest?</td>
<td>Refer existing disclosures in the SID under Section IID.</td>
<td>The following will be added in the existing disclosure in SID under Section IID:
Units issued by Real Estate Investment Trusts (REITs) & Infrastructure Investment Trusts (InvITs)
The scheme shall invest in REITs/InvITs to the extent mentioned in asset allocation and in line with, SEBI (Mutual Funds) (Amendment) Regulations, 2017.
Addition to Debt and Money Market instruments
Units of Liquid Funds or any other schemes offered by Mutual Funds as may be permitted by RBI/SEBI/such other regulatory authority from time to time.</td></tr>
<tr><td>7.</td><td>Risk Factors</td>
<td>Refer existing disclosures in the SID under Section IA titled as Risk Factors.</td>
<td>The following shall be added under Section IA titled as Risk Factors:-
Risks associated with investments in REITs & InvITs:
• Market Risk: REITs and InvITs are volatile and prone to price fluctuations on a daily basis owing to market movements. AMC/Fund Manager's investment decisions may not always be profitable, as actual market movements may be at variance with the anticipated trends. NAV of the Scheme is vulnerable to movements in the prices of securities invested by the scheme, due to various market related factors like changes in the general market conditions, factors and forces affecting capital market, level of interest rates, trading volumes, settlement periods and transfer procedures.
• Liquidity Risk: As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes, settlement periods, dissolution of the trust, potential delisting of units on the exchange etc, the time taken by the Mutual Fund for liquidating the investments in the scheme may be high in the event of immediate redemption requirement. Investment in such securities may lead to increase in the scheme portfolio risk.
• Reinvestment Risk: Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns.
• Regulatory/Legal Risk: REITs and InvITs being new asset classes, rights of unit holders such as right to information etc may differ from existing capital market asset classes under Indian Law.
• Price-Risk or Interest-Rate Risk: REITs & InvITs run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing 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.
• 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. REITs & InvITs are likely to have volatile cash flows as the repayment dates would not necessarily be pre scheduled.
To mitigate the risks associated with investments in REITs & InvITs, the Scheme will invest in REITS/InvITs, where adequate due diligence and research has been performed by AMC. The AMC also relies on its own research as well as third party research. This involves one-to-one meetings with the managements, attending conferences and analyst meets and also teleconferences. The analysis will focus, amongst others, on the strength of management, predictability and certainty of cash flows, value of assets, capital structure, business prospects, policy environment, volatility of business conditions, etc.
Risks associated with investing in Liquid Funds offered by Mutual Funds
To the extent of the investments in liquid mutual funds, the risks associated with investing in liquid funds like market risk, credit & default risk, liquidity risk, redemption risk including the possible loss of principal etc. will exist.</td></tr>
</table>

9. IDBI SHORT TERM BOND FUND

<table>
<tr><th>S.No.</th><th>Particulars</th><th>Existing</th><th>Revised</th></tr>
<tr><td>1.</td><td>Type of Scheme</td>
<td>An open-ended debt scheme.</td>
<td>An open-ended short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 1 year to 3 years.#
#please refer to the Scheme Information Document (SID) on which the concept of Macaulay's duration has been explained.</td></tr>
<tr><td>2.</td><td>Product Labelling</td>
<td>This product is suitable for investors who are seeking*:
• Regular income for short term
• Investments in Debt/Money Market Instruments with duration/maturity/ residual maturity not exceeding 3 years
Riskometer

Investors understand that their principal will be at Moderately Low Risk
*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td>
<td>This product is suitable for investors who are seeking*:
• Regular income for short term
• Investments in Debt/Money market instruments such that the Macaulay duration of the portfolio is maintained between 1 year to 3 years
Riskometer

Investors understand that their principal will be at Moderately Low Risk
*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td></tr>
<tr><td>3.</td><td>Investment Objective</td>
<td>The objective of the Scheme will be to provide investors with regular income for their investment. The Scheme will endeavour to achieve this objective through an allocation of the investment corpus in a diversified portfolio of debt and money market instruments.</td>
<td>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.</td></tr>
<tr><td>4.</td><td>Asset Allocation Pattern</td>
<td><table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Money market instruments/debt instruments (including floating rate debt instruments and securitized debt) with maturity/residual maturity up to and including 2 years</td><td>65%</td><td>100%</td><td>Low</td></tr>
<tr><td>Debt instruments (including floating rate debt instruments and securitized debt) with duration/ maturity/residual maturity above 2 years and not exceeding 3 years</td><td>0%</td><td>35%</td><td>Low to Medium</td></tr>
</table>
It is the intent of the Scheme to maintain the duration of the portfolio below 2 years under normal market conditions depending on the Fund Manager's assessment of various parameters including interest rate environment, liquidity and macro-economic factors. However, the maturity profile of the Scheme can undergo a change in case the market conditions warrant and at the discretion of the Fund Manager. Under no circumstances the average maturity/duration of the portfolio will exceed 3 years.
Investment in Securitized Debt not to exceed 25% of the net assets of the Scheme. 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. The Scheme does not propose to invest in ADRs/GDRs and foreign securities. The Scheme may engage in short selling/securities lending.
The cumulative gross 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 will not exceed 100% of the net assets of the scheme.</td>
<td><table>
<tr><th>Instrument</th><th>Indicative allocation (% of total assets)</th><th>Risk Profile</th></tr>
<tr><td>Debt and Money Market Instruments*</td><td>Up to 100%</td><td>Low to Medium</td></tr>
<tr><td>Units issued by Real Estate Investment Trusts (REITs) & Investment & Infrastructure Investment Trusts (InvITs)</td><td>Up to 10%</td><td>Medium to High</td></tr>
</table>
*under normal circumstances, Macaulay duration of the portfolio will be maintained between 1 year to 3 years.
Investment in Securitized Debt not to exceed 25% of the net assets of the Scheme. 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. The Scheme does not propose to invest in ADRs/GDRs and foreign securities. The Scheme may engage in short selling/securities lending.
The gross investment in securities under the scheme, which includes Money market and debt instruments including securitized debt, units of mutual fund schemes, units of InvIT and REIT and gross exposure in derivatives will not exceed 100% of the net assets of the scheme.</td></tr>
<tr><td>5.</td><td>What are the Investment Strategies?</td>
<td>The Fund shall be managed according to the Investment Objective - provide investors with regular income for their investment. The Scheme will under normal circumstances invest in money market instruments & debt instruments with maturity/duration and portfolio risk profile higher than Ultra Short Term Fund. The Scheme will also have a mix of credit instruments with a moderately higher credit risk as compared to a Liquid Fund. It is the intent of the Scheme to maintain the duration of the portfolio less than 2 years under normal conditions. This scheme is positioned to meet the needs of those investors who want to deploy their funds for an investment horizon usually between 90 days up to 365 days. The returns would be commensurate with the levels of risk taken in the portfolio and the portfolio would be structured to incorporate liquidity by the use of cash and cash equivalents.</td>
<td>The Fund shall be managed according to the Investment Objective - provide investors with regular income for their investment. The Scheme will under normal circumstances invest in money market instruments & debt instruments with maturity/duration and portfolio risk profile higher than Ultra Short Term Fund. The Scheme will also have a mix of credit instruments with a moderately higher credit risk as compared to a Liquid Fund. It is the intent of the Scheme to maintain the Macaulay duration of the portfolio between 1 year to 3 years under normal conditions. The returns would be commensurate with the levels of risk taken in the portfolio and the portfolio would be structured to incorporate liquidity by the use of cash and cash equivalents.</td></tr>
<tr><td>6.</td><td>Where will the scheme Invest?</td>
<td>Refer existing disclosures in the SID under Section IID.</td>
<td>The following will be added in the existing disclosure in SID under Section IID:
<u>Units issued by Real Estate Investment Trusts (REITs) & Infrastructure Investment Trusts (InvITs)</u>
The scheme shall invest in REITs/InvITs to the extent mentioned in asset allocation and in line with, SEBI (Mutual Funds) (Amendment) Regulations, 2017.
<u>Addition to Debt and Money Market instruments</u>
Units of Liquid Funds or any other schemes offered by Mutual Funds as may be permitted by RBI/SEBI/such other regulatory authority from time to time.</td></tr>
<tr><td>7.</td><td>Risk Factors</td>
<td>Refer existing disclosures in the SID under Section IA titled as Risk Factors.</td>
<td>The following shall be added under Section IA titled as Risk Factors:-
Risks associated with investments in REITs & InvITs:
• Market Risk: REITs and InvITs are volatile and prone to price fluctuations on a daily basis owing to market movements. AMC/Fund Manager's investment decisions may not always be profitable, as actual market movements may be at variance with the anticipated trends. NAV of the Scheme is vulnerable to movements in the prices of securities invested by the scheme, due to various market related factors like changes in the general market conditions, factors and forces affecting capital market, level of interest rates, trading volumes, settlement periods and transfer procedures.
• Liquidity Risk: As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes, settlement periods, dissolution of the trust, potential delisting of units on the exchange etc, the time taken by the Mutual Fund for liquidating the investments in the scheme may be high in the event of immediate redemption requirement. Investment in such securities may lead to increase in the scheme portfolio risk.
• Reinvestment Risk: Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns.
• Regulatory/Legal Risk: REITs and InvITs being new asset classes, rights of unit holders such as right to information etc may differ from existing capital market asset classes under Indian Law.
• Price-Risk or Interest-Rate Risk: REITs & InvITs run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing 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.
• 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. REITs & InvITs are likely to have volatile cash flows as the repayment dates would not necessarily be pre scheduled.
To mitigate the risks associated with investments in REITs & InvITs, the Scheme will invest in REITS/InvITs, where adequate due diligence and research has been performed by AMC. The AMC also relies on its own research as well as third party research. This involves one-to-one meetings with the managements, attending conferences and analyst meets and also teleconferences. The analysis will focus, amongst others, on the strength of management, predictability and certainty of cash flows, value of assets, capital structure, business prospects, policy environment, volatility of business conditions, etc.
Risks associated with investing in Liquid Funds offered by Mutual Funds
To the extent of the investments in liquid mutual funds, the risks associated with investing in liquid funds like market risk, credit & default risk, liquidity risk, redemption risk including the possible loss of principal etc. will exist.</td></tr>
</table>

10. IDBI CORPORATE DEBT OPPORTUNITIES FUND

<table>
<tr><th>S.No.</th><th>Particulars</th><th>Existing</th><th>Revised</th></tr>
<tr><td>1.</td><td>Name of The Scheme</td><td>IDBI Corporate Debt Opportunities Fund.</td><td>IDBI Credit Risk Fund.</td></tr>
<tr><td>2.</td><td>Type of Scheme</td><td>An open-ended income scheme.</td><td>An open-ended debt scheme predominantly investing in AA and below rated corporate bonds.</td></tr>
<tr><td>3.</td><td>Product Labelling</td>
<td>This product is suitable for investors who are seeking*:
• Regular income & capital appreciation through active management for at least medium term horizon
• Investments in Debt/Money Market Instruments across the investment grade credit rating and maturity spectrum
Riskometer

Investors understand that their principal will be at Moderate Risk
*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td>
<td>This product is suitable for investors who are seeking*:
• Regular income & capital appreciation through active management for at least medium term horizon
• Investments predominantly in AA and below rated corporate bonds across maturity spectrum
Riskometer

Investors understand that their principal will be at Moderate Risk
*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td></tr>
<tr><td>4.</td><td>Investment Objective</td>
<td>The objective of the Scheme is to generate regular income and opportunities for capital appreciation while maintaining liquidity through active management of a diversified portfolio comprising of debt and money market instruments across the investment grade credit rating and maturity spectrum. However, there can be no assurance that the investment objective of the scheme will be realized/achieved.</td>
<td>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.</td></tr>
<tr><td>5.</td><td>Asset Allocation Pattern</td>
<td><table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Debt instruments including securitized debt instruments and including debt securities issued by companies, banks, PSUs, Municipal Corporations, bodies corporate created under separate Act</td><td>80%</td><td>100%</td><td>Low to Medium</td></tr>
<tr><td>Money Market instruments including but not limited to CDs, CPs, T-Bills, CBLO, Repo (including Repo in corporate bonds), Liquid Schemes</td><td>0%</td><td>20%</td><td>Low</td></tr>
</table>
The Scheme will take exposure to debt across the investment grade rating spectrum. The Scheme will not invest in Government Securities and State Development Loans. The Scheme will enter into the repo transactions (including Repo in corporate bonds). Investment in Securitized Debt will not exceed 50% of the net assets of the Scheme. Investment in Derivatives will be up to 50% of the net assets of the Scheme.
The Scheme does not propose to invest in ADRs/GDRs and foreign securities.
The Scheme may engage in short selling of securities The Scheme may also participate in securities lending.
The gross 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 will not exceed 100% of the net assets of the scheme.</td>
<td><table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>AA and below rated Corporate Bonds *$</td><td>65%</td><td>100%</td><td>Low to Medium</td></tr>
<tr><td>AA+ and above rated Corporate Bonds</td><td>0%</td><td>35%</td><td>Medium</td></tr>
<tr><td>Money Market Instruments**</td><td>0%</td><td>35%</td><td>Low</td></tr>
<tr><td>Units issued by Real Estate Investment Trusts (REITs) & Investment & Infrastructure Investment Trusts (InvITs)</td><td>0%</td><td>10%</td><td>Medium to High</td></tr>
</table>
$ 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, CBLO, Repo/Reverse Repo (including repo in corporate bonds), Liquid schemes etc.
The Scheme will not invest in Government Securities and State Development Loans.
The Scheme will enter into the repo/reverse repo transactions (including Repo in corporate bonds).
The Scheme does not propose to invest in ADRs/GDRs and foreign securities.
The Scheme may engage in short selling of securities The Scheme may also participate in securities lending.
Investment in Securitized Debt will not exceed 50% of the net assets of the Scheme. Investment in Derivatives will be up to 50% of the net assets of the Scheme.
The gross investment in securities under the scheme, which includes Debt and Money market instruments, securitized debt, units of mutual fund schemes, units of InvIT and REIT and gross exposure to derivatives, will not exceed 100% of the net assets of the scheme.</td></tr>
<tr><td>6.</td><td>What are the Investment Strategies?</td>
<td>The investment strategy of the Scheme as derived from the underlying asset allocation pattern would be to take active calls on credit and interest rates and calibrate the portfolio in line with the Fund Manager's overall assessment of the macroeconomic and interest rate environment. The Scheme would seek to identify and invest in quality credits that offer an attractive risk-return reward relative to sovereign instruments with the objective to generate accrual income or in yield pickups which offer a better spread for similar credits. Potential capital appreciation opportunities arising out of mispricing of yields relative to fundamentals, potential credit upsides (both short term and long term ratings), sector rotations etc will be explored. The portfolio's overall duration will be actively monitored depending on the interest rate environment. The Fund Manager will adopt a long duration strategy in falling interest rate scenario and shift towards low duration strategy as the interest rates bottom out/trend upwards. The Fund Manager will structure the portfolio looking into the need to provide liquidity to meet redemptions as and when they arise.</td>
<td>To achieve the investment objective, the Scheme will predominantly invest in AA and below rated corporate bonds. The balance is also invested in AA+ and above rated corporate bonds and money market instruments. The Scheme would seek to identify and invest in quality credits that offer an attractive risk-return reward relative to sovereign instruments with the objective to generate accrual income or in yield pickups which offer a better spread for similar credits. The portfolio's overall duration will be actively monitored depending on the interest rate environment. The Fund Manager will adopt a long duration strategy in falling interest rate scenario and shift towards low duration strategy as the interest rates bottom out/trend upwards. The Fund Manager will structure the portfolio looking into the need to provide liquidity to meet redemptions as and when they arise.</td></tr>
<tr><td>7.</td><td>Where will the scheme Invest?</td>
<td>Refer existing disclosures in the SID under Section IID.</td>
<td>The following will be added in the existing disclosure in SID under Section IID:
<u>Units issued by Real Estate Investment Trusts (REITs) & Infrastructure Investment Trusts (InvITs)</u>
The scheme shall invest in REITs/InvITs to the extent mentioned in asset allocation and in line with, SEBI (Mutual Funds) (Amendment) Regulations, 2017.
<u>Addition to Debt and Money Market instruments</u>
Units of Liquid Funds or any other schemes offered by Mutual Funds as may be permitted by RBI/SEBI/such other regulatory authority from time to time.</td></tr>
</table>

Continued to next page.

IDBI Asset Management Limited

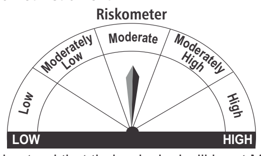
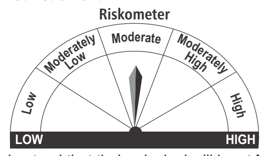
CIN: U65100MH2010PLC199319, **Registered Office:** IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400005, **Corporate Office:** 5th Floor, Mafatlal Centre, Nariman Point, Mumbai- 400021. **Tel:** (022) 66442800, **Fax:** (022) 66442801, **Website:** www.idbimutual.co.in, **E-mail:** contactus@idbimutual.co.in

NOTICE CUM ADDENDUM NO. 10/2018
CHANGE IN FUNDAMENTAL ATTRIBUTES OF THE VARIOUS SCHEMES OF IDBI MUTUAL FUND

10. IDBI CORPORATE DEBT OPPORTUNITIES FUND

<table>
<tr><th>S.No.</th><th>Particulars</th><th>Existing</th><th>Revised</th></tr>
<tr><td>8.</td><td>Risk Factors</td><td>Refer existing disclosures in the SID under Section IA titled as Risk Factors.</td><td>The following shall be added under Section IA titled as Risk Factors:-
Risks associated with investments in REITs & InvITs:
• Market Risk: REITs and InvITs are volatile and prone to price fluctuations on a daily basis owing to market movements. AMC/Fund Manager's investment decisions may not always be profitable, as actual market movements may be at variance with the anticipated trends. NAV of the Scheme is vulnerable to movements in the prices of securities invested by the scheme, due to various market related factors like changes in the general market conditions, factors and forces affecting capital market, level of interest rates, trading volumes, settlement periods and transfer procedures.
• Liquidity Risk: As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes, settlement periods, dissolution of the trust, potential delisting of units on the exchange etc, the time taken by the Mutual Fund for liquidating the investments in the scheme may be high in the event of immediate redemption requirement. Investment in such securities may lead to increase in the scheme portfolio risk.
• Reinvestment Risk: Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns.
• Regulatory/Legal Risk: REITs and InvITs being new asset classes, rights of unit holders such as right to information etc may differ from existing capital market asset classes under Indian Law.
• Price-Risk or Interest-Rate Risk: REITs & InvITs run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing 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.
• 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. REITs & InvITs are likely to have volatile cash flows as the repayment dates would not necessarily be pre scheduled.
To mitigate the risks associated with investments in REITs & InvITs, the Scheme will invest in REITS/InvITs, where adequate due diligence and research has been performed by AMC. The AMC also relies on its own research as well as third party research. This involves one-to-one meetings with the managements, attending conferences and analyst meets and also teleconferences. The analysis will focus, amongst others, on the strength of management, predictability and certainty of cash flows, value of assets, capital structure, business prospects, policy environment, volatility of business conditions, etc.
Risks associated with investing in Liquid Funds offered by Mutual Funds
To the extent of the investments in liquid mutual funds, the risks associated with investing in liquid funds like market risk, credit & default risk, liquidity risk, redemption risk including the possible loss of principal etc. will exist.</td></tr>
</table>

11. IDBI Gilt Fund

<table>
<tr><th>S.No.</th><th>Particulars</th><th>Existing</th><th>Revised</th></tr>
<tr><td>1.</td><td>Type of Scheme</td><td>An open-ended dedicated Gilt Scheme.</td><td>An open-ended debt scheme investing in government securities across maturity.</td></tr>
<tr><td>2.</td><td>Product Labelling</td><td>This product is suitable for investors who are seeking*:
• Long term regular income along with capital appreciation with at least medium term horizon
• Investments in dated Central & State Government Securities/ T-Bills/Money Market Instrument

Investors understand that their principal will be at Moderate Risk
Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td><td>This product is suitable for investors who are seeking:
• Long term regular income along with capital appreciation with at least medium term horizon
• Investments in dated Central & State Government securities/T-Bills/Money market Instrument

Investors understand that their principal will be at Moderate Risk
*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</td></tr>
</table>

11. IDBI Gilt Fund

<table>
<tr><th>S.No.</th><th>Particulars</th><th>Existing</th><th>Revised</th></tr>
<tr><td>3.</td><td>Asset Allocation Pattern</td><td><table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Government of India dated Securities/State Government dated Securities/Government of India Treasury Bills / Cash Management Bills of Government of India</td><td>65%</td><td>100%</td><td>Sovereign/ Low</td></tr>
<tr><td>CBLO and repo/reverse repo in Central Government or a State Government securities</td><td>0%</td><td>35%</td><td>Low</td></tr>
</table>The Scheme does not propose to invest in unrated debt instruments, Securitized Debt/ADRs/GDRs and foreign securities.
The scheme does not propose investments in Derivative instruments.
The scheme does not propose to engage in short selling and securities lending.
The Scheme will not enter into the repo transactions in corporate debt securities.
The cumulative gross investment in securities permitted under the scheme will not exceed 100% of the net assets of the scheme</td><td><table>
<tr><th rowspan="2">Instrument</th><th colspan="2">Indicative allocation (% of total assets)</th><th rowspan="2">Risk Profile</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Government of India dated Securities/State Government dated Securities/Government of India Treasury Bills/Cash Management Bills of Government of India</td><td>80%</td><td>100%</td><td>Low</td></tr>
<tr><td>CBLO and repo/reverse repo in Central Government or a State Government securities</td><td>0%</td><td>20%</td><td>Low</td></tr>
</table>The Scheme does not propose to invest in unrated debt instruments, Securitized Debt/ADRs/GDRs and foreign securities.
The scheme does not propose investments in Derivative instruments.
The Scheme will not enter into the repo transactions in corporate debt securities.
The scheme does not propose to engage in short selling and securities lending.
The cumulative gross investment in securities permitted under the scheme will not exceed 100% of the net assets of the scheme.</td></tr>
<tr><td>4.</td><td>Where will the scheme Invest?</td><td>Refer existing disclosures in the SID under Section IID.</td><td>The following will be added in the existing disclosure in SID under Section IID:
<u>Units of Liquid Funds or any other schemes offered by Mutual Funds</u>
As may be permitted by RBI/SEBI/such other regulatory authority from time to time and provided it is in conformity to the investment objectives of the Scheme.</td></tr>
<tr><td>5.</td><td>Risk Factors</td><td>Refer existing disclosures in the SID under Section IA titled as Risk Factors.</td><td>The following shall be added under Section IA titled as Risk Factors:-
<u>Risks associated with investing in Liquid Funds offered by Mutual Funds:</u>
To the extent of the investments in liquid mutual funds, the risks associated with investing in liquid funds like market risk, credit & default risk, liquidity risk, redemption risk including the possible loss of principal etc. will exist.</td></tr>
</table>

All references to the above revision will be suitably incorporated in Scheme Information Document (SID) and Key Information Memorandum (KIM) of the respective Scheme. Apart from the above revision, all other features and attributes of the said mentioned schemes of IDBI Mutual Fund will continue to remain the same. All unit holders are requested to note that the above proposed revision will come into effect from March 27, 2018. The above revision constitutes a change in the Fundamental Attribute of the said mentioned schemes of IDBI Mutual Fund, in line with requirements under Regulation 18 (15A) of the SEBI (Mutual Funds) Regulations, 1996.

An individual letter has been issued to all unit holders informing aforesaid revision and providing an option to exit the scheme without any charge of Exit Load within 30 (Thirty) days commencing from February 23, 2018 till March 26, 2018 (upto 3:00 p.m) at prevailing Net Asset Value.

The exit option will be available to all the Unit holders of the Scheme* as per the records of the Registrar as at the close of business hours on February 22, 2018. The option to exit without exit load ("Exit Option") can be exercised from February 23, 2018 to March 26, 2018 (up to 3 p.m.) ("Exit Option Period"). All redemption requests received after 3 p.m. on March 26, 2018, will be subject to load as per the provisions of the SID of the respective Scheme. The applicable provisions in relation to prevailing NAV and cut-off timings for redemptions in the SID of the Scheme would be applicable to redemption requests received during the Exit Option Period.

The redemption proceeds shall be dispatched to the Unit holders within 10 working days from the date of redemption.

The offer to exit is merely an option and is not mandatory. If you have no objection to the proposed change in the fundamental attributes of the Scheme as stated above, no action needs to be taken by you.

Please note that Unit holders who do not opt for redemption on or before March 26, 2018 (up to 3 p.m.) shall be deemed to have consented to the aforesaid changes and shall continue to hold units in the Scheme. In case the Unit holders disagree with the aforesaid changes, they may redeem the units in the Scheme by exercising the Exit Option within the Exit Option Period.

**It may be noted that the Exit Option is not available to investors whose units have been pledged, and IDBI Mutual Fund has been instructed to mark a lien on such units unless the release of the pledge/lien is obtained and appropriately communicated to the AMC/Registrar/IDBI Mutual Fund prior to submission of redemption requests.*

This Addendum forms an integral part of the SID and KIM of the respective Schemes of IDBI Mutual Fund and SAI of IDBI Mutual Fund. All other terms and conditions of the SID and KIM of the Schemes of IDBI Mutual Fund and SAI of IDBI Mutual Fund will remain unchanged.

For **IDBI Asset Management Limited**
Investment Manager for IDBI Mutual Fund
Sd/-
(Chandra Bhushan)
Company Secretary & Compliance Officer

Place: Mumbai
Date: February 22, 2018

Statutory Details: IDBI Mutual Fund has been set up as a trust sponsored by IDBI Bank Limited with IDBI MF Trustee Company Limited as the Trustee (Trustee under the Indian Trusts Act, 1882) and with IDBI Asset Management Ltd. as the Investment Manager.

Mutual fund investments are subject to market risks, read all scheme related documents carefully.