

SCHEME INFORMATION DOCUMENT

INDIABULLS VALUE DISCOVERY FUND

(An Open-Ended Equity Scheme)

Continuous Offer of Units at Applicable NAV

Name of Mutual Fund	Indiabulls Mutual Fund
Name of Asset Management Company	Indiabulls Asset Management Company Limited CIN: U65991DL2008PLC176627 Registered Office: M - 62 & 63, 1st Floor, Connaught Place, New Delhi - 110 001. Tel: (011) 3025 2900; Fax: (011) 3025 2901
Name of Trustee Company	Indiabulls Trustee Company Limited CIN: U65991DL2008PLC176626 Registered Office: M - 62 & 63, 1st Floor, Connaught Place, New Delhi - 110 001. Tel: (011) 3025 2900; Fax: (011) 3025 2901
Corporate Office	11 th Floor, Indiabulls Finance Centre Tower-1, Elphinston Mills Compound, Senapati Bapat Marg, Elphinston Road (West), Mumbai – 400 013. Tel: (022) 6189 1300; Fax: (022) 6189 1320
Website	www.indiabullsamc.com

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (hereinafter referred to as “SEBI (MF) Regulations”) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the AMC. The units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the Scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund/ Investor Service Centers / Website / Distributors or Brokers. Please retain this Document for future reference.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Indiabulls Mutual Fund, tax and legal issues and general information on www.indiabullsamc.com

SAI is incorporated by reference (is legally a part of the Scheme Information Document). For a free copy of the current SAI, please contact your nearest Investor Service Centre or log on to our website www.indiabullsamc.com.

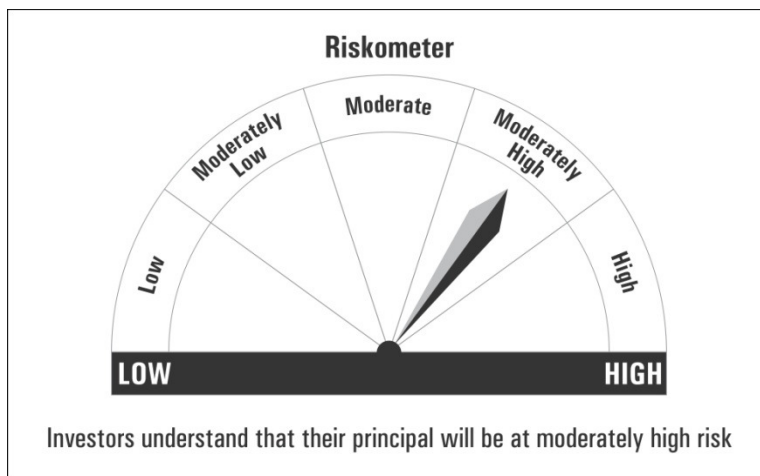
The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated **June 30, 2017**.

RISKOMETER

This product is suitable for investors who are seeking*
<ul style="list-style-type: none">• Capital appreciation and provide long term capital growth.• Investment primarily in companies that offer high relative value vis –a vis other companies and fall within top 500 by market capitalization.• Moderately High Risk

Note: Risk is represented as:



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

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I. HIGHLIGHTS/ SUMMARY OF THE SCHEME

Name of the Scheme	INDIABULLS VALUE DISCOVERY FUND
Type of Scheme	A Open-ended Equity Scheme
Investment objective	<p>The primary objective of the Scheme is to seek to generate capital appreciation by investing in a portfolio of Equity and Equity related securities of companies that meet the relative value criteria and fall within top 500 by market cap. A company is considered as showing high relative value if it has a combination of higher RoCE and higher earnings yield.</p> <p>However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.</p>
Plans/ Options	<p>Plans: The Scheme offers following two plans for investment into the Scheme:</p> <p>A. Direct: This Plan is suitable for investors who wish to invest directly in the scheme without routing their investment through any distributor. Direct shall have lower expense ratio compared to Regular and no commission shall be paid out of the Direct.</p> <p>B. Regular: This Plan is suitable for investors who wish to invest in the Scheme through any distributor. This Plan shall have higher expense ratio compared to the Direct and distributor commission may be paid out of this Plan.</p> <p>Direct and Regular shall have separate NAVs. However, there will be a common portfolio for both plans. The various options available under Direct and Regular and the salient features common to both plans are given below:</p> <p>Options: The Scheme has the following Options across a common portfolio:</p> <p><input type="checkbox"/> Growth Option: This option is suitable for investors who are not looking for current income but who invest only with the intention of capital appreciation. However, there can be no assurance of the capital appreciation.</p> <p><input type="checkbox"/> Dividend Option: This option is suitable for investors seeking income through dividend declared by the Scheme. Under this Option, the Scheme will endeavor to declare dividends from time to time. The dividend shall be dependent on the availability of distributable surplus.</p> <p>The Dividend option has the following facilities:</p> <ul style="list-style-type: none"> • Dividend Re-investment Facility • Dividend Pay-out Facility <p>In cases where the investor fails to opt for a particular Option at the time of investment, the default Option will be Growth. If the investor chooses Dividend Option and fails to mention facility then the default facility will be Reinvestment.</p> <p>If Dividend payable under Dividend Payout option is equal to or less than Rs. 250/- then the Dividend would be compulsorily reinvested in the option of the Scheme.</p>

Introduction of New Dividend Option w.e.f March 01, 2017:

Scheme Name	Distribution Policy	Default Option
<ul style="list-style-type: none"> • Indiabulls Value Discovery Fund - Direct Plan- Dividend Option (Payout & Reinvestment) • Indiabulls Value Discovery Fund- Direct Plan- Monthly Dividend Option (Payout & Reinvestment) • Indiabulls Value Discovery Fund- Direct Plan- Quarterly Dividend Option (Payout & Reinvestment) • Indiabulls Value Discovery Fund- Direct Plan- Half Yearly Dividend Option (Payout & Reinvestment) 	Dividend Option	Dividend Option – Reinvestment
<ul style="list-style-type: none"> • Indiabulls Value Discovery Fund - Regular Plan- Dividend Option (Payout & Reinvestment) • Indiabulls Value Discovery Fund - Regular Plan- Monthly Dividend Option (Payout & Reinvestment) • Indiabulls Value Discovery Fund - Regular Plan- Quarterly Dividend Option (Payout & Reinvestment) • Indiabulls Value Discovery Fund - Regular Plan- Half Yearly Dividend Option (Payout & Reinvestment) 	Dividend Option	Dividend Option – Reinvestment

Uniform disclosure on treatment of applications under "Direct"/ "Regular" Plans:

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

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

Minimum application amount	Rs. 500 and in multiples of Re. 1 thereafter Rs. 500 and in multiples of Re. 1 thereafter (For Systematic Investment Plan (SIP))
Minimum additional application	Rs. 500 and in multiples of Re. 1 thereafter.

amount (for subsequent investments under an existing folio)	
Minimum redemption amount	Minimum of Rs. 500 or account balance, whichever is lower and in multiples of Re. 1 thereafter.
Minimum Target Amount	Rs. 10 Crores
Loads	<p>Entry: Not Applicable Exit: 1% if redeemed/ switched out within 1 year from the date of allotment; Nil, if redeemed/ switched out after 1 year from the date of allotment.</p> <p>In accordance with SEBI Circular No. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, no entry load will be charged on purchase/ additional purchase/ switch-in/ SIP/ STP transactions. The upfront commission, if any, on investment made by the investor shall be paid by the Investor directly to the Distributor, based on the Investors assessment of various factors including the service rendered by the Distributor.</p> <p>Load shall be applicable for switches between eligible schemes of Indiabulls Mutual Fund as per the respective prevailing load structure, however, no load shall be charged for switches between options within the schemes of Indiabulls Mutual Fund.</p> <p>For further details on Load Structure, refer to the section on 'Load Structure' in this document.</p>
Transaction Charges	<p>In accordance with SEBI Circular No. Cir/IMD/DF/13/2011 dated August 22, 2011, the distributor (who has opted in based on type of product) would be allowed to charge the existing investor a sum of Rs. 100 per subscription of Rs 10,000 and above as transaction charge and Rs. 150 to the first time investor.</p> <p>No charge can be made for investments below Rs. 10,000. The transaction charge (Rs100/ Rs150) if any, will be deducted by the AMC from the subscription amount and paid to the distributor; and the balance amount will be invested in the Scheme. Thus units will be allotted against the net investment.</p> <p>There would be no transaction charge on (a) transactions other than purchases/ subscriptions relating to new inflows, & (b) direct transactions with the Mutual Fund.</p> <p>The transaction charges are in addition to the existing commission permissible to the distributors.</p> <p>In case of SIPs, the transaction charge shall be applicable only if the total commitment through SIPs amounts to Rs.10,000/- and above. In such cases the transaction charge shall be recovered in 3 instalments.</p>
Benchmark	<p>The Benchmark for the scheme would be S&P BSE 500 Index.</p> <p>S&P BSE 500 Index represents nearly 93% of the total market capitalization on BSE. S&P BSE 500 cover the 20 major industries of the economy. The index is a fair representation of the indicative universe of the portfolio of the Scheme. In view of the same, performance of the Scheme will be benchmarked with S&P BSE 500 Index.</p> <p>The Trustees reserve the right to change the benchmark in future if a benchmark better suited to the investment objective of the Scheme is available.</p>
Duration /	Scheme is open-ended.

Maturity	
Risk factors	For Risk Factors please refer to paragraph on “Risk Factors” in this document.
Liquidity	<p>Units may be purchased or redeemed at NAV related prices, subject to applicable Loads (if any), on every Business Day on an ongoing basis, commencing not later than 5 (five) Business Days from the date of allotment.</p> <p>The Mutual Fund will dispatch Redemption proceeds within 10 Business Days from the date of acceptance of Redemption request.</p>
Transparency/ NAV Disclosure	<p>The AMC will calculate the NAVs for all the Business Days. The NAV of the Scheme shall be published at least in two daily newspapers for all Business Days (alongwith sale and repurchase prices). The Asset Management Company (“AMC”) shall update the NAVs on the website of Association of Mutual Funds in India (“AMFI”) (www.amfiindia.com) by 9.00 p.m. every Business Day. The NAV shall also be available on AMC website (www.indiabullsamc.com). If the NAVs are not available before the commencement of business hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.</p> <p>The Mutual Fund/AMC shall disclose portfolio of the scheme as on the last day of the month on its website www.indiabullsamc.com on or before the 10th day of the succeeding month.</p> <p>The Mutual Fund and AMC shall publish the Scheme Portfolio within one month from the close of each half year (i.e. 31st March and 30th September), by way of an advertisement & also disclosing the hosting of Unaudited Scheme Financial Results at least, in one National English daily and one regional newspaper in the language of the region where the head office of the Mutual Fund is located.</p> <p>It will also be displayed on the website of the AMC (www.indiabullsamc.com) and AMFI (www.amfiindia.com).</p> <p>The Mutual Fund and AMC will make available the Annual Report of the Scheme within four months of the end of the financial year.</p>

II. INTRODUCTION

A. Risk Factors

i. Standard Risk Factors

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down. As with any investment in stocks, shares and securities, the NAV of the Units under the Scheme can go up or down, depending on the factors and forces affecting the capital markets.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- Indiabulls Value Discovery Fund is only the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects and returns. While the Scheme will endeavour to declare dividend, however, there is no guarantee or assurance that such dividend will be declared / paid and such declaration / payment is entirely subject to availability of distributable surplus.
- The Sponsor is not responsible or liable for any loss or shortfall in Scheme's corpus arising or resulting from the operation of the Scheme, beyond the initial contribution of Rs. 50,000/- (Rupees Fifty Thousand only) made by it to the Fund at the time of settling the Mutual Fund. The Associates of the Sponsor are not responsible or liable for any loss or shortfall resulting from the operation of the Scheme.
- Indiabulls Value Discovery Fund is not a guaranteed or assured return Scheme.

ii. Scheme Specific Risk Factors & Special Considerations

1. Risk factors associated with investment in equity

The Scheme proposes to invest in equity and equity related securities. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments. Different segments of Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities' purchases due to settlement problems could cause the Scheme to miss certain investment opportunities. Delays or other problems in settlement of transactions could result in temporary periods when the assets of the Scheme are not invested and no return is earned thereon. The inability to sell securities held in the Scheme's portfolio, due to the absence of a liquid secondary market, would result at times, in potential losses to the Scheme, should there be a subsequent decline in the value of securities held in the Scheme's portfolio.

Market risk: Any type of risk due to the market conditions and evolution, such as volatility in the capital markets, interest rates, changes in policies of the Government, taxation laws or any other political and economic development, which may negatively affect the prices of the securities invested in by the scheme.

Business risk: Risk related to uncertainty of income caused by the nature of a company's business and having an impact on price fluctuations.

Liquidity risk: This risk pertains to how saleable a security is in the market or the ease at which a security can be sold at or close to its' quoted or published price/value. Securities that are listed on the stock exchange generally carry lower liquidity risk; the ability to sell these investments is limited by the overall trading volume on the stock exchanges.

2. Risk associated with investments in Debt Instruments

Interest-Rate Risk: Fixed income securities such as government bonds, corporate bonds, Money Market Instruments and Derivatives run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices depends upon the coupon and maturity of the security. It also depends upon the yield level at which the security is being traded.

Re-investment Risk: Investments in fixed income securities carry re-investment risk as interest rates prevailing on the coupon payment or maturity dates may differ from the original coupon of the bond.

Basis Risk: The underlying benchmark of a floating rate security or a swap might become less active or may cease to exist and thus may not be able to capture the exact interest rate movements, leading to loss of value of the portfolio.

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

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

Credit Risk: This is the risk associated with the issuer of a debenture/bond or a Money Market Instrument defaulting on coupon payments or in paying back the principal amount on maturity. Even when there is no default, the price of a security may change with expected changes in the credit rating of the issuer. It is to be noted here that a Government Security is a sovereign security and is the safest. Corporate bonds carry a higher amount of credit risk than Government Securities. Within corporate bonds also there are different levels of safety and a bond rated higher by a particular rating agency is safer than a bond rated lower by the same rating agency.

Liquidity Risk on account of unlisted securities: The liquidity and valuation of the Scheme investments due to their holdings of unlisted securities may be affected if they have to be sold prior to their target date of divestment. The unlisted security can go down in value before the divestment date and selling of these securities before the divestment date can lead to losses in the portfolio.

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

3. Risks associated with investments in derivatives:

- The Scheme may invest in derivative products in accordance with and to the extent permitted under the Regulations and by RBI. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Trading in derivatives carries a high degree of risk although they are traded at a relatively small amount of margin which provides the possibility of great profit or loss in comparison with the principal investment amount. Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme.
- The derivatives market in India is nascent and does not have the volumes that may be seen in other developed markets, which may result in volatility to the values.

- Investment in derivatives also requires the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. Even a small price movement in the underlying security could have an impact on their value and consequently, on the NAV of the Units of the Scheme.
- The Scheme may face execution risk, whereby the rates seen on the screen may not be the rate at which the ultimate execution of the derivative transaction takes place.
- The Scheme may find it difficult or impossible to execute derivative transactions in certain circumstances. For example, when there are insufficient bids or suspension of trading due to price limit or circuit breakers, the Scheme may face a liquidity issue.
- The options buyer's risk is limited to the premium paid.
- The exchange may impose restrictions on exercise of options and may also restrict the exercise of options at certain times in specified circumstances and this could impact the value of the portfolio.
- Investments in index futures face the same risk as the investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks.
- The Scheme bears a risk that it may not be able to correctly forecast future market trends or the value of assets, indices or other financial or economic factors in establishing derivative positions for the Scheme.
- The risk of loss in trading futures contracts can be substantial, because of the low margin deposits required, the extremely high degree of leverage involved in futures pricing and the potential high volatility of the futures markets
- There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. The counter party may default on a transaction before settlement and therefore, the Scheme is compelled to negotiate with another counterparty at the then prevailing (possibly unfavourable) market price.
- Derivatives also carry a market liquidity risk where the derivatives cannot be sold (unwound) at prices that reflect the underlying assets, rates and indices.
- Where derivatives are used for hedging, such use may involve a basis risk where the instrument used as a hedge does not match the movement in the instrument/underlying asset being hedged. The risk may be inter-related also e.g. interest rate movements can affect equity prices, which could influence specific issuer/industry assets.
- Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor.
- Execution of investment strategies depends upon the ability of the fund manager(s) to identify such opportunities which may not be available at all times. Identification and execution of the strategies to be pursued by the fund manager(s) involve uncertainty and decision of fund manager(s) may not always be profitable. No assurance can be given that the fund manager(s) will be able to identify or execute such strategies.
- The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

4. Risk associated with Securities Lending

- Securities Lending is a lending of securities through an approved intermediary to a borrower under an agreement for a specified period with the condition that the borrower will return equivalent securities of the same type or class at the end of the specified period along with the corporate benefits accruing on the securities borrowed. There are risks inherent in securities lending, including the risk of failure of the other party, in this case the approved intermediary to comply with the terms of the agreement. Such failure can result in a possible loss of rights to the collateral, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of corporate benefits accruing thereon.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme. However, if such limit is breached during the NFO of the Scheme, the Fund will endeavor to ensure that within a period of three months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. In case the Scheme does not have a minimum of 20 investors in the stipulated period, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme shall be wound up and the units would be redeemed at applicable NAV. The two conditions mentioned above shall also be complied within each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable Net Asset Value on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. SPECIAL CONSIDERATIONS

- Prospective investors should study this Scheme Information Document and Statement of Additional Information carefully in its entirety and should not construe the contents hereof as advice relating to legal, taxation, financial, investment or any other matters and are advised to consult their legal, tax, financial and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, before making a decision to invest/redeem/hold Units.
- Neither this Scheme Information Document (“SID”), SAI nor the Units have been registered in any jurisdiction. The distribution of this Scheme Information Document or Statement of Additional Information in certain jurisdictions may be restricted or totally prohibited to registration requirements and accordingly, persons who come into possession of this Scheme Information Document or Statement of Additional Information are required to inform themselves about and to observe any such restrictions and/ or legal compliance requirements.
- The AMC, Trustee or the Mutual Fund have not authorized any person to issue any advertisement or to give any information or to make any representations, either oral or written, other than that contained in this Scheme Information Document or the Statement of Additional Information or as provided by the AMC in connection with this offering. Prospective Investors are advised not to rely upon any information or representation not incorporated in the Scheme Information Document or Statement of Additional Information or as provided by the AMC as having been authorized by the Mutual Fund, the AMC or the Trustee.
- Redemption due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any such tax consequences that may arise due to such Redemptions.
- The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise, in the event that the Scheme is wound up for the reasons and in the manner provided in Statement of Additional Information.

- The tax benefits described in this Scheme Information Document and Statement of Additional Information are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India as on the date of this Scheme Information Document and the Unit holders should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Unit holder is advised to consult his / her own professional tax advisor.
- The Mutual Fund may disclose details of the investors account and transactions thereunder to those intermediaries whose stamp appears on the application form or who have been designated as such by the investor. In addition, the Mutual Fund may disclose such details to the bankers, as may be necessary for the purpose of effecting payments to the investor. The Fund may also disclose such details to regulatory and statutory authorities/bodies as may be required or necessary.
- In case the AMC or its Sponsor or its Shareholders or their affiliates/associates or group companies make substantial investment, either directly or indirectly in the Scheme. Redemption of Units by these entities may have an adverse impact on the performance of the Scheme. This may also affect the ability of the other Unit holders to redeem their units.
- As the liquidity of the Scheme investments may sometimes be restricted by trading volumes and settlement periods, the time taken by the Fund for Redemption of Unit may be significant in the event of an inordinately large number of Redemption Requests or of a restructuring of the Scheme portfolio. In view of this, the Trustee has the right, in its sole discretion, to limit redemptions under certain circumstances - please refer to the paragraph "Right to Limit Redemptions in SAI".
- **The Mutual Fund/AMC and its empanelled broker(s) has not given and shall not give any indicative portfolio/ yield in any communication, in any manner whatsoever. Investors are advised not to rely on any communication regarding indicative yield/ portfolio with regard to the scheme. Investors are requested to study the terms of the offer carefully before investing in the Scheme, and to retain this SID and the SAI for future reference.**

D. DEFINITIONS & ABBREVIATIONS

Definitions: The following scheme specific definitions/terms apply throughout this Document in addition to the definitions mentioned in the Statement of Additional Information unless the context requires otherwise:

Allotment Date	The date on which the units of Indiabulls Value Discovery Fund are allotted to the successful applicants from time to time and includes allotment made pursuant to the New Fund Offer.
Applicable NAV	The NAV applicable for purchase or redemption or Switching of Units based on the time of the Business Day on which the application is time stamped.
Applicant	Applicant means a person who applies for allotment of units of Indiabulls Value Discovery Fund in pursuance of this Scheme Information Document.
Application Supported by Blocked Amount or ASBA	ASBA is an application containing an authorization to a Self Certified Syndicate Bank (SCSB) to block the application money in the bank account maintained with the SCSB, for subscribing to an issue.
Asset Management Company or Investment Manager or AMC	Indiabulls Asset Management Company Limited incorporated under the provisions of the Companies Act, 1956 and approved by Securities and Exchange Board of India to act as the Investment Manager to the Scheme(s) of Indiabulls Mutual Fund.
ARN Holder / AMFI Registered Distributors	Intermediary registered with AMFI to carry out the business of selling and distribution of mutual fund units and having AMFI Registration Number (ARN) allotted by AMFI.
Book Closure	The time during which the Asset Management Company would temporarily suspend the sale, redemption and switching of Units.
Business Day	A day other than: (i) Saturday and Sunday; (ii) A day on which the banks in Mumbai and /or RBI are closed for business /clearing; (iii) A day on which the National Stock Exchange of India Limited and/or the Bombay Stock Exchange Ltd., are closed; (iv) A day which is a public and /or bank Holiday at a Customer Service Centre/Official Point of Acceptance where the application is received; (v) A day on which Sale / Redemption / Switching of Units is suspended by the AMC; (vi) A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time. Further, the day(s) on which the money markets are closed / not accessible, shall not be treated as Business Day(s). The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Customer Service Centers/Official Points of Acceptance of the Mutual Fund or its Registrar.
Business Hours	Presently 9.30 a.m. to 5.00 p.m. on any Business Day or such other time as may be applicable from time to time.
Collecting Bank	Branches of Banks during the New Fund Offer period authorized to receive application(s) for units, as mentioned in this document.
Custodian	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996, and who has been appointed as such by the AMC which for the time being is HDFC Bank.
Cut off time	In respect of subscriptions and redemptions received by the Scheme, it means the outer limit of timings within a particular day/ Business Day which are relevant for determination of the NAV/ related prices to be applied for a transaction.
Day	Any day (including Saturday, Sunday and holiday) as per the English Calendar

	including a Non-business Day, unless otherwise specified.
Depository	A Depository as defined in the Depositories Act, 1996 and includes National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL).
Depository Participant or DP	Depository Participant (DP) is an agent of the Depository who acts like an intermediary between the Depository and the investors. DP is an entity who is registered with SEBI to offer depository-related services.
Derivative	Derivative includes (i) a security derived from a debt instrument, share, loan whether secured or unsecured, risk instrument or contract for differences or any other form of security; (ii) a contract which derives its value from the prices, or index of prices, or underlying securities.
Dividend	Income distributed by the Mutual Fund on the Units of the Scheme, where applicable.
Electronic Fund Transfer/ EFT	Electronic Fund Transfer includes all the means of electronic transfer like Direct Credit / Debit, National Electronic Clearing System (NECS), RTGS, NEFT, Wire Transfer or such like modes may be introduced by relevant authorities from time to time.
Entry Load	Entry Load means a one-time charge that the investor pays at the time of entry into the scheme. Presently, entry load cannot be charged by mutual fund schemes.
Exit Load	A charge paid by the investor at the time of exit from the scheme.
Fixed Income Securities	Debt Securities created and issued by, inter alia, Central Government, State Government, Local Authorities, Municipal Corporations, PSUs, Public Companies, Private Companies, Bodies Corporate, Special Purpose Vehicles (incorporated or otherwise) and any other entities, which yield at fixed rate by way of interest, premium, discount or a combination of any of them.
Floating Rate Debt Instruments	Floating rate debt instruments are debt securities issued by Central and / or State Government, corporates or PSUs with interest rates that are reset periodically. The periodicity of the interest reset could be daily, monthly, quarterly, half yearly, annually or any other periodicity that may be mutually agreed with the issuer and the Fund. The interest on the instruments could also be in the nature of fixed basis points over the benchmark gilt yields.
Foreign Portfolio Investors (FPI)	“Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under Regulation 4 of SEBI (Foreign Portfolio Investors) Regulations, 2014 and has been registered under Chapter II of these regulations, which shall be deemed to be an intermediary in terms of the provisions of the Act: Provided that any foreign institutional investor or qualified foreign investor who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
Foreign Institutional Investor (FII)	Foreign Institutional Investor registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
Forward Rate Agreement or FRA	A FRA is an agreement to pay or receive the difference between the agreed fixed rate and actual interest prevailing at a stipulated future date. The interest rate is fixed now for a future agreed period wherein only the interest is settled between the counter parties.
Gilts or Government Securities	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.
GOI	Government of India

Holiday	Holiday means the day(s) on which the banks (including the Reserve Bank of India) are closed for business or clearing in Mumbai or their functioning is affected due to a strike / bandh call made at any part of the country or due to any other reason.
Investment Management Agreement	The agreement entered into between Indiabulls Trustee Company Limited and Indiabulls Asset Management Company Limited, as amended from time to time.
Investor	Any resident (person resident in India under the Foreign Exchange Management Act) or non-resident person (a person who is not a resident of India) whether an individual or not (legal entity), who is eligible to subscribe for Units under the laws of his/her/its/their state/country of incorporation, establishment, citizenship, residence or domicile and who has made an application for subscribing for Units under the Scheme.
Investor Service Centers / Customer Service Centers or ISCs	Investor Service Centers/ Customer Service Centers, as designated from time to time by the AMC, whether of the Registrar or AMC's own branches, being official points of acceptance, authorized to receive application forms for Purchase/ Redemption /Switch and other service requests/queries from investors/Unit Holders.
Money Market Instruments	Money Market Instruments as defined in Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time. Generally, Money Market Instruments includes commercial papers, commercial bills, and treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, CBLO, certificate of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time.
Mutual Fund or the Fund	Indiabulls Mutual Fund, a trust set up under the provisions of the Indian Registration Act, 1908.
Net Asset Value or NAV	Net Asset Value per Unit of the Scheme (including options there under), calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
Non-resident Indian or NRI	A Non-Resident Indian or a Person of Indian Origin residing outside India.
Offer Document	This Scheme Information Document (SID) and Statement of Additional Information (SAI) (collectively).
Official Points of Acceptance	Places, as specified by AMC from time to time where application for Subscription / Redemption / Switch will be accepted on ongoing basis.
Ongoing Offer/Continuous Offer	Offer of units under the Scheme, when it becomes open-ended after the closure of its New Fund Offer Period.
Person of Indian Origin	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in sub-clause (a) or (b).
Qualified Foreign Investor (QFI)	Qualified Foreign Investor/ QFI shall mean a person as may have been defined under the SEBI (Mutual Funds) Regulations, 1996 and SEBI circulars/ amendments thereto.
Rating	Rating means an opinion regarding securities, expressed in the form of standard symbols or in any other standardized manner, assigned by a credit rating agency and used by the issuer of such securities, to comply with any requirement of the SEBI (Credit Rating Agencies) Regulations, 1999.
Reserve Bank of India or RBI	Reserve Bank of India, established under the Reserve Bank of India Act, 1934, (2 of 1934)
Registrar and Transfer Agents or Registrar or RTA	Karvy Computershare Pvt. Ltd, currently acting as Registrar to the Scheme, or any other Registrar appointed by the AMC from time to time.
Redemption or Repurchase	Redemption/Repurchase of Units of the Scheme as specified in this

	Document.
Regulatory Agency	GOI, SEBI, RBI or any other authority or agency entitled to issue or give any directions, instructions or guidelines to the Mutual Fund.
Repo	Sale of Government Securities with simultaneous agreement to repurchase them at a later date.
Reverse Repo	Purchase of Government Securities with simultaneous agreement to sell them at a later date.
Statement of Additional Information or SAI	The document issued by Indiabulls Mutual Fund containing details of Indiabulls Mutual Fund, its constitution, and certain tax, legal and general information, as amended from time to time. SAI is legally a part of the Scheme Information Document.
Sale or Subscription	Sale or allotment of Units to the Unit holder upon subscription by the Investor / Applicant under the Scheme.
Scheme	Indiabulls Value Discovery Fund
Scheme Information Document or SID	This document issued by Indiabulls Mutual Fund, offering for subscription, units of Indiabulls Value Discovery Fund (including Options there under)
SEBI	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992
SEBI (MF) Regulations or SEBI Regulations or Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended and re-enacted from time to time including notifications/circulars/guidelines issued there under, from time to time.
Securities	As defined in Securities Contract (Regulation) Act, 1956 & includes notes, bonds, debentures, debenture stock, warrants, etc., futures, options, derivatives, etc. or other transferable securities of a like nature in or of any incorporated company or other body corporate, Gilts / Government Securities, Mutual Fund Units, Money Market Instruments like Call Deposit, Commercial Paper, Treasury Bills, etc. and such other instruments as may be declared by GOI and / or SEBI and / or RBI and / or any other regulatory authority to be securities and rights or interest in securities but subject to the asset allocation of the Scheme.
Sponsors	Indiabulls Housing Finance Ltd.
Switch	Redemption of a unit in any scheme (including the Options therein) of the Mutual Fund against purchase / allotment of a unit in another scheme (including the Options therein) of the Mutual Fund, subject to completion of Lock-in Period, if any, of the units of the scheme(s) from where the units are being switched.
Stock Lending	Lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio.
Systematic Transfer Plan / STP	Facility given to the Unit holders to transfer sums on periodic basis from one scheme to another scheme launched by the Mutual Fund from time to time by giving a single instruction.
Systematic Withdrawal Plan/ SWP	Facility given to the Unit holders to withdraw amounts from the Scheme on periodic basis by giving a single instruction.
Trust Deed/ Deed of Trust	The Trust Deed made by and between the Sponsors and Indiabulls Trustee Company Limited, as amended from time to time, thereby establishing an irrevocable trust, called Indiabulls Mutual Fund.
Trustee or Trustee Company	Indiabulls Trustee Company Limited incorporated under the provisions of the Companies Act, 1956 and approved by SEBI to act as the Trustee to the Schemes of the Mutual Fund.
Unit	The interest of the Unit holder which consists of each Unit representing one undivided share in the assets of the Scheme.
Unit holder	A person holding Unit(s) in the Scheme offered under this Document.

INTERPRETATION

For all purposes of this Scheme Information Document, except as otherwise expressly provided or unless the context otherwise requires:

- all references to the masculine shall include the feminine and all references to the singular shall include the plural and vice-versa.
- all references to "dollars" or "\$" refer to United States Dollars and "Rs" refer to Indian Rupees.
- A "crore" means "ten million" and a "lakh" means a "hundred thousand".
- all references to timings relate to Indian Standard Time (IST).
- references to a day are to a calendar day including a Non Business Day.

(ii) Abbreviations

AMC	Asset Management Company, being Indiabulls Asset Management Company Limited
AMFI	Association of Mutual Funds in India
AOP	Association of Persons
BOI	Body of Individuals
BRDs	Bills Re-Discounted
BSE	Bombay Stock Exchange Limited
CBLO	Collateralized Borrowing and Lending Obligation
CD	Commercial Deposits
CIN	Corporate Identification Number
CP	Commercial Papers
ECS	Electronic Clearing System
EFT	Electronic Funds Transfer
ELSS	Equity Linked Savings Scheme
ETF	Exchange Traded Fund
FII	Foreign Institutional Investor
FOF	Fund of Funds
FPI	Foreign Portfolio Investors
FRA	Forward Rate Agreement, a type of fixed income derivative
GOI	Government of India
HUF	Hindu Undivided Family
IMA	Investment Management Agreement
ISC	Investor Service Centre
IRS	Interest Rate Swap, a type of fixed income derivative
NAV	Net Asset Value
NEFT	National Electronic Funds Transfer
NFO	New Fund Offer
NRI	Non-Resident Indian
NSE	National Stock Exchange of India Limited
PIO	Person of Indian Origin
POA	Power of Attorney
RBI	Reserve Bank of India
RTGS	Real Time Gross Settlement
SIP	Systematic Investment Plan
STP	Systematic Transfer Plan
SWP	Systematic Withdrawal Plan
SAI	Statement of Additional Information
SID	Scheme Information Document
ZCB	Zero Coupon Bonds

E. DUE DILIGENCE CERTIFICATE

It is confirmed that:

- a. The draft Scheme Information Document (SID) forwarded to Securities & Exchange Board of India (SEBI) is in accordance with the Securities & Exchange Board of India (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- b. All legal requirements connected with the launching of the Scheme and also the guidelines, instructions, etc. issued by the Government of India and any other competent authority in this behalf, have been duly complied with.
- c. The disclosures made in the SID are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed Scheme.
- d. All the intermediaries named in the SID and Statement of Additional Information are registered with SEBI and till date such registration is valid.
- e. The contents of Scheme Information Document including figures, data, yields, etc. have been checked and are factually correct.

For Indiabulls Asset Management Company Limited

Date: June 30, 2017
Place: Mumbai

Sd/-
Uday Diwale
Head- Compliance & Risk Management

III. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

An Open-ended Equity Scheme

B. INVESTMENT OBJECTIVE OF THE SCHEME

The primary objective of the Scheme is to seek to generate capital appreciation by investing in a portfolio of Equity and Equity related securities of companies that meet the relative value criteria and fall within top 500 by market cap. A company is considered as showing high relative value if it has a combination of higher RoCE and higher earnings yield.

However, there is no assurance that the investment objective of the scheme will be realized and the Scheme does not assure or guarantee any returns.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

The Asset Allocation Pattern of the Scheme under normal circumstances would be as under:

Instruments	Indicative allocation (% of Net Assets) (Minimum - Maximum)	Risk Profile (High/ Medium/ Low)
Equity and Equity related instruments	65% to 100%	High
Debt, Money Market instruments, Cash and equivalent	0% to 35%	Low

- The Scheme may use derivatives for such purposes as maybe permitted by the Regulations, including for the purpose of hedging and portfolio balancing, based on the opportunities available and subject to guidelines issued by SEBI from time to time. The Scheme may also use fixed income derivative instruments subject to the guidelines as maybe issued by SEBI and RBI and for such purposes as maybe permitted from time to time. Investments in Derivatives shall strictly be in compliance with SEBI Circular No. Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010.
- Total of investments in Equity, debt securities, money market instruments and gross cumulative exposure in derivatives shall not exceed 100% of the net assets of the Scheme.
- The Scheme may invest in derivatives upto 50% of the net assets of the Scheme for the purpose of hedging and portfolio balancing purposes in accordance with conditions as may be stipulated by SEBI/ RBI from time to time.
- The Scheme may also engage in securities lending/ borrowing. The AMC shall comply with all reporting requirements and the Trustee shall carry out periodic review as required by SEBI guidelines. The Investment Manager will apply the following limits, should it desire to engage in Securities lending: Not more than 20% of the net assets of the Scheme can generally be deployed in securities lending; and Not more than 5% of the net assets of the Scheme can generally be deployed in securities lending to any single counter party.
- The Scheme proposes to engage in short selling against the borrowed securities as per Securities Lending & Borrowing (SLB) scheme as defined under the framework of 'Securities Lending Scheme, 1997' of SEBI specified vide Circular No. SMD/POLICY/SL/CIR-09/97 dated May 7, 1997. The Scheme does not propose to engage in naked short selling.
- The Scheme does not propose to engage in repo/ reverse repo in corporate debt securities, securitized debt, credit default swaps or make investments in equity linked debentures.
- The Scheme does not propose to invest in foreign securities.

Changes in Asset Allocation Pattern

Subject to the SEBI Regulations, the asset allocation pattern indicated above may change for short term defensive considerations from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. These proportions can vary depending upon the perception of the Investment Manager; the intention being at all times to seek to protect the interests of the Unitholders. The portfolio would be reviewed periodically to address any deviations from the aforementioned allocations inter alia due to market changes. The AMC may from time to time, for a short term, alter the asset composition on defensive consideration and may also invest the funds available in repos, bank deposits in accordance with the provisions of SEBI (Mutual Funds) Regulations, 1996 and the circulars issued by SEBI from time to time. The rebalancing of the portfolio in accordance with the asset allocation pattern indicated above shall be done within a period of 30 days. In cases where the rebalancing is not carried out within 30 days, the reasons for not carrying out the rebalancing within the aforesaid period will be placed before the Trustees and Investment Committee for its consideration.

Risk Mitigation

The asset allocation of the Scheme will be steadily monitored and it shall be ensured that investments are made in accordance with the scheme objective and within the regulatory and internal investment restrictions prescribed from time to time.

The overall volatility of the portfolio would be maintained in line with the objective of the scheme. As the scheme is involved only in cash-futures arbitrage, the portfolio volatility depends on the spread between the cash and the futures prices.

A major part of the scheme is invested in liquid stocks & derivative instruments. The fund manager may also keep some portion of the portfolio in debt and money market instruments and/or cash within the specified asset allocation framework for the purpose of meeting redemptions.

Following exposure limits shall be maintained while dealing in derivative instruments to mitigate the risk,

- The cumulative gross exposure through equity, debt and derivative positions will not exceed 100% of the net assets of the scheme.
- The Scheme will not write options or purchase instruments with embedded written options.
- The total exposure related to option premium paid will not exceed 20% of the net assets of the scheme.
- Cash or cash equivalents with residual maturity of less than 91 days will be treated as not creating any exposure.
- Exposure due to hedging positions will not be included in the above mentioned limits subject to the following,
 - a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
 - b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 3.
 - c. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.
 - d. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
- The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions will be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases will not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions will not exceed 10% of the net assets of the scheme.
- Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, will be within 100% of net asset of the Scheme.

D. WHERE WILL THE SCHEME INVEST?

- (i) The corpus of the scheme will be invested in Equity and Equity related instruments of companies that meet relative value criteria and fall within top 500 companies by market cap, Debt and Money market instruments and Schemes of mutual funds and short term deposits which will include but are not limited to the following:
1. Equity and equity related securities including convertible bonds and debentures and warrants carrying the right to obtain equity shares.
 2. Securities created and issued by the Central and State Governments and/or repos/reverse repos in such Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills)
 3. Securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills)
 4. Debt securities issued by domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee
 5. Corporate debt securities (of both public and private sector undertakings)
 6. Securities issued by banks (both public and private sector) as permitted by SEBI from time to time and development financial institutions
 7. Money market instruments permitted by SEBI/RBI, having maturities of up to one year or in any alternative investment as may be provided by the RBI to meet the liquidity requirements.
 8. Certificate of Deposits (CDs)
 9. Commercial Paper (CPs)
 10. The non-convertible part of convertible securities
 11. Any other domestic fixed income securities
 12. Derivative instruments like, Stock Futures, Index Futures, Stock options & Index options and such other derivative instruments permitted by SEBI.
 13. Subject to the Regulations, the securities mentioned above could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of varying maturity. The securities may be acquired through New Fund Offerings (NFOs), secondary market operations, private placement, rights offers (including renunciation) or negotiated deals.

(ii) Investments in units of mutual fund schemes

The Scheme may invest in other schemes managed by the AMC or in the schemes of any other mutual funds in conformity with the investment objective of the Scheme and in terms of the prevailing SEBI (MF) Regulations. The maximum limit for such investment shall not exceed 5% of the net assets of the Scheme. No investment management fees or any other fees will be charged for such investments.

(iii) Investment in Short Term Deposits

Pending deployment of funds as per the investment objective of the Scheme, the funds may be parked in short term deposits of Scheduled Commercial Banks, in compliance with SEBI Circular No. SEBI/IMD/Cir No. 1/91171/07 dated April 16, 2007.

The aforementioned securities may be acquired through Initial Public Offering (IPOs), secondary market, private placement, rights offers, and negotiated deals. Further investments in debentures, bonds and other fixed income securities will be in instruments which have been assigned investment grade rating by the Credit Rating Agency.

Investment in unrated debt instruments shall be subject to complying with the provisions of the Regulations and within the limit as specified in Schedule VII to the Regulations.

The securities / instruments mentioned above and such other securities the Scheme is permitted to invest in could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity subject to investment limits specified elsewhere in this document.

The Fund Manager reserves the right to invest in such securities as may be permitted from time to time and which are in line with the investment objectives of the Scheme.

DEBT AND MONEY MARKETS IN INDIA

The Indian debt market is today one of the largest in Asia and includes securities issued by the Government (Central & State Governments), public sector undertakings, other government bodies, financial institutions, banks and corporates. Government and public sector enterprises are the predominant borrowers in the markets. Securities in the debt market typically vary based on their tenure and rating. The major players in the Indian debt markets today are banks, financial institutions, mutual funds, insurance companies, primary dealers, trusts, pension funds and corporates. The Indian debt market is the largest segment of the Indian financial markets. The debt market comprises broadly two segments, viz. Government Securities market or G-Sec market and corporate debt market. The latter is further classified as market for PSU bonds and private sector bonds.

The Government Securities market is the oldest and the largest component of the Indian debt market in terms of market capitalization, outstanding securities and trading volumes. The G-Sec market plays a vital role in the Indian economy as it provides the benchmark for determining the level of interest rates in the country through the yields on the Government Securities which are referred to as the risk-free rate of return in any economy. Over the years, there have been new products introduced by the RBI like zero coupon bonds, floating rate bonds, inflation indexed bonds, etc. The corporate bond market, in the sense of private corporate sector raising debt through public issuance in capital market, is only an insignificant part of the Indian Debt Market. A large part of the issuance in the non-Government debt market is currently on private placement basis.

The money markets in India essentially consist of the call money market (i.e. market for overnight and term money between banks and institutions), reverse repo transactions (temporary sale with an agreement to buy back the securities at a future date at a specified price), commercial papers (CPs, short term unsecured promissory notes, generally issued by corporates), certificate of deposits (CDs, issued by banks) and Treasury Bills (issued by RBI) and similar securities. In a predominantly institutional market, the key money market players are banks, financial institutions, insurance companies, mutual funds, primary dealers and corporates. In money market, activity levels of the Government and non government debt vary from time to time.

Apart from these, there are some other options available for short tenure investments that include MIBOR linked debentures with periodic exit options and other such instruments. PSU / DFI / Corporate paper with a residual maturity of less than 1 year are actively traded and offer a viable investment option.

Following table exhibits various debt instruments along with current yields as on June 20, 2017.

Instrument	Yield Range (% per annum)
CBLO	6.15-6.20
Repo	6.25%
91 days T-Bill	6.24-6.2735
364 days T-Bill	6.35-6.38
1 month CD/CP	6.35-6.38
3 month CD/CP	6.30-6.32
6 month CD/CP	6.50-6.55
1 year CD/CP	6.65-6.70

1 year Corporate Bond – AAA Rated	6.80-6.90
3 year Corporate Bond – AAA Rated	7.05-7.10
5 year Corporate Bond – AAA Rated	7.15-7.20
5 year G-sec	6.54-6.57
10 year G-sec	6.44-6.46

(source: Bloomberg and NDS OM)

These yields are indicative and do not indicate yields that may be obtained in future as interest rates keep changing consequent to changes in macro economic conditions and RBI policy. The price and yield on various debt instruments fluctuate from time to time depending upon the macro economic situation, inflation rate, overall liquidity position, foreign exchange scenario etc. Also, the price and yield vary according to maturity profile, credit risk etc.

E. WHAT ARE THE INVESTMENT STRATEGIES?

Equity Investments:

The Scheme aims to provide long term capital growth by investing in a well-diversified portfolio of equity and equity related securities. The Scheme will endeavor to invest in companies that offer high relative value vis –a vis other companies and fall within top 500 by market capitalization. The Scheme will invest across market capitalization and without any sector bias.

A company is considered as showing high relative value if it has a combination of higher Return on Capital Employed (RoCE) and higher Earnings Yield. Top 500 stocks by market capitalization would be ranked individually on both these criterion separately. Both these criterion would be assigned certain weights based on the prevailing market conditions and valuations. These individual ranks would then be multiplied with respective weights and added to arrive at a final rank score for each stock. These stocks would then be screened on the basis of strength & quality of the business & balance sheet using Piotroski score, apart from certain other criteria like corporate governance standards and liquidity, to arrive at a final list of eligible securities. Stock with highest rank scores would then be included in the portfolio. Maximum number of stocks in the portfolio would not exceed 40.

Portfolio would ideally be reviewed on a quarterly basis or on happening of certain events like poor corporate governance practice by a company, liquidity profile changing or valuations getting stretched for individual stock or for market as a whole.

Following is the illustration of methodology to be followed for stock selection:

The stock selection process begins with the calculation of 'Return on Capital' and 'Earning yield' for Top 500 companies by market capitalization. These companies are then ranked based on higher 'Return on Capital', and higher 'Earnings Yield' as demonstrated below,

Company Name	Scenario	Ratios		Rank		Ratio*	Weighted Rank Score	Final Rank	Piotroski Scores
		Return on Capital	Earning Yield	Return on Capital	Earning Yield				
XYZ Ltd	Stock markets at Resonable Valuation	72%	9%	14	108	50:50	61	9	8
XYZ Ltd	Stock markets at Stretched Valuation	72%	9%	14	108	25:75	84.5	45	8
XYZ Ltd	Stock markets at Cheap Valuation	72%	9%	14	108	75:25	37.5	7	8

*These ratios are for illustration purposes only

Based on these calculation, the company shall be ranked for 'Return on Capital' and 'Earning Yield' within the Top 500 companies. Both the individual ranks are then assigned weightages based on market conditions as specified under column 'Ratio'. The weighted rank score is then computed and Top 500 companies are then organized as per

their individual score to arrive at the final rank. The Piotroski score for each company is then assigned and considered while shortlisting the scrip. Understanding Piotroski Score: It is a discrete score between 0-9 which reflects nine criteria used to determine the strength of a firm's financial position. The Piotroski score is used to determine the best value stocks, nine being the best. The score was named after Chicago Accounting Professor, Joseph Piotroski who devised the scale according to specific criteria found in the financial statements. For every criteria (below) that is met the company is given one point, if it is not met, then no points are awarded. The points are then added up to determine the best value stocks.

Profitability

- Positive return on assets in the current year (1 point).
- Positive operating cash flow in the current year (1 point).
- Higher return on assets (ROA) in the current period compared to the ROA in the previous year (1 point).
- Cash flow from operations are greater than ROA (1 point)

Leverage, Liquidity and Source of Funds

- Lower ratio of long term debt to in the current period compared value in the previous year (1 point).
- Higher current ratio this year compared to the previous year (1 point).
- No new shares were issued in the last year (1 point).

Operating Efficiency

- A higher gross margin compared to the previous year (1 point).
- A higher asset turnover ratio compared to the previous year (1 point).

Debt Investments:

The Scheme will retain the flexibility to invest in the entire range of debt instruments and money market instruments. Investment in Debt securities and Money Market Instruments will be as per the limits in the asset allocation table of the Scheme, subject to permissible limits laid under SEBI (MF) Regulations. The actual percentage of investment in various fixed income securities will be decided after considering the prevailing political conditions, the economic environment (including interest rates and inflation), the performance of the corporate sector and general liquidity and other considerations in the economy and markets. The investment management team is allowed full discretion to make sale and purchase decisions within the limits established.

Equity Derivative Strategies

A derivative is a financial instrument whose value depends on other, more basic, underlying variables likes stock or commodity, any kind of economical index. A derivative is essentially a contract whose payoff depends on the behavior of some benchmark. The derivatives shall be marked-to-market by the Investment Manager at all times. Transactions in derivatives include a wide range of instruments, including, but not limited to futures, options, swaps, and interest rate swaps, forward rate agreements and any other instrument as may be permitted by SEBI/RBI from time to time.

Derivatives may be used for hedging and portfolio balancing purposes or such other purpose as may be permitted by SEBI/RBI from time to time, to seek to optimize performance in the Scheme and will be subject to applicable Regulations of SEBI/RBI from time to time. Trading is permitted only in exchange-traded derivatives. Derivative markets in India are now fairly liquid with daily average volumes to the tune of Rs. 150000 – 180000 crore as compared to cash market volumes of Rs. 15000- 20000 crore

Use of derivatives to further investment objective of the Scheme:

Investment Manager may use derivatives to seek outcomes that are not possible in the cash market. For example:

- A short position in index futures or futures on a particular stock may be initiated to hedge a long position in the cash market;
- The Investment Manager can buy put options with appropriate strike price as a hedge for a decline in price of stocks owned in the Scheme;
- The Investment Manager can buy call options with appropriate stock price to build position where the underlying might be illiquid or for tactical reasons.
- Options may be sold to augment income through the premium paid by the buyer*;
 - Sell puts on a stock with strike prices at levels the fund seeks to buy the stock;
 - Sell calls on stocks in the portfolio of the Scheme at strike prices that are at levels viewed as a selling opportunity by the Investment Manager
- If the index futures trade at a steep discount or premium to the spot, the Scheme can take advantage of the situation by switching out of stocks into futures or vice versa. At the expiry of the futures contract, its price will have to converge with the spot, as the last settlement will be with reference to the spot price. Arbitrage profit, if any, may augment NAV of the Scheme.

*Under extant SEBI Guidelines a Mutual Fund cannot write options. If and when SEBI permits writing options, Investment Manager shall utilize the same to enhance investor interest.

Futures:

Futures are contracts to buy or sell an asset on or before a future date at a price specified today. Futures can be cash settled or delivery settled. Currently, the transaction is netted at the end of the contract and the difference settled between the investor & the clearing house. Payoffs in futures are linear with reference to the underlying and the risk is basically directional. Buyers and sellers of futures carry equal risk.

In India, three futures of 1 month, 2 months, and 3 months are presently traded on BSE & NSE. These futures expire on the last working Thursday of the respective months. The futures are cash settled and there is no delivery of the underlying stock. The Profitability of the Index / Stock Future as compared to underlying individual securities / security will inter-alia depend on

- Carrying Cost
- Interest accrued on surplus funds
- Transaction Costs
- Cost Associated with rolling over of the futures trade, if applicable
- Liquidity in the markets etc

Index Futures

Stock index futures are instruments designed to give exposure to the equity markets indices. The Stock Exchange, Mumbai (BSE) and The National Stock Exchange (NSE) have trading in index futures of 1, 2 and 3 month maturities. The pricing of an index future is the function of the underlying index, short term interest rates and market expectations. Index futures are cash settled, there is no delivery of the underlying stocks.

If a Scheme buys 100 futures contracts, each contract value is 25 times the futures index price. On purchase date, Spot index: 8400, Future price: 8425. If the exchange imposes a margin of 10%, the Investment Manager will be required to provide Rs.2106250 (i.e. $10\% * 8425 * 100 * 25$) by way of eligible securities and/or and cash. The balance 90% can be parked in cash equivalents. If on the date of expiry - the S&P CNX Nifty Index closes at 8525, the net impact will be a profit of Rs. 250,000 for the Scheme ($(8525-8425) * 100 * 25$) plus the interest earned on the 90% deployed in cash equivalents. The profit or loss for the Scheme will be the difference between the closing price (which can be higher or lower than the purchase price) and the purchase price.

Strategies that employ index futures and their objectives:

(a) The fund has an existing equity portion invested in a basket of stocks. In case the fund manager has a view that the equity markets are headed downwards, the fund can then hedge the exposure to equity either fully or partially by initiating short positions in the Index futures.

(b) A similar position in the long direction can also be initiated by the fund to hedge its position of cash and permissible equivalents. Considering that Derivative market is more liquid than Cash market, fund manager can also use it to take exposure to equities and then build the cash market positions over time.

The extent to which this can be done is determined by guidelines issued by SEBI from time to time.

Risk associated with this strategy:

1. Lack of opportunities available in the market
2. Inability of the derivatives to correlate perfectly with underlying indices
3. Execution risk, whereby the rates seen on the screen may not be the rates at which the ultimate execution takes place.

Stock Futures

A futures contract on a stock gives its owner the right and obligation to buy or sell stocks. Single stock futures traded on the BSE & NSE are cash settled, there is no delivery of the underlying stocks on the expiration date. A purchase or sale of futures on a security gives the trader essentially the same price exposure as a purchase or sale of the security itself.

The Scheme buys shares of XYZ Ltd. Its current price is Rs. 1000. The Scheme sells one month futures on the shares of XYZ Ltd at Rs 1050. If the price of the stock declines, the Mutual Fund will suffer losses on the stock position held and profit on futures position. The price of stock on the expiry date is Rs 950. The price of the futures on the stock declines to Rs 950. There is a loss of Rs. 50 per share on the on the holding of the stock. This is offset by profit of Rs 100 on the short position in stock futures. Basically, Fund locks in a profit of Rs. 50, if both the positions are held till expiry.

Strategies that employ Stock specific futures and their objectives:

Individual stock futures are also available in the Indian Equity Markets. Stock futures trade either at a premium or at discount to the spot prices; the level of premium generally reflects the cost of carry. Stock specific issues may have a bearing on futures as speculators may find futures as a cost-effective way of executing their view on the stock. However such executions usually increase the premium/discount to the spot significantly, thereby giving rise to arbitrage opportunities for a fund.

(a) Selling spot and buying future :

In case the fund holds the stock of a company at say Rs. 500 while in the futures market it trades at a discount to the spot price say at Rs. 480 then the fund may sell the stock and buy the futures. On the date of expiry of the stock future, the fund may reverse the transactions (i.e. Buying at Spot & Selling futures) and earn a risk-free Rs.20/- (4% absolute) on its holdings. As this can be without any dilution of the view of the fund on the underlying stock the fund can still benefit from any movement of the price in the northward direction, i.e. if on the date of expiry of the futures, if the stock trades at Rs. 530 which would be the price of the futures too, the fund will have a benefit of Rs. 30 /- whereby the fund gets the 6% upside movement together with the 4% benefit on the arbitrage, and thus getting a total return of 10%

Risk associated with this strategy:

- Lack of opportunities available in the market
- Risk of mispricing or improper valuation
- Inability of the derivatives to correlate perfectly with underlying security
- Execution risk, whereby the rates seen on the screen may not be the rates at which the ultimate execution takes place.

(b) Buying spot and selling future:

Where the stock of a company is trading in the spot market at Rs 1000 while the futures trades at Rs. 1020/- in the futures market then fund may buy the stock at spot and sell in the futures market thereby earning Rs. 20. In case of adequacy of cash with the fund, this strategy may be used to enhance returns of the Scheme which was otherwise sitting on cash.

Risk associated with this strategy:

- Lack of opportunities available in the market
- Risk of mispricing or improper valuation

Inability of the derivatives to correlate perfectly with underlying security

- Execution risk, whereby the rates seen on the screen may not be the rates at which the ultimate execution takes place.

(c) Buying stock future:

Where the scheme wants to initiate a long position in a stock whose spot price is at say, `1000 and futures is at 980, then the fund may just buy the futures contract instead of the spot thereby benefiting from a lower cost.

Risk associated with this strategy:

- Lack of opportunities available in the market
- Risk of mispricing or improper valuation

Inability of the derivatives to correlate perfectly with underlying security

- Execution risk, whereby the rates seen on the screen may not be the rates at which the ultimate execution takes place.

Options:

An option gives the owner the right but not the obligation to buy or sell the underlying asset at particular price and for a specified period of time. The option will be exercised if the outcome is favourable to the owner. A call option gives the owner a right but not the obligation to buy the underlying asset at a predetermined price on a pre-specified date. A put option gives the owner the right but not the obligation to sell a security at a predetermined price on a pre-specified date. For an option buyer, Risk is limited (or known) to premium paid on call or put options. . If options are sold, the risk is unlimited (or unknown). The risk of the unknown can be mitigated by staying covered, using covered calls or bull/bear spread, to name a few strategies.

Mainly there are two type of options; American and European. Options that can be exercised on or before the expiration date are called American Options, while those that can be exercised only on the expiration date are called European Options. In India, till recently, Index options were European and Stock options were American. However off-late, Exchanges have shifted options on individual stocks from American to European. Option contracts are designated by the type of option, name of the underlying, expiry month and the strike price. Thus options can be used to earn less volatile returns, earn the premium or use for hedging purposes etc.

Strategies that use Options and the objectives of such strategies:

Illustrations of strategies using Options

- a) Call Option (Buy): The fund buys a call option at the strike price of say Rs.1000 and pays a premium of say Rs. 50, the fund would earn profits if the market price of the stock at the time of expiry of the option is more than Rs. 1050 being the total of the strike price and the premium thereon. If on the date of expiry of the option the stock price is below Rs 1000, the fund will not exercise the option and it loses the premium of Rs 50. The maximum loss in such a strategy is limited to the option premium, while upside potential is theoretically unlimited

Risk associated with this strategy:

- Lack of opportunities available in the market
- Inability of the derivatives to correlate perfectly with underlying security
- Execution risk, whereby the rates seen on the screen may not be the rates at which the ultimate execution takes place.

- b) Put Option (Buy): The fund buys a Put Option at Rs 1000 with the underlying security trading at Rs. 1000 by paying a premium of say Rs. 50. If the stock price goes down to Rs. 900, the fund would protect its downside and would only have to bear the premium of Rs 50 instead of a loss of Rs 100 whereas if the stock price moves up to say Rs.1100 the fund may let the Option expire and forego the premium thereby capturing Rs. 100 upside in the underlying security held by the Fund.

Risk associated with this strategy:

- Lack of opportunities available in the market
- Inability of the derivatives to correlate perfectly with underlying security
- Execution risk, whereby the rates seen on the screen may not be the rates at which the ultimate execution takes place.

- c) Writing a Call Option*: The fund writes a call option at Rs. 1050 and earns a premium of, say, Rs. 10. If the price is higher than Rs. 1050, say Rs.1100/- at expiry then the option is exercised, the Fund earns the premium of Rs. 10/- but loses the difference between the market price and the exercise price i.e. Rs. 50/-. In case the stock price is less than Rs.1050, the fund gets to keep the premium of Rs.10/-
- d) Writing a Put Option*: The fund writes a put option with the strike price of Rs1000 and earns a premium of say Rs 20. In case the stock trades at Rs 950 the put option will be exercised, the fund will earn the premium of Rs.20/- but losses the difference between the exercise price and the market price which is Rs.50/-. Where the stock trades at above the exercise price, the option-holder will not exercise the option and let it expire. In this case the fund will earn the premium income of Rs. 20.

The above four option positions can be initiated in both index based options as well as stock specific options.

Risk associated with this strategy:

- Lack of opportunities available in the market
- Inability of the derivatives to correlate perfectly with underlying security
- Execution risk, whereby the rates seen on the screen may not be the rates at which the ultimate execution takes place.

*Under extant SEBI Guidelines a Mutual Fund cannot write options. If and when SEBI permits writing options, Investment Manager shall utilize the same to enhance investor interest.

Any Notifications, Guidelines and circulars introduced by SEBI on derivatives from time to time shall automatically apply and forms part of the Scheme Information Documents

Portfolio Turnover

Portfolio turnover is the aggregate volume of purchases and sales as a percentage of the corpus of the Scheme during a specified period of time. The portfolio turnover in the Scheme will be a function of inflows, outflows as well as market opportunities available to the Fund Manager. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolios. It will be the endeavor of the Fund Manager to keep the portfolio turnover rates as low as possible. Active asset allocation would impact portfolio turnover. There may be trading opportunities that present themselves from time to time, where in the opinion of the fund manager, there is an opportunity to enhance the total returns of the portfolio. The fund manager will endeavor to balance the increased cost on account of higher portfolio turnover, if any, with benefits likely to be derived from such an approach.

Borrowing by the Fund

The Scheme may borrow monies to meet temporary liquidity requirements for the purpose of repurchase or redemption of Units or the payment of interest or dividend to the Unit holders. However, such borrowing shall be restricted to 20% of the net assets of the Scheme and for a maximum period of six months. The limit of 20% may be revised by the Fund and to the extent the Regulations may permit.

The Fund may raise such borrowings, secured or unsecured, from any person or entity as it may deem fit, including Sponsor or Shareholders of any of their associate / group / affiliate entities or banks, after approval by the Trustee, at market related rates.

Stock Lending by the Fund

Stock Lending involves lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio. The Fund can temporarily lend, through an approved intermediary, securities held by the Scheme to reputed counterparties, for a fee, subject to internal norms, if any. This would enable generating better returns on those securities, which are otherwise bought with the intention of holding the same for a longer period of time. The securities lent will be returned by the borrower on the expiry of the stipulated period or the lender can call the same back before its expiry.

The AMC will follow regulatory restrictions as may be prescribed in carrying on the activities of Stock lending. Such lent stock, while they are on-lending, will not be available for sale, and this can result in temporary illiquidity.

The Fund Manager may engage in Stock Lending as per following limits:

- Not more than 20% of the net assets of the Scheme can generally be deployed in Stock Lending.
- Not more than 5% of the net assets of the Scheme can generally be deployed in Stock Lending to any single counter party.

Investment by AMC, Sponsor etc.

The AMC, Trustee Company, Sponsor, Shareholders and their associate companies / entities may, subject to regulatory permissions wherever applicable, invest directly or indirectly in the Scheme from time to time.

The AMC will not charge any fees to the Fund / Scheme in relation to its own investments in the Units of the Scheme as provided under extant regulations, unless regulatory permitted.

F. FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the Scheme, in terms of Regulation 18(15A) of the Regulations:

(i) Type of Scheme

An Open-ended Equity Scheme

(ii) Investment Objective

The primary objective of the Scheme is to seek to generate capital appreciation by investing in a portfolio of Equity and Equity related securities of companies that meet the relative value criteria and fall within top 500 by market cap. A company is considered as showing high relative value if it has a combination of higher RoCE and higher earnings yield.

However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.

Investment Pattern:

The details of Investment Pattern are mentioned in para C “How will the Scheme Allocate its Assets” under Section III titled “Information about the Scheme”.

(iii) Terms of Issue

- a. Terms of Issue relating to listing, repurchase, redemption, fees and expenses, and Annual Scheme Recurring Expenses (as % of daily average net assets) are detailed in Section IV titled “Units and Offer” and Section V titled “Fees and Expenses”.
- b. The Scheme does not provide any safety net or guarantee nor does it provide any assurance regarding the realization of the investment objective of the scheme.

Changes in Fundamental Attributes

The Trustee will ensure that no change in the Fundamental Attributes of the Scheme or the Trust or fees and expenses payable or any other change which would modify the Scheme and Plans/ Options thereunder and affect the interest of the Unit holders is carried out unless:

- a. a written communication about the proposed change is sent to each Unit holder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the head office of the Mutual Fund is situated; and
- b. the Unit holders are given an option for a period of 30 days to exit at the prevailing NAV without any Exit Load.

However, changes/ modifications to the Scheme made in order to comply with Regulations or any change therein will not constitute change in Fundamental Attributes.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

The Benchmark for the scheme would be S&P BSE 500 Index. S&P BSE 500 Index represents nearly 93% of the total market capitalization on BSE. S&P BSE 500 cover the 22 major industries of the economy. The index is a fair representation of the indicative universe of the portfolio of the Scheme. In view of the same, performance of the Scheme will be benchmarked with S&P BSE 500 Index.

The AMC and the Trustee may mutually agree to change the benchmark index or select an additional benchmark index after recording reasons for such change and by following required regulatory process.

H. WHO MANAGES THE SCHEME?

Name of the Schemes	Fund Manager	Tenure of managing Scheme
Indiabulls Value Discovery Fund	Mr. Malay Shah & Mr Sumit Bhatnagar	Since inception

Other Schemes managed by the Fund Manager

Name of the Schemes	Fund Manager	Tenure of managing Scheme
Indiabulls Ultra Short Term Fund	Mr. Malay Shah	Since August 22, 2014
Indiabulls Gilt Fund	Mr. Malay Shah and Mr. Kunal M. Jain	Since August 22, 2014
Indiabulls Income Fund	Mr. Malay Shah and Mr. Kunal M. Jain	Since August 22, 2014
Indiabulls Short Term Fund	Mr. Malay Shah	Since August 22, 2014
Indiabulls FMP Series V- 1175 days	Mr. Malay Shah	Since inception
Indiabulls Liquid Fund	Mr. Malay Shah	Since August 22, 2014
Indiabulls Monthly Income Plan	Mr. Malay Shah, Mr Sumit Bhatnagar and Mr. Kunal M. Jain	Since inception
Indiabulls Arbitrage Fund	Mr. Malay Shah & Mr Sumit Bhatnagar	Since inception
Indiabulls Blue Chip Fund	Mr Sumit Bhatnagar	Since December 17, 2012

Details of the Fund Manager's experience and qualifications are as under:

Name of Fund Manager	Age	Qualification	Experience	Fund (s) Managed
Mr. Sumit Bhatnagar (for Domestic Equity segment)	39 yrs	<ul style="list-style-type: none"> MBA (Univ. of Toronto), CFA (USA) 	He has close to 15 years of experience in Banking & Capital Markets. Prior to joining Indiabulls he has worked with SEBI for close to 4.5 years in Investment Management Department. He has also worked in Banking Industry in retail and corporate assets. He has been with Indiabulls AMC since February 2009.	<ul style="list-style-type: none"> Indiabulls Blue Chip Fund – (An open-ended equity fund) Indiabulls Arbitrage Fund (An open-ended equity fund)

The debt portfolio shall be managed by Mr. Malay Shah whose details are as follows:

Name of Fund Manager	Age	Qualification	Experience	Fund (s) Managed
Mr. Malay Shah (for Debt segment)	38 yrs	<ul style="list-style-type: none"> B.Com MMS (Finance) 	He has around 15 years of experience in the field of finance. He has exposure to Debt – Dealing and Fund Management. Prior to joining Indiabulls Asset Management Company Limited, he was working in the capacity of Head – Fixed Income with Peerless Funds Management Co. Ltd. He is	<ul style="list-style-type: none"> Indiabulls Liquid Fund (An open-ended liquid scheme) Indiabulls Ultra Short Term Fund (An open-ended debt scheme) Indiabulls Gilt Fund (An open-ended gilt scheme)

			<p>a Commerce graduate and has done his MMS in Finance from NMIMS.</p>	<ul style="list-style-type: none"> • Indiabulls Income Fund (An open-ended debt scheme) • Indiabulls Short Term Fund (An open-ended debt scheme) • Indiabulls Arbitrage Fund (An open-ended equity scheme) • Indiabulls Monthly Income Plan • Indiabulls FMP Series V-1175 days
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I. WHAT ARE THE INVESTMENT RESTRICTIONS?

Investment restrictions as contained in the SEBI (MF) Regulations specifically in the Seventh Schedule of the Regulations including any amendments thereto and SEBI circulars issued from time to time and as applicable to the Scheme are provided below:

- 1) The Mutual Fund under all its Scheme(s) shall not own more than 10% of any company's paid up capital carrying voting rights.
- 2) The Scheme shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities.
Provide that the Mutual Fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by SEBI.
Provided further that the sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the RBI in this regard.
- 3) The Scheme shall not invest more than 10% of its net assets in equity shares or equity related instruments of any company.
- 4) The Scheme shall not invest more than 5% of its net assets in unlisted equity shares or equity related instruments.
- 5) A mutual fund scheme shall not invest more than 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorized to carry out such activity under the Act. Such investment limit may be extended to 12% of the NAV of the scheme with the prior approval of the Board of Trustees and the Board of directors of the asset management company:

Provided that such limit shall not be applicable for investments in government securities, treasury bills and collateralized borrowing and lending obligations.

Provided further that investment within such limit can be made in mortgaged backed securitised debts which are rated not below investment grade by a credit rating agency registered with the Board.

- 6) The Scheme shall not invest more than 10% of its NAV in unrated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the Scheme. All such investments shall be made with the prior approval of the Board of Trustee and Board of AMC.
- 7) Till the regulations so require, the Scheme shall not make any investment in:
 - (a) any unlisted security of an associate or group company of the sponsor; or
 - (b) any security issued by way of private placement by an associate or group company of the sponsor; or
 - (c) the listed securities of group companies of the sponsor which is in excess of 25% of the net assets.
- 8) Transfer of investments from one Scheme to another Scheme in the same Mutual Fund is permitted provided:
 - (a) such transfers are done at the prevailing market price for quoted instruments on a spot basis ("spot basis" shall have the same meaning as specified by a Stock Exchange for spot transactions);

- (b) the securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfer has been made.
- 9) The Scheme may invest in other Scheme under the same AMC or any other Mutual Fund without charging any fees, provided the aggregate inter-scheme investment made by all the Schemes under the same management or in Schemes under management of any other asset management company shall not exceed 5% of the Net Asset Value of the Fund.
 - 10) The Fund shall get the securities purchased transferred in the name of the Fund on account of the concerned Scheme, wherever investments are intended to be of a long-term nature.
 - 11) The Fund may buy and sell securities on the basis of deliveries and proposes to engage in short selling against the borrowed securities as per Securities Lending & Borrowing (SLB) scheme as defined under the framework of 'Securities Lending Scheme, 1997' of SEBI specified vide Circular No. SMD/POLICY/SL/CIR-09/97 dated May 7, 1997. The Scheme does not propose to engage in naked short selling..
 - 12) All the Scheme's investments will be in transferable securities or bank deposits or in money at call or any such facility provided by RBI in lieu of call.
 - 13) No loans for any purpose can be advanced by the Scheme.
 - 14) The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of repurchase/redemption of units or payment of interest and/or dividend to the Unitholders, provided that the Fund shall not borrow more than 20% of the net assets of the individual Scheme and the duration of the borrowing shall not exceed a period of 6 months.
 - 15) The scheme shall not make any investment in a Fund of Funds scheme.
 - 16) Pending deployment of the funds of the Scheme in securities in terms of the investment objective of the Scheme, the Mutual Fund may park the funds of the Scheme in short term deposits of scheduled commercial banks, subject to the following guidelines issued by SEBI vide its circular No. SEBI/IMD/Cir No. 1/91171/07 dated April 16, 2007 as may be amended from time to time:
 - i. "Short Term" for such parking of funds by the Scheme shall be treated as a period not exceeding 91 days. Such short-term deposits shall be held in the name of the Scheme.
 - ii. The Scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustee.
 - iii. Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
 - iv. The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
 - v. The Scheme shall not park funds in short term deposit of a bank which has invested in that Scheme.
 - vi. The above norms do not apply to term deposits placed as margins for trading in cash and derivatives market.

17) Limitations and restrictions for investments in derivatives

SEBI has vide its circular DNP/Cir-29/2005 dated September 14, 2005 interalia specified the guidelines pertaining to trading by Mutual Funds in Exchange Traded derivatives. The position limits have subsequently been modified vide circulars interalia including circular no. DNP/Cir-30/2006 dated January 20, 2006 and circular no. SEBI/DNP/Cir-31/2006 dated September 22, 2006.

All derivative position taken in the portfolio would be guided by the following principles.

i. Position limit for the Mutual Fund in index options contracts

- a. The Mutual Fund position limit in all index options contracts on a particular underlying index shall be Rs. 500 crore or 15% of the total open interest of the market in index options, whichever is higher, per Stock Exchange.
- b. This limit would be applicable on open positions in all options contracts on a particular underlying index.

ii. Position limit for the Mutual Fund in index futures contracts:

- a. The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be Rs. 500 crore or 15% of the total open interest of the market in index futures, whichever is higher, per Stock Exchange.
- b. This limit would be applicable on open positions in all futures contracts on a particular underlying index.

iii. Additional position limit for hedging

In addition to the position limits at point (i) and (ii) above, the Mutual Fund may take exposure in equity index derivatives subject to the following limits:

1. Short positions in index derivatives (short futures, short calls and long puts) shall not exceed (in notional value) the Mutual Fund's holding of stocks.
2. Long positions in index derivatives (long futures, long calls and short puts) shall not exceed (in notional value) the Mutual Fund's holding of cash, government securities, T-Bills and similar instruments.

iv. Position limit for Mutual Fund for stock based derivative contracts

The Mutual Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts, is defined in the following manner:-

1. For stocks having applicable market-wise position limit (MWPL) of Rs. 500 crores or more, the combined futures and options position limit shall be 20% of applicable MWPL or Rs. 300 crores, whichever is lower and within which stock futures position cannot exceed 10% of applicable MWPL or Rs. 150 crores, whichever is lower
2. For stocks having applicable market-wise position limit (MWPL) less than Rs. 500 crores, the combined futures and options position limit would be 20% of applicable MWPL and futures position cannot exceed 20% of applicable MWPL or Rs. 50 crores whichever is lower.

v. Position limit for each scheme of a Mutual Fund

The scheme-wise position limit / disclosure requirements shall be –

1. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a mutual fund shall not exceed the higher of:
1% of the free float market capitalisation (in terms of number of shares) or 5% of the open interest in the derivative contract on a particular underlying stock (in terms of number of contracts).
2. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
3. For index based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

Exposure limits for the Scheme:

In accordance with SEBI Circular No. Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010, the following exposure limits for investment in derivatives will be applicable to the Scheme:

1. The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the Scheme. However, cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure.
2. The Scheme shall not write options or purchase instruments with embedded written options.
3. The total exposure related to option premium paid shall not exceed 20% of the net assets of the Scheme.
4. Exposure due to hedging positions shall not be included in the above mentioned limits subject to the following:
 - a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
 - b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall be added and treated under limits mentioned in point 1 above.
 - c. Any derivative instrument used to hedge shall have the same underlying security as the existing position being hedged.
 - d. The quantity of underlying associated with the derivative position taken for hedging purposes shall not exceed the quantity of the existing position against which hedge has been taken.
5. The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions shall have to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases shall not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions shall not exceed 10% of the net assets of the scheme.

6. Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated as exposure for the limit mentioned in point 1 above.

7. Definition of Exposure in case of Derivative Positions:

Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:

Position	Exposure
Long Future	Futures Price * Lot Size * Number of Contracts
Short Future	Futures Price * Lot Size * Number of Contracts
Option bought	Option Premium Paid * Lot Size * Number of Contracts

The Scheme will comply with the other Regulations applicable to the investments of Mutual Funds from time to time. Apart from the Investment Restrictions prescribed under the Regulations, internal risk parameters for limiting exposure to a particular scrip or sector may be prescribed from time to time to respond to the dynamic market conditions and market opportunities.

The AMC/Trustee may alter these above stated restrictions from time to time to the extent the Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its respective investment objective. All investment restrictions shall be applicable at the time of making investment.

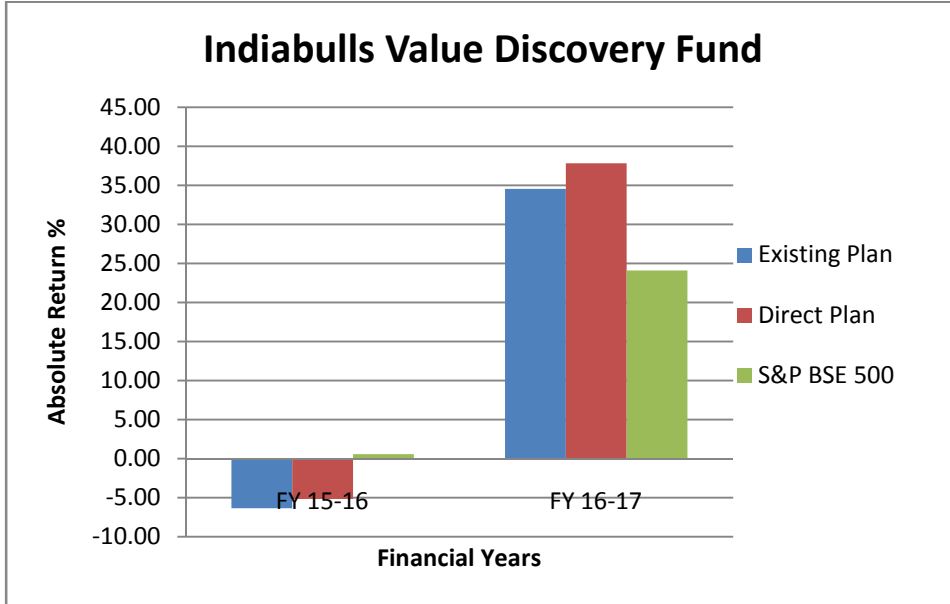
J. HOW HAS THE SCHEME PERFORMED?

Period (as at March 31, 2017)	Indiabulls Value Discovery Fund – Growth – Regular Plan Returns (%) ^	Indiabulls Value Discovery Fund – Growth – Direct Plan Returns (%) ^	S&P BSE 500 - Benchmark Returns (%)
Last 1 year	35.5561	38.8610	24.0231
Last 3 Years	NA	NA	15.0334
Last 5 Years	NA	NA	13.3052
Since inception*	16.4654	19.2417	9.6787 1

^Past performance may or may not be sustained in the future. The above Returns are compounded annualized (CAGR)

*Inception Date: September 08, 2015. Since inception returns are calculated on allotment price.

Absolute Returns for the Financial Year



IV. UNITS AND OFFER

This Section provides details you need to know for investing in the Scheme.

A. NEW FUND OFFER (NFO)

The Scheme has already been launched. The Date of Inception is mentioned hereunder.

Date of Inception of Scheme	September 8, 2015
Minimum Amount for Application	Rs.500/- and in multiples of Re. 1 thereafter
Plans/ Options offered	Plans: The Scheme offers following two plans for investment into the Scheme: A. Direct Plan: This Plan is suitable for investors who wish to invest directly in the scheme without routing their investment through any distributor. Direct shall have lower expense ratio compared to Regular and no commission shall be paid out of the Direct. B. Regular Plan: This Plan is suitable for investors who wish to invest in the Scheme through any distributor. This Plan shall have higher

expense ratio compared to the Direct and distributor commission may be paid out of this Plan.

Direct and Regular shall have separate NAVs. However, there will be a common portfolio for both plans. The various options available under the Direct and Regular and the salient features common to both plans are given below:

Options: The Scheme has the following Options across a common portfolio:

- Growth option
- Dividend option

The Dividend Option has the following facilities:

- Dividend Reinvestment Facility
- Dividend Pay-out Facility

The investors should indicate the option/ facility for which Subscription is made by indicating the choice in the appropriate box provided for this purpose in the application form. In case of valid application received without any choice of option/ facility, the following default Option/ Facility will be considered;

Default Plan/ Option/ Facility:

- Default Option – Growth Option
- Default Facility – Reinvestment

Introduction of New Dividend Option w.e.f March 01, 2017:

Scheme Name	Distribution Policy	Default Option
<ul style="list-style-type: none"> • Indiabulls Value Discovery Fund - Direct Plan- Dividend Option (Payout & Reinvestment) • Indiabulls Value Discovery Fund- Direct Plan- Monthly Dividend Option (Payout & Reinvestment) • Indiabulls Value Discovery Fund- Direct Plan- Quarterly Dividend Option (Payout & Reinvestment) • Indiabulls Value Discovery Fund- Direct Plan- Half Yearly Dividend Option (Payout & Reinvestment) 	Dividend Option	Dividend Option – Reinvestment
<ul style="list-style-type: none"> • Indiabulls Value Discovery Fund - Regular Plan- Dividend Option (Payout & Reinvestment) • Indiabulls Value Discovery Fund - Regular Plan- Monthly Dividend Option (Payout & Reinvestment) • Indiabulls Value Discovery Fund - Regular Plan- Quarterly Dividend Option (Payout & Reinvestment) • Indiabulls Value Discovery Fund - 	Dividend Option	Dividend Option – Reinvestment

Regular Plan- Half Yearly Dividend Option (Payout & Reinvestment)		
<p>Various Options:</p> <p><input type="checkbox"/> Growth option No dividends will be declared under this option. The income earned under this option will get accumulated as capital accretion and will continue to remain invested in the Scheme and will be reflected in the NAV of the Units held under this option.</p> <p><input type="checkbox"/> Dividend option Dividends will be declared under this Option at the discretion of the Trustee, subject to availability of distributable surplus calculated in accordance with SEBI (MF) Regulations. Dividends, if declared will be</p> <p>paid to those unitholders whose names appear in the register of unitholders on the notified record date.</p> <p>There is no assurance or guarantee to the unitholders as to the rate of dividend distribution nor that dividends be declared regularly.</p> <p>Pursuant to payment of dividend, the NAV of the Dividend Option will fall to the extent of the dividend payout and applicable statutory levies, if any.</p> <p>Facilities under the Dividend Option:</p> <p><input type="checkbox"/> Dividend Payout Facility Under this facility, dividend declared, if any, will be paid (subject to deduction of dividend distribution tax and statutory levy, if any) to those unitholders, whose names appear in the register of unitholders on the notified record date.</p> <p><input type="checkbox"/> Dividend Reinvestment Facility Under this facility, the dividend due and payable to the unitholders will be compulsorily and without any further act by the unitholder, reinvested in the respective Dividend Option at a price based on the prevailing Net Asset Value per unit on the record date (at the applicable ex-dividend NAV). The amount of dividend re-invested will be net of tax deducted at source, wherever applicable. On reinvestment of dividends, the number of units to the credit of the unitholder's account will increase to the extent of the dividend reinvested divided by the Applicable NAV. There shall, however, be no load on the dividends so reinvested.</p> <p>If Dividend payable under Dividend Payout option is equal to or less than Rs. 250/- then the Dividend would be compulsorily reinvested in the option of the Scheme.</p>		

	<p>Uniform disclosure on treatment of applications under "Direct"/ "Regular" Plans:</p> <table border="1" data-bbox="669 310 1446 835"> <thead> <tr> <th>Scenario</th> <th>Broker Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>2</td> <td>Not mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>3</td> <td>Not mentioned</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not Mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>6</td> <td>Direct</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>7</td> <td>Mentioned</td> <td>Regular</td> <td>Regular Plan</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not Mentioned</td> <td>Regular Plan</td> </tr> </tbody> </table> <p>In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of application without any exit load.</p> <p>Pursuant to SEBI circular No. SEBI/IMD/CIR No. 14/120784/08 dated March 18, 2008, with effect from April 1, 2008, no entry load or exit load shall be charged in respect of units allotted on reinvestment of dividend.</p> <p>The AMC, in consultation with the Trustee reserves the right to discontinue/ add more options / facilities at a later date subject to complying with the prevailing SEBI guidelines and Regulations.</p>	Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured	1	Not mentioned	Not mentioned	Direct Plan	2	Not mentioned	Direct	Direct Plan	3	Not mentioned	Regular	Direct Plan	4	Mentioned	Direct	Direct Plan	5	Direct	Not Mentioned	Direct Plan	6	Direct	Regular	Direct Plan	7	Mentioned	Regular	Regular Plan	8	Mentioned	Not Mentioned	Regular Plan
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Dividend Policy	<p>The Trustee will endeavour to declare dividend under the Dividend Option, subject to availability of distributable surplus calculated in accordance with the Regulations.</p> <p>Dividend distribution procedure: Pursuant to SEBI circular no. SEBI/IMD/CIR No. 1/64057/06, dated April 4, 2006, the procedure for dividend distribution will be as follows:</p> <ol style="list-style-type: none"> Quantum of dividend and record date shall be fixed by the Board of Trustees. Dividend so decided shall be paid, subject to availability of distributable surplus as on the date of declaration of dividend. Within 1 calendar day of the decision by the Board of Trustees, the AMC shall issue notice to the public communicating the decision about the Dividend including the record date, in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where Head Office of the Mutual Fund is situated. Record date shall be the date, which will be considered for the purpose of determining the eligibility of investors whose name appear 																																				

	<p>on the register of unit holders for receiving dividends. The Record Date will be 5 calendar days from the date of issue of notice.</p> <p>4. The NAV will be adjusted to the extent of Dividend distribution and statutory levy, if any at the close of business hours on record date.</p> <p>5. Before the issue of such notice, no communication indicating the probable date of dividend declaration in any manner whatsoever will be issued by the Mutual Fund.</p> <p>Even though the asset portfolio will be common, the NAVs of the growth option and dividend option in the Scheme will be distinctly different after declaration of the first dividend to the extent of distributed income, applicable tax and statutory levy, if any, and expenses relating to the distribution of the dividends.</p>
Allotment	<p>Investors may apply for Units by filling up an Application Form. All valid and complete applications will be allotted Units at the Applicable NAV for the application amount.</p>
<p>Who can invest:</p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the Scheme is suitable to your risk profile</p>	<p>The following persons are eligible to apply for subscription to the units of the Scheme (subject to, wherever relevant, subscription to units of the Scheme being permitted under the respective constitutions and relevant statutory regulations):</p> <ol style="list-style-type: none"> 1. Indian resident adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis; 2. Hindu Undivided Family (HUF) through Karta of the HUF; 3. Minor through parent / legal guardian; 4. Partnership Firms and Limited Liability Partnerships (LLPs); 5. Proprietorship in the name of the sole proprietor; 6. Companies, Bodies Corporate, Public Sector Undertakings (PSUs), Association of Persons (AOP) or Bodies of Individuals (BOI) and societies registered under the Societies Registration Act, 1860; 7. Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions; 8. Mutual Funds registered with SEBI; 9. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and private trusts authorised to invest in mutual fund schemes under their trust deeds; 10. Non-Resident Indians (NRIs) / Persons of Indian origin (PIOs) residing abroad on repatriation basis or on non-repatriation basis; 11. Foreign Portfolio Investors (FPIs) registered with SEBI on repatriation basis; 12. Army, Air Force, Navy and other para-military units and bodies created by such institutions; 13. Scientific and Industrial Research Organizations; 14. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / RBI; 15. Provident Funds, Pension Funds, Gratuity Funds and Superannuation Funds to the extent they are permitted; 16. Other schemes of Indiabulls Mutual Fund subject to the conditions and limits prescribed by SEBI (MF) Regulations; 17. Trustee, AMC or Sponsor or their associates may subscribe to units under the Scheme; 18. Such other individuals /institutions/ body corporates etc., as may be decided by the AMC from time to time, so long as, wherever applicable, subject to their respective constitutions and relevant statutory regulations.

	<p>The list given above is indicative and the applicable laws, if any, as amended from time to time shall supersede the list. Note:</p> <ol style="list-style-type: none"> 1. Non Resident Indians (NRIs) and Persons of Indian Origin (PIOs) residing abroad / Foreign Institutional Investors (FIIs) have been granted a general permission by Reserve Bank of India under Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 for investing in / redeeming units of the mutual funds subject to conditions set out in the aforesaid regulations. 2. It is expressly understood that at the time of investment, the investor/unitholder has the express authority to invest in units of the Scheme and the AMC / Trustee / Mutual Fund will not be responsible if such investment is ultravires the relevant constitution. Subject to the Regulations, the Trustee may reject any application received in case the application is found invalid/ incomplete or for any other reason in the Trustee's sole discretion. 3. Dishonoured cheques are liable not to be presented again for collection, and the accompanying application forms are liable to be rejected. 4. The Trustee, reserves the right to recover from an investor any loss caused to the Scheme on account of dishonour of cheques issued by the investor for purchase of Units of this Scheme. 5. For subscription in the Scheme, it is mandatory for investors to make certain disclosures like bank details etc. and provide certain documents like PAN copy etc. (for details please refer SAI) without which the application is liable to be rejected. 6. Subject to the SEBI (MF) Regulations, any application for units of this Scheme may be accepted or rejected in the sole and absolute discretion of the Trustee/AMC. The Trustee/AMC may inter-alia reject any application for the purchase of units if the application is invalid or incomplete or if the Trustee for any other reason does not believe that it would be in the best interest of the Scheme or its unitholders to accept such an application.
Who cannot invest	<p>The following persons are not eligible to invest in the Scheme:</p> <ul style="list-style-type: none"> • Any individual who is a foreign national or any other entity that is not an Indian resident under the Foreign Exchange Management Act, 1999 (FEMA Act) except where registered with SEBI as a FPI or otherwise explicitly permitted under FEMA Act/ by RBI/ by any other applicable authority or where they falls under the category of QFIs/FPIs. • Pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) cannot invest in Mutual Funds. • NRIs residing in Non-Compliant Countries and Territories (NCCTs) as determined by the Financial Action Task Force (FATF), from time to time. • Persons residing in countries which require licensing or registration of Indian Mutual Fund products before selling the same in its jurisdiction. • Such other persons as may be specified by AMC from time to time.
How to Apply	<p>Investors may obtain Key Information Memorandum (KIM) along with the application forms from the AMC offices or Customer Service Centers of the Registrar or may be downloaded from www.indiabullsamc.com (AMC's website). Please refer to the SAI and</p>

	<p>Application Form for the instructions.</p> <p>Applicants using the ASBA facility may submit the ASBA application form to the Self Certified Syndicate Banks (SCSBs) directly or through the syndicate/ sub syndicate members, authorising the SCSB to block funds available in the investor’s bank account specified in the ASBA application form and maintained with the SCSB. The SCSB shall then block an amount equal to the application amount in the specified bank account until scrutiny of the documents by the Registrar and consequent transfer of the application amount to the account of the Scheme for full and firm allotment of units or until rejection of the application on failure to raise minimum target amount or due to any other reason, as the case may be. For detailed provisions relating to ASBA facility the investors are requested to refer the SAI.</p> <p>An Application Form accompanied by a payment instrument issued from a bank account other than that of the Applicant / Investor will not be accepted except in certain circumstances. For further details, please refer paragraph —Non – acceptance of Third Party Payment Instruments for subscriptions / investments under the section —How to Apply in SAI.</p> <p>Bank Details: In order to protect the interest of Unit holders from fraudulent encashment of redemption/ dividend cheques, SEBI has made it mandatory for investors to provide their bank details viz. name of bank, branch, address, account type and number, etc. to the Mutual Fund. Applications without complete bank details shall be rejected. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques/ warrants and/ or any delay / loss in transit. Also, please refer to point on Registration of Multiple Bank Accounts in respect of an Investor Folio given elsewhere in this document.</p>
Listing	<p>Since units of the Scheme will be offered for subscription and redemption at NAV based prices on all Business Days on an ongoing basis providing the required liquidity to investors, units of the Scheme are not proposed to be listed on any stock exchange. However, the Trustee reserves the right to list the units of the Scheme on any stock exchange(s) at its sole discretion at a later date.</p>
The policy regarding reissue of Repurchased Units, including the maximum extent, the manner of reissue, the entity (the Scheme or the AMC) involved in the same.	<p>Units once redeemed will not be reissued.</p>
Restrictions, if any, on the right to freely retain or dispose of Units being offered.	<p>The Mutual Fund will be repurchasing (subject to completion of lock-in period, if any) and issuing units of the Scheme on an ongoing basis and hence the transfer facility is found redundant. Any addition / deletion of name from the folio of the Unit holder is deemed as transfer of Units. In view of the same, additions/ deletions of names will not be allowed under any folio of the Scheme. The said provisions in respect of deletion of names will not be applicable in case of death of a Unit holder (in respect of joint holdings) as this is treated as transmission (transfer of units by operation of law) of Units and not transfer. Units of the Scheme held in demat form shall be freely transferable (subject to lock-in period, if any) and will be subject to transmission facility in accordance with the provisions of the SEBI (Depositories and Participants) Regulations,</p>

	<p>1996 as amended from time to time.</p> <p>Also, when a person becomes a holder of the units by operation of law or upon enforcement of pledge, then the AMC shall, subject to production/submission of such satisfactory evidence, which in its opinion is sufficient, effect the transfer, if the intended transferee is otherwise eligible to hold the units.</p> <p>Please refer to paragraphs on ‘Transfer and Transmission of units, Right to limit Redemption, Suspension of Purchase and/ or Redemption of Units and Pledge of Units’ in the SAI for further details.</p>
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B. ONGOING OFFER DETAILS

<p>Ongoing Offer Period: This is the date from which the Scheme will reopen for subscriptions /redemptions after the closure of the NFO period.</p>	<p>The scheme will reopen for subscriptions/redemptions within 5 business days of the date of allotment.</p>
<p>Ongoing price for subscription (purchase)/switch-in (from other Schemes/Plans of the Mutual Fund) by investors. This is the price you need to pay for purchase/Switch-in.</p>	<p>Units of the Scheme shall be available for subscription (purchase) /switch-in at the Applicable NAV.</p>
<p>Ongoing price for redemption (sale) / switch outs (to other schemes/plans of the Mutual Fund) by Investors. This is the price you will receive for redemptions/ Switch outs. <i>Example: If the applicable NAV is Re. 10, exit load is 2% then redemption price will be: $Re. 10 * (1 - 0.02) = Re. 9.80$</i></p>	<p>Units of the Scheme can be redeemed/ switched out at the Applicable NAV subject to prevailing exit load. Investors/Unit holders should note that the AMC/ Trustee has right to modify existing Load structure and to introduce Loads subject to a maximum limits prescribed under the Regulations.</p> <p>Any change in Load structure will be effective on prospective basis and will not affect the existing Unit holder in any manner.</p>
<p>Cut off timing for subscriptions/ redemptions/ switches. This is the time before which your application (complete in all respects) should reach the Official Points of Acceptance</p>	<p>The Cut-off time for the Scheme is 3.00 pm and the Applicable NAV will be as under:</p> <p>For Subscriptions/Purchases including Switch-ins:</p> <ul style="list-style-type: none"> ▪ In respect of valid applications of investment amount less than Rs. 2 Lakh received up to 3.00 pm on a Business Day, the closing NAV of the day of receipt of application will be applicable; ▪ In respect of valid applications of investment amount equal to or more than Rs. 2 Lakh received up to 3.00 pm on a Business Day, and the funds are available for utilization before the cut-off time without availing any credit facility, whether intra-day or otherwise, the closing NAV of the day on which funds are available for utilization will be applicable; ▪ In respect of valid applications of investment amount less than Rs. 2 Lakh received after 3.00 pm on a Business Day, the closing NAV of the next Business Day will be applicable. ▪ In respect of valid applications of investment amount equal to or more than Rs. 2 Lakh received after 3.00 pm on a Business Day, and the funds are available for utilization on the same day without availing any credit facility, whether intra-day or otherwise, the closing NAV of the next Business Day will be applicable, and ▪ Irrespective of the time of receipt of application of investment amount equal to or more than Rs. 2 Lakh, where the funds are not available for utilization before the cut-off time without availing any credit facility, whether intra-day or otherwise, the closing NAV of the day on which the funds are available for utilization will be applicable. <p>For allotment of units, it shall be ensured that:</p> <ol style="list-style-type: none"> a) For all valid applications of investment amount less than Rs. 2 Lakh the application is received before the applicable cut-off time; b) For all valid applications of investment amount equal to or more than Rs. 2 Lakh <ol style="list-style-type: none"> i. the application is received before the applicable cut-off time, i. Funds for the entire amount of subscription / purchase as per the application / switch-in request are credited to the bank account of the Scheme before the cut-off time,

	<p>iii. The funds are available for utilisation before the cut-off time without availing any credit facility whether intra-day or otherwise, by the Scheme.</p> <p>Redemptions including Switch - outs: The following cut-off timings shall be observed by the Mutual Fund in respect of Repurchase of Units:</p> <ol style="list-style-type: none"> 1. Where the application received upto 3.00 pm – closing NAV of the day of receipt of application; and 2. An application received after 3.00 pm – closing NAV of the next Business Day.
Where can the applications for purchase/ redemption Switches be submitted?	<p>Investors can submit the application forms for purchase or redemption or switch at any of the Official Points of Acceptance, details of which are mentioned on the back cover page of this document.</p> <p>Investors are requested to note that an Application Form accompanied by a payment instrument issued from a bank account other than that of the Applicant/ Investor will not be accepted except in certain circumstances. For further details, please refer paragraph —Non – acceptance of Third Party Payment Instruments for subscriptions/ investments under the section —How to Apply in SAI.</p>
Minimum amount for purchase/ redemption / switches	<p>Minimum amount for new purchase/ switch in Rs. 500/- and in multiples of Re. 1 thereafter</p> <p>Minimum additional amount for purchase/ switch in Rs. 500/- and in multiples of Re. 1 thereafter</p> <p>The minimum subscription limits for new purchases/ additional purchases will apply to each Option separately.</p> <p>Minimum amount for redemption shall be the Minimum of Rs. 500/- or account balance, whichever is lower.</p> <p>In case the investor specifies the number of units and amount to be redeemed, the number of units shall be considered for redemption. In case the unitholder does not specify the number of units or amount to be redeemed, the redemption request will not be processed.</p> <p>The AMC reserves the right to change the minimum amounts for various purchase/ redemption/ switch. Such changes shall only be applicable to transactions on a prospective basis.</p>
Option to hold units in Demat Form	<p>In terms of SEBI Circular CIR/IMD/DF/9/2011, dated May 19, 2011, investors have the option to receive allotment of Mutual Fund units in their demat account while subscribing to this scheme. Such units held in demat form shall be fully transferable.</p> <p>Demat Facility for SIP Transactions: Demat option shall be available for SIP transactions. However,, the units will be allotted on the applicable NAV as per SID and will be credited to investors demat account on weekly basis on realization of funds.</p>
Minimum balance to be maintained and consequences of non maintenance.	<p>The minimum balance to be maintained at all times under the Scheme shall be equal to the minimum redemption size under the Scheme. If in the event of a redemption/ switch-out/ STP/ SWP, the outstanding balance falls below the minimum balance required, the AMC reserves</p>

	<p>the right to redeem the balance amount/ units outstanding.</p> <p>In case the balance in the account of the unitholder does not cover the amount of redemption request, then the Mutual Fund is authorized to redeem all the units in the folio and send the redemption proceeds to the unitholder.</p>
<p>Special Products/Facilities available</p>	<p>The Special Products / Facilities available under the Scheme, are:</p> <ol style="list-style-type: none"> i. Systematic Investment Plan [SIP] ii. Systematic Transfer Plan [STP] iii. Systematic Withdrawal Plan [SWP] iv. Dividend Sweep Facility v. Transactions by Fax/ Email vi. Transactions through Electronic Mode vii. K-TRACK' for transaction in the units of Indiabulls Mutual Fund towards additional purchase, redemption or switch viii. Transactions through Stock Exchange Platform for Mutual Funds ix. Transactions Through MF Utility ("MFU") x. Registration of Multiple Bank Accounts in respect of an Investor Folio xi. Through Cash Payment <p>Systematic Investment Plan (SIP): This facility enables investors to save and invest periodically over a longer period of time. It is a convenient way to “invest as you earn” and affords the investor an opportunity to enter the market regularly, thus averaging the acquisition cost of Units. The conditions for investing in SIP will be as follows: SIP Frequency : Monthly and Quarterly; Minimum SIP instalment amount: Monthly: Rs. 500/- and in multiples of Re.1/- thereafter and Quarterly: Rs. 1500/- and in multiples of Re.1/- thereafter Minimum No. of SIP installments : monthly - 12 installments, quarterly – 4 installments [including the first SIP cheque]; SIP Dates: 1st /5th / 10th / 15th / 20th/ 25th of the month/ of any month in the quarter.</p> <p>Registration period: There must be at least 30 days between the first SIP cheque and subsequent due date of ECS [debit clearing];</p> <p>In case of the auto debit facility, the default options (where auto debit period, frequency and SIP date are not indicated) will be as follows:</p> <ul style="list-style-type: none"> • SIP auto debit period: The SIP auto debit will continue till 5 years. • SIP date: 15th of the month (commencing 30 days after the first SIP instalment date); and • SIP frequency: Monthly <p>The load structure prevailing at the time of submission of the SIP application [whether fresh or extension] will apply for all the installments indicated in such application;</p> <p>All the cheques/ payment instructions [including the first</p>

	<p>cheque/payment instruction] shall be of equal amounts in case of SIP applications;</p> <p>Investors may also choose to invest any lump sum amount along with the first SIP installment by way of a single cheque/ payment instruction. However, in such a scenario, the minimum amount of the first cheque/payment instruction has to be Rs. 5,000/-</p> <p>Investors will have the right to discontinue the SIP facility at any time by sending a written request to any of the Official Point(s) of Acceptance. Notice of such discontinuance should be received at least 30 days prior to the due date of the next debit. On receipt of such request, the SIP facility will be terminated. It is clarified that if the Fund fails to get the proceeds for three consecutive Installments out of a continuous series of Installments submitted at the time of initiating a SIP), the AMC reserves the right to discontinue the SIP.</p> <p>Systematic Transfer Plan (STP) This facility enables unitholders to transfer a fixed specified amount from one open-ended scheme of the Fund (source scheme) to another open-ended scheme of the Fund (target scheme), in existence at the time of availing the facility of STP, at applicable NAV, subject to the minimum investment criteria of the target scheme. Investors can opt for the Systematic Transfer Plan by investing a lump sum amount in one scheme of the fund and providing a standing instruction to transfer sums at regular intervals. Investors could also opt for STP from an existing account by quoting their account / folio number. However, units marked under lien or pledged in the source scheme shall not be eligible for STP.</p> <p>The conditions for investing in STP will be as follows: At the time of availing / registering for the STP facility, the minimum invested amount in the source scheme should be Rs. 17,000.</p> <p>STP Frequency : Daily, Weekly, Monthly and Quarterly;</p> <p>Minimum STP installment amount: Rs. 500/- per installment and in multiples of Re.1/- thereafter for Daily/ Weekly/ Monthly/ Quarterly;</p> <p>Minimum No. of STP installments :</p> <p>Daily - 4 installments Weekly - 4 installments Monthly - 4 installments Quarterly - 4 installments</p> <p>STP Dates:</p> <p>Weekly option - On every Friday of the week</p> <p>Monthly/ Quarterly option – 2nd, 8th, 15th or 23rd of the month/ of any month in the quarter.</p> <p>Registration period: A minimum period of 8 business days shall be</p>
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	<p>required for registration under STP.</p> <p>The default options (where the period, frequency and STP date are not indicated) will be as follows:</p> <ul style="list-style-type: none"> • STP period: 12 installments. • STP date: 15th of every month; and • STP frequency: Monthly <p>Unitholder may change the amount (but not below the minimum specified amount)/ frequency by giving written notice to any of the Official Point(s) of Acceptance at least 8 business days prior to next STP execution date. Units will be allotted/ redeemed at the applicable NAV of the respective dates of the Scheme on which such investments/ withdrawals are sought from the Scheme.</p> <p>The STP may be terminated on a written notice of 8 business days by a unitholder of the Scheme. The STP will be automatically terminated if all units are liquidated or withdrawn from the source scheme or pledged or upon receipt of intimation of death of the unitholder.</p> <p>Systematic Withdrawal Plan (SWP)</p> <p>This facility enables unitholders to withdraw a fixed sum (subject to tax deduction at source, if applicable) by redemption of units in the unitholder's account at regular intervals through a one-time request.</p> <p>The conditions for investing in SWP will be as follows: At the time of availing / registering for the SWP facility, the minimum invested amount in the source scheme should be Rs. 17,000. SWP Frequency : Monthly; Minimum SWP installment amount: Monthly: Rs. 500/- and in multiples of Re.1/- thereafter; Minimum No. of SWP installments : monthly - 12 installments [including the first SWP]; SWP Dates: 2nd, 8th, 15th or 23rd of every month as the STP date (in case any of these days fall on a non-business day, the transaction will be effected on the next business day of the Scheme).</p> <p>Registration period: A minimum period of 8 calendar days shall be required for registration under SWP.</p> <p>The default options (where the period, frequency and SWP date are not indicated) will be as follows:</p> <ul style="list-style-type: none"> • SWP period: The SWP will continue till 5 years. • SWP date: 15th of every month. <p>Unit holder may change the amount (but not below the minimum specified amount)/ frequency by giving written notice to any of the Official Point(s) of Acceptance at least 8 calendar days prior to next SWP execution date.</p> <p>The SWP may be terminated on a written notice of 8 calendar days by a unitholder of the Scheme. SWP will be automatically terminated if all units are liquidated or withdrawn from the Scheme or pledged or upon receipt of intimation of death of the unitholder.</p>
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Dividend Sweep Facility

Dividend Sweep facility shall be in addition to the existing Dividend Payout and Dividend Reinvestment Option. Default Dividend Option shall be Dividend Payout.

Under Dividend Sweep Facility, Unit holders can opt for switching the dividend earned under any Schemes (Source Scheme) of Indiabulls Mutual Fund into any other Schemes (Target Scheme) of Indiabulls Mutual Fund. The dividend (net of applicable DDT, if any) shall be swept subject to minimum investment eligibility requirements of the Target Scheme at applicable NAV based prices.

The minimum amount for sweep out to be Rs. 500/-. In case the sweep amount is less than Rs. 500/-, the dividend amount shall be reinvested in the Source scheme. This facility shall be processed on the record date of the dividend declared under the Source Scheme. Further, this facility shall not allow for switch of partial dividend or switch of dividend to multiple schemes. In case the investor fails to specify his preference of Option for the Target scheme into which the dividend has to be swept, Sweep-in amount shall be invested in default plan / option as mentioned in Scheme Information Document (SID) of Target scheme.

The Load Structure prevailing at the time of submission of the STP/SWP application will apply for all the installments indicated in such application.

The AMC reserves the right to introduce STP/SWP/ Dividend Sweep Facility at any other frequencies or on any other dates as the AMC may feel appropriate from time to time.

Transactions by Fax/ Email:

In order to facilitate quick processing of transaction and / or instruction of investment of investor the Mutual Fund/ AMC/ Trustee may (at its sole discretion and without being obliged in any manner to do so and without being responsible and/or liable in any manner whatsoever), accept and process any application, supporting documents and/ or instructions submitted by an investor/ Unit holder by facsimile (Fax Submission) or by email at mf.invser@indiabulls.com and the investor/ Unit holder voluntarily and with full knowledge takes and assumes any and all risk associated therewith. The Mutual Fund / AMC/ Trustee shall have no obligation to check or verify the authenticity or accuracy of fax submission or email purporting to have been sent by the investor and may act thereon as if same has been duly given by the investor.

In all cases the investor will have to immediately submit the original documents/ instruction to AMC/ Mutual Fund/ Official Points of Acceptance unless indemnified by the investor.

Transactions through Electronic Mode:

	<p>The Mutual Fund may (at its sole discretion and without being obliged in any manner to do so and without being responsible and/ or liable in any manner whatsoever), allow transactions in Units by electronic mode (web/ electronic transactions) including transactions through the various websites with which the AMC would have an arrangement from time to time. Subject to the investor fulfilling certain terms and conditions as stipulated by AMC from time to time, the AMC, Mutual Fund, Registrar or any other agent or representative of the AMC, Mutual Fund, the Registrar may accept transactions through any electronic mode including web transactions and as permitted by SEBI or other regulatory authorities from time to time</p> <p>Introduction of additional facility ‘K-TRACK’ for transaction in the units of Indiabulls Mutual Fund towards additional purchase, redemption or switch:</p> <p>Investor may take note of additional facility for transaction in Indiabulls Mutual Fund through K-TRACK; mobile application provided by Karvy Computershare Pvt. Ltd. Investors may execute additional purchase, redemption or switch transaction through K-TRACK mobile application.</p> <p>Investors can avail the K-TRACK service w.e.f. January 09, 2017.</p> <p>The AMC reserves the right to alter/ discontinue all / any of the abovementioned special facility (ies) at any point of time. Further, the AMC reserves the right to introduce more special facility (ies) at a later date subject to prevailing SEBI Guidelines and Regulations.</p> <p>Transactions through Stock Exchange Platform for Mutual Funds</p> <ul style="list-style-type: none"> - Mutual Fund Distributor registered with Association of Mutual Funds in India (AMFI) and who has been permitted by the concerned recognised stock exchange will be eligible to use NMF-II platform of National Stock Exchange of India Ltd. (‘NSE’) and/or of BSE Star MF platform of Bombay Stock Exchange (‘BSE’) to purchase and redeem units of schemes of the Fund directly from Indiabulls Mutual Fund in physical (non-demat) mode and/or demat (electronic) mode. - MF distributors shall not handle pay out/pay in of funds as well as units on behalf of investor. Pay in will be directly received by recognized clearing corporation and payout will be directly made to investor’s account. In the same manner, units shall be credited and debited directly from the demat account of investors. - Non-demat transactions are also permitted through stock exchange platform. - The facility of transacting in mutual fund schemes through stock exchange infrastructure is available subject to such operating guidelines, terms and conditions as may be prescribed by the respective Stock Exchanges from time to time.
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Transactions Through MF Utility ("MFU"):

The AMC has entered into an Agreement with MF Utilities India Private Limited ("MFUI"), a "Category II - Registrar to an Issue" under SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, for usage of MF Utility ("MFU") a "Shared Services" initiative formed by the Asset Management Companies of SEBI registered Mutual Funds under the aegis of Association of Mutual Funds in India (AMFI). MFU acts as a transaction aggregation portal for enabling transaction in multiple Schemes of various Mutual Funds with a single form and a single payment instrument. Both financial and non-financial transactions pertaining to Scheme(s) of Indiabulls Mutual Fund ('the Fund') can be done through MFU at the authorized Points of Service ("POS") of MFUI. The details of POS with effect from the respective dates published on MFU website at www.mfuindia.com will be considered as Official Point of Acceptance (OPA) for transactions in the Scheme(s) of the Fund.

Additionally, such transactions can also be carried out electronically on the online transaction portal of MFU at www.mfuonline.com as and when such a facility is made available by MFUI and that the same will be considered OPA for transactions in the Scheme(s) of the Fund.

The key features of MFU are:

1. Investors will be required to obtain Common Account Number ("CAN") for transacting through MFU.
2. Investors can create a CAN by submitting the CAN Registration Form (CRF) and necessary documents at the Point of Service (POS) of MFUI. The AMC and/ or CAMS, Registrar and Transfer Agent (RTA) of the Fund shall provide necessary details to MFUI as may be needed for providing the required services to investors / distributors through MFU.
3. Investors will be allotted a CAN, a single reference number for all investments across Mutual Funds, for transacting in multiple Schemes of various Mutual Funds through MFU and to map existing folios, if any.
4. Currently, the transactions facilitated through MFU for the investors are:
 - (i) CAN registration;
 - (ii) Submission of documents to KRAs for KYC Registration;
 - (iii) Financial transactions like Purchases, Redemptions and Switches, Registration of Systematic Transactions like Systematic Investments (SIP) using a single Mandate, Systematic Withdrawals (SWP) and Systematic Transfers (STP);
 - (iv) Non-financial transactions (NFT) like Bank Account changes, facilitating change of address through KRAs etc. based on duly signed written requests from the Investors.
5. The CRF and other relevant forms for transacting through MFU can be downloaded from MFUI website at www.mfuindia.com or can be obtained from MFUI POS.
6. Investors transacting through MFU shall be deemed to have consented to exchange of information viz. personal and / or financial (including the changes, if any) between the Fund / AMC and MFUI and / or its authorized service providers for validation and processing of transactions carried out through MFU.
7. For details on carrying out the transactions through MFU or any

	<p>queries or clarifications related to MFU, investors are requested to contact the Customer Care of MFUI on 1800-266-1415 (during the business hours on all days except Sunday and Public Holidays) or send an email to clientservices@mfindia.com. Investors of the Fund can also get in touch with Investor Service Centres (ISCs) of the AMC to know more about MFU.</p> <p>8. For any escalations and post-transaction queries pertaining to Scheme(s) of the Fund, the Investors are requested to get in touch with the ISCs of the AMC.</p> <p>The transactions carried out through MFU shall be subject to the terms & conditions as may be stipulated by MFUI / Fund / the AMC from time to time. The terms & conditions of offering of the Scheme(s) of the Fund as specified in the Scheme Information Document (SID), Key Information Memorandum ('KIM') and Statement of Additional Information ('SAI') shall be applicable to transactions through MFU.</p> <p>Registration of Multiple Bank Accounts in respect of an Investor Folio:</p> <p>An Investor can register with the Fund upto 5 bank accounts in case of individuals and HUFs and upto 10 in other cases.</p> <p>Registering of Multiple Bank Accounts will enable the Fund to systematically validate the pay-in of funds and avoid acceptance of third party payments. For the purpose of registration of bank account(s), Investor should submit Bank Mandate Registration Form (available at the CSCs/ AMC Website) together with any of the following documents:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Cancelled original cheque leaf in respect of bank account to be registered where the account number and names of the account holders are printed on the face of the cheque; or <input type="checkbox"/> Bank statement or copy of Bank Pass Book page with the Investor's Bank Account number, name and address. <p>The above documents will also be required for change in bank account mandate submitted by the Investor. The AMC will register the Bank Account only after verifying that the sole/ first joint holder is the holder/ one of the joint holders of the bank account. In case if a copy of the above documents is submitted, Investor shall submit the original to the AMC/ Service Centre for verification and the same shall be returned.</p> <p>In case of Multiple Registered Bank Account, Investor may choose one of the registered bank accounts for the credit of redemption/ dividend proceeds (being —Pay-out bank account).</p> <p>Investor may however, specify any other registered bank accounts for credit of redemption proceeds at the time of requesting for the redemption. Investor may change such Pay-out Bank account, as necessary, through written instructions.</p> <p>However, if request for redemption is received together with a change of bank account (unregistered new bank account) or before verification and validation of new bank account, the redemption request would be processed to the currently registered default old bank account.</p> <p>Change of Bank Mandate:</p>
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	<p>Investors are requested to note the following process shall be adopted for Change of Bank Mandate in the folio:</p> <p>a) Investors shall submit duly filled in “Non Financial Transaction Form & Multiple Bank Accounts Registration Form” alongwith the prescribed documents at any of the AMC branches / ISCs of Karvy.</p> <p>b) Any unregistered bank account or a new bank account forming part of redemption request shall not be processed.</p> <p>c) There shall be a cooling period of 10 calendar days for validation and registration of new bank account. Further, in case of receipt of redemption request during this cooling period, the validation of bank mandate and dispatch of redemption proceeds shall be completed within a period of 10 working days from the date of receipt of redemption request.</p> <p>d) In the interim, redemptions / dividend payments, if any, will be processed as per specified service standards and the last registered bank account information will be used for such payments to Unit holders.</p> <p>e) In case, the request for change in bank account information being invalid / incomplete / dissatisfactory in respect of signature mismatch/ document insufficiency/ not complying with any requirements as stated above, the request for such change will not be processed.</p> <p>Change of Address: For change of address, Investors should fill ‘KYC change form’ and submit it to any KYC Registration Agency (KRA) along with following documents:</p> <ul style="list-style-type: none"> • Proof of new address (POA) and • Any other document/ form that the KRA may specify form time to time. <p>The AMC reserves the right to collect proof of old address on a case to case basis while effecting the change of address. The self-attested copies of above stated documents shall be submitted along with original for verification at any of the AMC branches/ Investor Service Centres (ISCs) of Karvy. The original document shall be returned to the investors over the counter upon verification. In case the original of any document is not produced for verification, then the copies should be properly attested/ verified by entities authorized for attesting/ verification of the documents. List of admissible documents for POA & POI mentioned in SEBI Circular MIRSD/SE/Cir-21/2011 dated October 05, 2011 shall be considered.</p> <p>For further details please refer to paragraph on Registration of Multiple Bank Accounts, Change of Bank Mandate and Change of Address in respect of an Investor Folio in the SAI.</p> <p>The AMC reserves the right to alter/ discontinue all / any of the abovementioned special product(s)/ facility(ies) at any point of time. Further, the AMC reserves the right to introduce more special product(s)/ facility (ties) at a later date subject to prevailing SEBI Guidelines and Regulations.</p> <p>Through Cash Payment: As per SEBI Circular No. CIR/IMD/DF/10/2014 dated May 22, 2014, cash payment to the extent of Rs.50,000/- per investor, per Mutual Fund,</p>
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	<p>per financial year will be accepted (even from such small investors who may not be tax payers and may not have Permanent Account Number (PAN)/ bank accounts. Such investment in cash shall be subject to compliance with Prevention of Money Laundering Act, 2002 and Rules framed there under; the SEBI Circular(s) on Anti Money Laundering (AML) and other applicable AML rules, regulations and Guidelines.</p>
Switching Options	<p>Unitholders have the flexibility to alter the allocation of their investments among the scheme(s) offered by the Fund, in order to suit their changing investment needs, by easily switching between the scheme(s) / options of the Fund.</p> <p>Investors may opt to switch Units between the Dividend Option and Growth Option of the Scheme at the Applicable NAV. Switching will also be allowed into/ from any other eligible open-ended schemes of the Fund either currently in existence or a scheme(s) that may be launched / managed in future, as per the features of the respective scheme. Load shall be applicable for switches between eligible Schemes of the Fund as per the respective prevailing Load Structures. However no load shall be imposed for switches between Options within the Scheme.</p>
Accounts Statements	<p>For normal transactions (other than SIP/STP/SWP/ Dividend Sweep Facility) during ongoing sales and repurchase:</p> <ul style="list-style-type: none"> The AMC shall issue to the investor whose application (other than SIP/STP/SWP/ Dividend Sweep Facility) has been accepted, an account statement specifying the number of units allotted by e-mail to those unitholders who have provided an e-mail address. <p>For SIP/STP / SWP/ Dividend Sweep Facility transactions:</p> <ul style="list-style-type: none"> The first Account Statement under SIP/STP/ SWP shall be issued within 10 working days of the initial investment/ transfer. <p>Consolidated Account Statement (CAS):</p> <p>In accordance amendment to Regulation 36 of SEBI (Mutual Funds) Regulations, 1996 read with SEBI Circular No. Cir/ IMD/ DF/ 16 / 2011 dated September 08, 2011; SEBI Circular No. CIR/MRD/DP/31/2014 November 12, 2014 the following shall be applicable with respect to dispatch of Consolidated Account Statement (CAS):</p> <ul style="list-style-type: none"> The CAS shall be generated on a monthly basis. The Consolidated CAS across various AMCs shall be delivered by the depositories within ten days from the month end. Where statements are presently being dispatched by email either by the Mutual Funds or by the Depositories, CAS shall be sent through email. However, where an investor does not wish to receive CAS through email, option shall be given to the investor to receive the CAS in physical form at the address registered in the Depository system. A CAS shall not be issued to the investor who has not updated their Permanent Account Number (PAN) in their respective

	<p>folio. Investor may opt out of CAS facility if they do not wish to avail the same.</p> <p>Note:</p> <ul style="list-style-type: none"> • If an applicant so desires, the AMC will issue an Account Statement to the applicant within 5 working days from the receipt of such request without any charges. • The unitholder may request for a physical Account Statement by writing/calling the AMC/ ISC/ Registrar & Transfer Agent. • For normal transactions and SIP/ STP/ SWP transactions as stated above, in the event the account has more than one registered holder, the first-named Unit holder shall receive the Account Statement. • Where units are held by investor in demat form, the demat statement issued by the Depository Participant will be deemed adequate compliance with the requirements in respect of dispatch of statements of account.
<p>Dividend</p>	<p>The dividend warrants shall be dispatched to the unitholders within 30 days of the date of declaration of the dividend.</p> <p>In case of Unit holders having a bank account with certain banks with which the Mutual Fund would have an arrangement from time to time, the dividend proceeds shall be electronically credited to their account.</p> <p>In case of specific request for dividend by warrants/cheques/demand drafts or unavailability of sufficient details with the Fund, the dividend will be paid by warrant/cheques/demand drafts and payments will be made in favour of the unitholder (registered holder of the Unit or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Fund.</p> <p>Please note that it is mandatory for the unitholders to provide the bank account details as per SEBI guidelines.</p>
<p>Redemption</p>	<p>The redemption or repurchase proceeds shall be dispatched to the unit holders within 10 working days from the date of redemption or repurchase.</p> <p>For redeeming units of the Scheme, an investor would need to submit a duly filled-in redemption application at any of ISC/Official Point of Acceptance.</p> <p>The redemption/ switch would be permitted to the extent of credit balance in the unit holder's account. The redemption/ switch request can be made by specifying either the number of units or the amount (in rupees) to be redeemed. In case the investor specifies the number of units and amount to be redeemed, the number of units shall be considered for redemption. In case the unit holder does not specify the number of units or amount to be redeemed, the redemption request will not be processed.</p> <p>For details regarding the minimum amount for redemption please see the point on Minimum amount for purchase/redemption /switches in this</p>

	<p>document.</p> <p>In the larger interest of the unit holders of the Scheme, the AMC may, in consultation with the Trustee, keeping in view unforeseen circumstances / unusual market conditions, limit the total number of units which may be redeemed on any business day to such a percentage of the total number of units issued and outstanding under any Scheme/Plan/Option as the AMC may determine.</p> <p>For details, please refer to paragraph on Right to limit Redemption' in the SAI. The AMC reserves the right to, in consultation with the Trustee, suspend the purchase and/ or redemption of units temporarily or indefinitely, in case of unforeseen extraordinary circumstances. For details, please refer to paragraph on 'Suspension of Purchase and / or Redemption of Units and Dividend Distribution' in the SAI.</p> <p>Redemption proceeds will be paid to the investor through Real Time Gross Settlement [RTGS], NEFT, Direct Credit, A/c payee cheque or demand draft or such other mode as may be permitted.</p> <p>Payment of redemption proceeds: Resident Investors: In case of Unit holders having a bank account with certain banks with which the Mutual Fund would have an arrangement from time to time, the redemption proceeds shall be electronically credited to their account. In case of specific requests, redemption proceeds will be paid by way of cheques/demand drafts in favour of the unitholder (registered holder of the Unit or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Fund.</p> <p>Redemption by NRIs: For NRIs, redemption proceeds will be remitted depending upon the source of investment as follows:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Where the payment for the purchase of the units redeemed was made out of funds held in NRO account, the redemption proceeds will be credited to the NRI investor's NRO account <input type="checkbox"/> Where the units were purchased on repatriation basis and the payment for the purchase of the units redeemed was made by inward remittance through normal banking channels or out of funds held in NRE / FCNR account, the redemption proceeds will be credited to his NRE / FCNR / NRO account <p>Note :</p> <ul style="list-style-type: none"> i. The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations, while converting the rupee amount in foreign exchange in the case of transactions with NRIs / FIIs. ii. Payment to NRI / FII Unit holders will be subject to the relevant laws / guidelines of the RBI as are applicable from time to time (also subject to deduction of tax at source as applicable). iii. The Fund may make other arrangements for effecting payment of redemption proceeds in future. iv. The cost related to repatriation, if any will be borne by the Investor.
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	<p>Effect of Redemptions The balances in the unitholder's account will stand reduced by the number of units redeemed. Units once redeemed will be extinguished and will not be reissued.</p> <p>Unclaimed redemptions and dividends As per the SEBI circular no. MFD/ CIR/ 9 / 120 / 2000, dated November 24, 2000, the unclaimed redemption and dividend amounts shall be deployed by the Fund in call money market or money market instruments only. The investment management fee charged by the AMC for managing such unclaimed amounts shall not exceed 50 basis points. Investors claiming these amounts during a period of three years from the due date shall be paid at the prevailing NAV. After a period of three years, this amount shall be transferred to a pool account and the investors can claim the said amounts at the NAV prevailing at the end of the third year. Income earned on such funds shall be used for the purpose of investor education. The AMC shall make a continuous effort to remind investors through letters to take their unclaimed amounts. The AMC reserves the right to provide the facility of redeeming Units of the Scheme through an alternative mechanism including but not limited to online transactions on the Internet through the AMC website or any other website, etc., as may be decided by the AMC from time to time. The alternative mechanisms would be applicable to only those investors who opt for the same in writing and/or subject to investor fulfilling such conditions as the AMC may specify from time to time.</p> <p>Bank Details In order to protect the interest of Unit holders from fraudulent encashment of redemption / dividend cheques, SEBI has made it mandatory for investors to provide their bank details viz. name of bank, branch, address, account type and number, etc. to the Mutual Fund. Applications without complete bank details shall be rejected. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques / warrants and / or any delay / loss in transit. Also, please refer to point on Registration of Multiple Bank Accounts in respect of an Investor Folio given elsewhere in this document.</p> <p>Bank Mandate under Dematerialised mode In case of those unit holders, who hold units in demat form, the bank mandate available with the respective DP will be treated as the valid bank mandate for the purpose of payout at the time of redemption. In view of the above, Multiple Bank Mandate registration facilities with the AMC will not be applicable to Demat account holders.</p>
<p>Delay in payment of redemption / repurchase proceeds/ dividend</p>	<p>The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of redemption or repurchase and the dividend warrants shall be dispatched to the unitholders within 30 days of the date of declaration of the dividend. The AMC shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum). However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC/ Trustee is required to obtain from the investor / unitholders, verification of identity or such other details relating to subscription for units under any applicable law or as may be requested by a regulatory body or any government authority, which may result in delay in processing the application.</p>

C. PERIODIC DISCLOSURE

<p>Net Asset Value</p> <p>This is the value per unit of the Scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your Unit balance.</p>	<p>The Mutual Fund shall declare the Net Asset Value of the Scheme on every business day on AMFI's website www.amfiindia.com by 9:00 p.m. NAV would also be available on the website of Indiabulls Mutual Fund www.indiabullsamc.com</p> <p>The first NAV of the Scheme will be calculated and disclosed within a period of 5 business days from the date of allotment. The NAV of the Scheme shall be published in at least in two daily newspapers on all Business Days in accordance with the SEBI Regulations (alongwith sale and repurchase prices).</p> <p>Due to any reason, if the NAVs of the Scheme are not available before the commencement of Business Hours on the following day, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.</p>
<p>Monthly Portfolio Disclosures</p>	<p>The Mutual Fund/AMC shall disclose portfolio (alongwith ISIN) of the scheme as on the last day of the month on its website www.indiabullsamc.com on or before the 10th day of the succeeding month.</p>
<p>Monthly Average Asset Under Management (AAUM)</p>	<p>The Mutual Fund/AMC shall disclose AAUM of the scheme as on the last day of the month on its website www.indiabullsamc.com on or before the 7th working day of the succeeding month.</p>
<p>Half - Yearly Portfolio Disclosures This is a list of securities where the corpus of the Scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p>The Mutual Fund and AMC shall publish the Scheme Portfolio within one month from the close of each half year (i.e. 31st March and 30th September), by way of an advertisement at least, in one National English daily and one regional newspaper in the language of the region where the head office of the Mutual Fund is located.</p> <p>It will also be displayed on the website of the AMC (www.indiabullsamc.com) and AMFI (www.amfiindia.com).</p>
<p>Half - Yearly Unaudited Scheme Financial Results</p>	<p>The Mutual Fund and AMC shall within one month from the close of each half year i.e. 31st March and on 30th September, publish an advertisement disclosing the hosting of Unaudited Scheme Financial Results on their website, in atleast one national English daily newspaper and in a regional newspaper published in the language of the region where the Head Office of the Mutual Fund is situated.</p> <p>It will also be displayed on the website of the AMC (www.indiabullsamc.com) and AMFI (www.amfiindia.com).</p>
<p>Annual Report</p>	<p>The Scheme wise annual report or an abridged summary thereof shall be mailed (emailed, where e-mail id is provided unless otherwise required) to all Unit holders not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year) and full annual report shall be available for inspection at the Head Office of the Mutual Fund and a copy shall be made available to the Unit holders on request on payment of nominal fees, if any. Scheme wise annual report shall also be displayed on the website of the AMC (www.indiabullsamc.com).</p>

Associate Transactions	Please refer to Statement of Additional Information (SAI).		
<p>Taxation</p> <p>The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the Scheme.</p>			
		Resident Investors	Equity Oriented Mutual Fund
	Tax on Dividend	Nil (Exempt)	Dividend Distribution Tax (DDT) - Not applicable
	<p>Capital Gains Tax</p> <p>Long Term (Period of holding more than 12 months)</p> <p>Short Term (Period of holding less than or equal to 12 months)</p>	<p>If the transaction is subject to securities transaction tax, long term capital gains are exempt.</p> <p>For cases other than the above, income tax rate applicable is 20% (plus applicable surcharge and education cess).</p> <p>If the transaction is subject to securities transaction tax, short term capital gains are taxable at the rate of 15% (plus applicable surcharge and education cess).</p> <p>For cases other than the above, income tax rate applicable to the Unit holders as per their income slabs or at the rate of 30% in case of resident corporates (plus applicable surcharge and education cess).</p>	
<p>1. Indiabulls Mutual Fund is a Mutual Fund registered with the Securities & Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from income tax in accordance with the provisions of Section 10(23D) of the Income-tax Act, 1961 (the Act).</p> <p>2. On income distribution, if any, made by the Mutual Fund, additional income tax is payable under section 115R of the Act, in the case of other than equity oriented funds. An equity oriented fund is a</p>			

	<p>fund where the investible funds are invested by way of equity shares in domestic companies to the extent of more than 65% of the total proceeds of such fund.</p> <p>The above information provided is as per Finance Act 2017. For further details on taxation please refer to the clause on ‘Taxation’ in the SAI. Investors should be aware that the fiscal rules/ tax laws may change and there can be no guarantee that the current tax position may continue indefinitely.</p>
Investor Services	<p>Investors can enquire about NAVs, Unit Holdings, Valuation, Dividends, etc. or lodge any service request at toll-free number 1800-266-6002 or the investor care number 022-61891300 of the AMC.</p> <p>Alternately, the investors can call the AMC branch office as well for any information. In order to protect confidentiality of information, the service representatives at the AMC’s branches / Karvy ISCs may require personal information of the investor for verification of his identity. The AMC will at all times endeavour to handle transactions efficiently and to resolve any investor grievances promptly.</p> <p>Investor grievances should be addressed to the ISC of the AMC, or at Karvy’s ISC directly. All grievances received at the ISC of the AMC will then be forwarded to Karvy, if required, for necessary action. The complaints will closely be followed up with Karvy by the AMC to ensure timely redressal and prompt investor service.</p> <p>Investors can also address their queries to the Investor Relations Officer: Ms. Nishima Avasthi 11th Floor, Tower-1, Indiabulls Finance Centre, Elphinston Mills Compound, Senapati Bapat Marg, Elphinston (West), Mumbai – 400 013. Tel: 022-6189 1373 Fax: 022-6189 1320 Email: customercare@indiabullsamc.com</p>

D. COMPUTATION OF NAV

The Net Asset Value (NAV) per Unit of the respective Plan(s) under the Scheme will be computed by dividing the net assets of the Scheme by the number of Units outstanding on the valuation day. The Mutual Fund will value its investments according to the valuation norms, as specified in Schedule VIII of the SEBI (MF) Regulations, or such norms as may be specified by SEBI from time to time.

The Net Assets Value (NAV) of the Units under the Scheme shall be calculated as shown below:

$$\text{NAV} \\ \text{Rs. Per unit) = } \frac{\text{Market or Fair Value of Scheme's investments (+) Current Assets} \\ \text{(including accrued interest) (-) Current Liabilities}}{\text{No. of Units outstanding under the Scheme}}$$

The NAV shall be calculated up to four decimal places. However the AMC reserves the right to declare the NAVs up to additional decimal places as it deems appropriate. Separate NAV will be calculated and disclosed for each Option. The NAVs of the Growth Option and the Dividend Option will be different after the declaration of the first dividend.

The AMC will calculate and disclose the first NAV of the Scheme within a period of 5 business days from the date of allotment. Subsequently, the NAVs will be calculated for all the Business Days.

Rounding off policy for NAV:

For this Scheme, NAV will be declared upto four decimals. However, there can be no assurance that the investment objective of the scheme will be achieved.

V. FEES AND EXPENSES

This section outlines the expenses that will be charged to the Scheme.

A. NEW FUND OFFER (NFO) EXPENSES

The NFO expenses shall be borne by the AMC.

B. ANNUAL SCHEME RECURRING EXPENSES

As per the SEBI Regulations, the following fees and expenses can be charged to the Scheme. Where the total sum of the investment management fee and advisory fee, and recurring expenses charged to the Scheme shall not exceed 2.50% of the daily net assets of the Scheme per annum as given in the table below.

Expense Head	% of daily Net Assets
(a) Investment Management and Advisory Fees	Upto 2.50%
(b) Trustee fee	
(c) Audit fees	
(d) Custodian fees	
(e) RTA Fees	
(f) Marketing & Selling expense incl. agent commission	
(g) Cost related to investor communications	
(h) Cost of fund transfer from location to location	
(i) Cost of providing account statements and dividend redemption cheques and warrants	
(j) Costs of statutory Advertisements	
(k) Cost towards investor education & awareness (at least 2 bps)	
(l) Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.	
(m) Service tax on expenses other than investment and advisory fees	
(n) Service tax on brokerage and transaction cost	
(o) Other Expenses	
Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and (6) (a)*	
Additional expenses under regulation 52 (6A) (c)	Upto 0.20%
Additional expenses for gross new inflows from specified cities**	Upto 0.30%

* The AMC may charge expenses under any one or more of the expense heads mentioned from (a) to (n) above subject to the maximum total expense ratio permissible under Regulation 52(6) (c) (i) and 52(6) (a).

As per Regulation 52(6) of the SEBI Regulations, the maximum recurring expenses (including the Investment Management and Advisory Fees) that can be charged to the Scheme shall be subject to the percentage limit of daily net assets as given below:

- On the first Rs. 100 crores of the daily net assets – 2.50%
- On the next Rs. 300 crores of the daily net assets – 2.25%
- On the next Rs. 300 crores of the daily net assets – 2.00%
- On the balance of the assets – 1.75%

In addition to the limits specified above, as per Regulation 52(6A) of the SEBI Regulations, the following costs or expenses may be charged to the scheme, namely-

(a) brokerage and transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment, not exceeding 0.12 per cent in case of cash market transactions and 0.05 per cent in case of derivatives transactions;

(b) ****expenses not exceeding of 0.30 per cent of daily net assets, if the new inflows from beyond top 15 cities are at least-**

(i) 30 per cent of gross new inflows in the scheme, or;

(ii) 15 per cent of the average assets under management (year to date) of the scheme, whichever is higher:

Provided that if inflows from beyond top 15 cities is less than the higher of sub-clause (i) or sub-clause (ii), such expenses on daily net assets of the scheme shall be charged on proportionate basis as per below formula:

$$\frac{\text{Daily net assets} \times 30 \text{ basis points} \times \text{New inflows from beyond top 15 cities}}{365^* \times \text{Higher of (a) or (b) above}}$$

* 366, wherever applicable.

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

Provided further that amount incurred as expense on account of inflows from such cities shall be credited back to the scheme in case, the said inflows are redeemed within a period of one year from the date of investment;

The top 15 cities shall mean top 15 cities based on AMFI data on 'AUM by Geography – Consolidated Data for Mutual Fund Industry' as at the end of the previous financial year.

(c) Additional expenses, not exceeding 0.20 per cent of daily net assets of the scheme, incurred towards different heads mentioned under Regulations 52(2) and 52(4) of the SEBI Regulations.

Subject to the SEBI Regulations and this document, expenses over and above the prescribed ceiling will be borne by AMC. The AMC may charge the Mutual Fund with investment and advisory fee as prescribed in the SEBI Regulations from time to time and as permitted by the Investment Management Agreement.

The Direct Plan shall have lower expense ratio compared to the Regular Plan and no commission shall be paid out of the Direct Plan.

The current expense ratios will be updated on the AMC website viz. www.indiabullsamc.com within two working days mentioning the effective date of the change.

These estimates have been made in good faith as per the information available and estimates made by the Investment Manager/AMC and are subject to change inter-se or in total subject to prevailing SEBI Regulations. The AMC may incur actual expenses which may be more or less than those estimated above under any head and/or in total and may charge expenses under any of the different heads given under Regulation 52(2) & 52(4) of the SEBI (MF) Regulations (hereinafter called as SEBI Regulations). These expenses shall be subject to the maximum ceiling under the SEBI Regulations. Types of expenses charged shall be as per the SEBI Regulations.

Provisions Relating to Service Tax:

1. Service tax on investment and advisory fees shall be charged to the scheme in addition to the maximum limit of TER as prescribed in Regulation 52 of the SEBI Regulations.

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

C. LOAD STRUCTURE

Load is an amount which is presently paid by the investor to redeem the Units from the Scheme. This amount is used by the AMC to pay commissions to the distributors and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, investors may refer to the website of the AMC (www.indiabullsamc.com) or may call at 1-800-200-7777 (*toll free no.*) or you can contact your distributor.

Type of Load	Load Chargeable (as %age of NAV)
Entry Load#	Not Applicable
Exit Load	1% if redeemed/ switched out within 1 year from the date of allotment; Nil, if redeemed/ switched out after 1 year from the date of allotment.

#Pursuant to SEBI Circular No. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009, no entry load will be charged for purchase/ additional purchase/switch in/ SIP/ STP transactions accepted by the Fund. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

The above mentioned load structure shall be equally applicable to the special products such as SIP, STP, SWP, switches, etc. offered by the AMC. However, no load shall be imposed for switching between Options within the Scheme.

Transaction Charges

In accordance with SEBI Circular No. Cir/ IMD/ DF/13/ 2011 dated August 22, 2011 the following are the terms and conditions relating to Transaction Charges:

1. The Distributor (**who has opted in based on type of product**) would be allowed to charge the Mutual Fund Investor a Transaction Charge where the amount of investment is Rs. 10,000/- and above per subscription.
2. For existing investors in a Mutual Fund, the Transaction Charge allowed will be Rs. 100/- per subscription of Rs. 10,000/- and above.
For a first-time investor in a Mutual Fund, the Transaction Charge allowed will be Rs. 150/- per subscription of Rs. 10,000/- and above.
3. The Transaction Charge, where applicable based on the above criteria, will be deducted by the AMC from the subscription amount remitted by the Investor and paid to the distributor; and the balance (net) amount will be invested in the Scheme. Thus units will be allotted against the net investment.
4. In case of SIPs, the transaction charge shall be applicable only if the total commitment through SIPs amounts to Rs. 10,000/- and above. In such cases the transaction charge shall be recovered in 3 installments
5. No Transaction charges shall be levied:
 - a) Where the investor purchases the Units directly from the Mutual Fund.
 - b) Where the amount of investment is below Rs. 10,000/- per subscription.
 - c) On transactions other than purchases/ subscriptions relating to new inflows. Switch-in / Transfer / Transmission of units/ Dividend reinvestment Units will not be considered as subscription for the purpose of levying the transaction charge.
6. The terms and conditions relating to transaction charges shall be part of the application form in bold print.
7. The statement of account shall clearly state that the net investment as gross subscription less transaction charge and give the number of units allotted against the net investment.

The transaction charges are in addition to the existing system of commission permissible to the Distributors. The transaction charges will be compliant with SEBI Circular, dated August 22, 2011.

The Investor is requested to check the prevailing Load structure and Transaction charges of the Scheme before investing.

The AMC/Trustee reserve the right to change/ modify the Load structure if it so deems fit, subject to SEBI Regulations. The AMC/Trustee may charge additional load/expense or any other charge (by whatever name called) to the Scheme/Unit Holders on a prospective basis, as may be permitted under the SEBI Regulations. Any imposition or enhancement in the Load shall be applicable on prospective investments only. At the time of changing the Load structure, the AMC shall follow the below mentioned measures to avoid complaints from investors about investment in the Scheme without knowing the Loads:

(i) The addendum detailing the changes shall be attached to the SID and Key Information Memorandum. The addendum shall be circulated to all the distributors/brokers so that the same can be attached to all SID and Key Information Memoranda already in stock. The addendum shall also be sent along with the newsletter sent to the Unit Holders immediately after the changes.

(ii) Arrangements shall be made to display the addendum to the SID in the form of a notice in all the ISCs and distributors/brokers office.

(iii) The introduction of the Load alongwith the details shall be stamped in the acknowledgement slip issued to the investors on submission of the Application Form and shall also be disclosed in the statement of accounts issued after the introduction of such Load.

(iv) A public notice shall be given in respect of such changes in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated.

(v) Any other measure which the Mutual Fund may feel necessary.

The Redemption Price will not be lower than 93% of the applicable NAV. Any enhancement or imposition of load in future shall be applicable on prospective investments only.

COMPLIANCE WITH SEBI CIRCULAR NO. SEBI/HO/IMD/DF2/CIR/P/2016/42 DATED MARCH 18, 2016- ENHANCING SCHEME RELATED DISCLOSURE

Scheme's portfolio holdings (top 10 holdings by issuer and fund allocation towards various sectors):

Company	Industry	% to NAV
Equity & Equity Related		
Mangalore Refinery Petrochemicals	Petroleum Products	3.65%
Century Plyboards (India) Ltd	Consumer Durables	3.20%
Finolex Industries Ltd	Industrial Products	3.16%
Greaves Cottan Ltd	Industrial Products	3.09%
Sun TV Network Limited	Media & Entertainment	3.02%
The Ramco Cements Ltd.	Cement	3.01%
Time Technoplast	Industrial Products	2.98%
Supreme Petrochem Limited	Chemicals	2.97%
Adani Power Limited	Power	2.96%
Firstsource Solutions Ltd	Software	2.96%

Website link to obtain scheme's latest monthly portfolio holding <http://www.indiabullsamc.com/portfolio-disclosure/>

1. Aggregate investment in the Scheme (As on 31 March, 2017)

Key Personnel	Designation	Scheme	Holding as on March 31, 2017 (Amount in Rs.)
NIL			

Expense Ratio Illustration

Scheme	Expense Ratio (Apr 01, 2017)	NAV as on April 1, 2016	NAV as on March 31, 2017	Returns without Expense Ratio	Returns with Expense Ratio
Direct	0.25%	10.0000	13.1693	10.00%	9.75%
Regular	1.00%	10.0000	12.6928	10.00%	9.00%

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Pursuant to SEBI Circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009 no entry load will be charged for purchase / additional purchase / switch-in / SIP/ STP transactions accepted by the Fund. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

VI. RIGHTS OF UNITHOLDERS

Please refer to SAI for details.

VII. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

This section shall contain the details of penalties, pending litigation, and action taken by SEBI, other regulatory and Govt. Agencies.

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed. - **Not Applicable**

2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed. - **Nil**

3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension

and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed. -

- a. SEBI issued show-cause notice dated July 18, 2016 to Indiabulls Housing Finance Ltd (Sponsor) for the alleged violation of Section 21 of the Securities Contracts (Regulation) Act, 1956 read with Clause 35 of the Equity Listing Agreement alleged to have been committed by Indiabulls Housing Finance Ltd. On receipt of referred notice, Indiabulls Housing Finance Ltd has made an application for settlement under SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014. Matter is pending settlement.

4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately. - **Nil**

5. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the Scheme Information Document, or which has been notified by any other Regulatory Agency, shall be disclosed. - **Nil**

Note: The updated list of official points of acceptance, investor service centers and collection bankers will be provided at the time of launch of the scheme.

The Scheme under this Scheme Information Document was approved by the Board of Directors of Indiabulls Trustee Company Limited of Indiabulls Mutual Fund on April 24, 2015. The Board of Directors of Indiabulls Trustee Company Limited has ensured that the Scheme is a new product offered by Indiabulls Mutual Fund and is not a minor modification of its existing schemes.

The Scheme Information Document is an updated version of the same in line with the current laws/ regulations and other developments.

Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

**For and on behalf of the Board of Directors of
Indiabulls Asset Management Co. Ltd.**

Date: June 30, 2017
Place: Mumbai

Sd/-
Akshay Gupta
Director & CEO

LIST OF COLLECTION CENTRES

AMC Investor Service Centres:

- **Ahmedabad:** Radhika House, 2nd Floor, Opp. Mayor Bungalow, Law Garden, Navrangpura, Ahmedabad- 380 006.
- **Bangalore:** No.103, 2nd floor, Samskruthi Chambers, K.H. Road, Bangalore-560027.
- **Chennai:** Apex Chambers, 3rd Floor, No. 20, Sir Theyagaraya Road (Pondy Bazar), T Nagar, Chennai - 600 017.
- **Hyderabad:** Park City Plaza, 3rd Floor, Road No. 1, Banjara Hills, Hyderabad – 500 034. Tel. No.: 040 - 47579911
- **Kolkatta:** 31, Chowringhee Road, 3rd Floor, Park Street Junction, Kolkata - 70001
- **Mumbai:** Indiabulls Finance Centre Tower - 1, 11th Floor, Senapati Bapat Marg, Elphinstone (West), Mumbai – 400 013.
- **New Delhi M - 62 & 63,** 1st Floor, Connaught Place, New Delhi - 110 001.
- **Pune:** No. 115, City Mall, 1st Floor, University Road, Opp. Pride House, Shivajinagar, Pune – 411007. Tel. No.: 020 - 30186714

KARVY Investor Service Centres:

- **Ahmedabad:** 201/202 Shail Complex, Opp: Madhusudan House, B/H Girish Cold Drink, Off C G Road, Navrangpura, Ahmedabad- 380006, Tel : 079-65445550, 079-26402967,
- **Alwar:** 101, Saurabh Tower , Opp. UTI , Near Bhagat Singh Circle, Road No.2, Alwar- 301001, Tel : 0144-2335550/ 0144-2335551,
- **Amritsar:** 72-A, Taylor'S Road, Opp Aga Heritage Club, Amritsar- 143001, Tel : 0183-5053802,
- **Asansol:** 114/71 G T Road, Near Sony Centre, Bhanga Pachil, - Asansol- 713303, Tel : 0341-2220077,
- **Bangalore:** 59, Skanda puttanna Road, Basavanagudi, Bangalore- 560004, Tel : 080-26602852,080-26609625
- **Baroda:** 203, Corner point, Jetalpur Road, Baroda, Gujarat, Baroda- 390007, Tel : 0265-2353506,0265-2353507
- **Bhagalpur:** 2nd Floor, Chandralok Complex, Ghantaghar, Radha Rani Sinha Road, Bhagalpur- 812001, Tel : 7857015102,
- **Bhilai:** Shop No -1, First Floor Plot No -1, Commercial Complex Nehru Nagar - East - Bhilai- 490020, Tel : 0788-2289499/ 2295332,
- **Bhubaneswar:** A/181, Back Side of Shivam Honda Show Room, Saheed Nagar - Bhubaneswar- 751007, Tel : 0674-6534585,0674-2360334
- **Bokaro:** B-1, 1st Floor, City Centre, Sector- 4, Near Sona Chandi Jewellers, Bokaro- 827004, Tel : 9204061959,06542-335616
- **Chandigarh:** Sco- 2423-2424, Above Mirchi Restaurent, New Aroma Hotel, First Floor, Sector 22-C, Chandigarh- 160022, Tel : 0172-5101342,
- **Chennai:** F-11, Akshaya Plaza, 1St Floor, 108, Adhithanar Salai, Egmore, Opp to Chief Metropolitan Court, Chennai- 600002, Tel : 044-42028512,044-42028513, 044-42028858
- **Coimbatore:** 3rd Floor, Jaya Enclave, 1057 Avinashi Road - Coimbatore- 641018, Tel : 0422 - 4388011, 0422 - 4388013/0422 - 4388451/0422 - 4388012/0422 – 4388014
- **Cuttack:** Opp Dargha Bazar Police station, Dargha Bazar, Po - Buxi Bazar - Cuttack- 753001, Tel: 0-9238102118 (Tata Basephone),
- **Darbhanga:** Jaya Complex, 2nd Floor, Above Furniture Planet, Donar, Chowk, Darbhanga- 846003, Tel: 7857015103,
- **Dehradun:** Kaulagarh Road, Near Sirmaur Margabove, Reliance Webworld, Dehradun- 248001, Tel : 8899928349/ 8899928350,
- **Dhanbad:** 208 New Market, 2nd Floor, Bank More – Dhanbad - 826001, Tel : 0326-6452027,
- **Durgapur:** MWAV-16 Bengal Ambuja, 2nd Floor City Centre, Distt. Burdwan, Durgapur-16, Durgapur- 713216, Tel : 0343-6512111,
- **Faridabad:** A-2B, 3rd Floor, Neelam Bata Road, Peer ki Mazar,, Nehru Groundnit, Faridabad- 121001, Tel: 8287922816,

- **Gaya:** 1st Floor Lal Bhawan, Tower Chowk,, Near Kiran Cinema, Gaya- 823001, Tel : 0631-2220065,
- **Ghaziabad:** 1st Floor C-7 - Lohia Nagar, Ghaziabad- 201001, Tel : 8287059970,
- **Gorakhpur:** Above V.I.P. House adjacent, A.D. Girls College, Bank Road, Gorakhpur- 273001, Tel: 8081127735, 0551 – 2333825
- **Gurgaon:** Shop No.18, Ground Floor, Sector - 14, Opp. Akd Tower, Near Huda Office, Gurgaon- 122001, Tel: 8287956344,
- **Guwahati:** 1st Floor, Bajrangbali Building, Near Bora Service Station, GS Road - Guwahati- 781007, Tel: 8811036746, 0361-2203324
- **Hyderabad:** Karvy House, No:46, 8-2-609/K, Avenue 4, Street No. 1, Banjara Hills, Hyderabad- 500034, Tel: 040-44857874 / 75 / 76,
- **Indore:** 2nd floor, 203-205 Balaji Corporate House, Above ICICI bank, 19/1 New Palasia, Near Curewell Hospital, Janjeerwala Square Indore, Indore- 452001, Tel : 0731-4266828/4218902,
- **Jaipur:** S16/A IIIrd Floor, Land Mark Building Opp Jai Club, Mahaver Marg C Scheme, Jaipur- 302001, Tel: 01414167715/17,
- **Jalandhar:** 1st Floor, Shanti Towers, SCO No. 37, PUDA Complex, Opposite Tehsil Complex, Jalandhar- 144001, Tel : 0181-5094410,
- **Jamshedpur:** 2nd Floor, R R Square, SB Shop Area, Near Reliance Foot Print & Hotel- BS Park Plaza, Main Road, Bistupur, Jamshedpur- 831001, Tel : 0657-6655003/ 6655004/ 6655005/ 6655006/ 6655007,
- **Kanpur:** 15/46, B, Ground Floor, Opp : Muir Mills, Civil Lines, Kanpur- 208001, Tel : 8081127738 / 8081127740,
- **Kolkata:** Apeejay House (Beside Park Hotel), C Block, 3rd Floor, 15 Park Street, Kolkata- 700016, Tel: 033 66285900,
- **Lucknow:** Ist Floor, A. A. Complex, 5 Park Road, Hazratganj, Thaper House, Lucknow- 226001, Tel: 8081127722, 0522-2236819/3213115
- **Ludhiana:** SCO - 136 , 1st Floor Above Airtel Showroom , Feroze Gandhi Market , Ludhiana- 141001, Tel: 0161-4648747,
- **Malda:** Sahis Tuli, Under Ward No.6, No.1 Govt Colony, English Bazar Municipality, Malda- 732101, Tel: 03512-223763,
- **Mumbai:** 24/B, Raja Bahadur Compound, Ambalal Doshi Marg, Behind Bse Bldg, Fort- 400001, Tel: 022-66235353,
- **Muzaffarpur:** First Floor, Shukla Complex, Near ICICI Bank, Civil Court Branch, Company Bagh, Muzaffarpur- 842001, Tel: 7857015105,
- **Mysore:** L-350, Silver Tower, Ashoka Road, Opp. Clock Tower, Mysore - 570001, Tel: 0821-2438006,
- **Nagpur:** Plot No 2/1 House No 102/1, Mata Mandir Road, Mangaldeep Apartment Opp Khandelwal Jewelers, Dharampeth, Nagpur- 440010, Tel: 0712-2533040,
- **Nasik:** F-1, Suyojit Sankul, Sharanpur Road, Near Rajiv Gandhi Bhavan, Nasik- 422002, Tel: 0253-6611395, 0755-3010732
- **New Delhi:** 305 New Delhi House, 27 Barakhamba Road - New Delhi - 110001, Tel: 011- 43681700 ,
- **Noida:** 405, 4th Floor, Vishal Chamber, Plot No.1, Sector-18, Noida- 201301, Tel: 8287831058,
- **Panjim:** Flat No.1-A, H. No. 13/70, Timotio Bldg, Heliodoro Salgado Road, Next to Navhind Bhavan (Market Area), Panjim- 403001, Tel: 0832-2426873, 0832-2426874
- **Patna:** 3A, 3rd Floor Anand Tower, Exhibition Road, Opp ICICI Bank, Patna- 800001, Tel : 0612-4323066,
- **Pune:** Mozaic Bldg, CTS No.1216/1, Final, Plot No.576/1 TP, Scheme No.1, F C Road, Bhamburda, Shivaji Nagar, Pune- 411004, Tel: 020-66496700 / 66496701, 9833067872
- **Raipur:** Shop No-TF-31, 3rd Floor, Millenium Plaza, Near Old Indian Coffee House, G E Road,, Raipur- 492001, Tel : 0771-4052620,
- **Ranchi:** Room No 307 3rd Floor, Commerce Tower, Beside Mahabir Tower , Ranchi- 834001, Tel: 0651-2331320,
- **Siliguri:** Nanak Complex, Sevoke Road - Siliguri- 734001, Tel: 0353-2522579,
- **Surat:** G-5 Empire State Buliding, Nr Udhna Darwaja, Ring Road, Surat - 395002, Tel: 0261-2311100/ 2339100, 0261-2339100
- **Trichy:** 60, Sri Krishna Arcade, Thennur High Road - Trichy- 620017, Tel: 0431-4020227,
- **Varanasi:** D-64/132 1st Floor, Anant Complex, Sigra, Varanashi- 221010, Tel: 8081127746,



Visakhapatnam: Door No: 48-8-7, Dwaraka Diamond, Ground Floor, Srinagar, Visakhapatnam- 530016, Tel: 0891-2714125