



Key Information Memorandum &

Application Form

IDBI Short Term Bond Fund

(An open-ended debt scheme)

Offer for Units of Rs. 10 Per Unit for cash (at par) during the New Fund Offer Period and at NAV based prices upon re-opening

Name of Mutual Fund : **IDBI Mutual Fund**

Name of Asset Management Company : **IDBI Asset Management Limited**

Name of Trustee Company : **IDBI MF Trustee Company Limited**

Name of Sponsors : **IDBI Bank Limited**

NFO

Opens on : 17th March, 2011

Closes on : 22nd March, 2011

Scheme re-opens for continuous sale and repurchase from: 24th March, 2011

ASSET MANAGEMENT COMPANY (AMC)

IDBI Asset Management Limited

Registered Office :

IDBI Tower, WTC Complex, Cuffe Parade, Mumbai – 400 005.

TRUSTEE COMPANY

IDBI MF Trustee Company Limited

Registered Office :

IDBI Tower, WTC Complex, Cuffe Parade, Mumbai – 400 005.

Website: www.idbimutual.co.in

SMS 'IDBIMF' to 09220092200. Tollfree : 1800-22-4324

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. **For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website www.idbimutual.co.in**

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

Investment Objective	The objective of the Scheme will be to provide investors with regular income for their investment. The Scheme will endeavour to achieve this objective through an allocation of the investment corpus in a diversified portfolio of debt and money market instruments.		
Asset Allocation Pattern	Instrument	Normal allocation (% of total assets)	
		Minimum	Maximum
	Money market instruments/ debt instruments (including floating rate debt instruments and securitized debt)* with maturity/residual maturity up to and including 2 years	65%	100%
	Debt instruments (including floating rate debt instruments and securitized debt)* with duration/maturity/residual maturity above 2 years and not exceeding 3 years	0%	35%
	<p>It is the intent of the Scheme to maintain the duration of the portfolio below 2 years under normal market conditions depending on the fund manager's assessment of various parameters including interest rate environment, liquidity and macro-economic factors. However, the maturity profile of the scheme can undergo a change in case the market conditions warrant and at the discretion of the fund manager. Under no circumstances the average maturity/duration of the portfolio will exceed 3 years.</p> <p>*Investment in Securitized Debt not to exceed 25% of the net assets of the Scheme.</p> <p>Investment in Derivatives will be up to 50% of the net assets of the Scheme. Investment in derivatives shall be for hedging, portfolio balancing and such other purposes as maybe permitted from time to time. The Scheme does not propose to invest in foreign securities. The gross investment in securities under the scheme, which includes Money market instruments, debt instruments including floating rate debt instruments and securitized debt, and gross exposure to derivatives will not exceed 100% of the net assets of the scheme.</p> <p>Subject to the Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially depending upon the perception of the AMC, the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the asset allocation pattern will be for short term and defensive considerations. In the event of asset allocation falling outside the limits specified in the asset allocation table, the fund manager will endeavor to review and rebalance the same within 30 days. Though every endeavor will be made to achieve the objectives of the Scheme, the AMC/Sponsors/Trustees do not guarantee that the investment objectives of the Scheme will be achieved.</p>		
Risk Profile of the Scheme	<p>Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment. Scheme specific Risk Factors are summarized below:</p> <ol style="list-style-type: none"> 1. The Trustees, AMC, Fund, their directors or their employees shall not be liable for any tax consequences that may arise in the event that the scheme is wound up for the reasons and in the manner provided under the Scheme Information Document & 		

	<p>Statement of Additional Information.</p> <ol style="list-style-type: none"> 2. IDBI Short Term Bond Fund will seek to invest in credit instruments, Government Securities, securitized debt, debt derivatives and money market instruments. Trading volumes and settlement periods may inherently restrict the liquidity of the scheme's investments. In the event of an inordinately large number of redemption requests, or of a restructuring of the scheme's investment portfolio, these periods may become significant. In view of the same, the Trustees have the right in their sole discretion to limit redemptions (including suspending redemptions) under certain circumstances. 3. The Mutual Fund is not assuring any dividend nor is it assuring that it will make any dividend distributions. All dividend distributions are subject to the availability of distributable surplus and would depend on the performance of the scheme and will be at the discretion of the AMC. 4. Risks associated with investments in bonds <ol style="list-style-type: none"> i. Credit risk: This risk arises due to any uncertainty in counterparty's ability or willingness to meet its contractual obligations. ii. Interest Rate risk: This risk is associated with movements in interest rate. The values of investments will appreciate/depreciate if the interest rates fall/rise. iii. Liquidity risk: The liquidity of a bond may change depending on market conditions. At the time of selling the security, the security can become illiquid leading to loss in the value of the portfolio. iv. Reinvestment risk: This risk arises from uncertainty in the rate at which cash flows from an investment may be reinvested. The rate at which the coupons will be reinvested will depend upon prevailing market rates at the time the coupons are received. 5. Risks associated with Investing in Derivatives <p>Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.</p> <p>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.</p> <p>There are certain risks inherent in derivatives. These are</p> <ol style="list-style-type: none"> i. Price Risk: Despite the risk mitigation provided by various derivative instruments, there remains an inherent price risk which may result in losses exceeding actual underlying. ii. Default Risk: This is the risk that losses will be incurred due to default by counter party. iii. Basis Risk : This risk arises when the derivative instrument used to hedge the underlying asset does not match the movement of the underlying being hedged. iv. Limitations on upside: Derivatives when used as hedging tool can also limit the profits from a genuine investment transaction. v. Liquidity risk pertains to how saleable a security is in the market.
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	<p>6. Risks associated with investing in Securitized Debt</p> <p>Securitized Debt is a financial instrument (bond) whose interest and principal payments are backed by an underlying cash flow from another asset. The risks associated with investing in such instruments are:</p> <p>Limited Recourse: The instruments represent an undivided beneficial interest in the underlying receivables and do not represent an obligation of either the Issuer or the Seller or the Originator, or the Parent or any affiliate of the Seller, Issuer and Originator. No financial recourse is available to the buyer of the security against the Investors' Representative.</p> <p>Delinquency and Credit Risk: Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the Monthly Investor Payouts to the Holders may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall. On persistent default of an Obligor to repay his obligation, the Servicer may repossess and sell the Vehicle/ Asset. However many factors may affect, delay or prevent the repossession of such Vehicle/Asset or the length of time required to realize the sale proceeds on such sales. In addition, the price at which such Vehicle/Asset may be sold may be lower than the amount due from that Obligor.</p> <p>Risks due to possible prepayments: Full prepayment of a contract may lead to an event in which investors may be exposed to changes in tenor and yield.</p> <p>Bankruptcy of the Originator or Seller: If the service provider becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that either the sale from each Originator was not a sale then an Investor could experience losses or delays in the payments due under the instrument.</p> <p>Liquidity risk: There is no assurance that a deep secondary market will develop for the instrument. This could limit the ability of the investor to resell them.</p> <p>7. Risks associated with Short Selling and Securities Lending</p> <p>Short Selling: When the Fund engages in short selling, it will borrow the security from a third party with the understanding that the security will be returned at a later date as and when required by the lender. However, there is a risk that the stock price may go up contrary to expectations which will result in losses to the Scheme. The losses will be realized to the Scheme if the Scheme may be forced to buy the shares in the market at the prevailing higher market price (than the price at which sold initially) to return the security to the lender if so required by the lender</p> <p>Securities lending: There are risks inherent to securities lending, including the risk of failure or bankruptcy of the counter party, leading to non-compliance with the terms of the agreement by the counterparty. Such failure can result in the possible loss of rights to the collateral, the inability of the counterparty to return the securities deposited by the lender and the possible loss of any corporate benefits accruing thereon.</p>
Plan and Options	<p>The Scheme offers the following Options for investment -</p> <ul style="list-style-type: none"> • Dividend Option • Growth Option <p>The Dividend Option offer the following sub-options (frequency of dividend declaration)</p> <ul style="list-style-type: none"> o Weekly dividend (Payout/Reinvestment/Dividend Sweep) o Monthly dividend (Payout/Reinvestment/Dividend Sweep) <p>The Growth Option and Dividend Option will be maintained under a common portfolio. If the dividend payable under the dividend option is less than Rs. 1000, the dividend amount</p>

	<p>shall be compulsorily reinvested in the Scheme.</p> <p>In cases where investors do not opt for a particular Option at the time of investment, the default Option will be the Growth Option. In such cases where the investors have opted for the Dividend Option but not specified the sub-option (frequency), monthly dividend sub-option would be treated as the default sub-option. In cases, where investors have not specified the mode of dividend i.e. payout, reinvestment, dividend sweep, the default mode will be reinvestment.</p> <p>If investors apply for subscription of units under both Options, the minimum subscription limits for new purchases/additional purchases/SIP will apply to each Option.</p>
Applicable NAV (after the scheme opens for repurchase and sale)	<p>Subscription</p> <p>The following cut-off Timings shall be applicable in respect of purchase of units in the Scheme and the following NAVs shall be applied for such purchase:</p> <ol style="list-style-type: none"> 1. In respect of valid applications received up to 3.00 p.m. on a Business Day by the Fund along with a local cheque or a demand draft payable at par at the Official Points of Acceptance where the application is received, the NAV of the day on which application is received shall be applicable. 2. In respect of valid applications received after 3.00 p.m. on a Business Day by the Fund along with a local cheque or a demand draft payable at par at the Official Points of Acceptance where the application is received, the NAV of the next Business day shall be applicable. 3. In respect of valid applications with an outstation cheques or demand drafts not payable at par at the Official Points of Acceptance where the application is received, the NAV of day on which the cheque or demand draft is credited shall be applicable. <p>In respect of subscription of units in this Scheme with amount equal to or more than Rs. 1 crore, the following cut off time shall be applicable.</p> <p>Where the application is received up to 3 p.m. on a given day and the funds are credited to the respective scheme account (available for utilization) on or before 3 p.m. on the same day - the closing NAV of the day of application.</p> <p>Where the application is received before or after 3 p.m. on a given day and funds are credited to the respective scheme account after 3 p.m. (cut off time)-the closing NAV of the business day when the funds are credited to the respective scheme account before the cut off time shall be applicable.</p> <p>Redemption</p> <p>The following cut-off timings shall be applicable with respect to repurchase of units in the Scheme and the following NAVs shall be applied for such repurchase:</p> <ol style="list-style-type: none"> 1. Where the application is received up to 3.00 pm – The closing NAV of the day on which the application is received; and 2. Where the application is received after 3.00 pm – the closing NAV of the next business day. <p>Switches:</p> <p>Switch-in: In case of switch-in transactions also the aforesaid cutoff time for receipt of application and crediting of fund (available for utilization) shall be applicable.</p> <p>Switch-out: Valid applications for 'switch-out' shall be treated as applications for Redemption and the provisions of the Cut-off time and the Applicable NAV mentioned in the SID as applicable to Redemption shall be applied to the 'switch-out' applications.</p>

Minimum Application Amount/ Number of Units	Purchase	Additional Purchase	Repurchase
	For new purchases Rs. 5000 and in multiples of Re. 1 thereafter For Systematic Investment Plan <ul style="list-style-type: none">Rs. 1000 for a minimum period of six monthsRs. 500 for atleast 12 monthsRs.1500 per quarter for atleast 4 quarters. Investments above the minimum amount mentioned, shall be made in multiples of Re. 1 for all SIP irrespective of frequency of SIP or the Option.	Rs. 1000 and in multiples of Re. 1 thereafter	Rs. 1000 or 100 units whichever is lower
Dispatch of Repurchase (Redemption) Proceeds	The redemption or repurchase proceeds shall be dispatched to the Unit holders within 10 business days from the date of receipt of a valid application for redemption or repurchase.		
Benchmark Index	CRISIL Short Term Bond Fund Index		
Dividend Policy	Dividend declaration under the Dividend options in the scheme is subject to the availability of distributable surplus and at the discretion of the AMC and no returns is assured under the scheme. Any dividend amount less than Rs.1000 will be compulsorily reinvested and additional units equivalent to the dividend amount will be credited to the account of the unit holders.		
Name of the Fund Manager	Mr. Gautam Kaul		
Name of the Trustee Company	IDBI MF Trustee Company Limited		
Performance of the scheme	This scheme does not have any performance track record		
Expenses of the Scheme	New Fund Offer Period	On an ongoing basis	
(i) Load Structure	The initial issue expenses of IDBI Short Term Bond Fund would be borne by the Asset Management Company Load Structure Entry Load: Not Applicable; Exit Load: 0.5% for exit within 3 months from the date of allotment	Entry Load – Not applicable Exit Load: 0.5% for exit within 3 months from the date of allotment	
	SEBI vide its circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes. The upfront commission, if any, to the distributor on the investment made by the investor will be paid by the investor directly to the distributor, based on his assessment of various factors including the service rendered by the distributor.		
Recurring expenses	First Rs. 100 Crores of the average weekly net assets : 2.25% Next Rs. 300 Crores of the average weekly net assets : 2.00% Next Rs. 300 Crores of the average weekly net assets : 1.75% Balance :1.50%		

Waiver of Load for Direct Applications	Not applicable		
Tax treatment for the Investors (Unitholders)	IDBI Short Term Bond Fund	Resident Investors	Mutual Fund
	Tax on Dividend - Dividend Distribution Tax	Nil	<ul style="list-style-type: none"> Individual investors - 13.841% Others - 22.145%
	Capital Gains <ul style="list-style-type: none"> Long Term Short Term 	10%*/20%** Rates applicable to Unit holders as per their income slabs	Nil Nil
*/**For further details on taxation please refer to the Section on Taxation in the SAI and also independently refer to your tax adviser.			
Daily Net Asset Value (NAV) Publication	The NAV, Sale Price and Repurchase will be declared and will be published in 2 newspapers on all business days. NAV can also be viewed on www.idbimutual.co.in and www.amfiindia.com .		
For Investor Grievances, please contact	Registrar		IDBI Mutual Fund
	Computer Age Management Services Private Limited (CAMS) SEBI Registration Number: INR000002813 New No. 10, Old No. 178, MGR Salai, Nungambakkam, Chennai – 600034 Tel: 044-30407000 Fax: 044-24581750 Email: enq_id@camsonline.com		Mr. S.V. Durga Prasad Investor Relations Officer IDBI Asset Management Ltd., Lancor Westminster, Old No. 108, New No. 70 Dr. Radhakrishnan Salai, Chennai 600 004 Phone: 044 – 43456126; Fax: 044- 43456110 Email: contactus@idbimutual.co.in
Unitholders' Information	<ol style="list-style-type: none"> Account Statement: The Mutual Fund shall dispatch the Account Statement within 5 working days from the date of closure of the initial subscription list and/or from the date of receipt of the request from the unit holders on an ongoing basis. Scheme Portfolio and Unaudited half-yearly results: The Mutual Fund shall publish a complete statement of the scheme portfolio and the unaudited financial results, 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 as per the new format prescribed by SEBI vide their Circular No. MFD/CIR/1/200/2001 dated April 20, 2001 Annual Report: The Scheme wise Annual Report or an abridged summary thereof shall be mailed to all Unitholders within four months from the date of closure of the relevant accounts year i.e. 31st March each year. The Abridged Scheme wise Annual Report may be mailed to the investors' e-mail address if so mandated. <p>The Portfolio Statement, unaudited financial results, Scheme wise annual report will also be displayed on the website of the Mutual Fund and AMFI.</p>		
Special Considerations	The Mutual Fund/AMC and its empanelled Brokers have not given and shall not give any indicative portfolio and indicative 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.		

Date: March 3, 2011

GENERAL INFORMATION AND GUIDELINES

GENERAL INFORMATION

- a. Mutual Fund Investments are subject to market risk, please read all scheme related documents, the Statement of Additional Information (SAI) and the Scheme Information Document (SID), containing the terms of offer carefully before investing. Prospective investors should not treat the contents of this document or the SID of the scheme as advice relating to legal, taxation, investment or any other matter and are recommended to consult their own professional advisors concerning the acquisitions, holding or disposal of the Units. It must be understood clearly that all applicants are deemed to have accepted the terms subject to which this offer is being made and bind themselves to the terms upon signing the application form and tendering payment. The SID/SAI/Key Information Memorandum of the Scheme is available with the Investor Service Centres (ISCs) of IDBIMF, AMFI certified brokers/distributors and also available for download on the **IDBIMF website i.e. www.idbimutual.co.in**
- b. Please complete the Application Form legibly in black ink or blue ink, in the English language only, in BLOCK CAPITALS. Please strike out with a line across any section that is not applicable.
- c. **Submission of Application Forms:** Application form complete in all respects with the necessary remittances may be submitted before the closure of the New Fund offer/on an ongoing basis at IDBI MF Corporate Office, IDBI MF ISC/official Points of Acceptance of the Registrar or such other collection centers as may be designated by the AMC. The list of collection centers is printed on the last page. Applications received by post/courier will be deemed to have been submitted on date of receipt at the designated collection centre.
- d. Investors are advised to retain the acknowledgement slip signed/stamped by the collection centre where they submit the application.
- e. **Allotment of Units:** Allotment is assured to all applicants provided the application is complete in all respects and is in order. Applications not complete in any respect are liable for rejection.

GUIDELINES TO HELP YOU COMPLETE THE APPLICATION FORM

1 - First Applicant's Personal Details:

- a) **Applications for Individuals:** Please write your name in the sequence of First Name, Middle Name and Last Name. Please do not abbreviate any name. Preferably write your name exactly as it appears in the Bank Account (as provided in the bank account details).
- b) **Applications for Non-Individuals:** Companies, Trusts, Partnership firms, Societies or any other association should write the name exactly as it appears in its Incorporation document and in the Bank Account (as provided in the bank account details).
- c) Please fill in your date of birth as this may be required to identify you when communicating with us.
- d) If you have an email ID please include it as this will help us resolve queries more promptly.
- e) **PAN (Permanent Account Number):** SEBI has made it mandatory for investors to mention their Permanent Account Number (PAN) for transacting in the units of mutual funds, irrespective of the amount of transaction. Submission of self attested copy of PAN card is mandatory for all categories of investors (including NRI investors) except for investors residing in Sikkim. Submission of copy of PAN card by Guardian of a minor is mandatory for investments by minor whether copy of PAN of minor is provided or not.

Pursuant to SEBI letter MRD/DOP/PAN/PM/166999 dated June 19, 2009 addressed to AMFI and in compliance with AMFI Guidelines dated July 14, 2009, investment up to Rs. 50,000 per investor per financial year in SIP (Micro SIP) shall be exempted from the requirement of PAN subject to submission of voters Id, Driving license, Government/Defense identification card, Passport, Photo Ration Card, Photo Debit card, Employee ID card issued by companies registered with ROC, Photo identification issued by scheduled commercial and district co-operative Banks, universities or institutes under statute (like ICAI, ICWAI, ICSI), PRAN card issued by NSDL or any other photo ID card issued by Govt authorities. This exemption will be applicable only investments by individuals (but not NRI's and POIs), Minors and Sole proprietary firms. HUFs and other categories will not be eligible for such exemption. The exemption is applicable to joint holders also.

In order to enroll for Micro SIP investors are required to fill in the SIP Enrolment Form (by indicating their choice for

Micro SIP in the appropriate space provided) available with the ISCs, Distributors /agents or downloading from the website www.idbimutual.co.in. In case any document submitted by Investor is found defective, then Mutual Fund will be liable to reject the application.

- f) **Know your Customer (KYC) Policy:** In accordance with AML Laws, Mutual Funds are required to formulate and implement a client identification programme or KYC to verify and maintain the records of identity and address(s) of the investors. In this regard, investors who wish to investment in any amount in the units of mutual fund will be required to produce prescribed documents to any of the Point of service (POS) or such other offices as may be notified by IDBIMF or AMFI from time to time in order to comply with KYC norms of IDBIMF. With reference to SEBI circular dated October 7, 2010 and January 1, 2011 KYC will be compulsory for all type of investors irrespective of investment amount However, the AMC reserves absolute discretion to revise the aforesaid investment limit in line with the existing AML rules & regulations. Applications without a valid KYC compliance will be liable to be rejected. CDSL Ventures Limited (CVL) is handling the work of “Customer profiling and Record keeping” for issuance of Know Your Client (KYC) acknowledgement to mutual fund investors. All investors will now have to submit their PAN card copy (which serves as Proof of Identity (PoI)) and Proof of Address (PoA) only once to the designated Point of Service (PoS) centers spread across the country. After confirming the credentials of the investor, the PoS will issue a KYC acknowledgement letter that needs to be submitted along with the application form. A complete list of PoS is available on the website of AMFI (www.amfiindia.com), CVL (www.cvlindia.com) and on www.idbimutual.co.in. Applicants intending to apply for units through a Power of Attorney (PoA) must ensure that the issuer of the PoA and the holder of the PoA must mention their KYC Compliance Status and attach proof of KYC Compliance at the time of investment.

Investors applying for Micro SIPs (Total SIP installments upto Rs. 50,000 per year per investor) and investors residing in the state of Sikkim are exempted from KYC Compliance. Micro SIP investors shall submit valid address proof along with photo ID proof which shall be self attested by the investor / attested by the ARN holder mentioning the ARN number or attested by any competent authority . Investors residing in the state of Sikkim shall submit proof of address of Sikkim state along with photo ID proof which shall be self attested by the investor / attested by the ARN holder mentioning the ARN number or attested by any competent authority.

- g) The minor shall be the first and the sole holder in an account. There shall not be any joint accounts with minor as the first or joint holder. Guardian in the folio on behalf of the minor should either be a natural guardian (i.e. father or mother) or a court appointed legal guardian a document evidencing the same shall be attached with the application. The applicant shall produce documents such as Birth certificate of the minor or School leaving certificate / Mark sheet issued by Higher Secondary Board of respective states, ICSE, CBSE etc or Passport of the minor or any other suitable document evidencing the date of birth of the minor. The minor shall change the status to Major immediately after the minor attains majority. For changing the status the following documents shall be produced
- Services Request form, duly filled and containing details like name of major, folio numbers, etc.
 - New Bank mandate where account changed from minor to major,
 - Signature attestation of the major by a manager of a scheduled bank / Bank Certificate / Letter,
 - KYC acknowledgement of the major

In the event of failure to comply with the above requirement all the existing mandates like SIP/SWP/STP will be suspended till the documents are produced.

In case the minor wishes to change his guardian, he should approach the AMC with a request letter and the AMC will advice the procedure depending on the circumstances leading to such request.

- h) Your address should be written in full. P.O. Box address is not sufficient.

i) **Mode of Payment**

i. **For Resident investors**

Cheque/DD should be drawn in the name of the Scheme and PAN of the applicant should be written in the cheque. e.g. “IDBI Short Term Bond Fund A/C XXXXXXXX” (1st Unit Holder PAN)”. The cheque/DD shall be crossed “A/c payee”. Where an investor subscribes for units vide prefunded instruments like DD/payorder/ banker’s cheque issued by way of debit to his / her bank account, a proof of debit to the investor’s bank account in the form of a bank manager’s certificate with details of account holder’s Name ,bank account number and PAN as per bank records, OR a copy of the

acknowledgement from the bank wherein the instructions to debit carry the bank account details and name of the investor as an account holder are available OR a copy of the passbook/bank statement evidencing the debit for issuance of a DD shall be provided. If the instrument is purchased against Cash, a banker's certificate for issuance of such instrument against cash that also states the investor's Name, bank account number and PAN as per bank record is a must. If payment is made by RTGS, NEFT, ECS, bank transfer, etc., a copy of the instruction to the bank stating the account number debited must accompany the purchase application. No cash or third party cheques will be accepted. When payment is made through instruments issued from an account other than that of the beneficiary investor, the same is referred to as Third-Party payment. Third party cheques are allowed if the payment is made by Parents/Grand-Parents/related persons on behalf of a minor in consideration of natural love and affection or as gift for a value not exceeding Rs.50,000/- (each regular purchase or per SIP installment) or Payment by Employer on behalf of employee under Systematic Investment Plans through Payroll deductions or payment made by custodian on behalf of an FII or a client. If the bank account number on the cheque leaf is handwritten or investor name is not printed on the face of the cheque, bank account statement or pass book giving the name, address and the account number should be enclosed in original. If photocopies are submitted, investors must produce original for verification. In case of payments from a joint bank account, the first holder of the mutual fund folio has to be one of the joint holders of the bank account from which payment is made. The Bank account from which the payment is made will be treated as the default bank account of the investor unless a separate request in the prescribed form for change in bank mandate is submitted. Investors are advised to register the same bank account from which the payment was made for receiving redemption proceeds. In case investor wish to give separate bank account for receiving redemption proceeds, investor will have to register the said bank account with the mutual fund/AMC by submitting relevant documentary proof mentioned above.

Bank charges for outstation demand drafts will be borne by the AMC and will be limited to the bank charges stipulated by the State Bank of India subject to a maximum limit of Rs.50000 per instrument. The AMC will not bear the bank charges for outstation demand drafts in case of investments in liquid/money market funds and such charges will have to be borne by the investor. Outstation Demand Draft has been defined as a demand draft issued by a bank where there is no ISC/Points of Acceptance available for Investors. Investors may please further note that in case of any application made through the Demand Draft, no Demand Draft charges will be reimbursed by the AMC in any case. The same will have to be borne by investors only.

If the investor is making payment from his/her/its IDBI Bank account or such banks where AMC has special arrangement, investor have the option to submit a debit mandate to their account along with the application rather than submitting Cheque/DD.

ii. For Non-Resident Indian (NRI)/PIO/FII investors

- **On Repatriation Basis**

In the case of NRIs including PIOs, payment may be made either by inward remittance through normal banking channels or out of funds held in his Non - Resident (External) Rupee Account (NRE) / Foreign Currency (Non-Resident) Account (FCNR). In case Indian rupee drafts are purchased abroad or from Foreign Currency Accounts or Non-resident Rupee Accounts an account debit certificate from the Bank issuing the draft confirming the debit shall also be enclosed. FIIs shall pay their subscription either by inward remittance through normal banking channels or out of funds held in Foreign Currency Account or Non- Resident Rupee Account maintained by the FII with a designated branch of an authorized dealer in accordance with the relevant exchange management regulations.

- **On non-repatriation basis**

In the case of NRIs/PIOs, payment may be made either by inward remittance through normal banking channels or out of funds held in his NRE / FCNR / Non-Resident Ordinary Rupee Account (NRO). In case Indian rupee drafts are purchased abroad or from Foreign Currency Accounts or Non-resident Rupee Accounts an account debit certificate from the Bank issuing the draft confirming the debit shall also be enclosed.

2 - SECOND AND THIRD APPLICANTS' DETAILS:

The names of Second and Third Applicants should be provided here. Please see guideline 1 above.

3 - BANK PARTICULARS:

SEBI has made it mandatory for investors in mutual funds to state their bank account numbers in their applications and in redemption requests. Investors are requested to provide these details in the space provided in the application form to enable verification of the bank mandate details and to also ensure expeditious clearing of instruments. This measure is intended to avoid fraud/misuse or theft of warrants in transit. Please note that applications not containing these details may be rejected.

Change in Bank Details: Investors shall submit the following documents for effecting change in the registered bank account with the mutual fund

- Transaction slip/Request letter from investor; AND
- Cancelled original cheque carrying the account number and name of the investor printed on it for New Bank Mandate; OR
- Original Bank Statement. True copy will be accepted only if the original is brought to the branch for verification; OR
- True copy of Bank Passbook only if the original Passbook is brought to branch for Verification. If the bank account number on the cheque leaf is handwritten or investor name is not printed on the face of the cheque, bank account statement or pass book giving the name, address and the account number should be enclosed in original. If photocopies are submitted, investors must produce original for verification. In the event of a request for change in bank account information being invalid / incomplete / dissatisfactory in view of signature mismatch/insufficiency of documents/not complying with any requirements more specifically as indicated in the application form, the request for such change will not be processed. Redemption/ Dividend payments, if any, will be processed as per specified service standards and the default bank account information will be used for such payments to Unit holders. If the redemption request is received along with a request for change in bank mandate, the redemption application will be processed first and proceeds will be credited to the registered/default bank account of the investor. The request for change in bank mandate will be processed and made effective for future transaction only. However, in exceptional situations, under the specific instruction of the investor, the proceeds will be credited to a new bank account, if sufficient document is provided to prove that the new bank account to which the proceeds are requested to be credited is also belongs to the same investor. Investors are advised to submit the change of bank mandate request atleast 10 days prior to submission of redemption request incase he/she/it wishes to receive the redemption proceeds to un registered new bank account to enable the AMC/R&T to complete the bank account registration process.

Indian Financial System Code (IFSC): IFSC is a 11 digit number given by some of the banks on the cheques. IFSC will help to secure transfer of redemption and dividend payouts via the various electronic mode of transfers that are available with the banks.

4 - INVESTMENT AND PAYMENT DETAILS:

Pay - in Bank Account: An investor at the time of his/her purchase of units must provide the details of his / her pay-in bank account (i.e. account from which a subscription payment is being made) in Section 10 in the application form

In order to prevent frauds and misuse of payment instruments, the investors are mandated to make the payment instrument such as cheque, demand draft, pay order, etc, favoring either of the following given below and crossed "Account Payee only". Investors are urged to follow the order of preference in making the payment instrument favoring as under

- a. the Specific Scheme A/c Permanent Account Number or
- b. the Specific Scheme A/c First Investor Name

Examples : IDBI Short Term Bond Fund A/C XXXXXXXX (PAN) or IDBI Short Term Bond Fund A/C XXXXXXXX(Name of the First holder)

ASBA: Investors have the additional option to participate in the NFO through the ASBA process. For using ASBA facility investors should approach Self Certified Syndicate Banks (SCSBs) providing ASBA facility and submit the ASBA application form authorizing blocking of funds from the bank account specified in the ASBA Application Form. ASBA facility is available only for investors desirous of subscribing units in the dematerialized form. When investor desires to hold units in dematerialized form, KYC performed by Depository Participant (DP) will be considered compliance with applicable requirements specified in this regard in terms of SEBI circular ISD/AML/CIR-1/2008. ASBA forms for making investments in the units of IDBI Short Term Bond Fund is available with all SCSB and in the website of the Mutual Fund. The acknowledgement for receiving the application by the designated Branches of the SCSBs does not guarantee that the Mutual Fund units shall be allotted either by the SCSB or the Mutual Fund. The Application shall be further processed by the Registrar & Transfer agent appointed by the Mutual Fund and units shall be allotted after deducting the blocked amount, only if the application is complete in all respect. The ASBA

Applicant's shall specify the bank account number and the Depository account number in the ASBA Application Form and the SCSB shall block an amount equivalent to the Application Amount in the bank account specified in the ASBA Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the ASBA Application or receipt of instructions from the Registrar to unblock the Application Amount. In the event of withdrawal or rejection of the ASBA Application Form or for unsuccessful ASBA Application Forms, the Registrar shall give instructions to the SCSB to unblock the application money in the relevant bank account. The SCSB will then unblock the application money within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until scrutiny of the documents by the registrar of the Mutual Fund and consequent transfer of the Application Amount to the Account of the Mutual Fund, or until withdrawal/ failure of the NFO or until rejection of the ASBA Bid, as the case may be. All successful applicants will be allotted with units in dematerialized form to the depository account of the applicant.

MFSS: In accordance with guidelines laid down by Securities and Exchange Board of India (SEBI) for facilitating transactions in Mutual Fund schemes through the stock exchange infrastructure and as notified vide circular SEBI/IMD/CIR No.11/183204/2009 dated November 13, 2009, IDBI AMC offers an alternate transaction platform to facilitate purchase/subscription and redemption / repurchase of units of IDBI Short Term Bond Fund of IDBI Mutual Fund through the National Stock Exchange of India Limited (NSE) - Mutual Fund Service System (MFSS). Under MFSS, Trading member of NSE can facilitate investors to subscribe the mutual fund units using their existing network and order collection mechanism provided by NSE. MFSS will be available on all business days of the Capital Market segment. The MFSS will be available for Participants between 9 a.m. until 3 p.m. For transacting through MFSS platform investors will have to approach the participants, who are trading members of NSE and complete necessary documentation. Orders for buying and selling (redemption) of mutual fund units can be placed through the trading terminals of participants. An order confirmation slip will be generated after every successful order and the investors shall collect the same from the participants as proof for placing the order. Investors have the option to subscribe units in physical and dematerialized mode. Investor who chooses physical mode has to submit completed and signed scheme application form, PAN Card copy of all applicants (Pan card of guardian in case of minors), KYC acknowledgement form, and folio number in case of additional purchase along with clear funds to the Participant. If the investor chooses depository mode the investor should provide their depository account details along with PAN details to the Participant. When investor desires to hold units in dematerialised form, KYC performed by DP will be considered compliance with applicable requirements specified in this regard in terms of SEBI circular ISD/AML/CIR-1/2008. Investors subscribing units shall transfer funds to the designated account of the participant on the date of placing the order or within the cut off time specified by the participant. The Clearing Corporation of the Exchange shall debit the designated clearing bank account of the Participants for the required funds obligation on T+1 morning. Clearing Corporation will execute the funds pay-out to the AMCs by crediting the AMCs designated clearing bank account. If the units are purchased in physical mode, the AMC will send statement of account indicating allotment of units to the investors directly after receiving funds in the designated account of the AMC. If the units are purchased in demat mode, the RTA will create units and ensure availability of units on T+1 day in the designated account. The depository will execute the Pay-in process for mutual fund units and provide the pay-in file to the clearing corporation containing the units pay-in from designated AMC Pool A/c. to Clearing Corporation Pool A/c. Clearing Corporation will give electronic instruction to the depositories for release of pay-out to the Participants pool account. The responsibility to transfer the securities (units) from Participants Pool A/c. to investors Depository A/c. lies with the participant. In case of redemption of units in physical mode, the investor will have to submit the Completed and Signed redemption request stating the Folio number, copy of PAN card of all unit holders mentioned in the redemption application (PAN of guardians if the unit holder is a minor) and copy of allotment statement / holding statement/ SOA displaying the scheme holdings to be redeemed. The redemption proceeds will be directly sent by RTA through appropriate payment mode such as direct credit, NEFT or cheque as decided by AMC from time to time, as per the bank account details recorded with the RTA. In case of redemption of units in demat mode, investor should provide their depository account details along with PAN details to the Participant. The investor should also provide their Depository Participant with Depository instruction slip with relevant units to be credited to clearing corporation pool account same day before 4.30 p.m. For all successful redemption application, the AMC will make the fund available in the designated bank account and Clearing corporation of the Exchange shall debit the designated clearing bank account of the AMCs for the funds pay-in of the redemption proceeds on T+3 day. Clearing Corporation will execute the funds pay-out to the Participants for Redemption proceeds by crediting the Participants designated clearing bank account. Participant executes the funds pay-out by transferring net redemption proceeds to the investor. RTA mails the redemption statement to the investor providing the details of the redemption. The statement is mailed to the address as given on the investors' depository A/c. MFSS facility available shall be subject to such operating guidelines as issued by NSE vide circular Download No.NSE/CMTR/13564 dated November 27, 2009 and circular Download No.13534 dated November 24, 2009 and NSE/CMTR/16593

dated December 22, 2010. The transactions executed in MFSS platform will be settled as per the detailed guidelines issued by NSE vide circular No. NSE/CMPT/ 13534 dated November 24, 2009 and NSE/CMPT/16609 dated December 23, 2010. Investors are requested to refer the aforesaid circulars issued by SEBI and NSE for further clarifications.

Demat: Investors have the option to hold units in dematerialized mode and the units are freely transferable. For holding units in dematerialized mode, investors should have a Depository account in their name. If the investor selects the depository mode for receiving units, no separate KYC needs to be complied. Investors can select the option of receiving units in dematerialized mode at the time of subscription of units in the application form and in that case the units will be credited to the depository account of the investor. The statement of account issued by the depository participant will be sufficient and no separate statement of account indicating crediting of units by the mutual fund is required for proving allotment of units in the name of the unit holder. For redemption, investors will have to submit duly filled up delivery instruction slip to his concerned depository participant and an acknowledgement for the same along with application for redemption is required to be submitted at the POS. Investors have the responsibility in ensuring transfer of units to the designated pool account of the Mutual fund maintained with the registrar for redemption of units.

5 - E-mail Communication

Account Statements / Newsletters / Annual Reports / Other statutory information (as may be permitted under SEBI (Mutual Funds) Regulations, 1996) can be sent to each Unit holder by courier / post / e-mail. Unit holders who have opted to receive these documents by e-mail will be required to download and print the documents after receiving an e-mail from the Mutual Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered documents, the Unit holder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. It is deemed that the Unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties. The Newsletter shall be displayed at the website of the Mutual Fund. The Unit holders can request for a copy of the Newsletter by post / e-mail. The AMC would arrange to dispatch these documents to the concerned Unit holder.

6 - Mode of Payment of Redemption/ Dividend Proceeds-via Direct Credit / RTGS or NEFT/ ECS

- **Direct Credit:** The AMC has entered into arrangements with IDBI Bank and HDFC Bank to facilitate direct credit of redemption and dividend proceeds (if any) into the bank account of the respective Unit holders maintained with any of these banks. The list of banks is subject to change from time to time.
- **Real Time Gross Settlement (RTGS) and National Electronic Funds Transfer (NEFT):** The AMC provides the facility of RTGS & NEFT offered by Reserve Bank of India (RBI), which aims to provide credit of redemption and dividend payouts (if any) directly into the bank account of the Unit holder maintained with the banks (participating in the NEFT System). Unit holders can check the list of banks participating in the NEFT System from the RBI website i.e. www.rbi.org.in or contact any of our Investor Service Centres. However, in the event of the name of Unit holder's bank not appearing in the 'List of Banks participating in RTGS & NEFT' updated on RBI website, from time to time, the instructions of the Unit holder for remittance of redemption/ dividend (if any) proceeds via NEFT System will be discontinued by IDBI Mutual Fund without prior notice to the Unit holder and the payouts of redemption / dividend (if any) proceeds shall be effected by sending the Unit holder(s) a cheque / demand draft. For more details on NEFT or for frequently asked questions (FAQs) on RTGS and NEFT, Unit holders are advised to visit the RBI website.
- **Electronic Clearing Service (ECS):** Investors who have opted for the ECS facility of RBI for dividend payment will receive a direct credit of the amount due to them in their mandated account whenever the payment is made through ECS. A separate advice regarding credit of amount(s) via ECS will be sent to the unit holder. It should be noted that while the Mutual Fund will make all efforts, there is no commitment that this facility will be made available to all desirous investors. Applicants in cities not covered under ECS facility will receive dividend payments, if any by cheques or demand drafts and the same will be mailed to the Unitholders. Please note that the ECS Facility is available only in respect of dividend payments and not in the case of Redemption of Units. Therefore, the Investors will receive their redemption / dividend proceeds (if any) directly into their bank accounts in the following order:
 - (i) In case the bank account of an investor is covered under Direct Credit facility then the payment of redemption / dividend proceeds (if any) will happen via direct credit payout mode only. Investors having these bank accounts will not receive payouts via NEFT/ECS*
 - (ii) In case the bank account of an investor is not covered under Direct Credit facility but covered under NEFT system offered by the RBI then the payment of redemption (maturity) / dividend proceeds (if any) shall be effected via NEFT

mechanism only.

- (iii) The facility for payment of dividend proceeds, if any via ECS* shall be affected only in case the bank account of an investor is not covered under the Direct Credit facility or NEFT system.

* available only in respect of dividend payments.

Each of the above facilities aims to provide direct credit of the redemption proceeds and dividend payouts (if any) into the bank account (as furnished in Application Form) of the Unit holder and eliminates the time lag between despatch of the cheque, its receipt by the Unit holders and the need to personally bank the instrument and await subsequent credit to the Unit holders account. Further, the potential risk of loss of instruments in transit through courier / post is also eliminated. Each of the said facility as a mode of payment is faster, safer and reliable. In case the bank account as communicated by the Unit holder is with any of the said banks with whom the AMC has entered into arrangements to facilitate such direct credits or with any of the banks participating in the NEFT System offered by RBI, the AMC shall automatically extend this facility to the Unit holders. IDBI Mutual Fund shall not be held liable for any losses / claims, etc. arising on account of processing the direct credit or credit via NEFT / ECS of redemption / dividend proceeds on the basis of Bank Account details as provided by the unit holder in the Application Form. The AMC would then ensure that the payouts are effected by sending the Unit holders a cheque / demand draft. In case of unforeseen circumstances, the Mutual Fund reserves the right to issue a cheque / demand draft.

7 - E-services Facility

The E-services facility includes IDBI Online, E-alerts and E-payouts

IDBI online: - This facility is available only for existing unit holders of IDBI Mutual Fund. This facility enables investors to transact online on www.idbimutual.co.in by using transact online. On transact online IDBI MF Unitholders can execute transactions online for purchase*, redemption, switching of schemes within the mutual fund and other services as may be introduced by IDBI Mutual Fund from time to time. Unitholders can also view account details and portfolio valuation online, download account statements and request for documents via email, besides other options.

* facility available with select banks and subject to submission of Permanent Account Number (PAN) and Know Your Customer (KYC) compliance proof by all Unitholders(s) only.

E-alerts: - This facility enables the Unit holder's registered mobile number to receive SMS confirmation for purchase, redeem or switch dividend declaration details and other alerts.

E-payouts: - Apart from above mentioned facilities, the facility of E-payouts comprising of mode of payment of Redemption / Dividend Proceeds if any, via Direct Credit / NEFT / ECS is covered under E-services facility.

8 - INVESTMENT OPTIONS:

Options exercised at the time of application may be changed by the investor at a later date by way of a communication to the Registrar of the Scheme. Such changes would be effective from a prospective date. Please tick either the "Growth" or "Dividend" Option. If this is left blank or it is not clear, the default will be treated as "Growth". In such cases where the investors have opted for the Dividend option but not specified the frequency, i.e. Weekly or Monthly, the Monthly dividend frequency would be treated as the default frequency. In cases, where investors have not specified the mode of dividend i.e. payout, reinvestment or dividend Sweep, the default mode will be reinvestment.

9 - SWITCHOVER FACILITY:

Unit holders will have the facility of switchover between Options in the scheme or to other schemes. Switchover between the Growth and Dividend Options of this scheme will be at the applicable NAV and switchovers to other schemes will be at NAV related prices.

10 - NOMINATION FACILITY:

- i. Nomination is mandatory for new folios/accounts opened by individual especially with sole holding. Even those investors who do not wish to nominate must sign separately confirming their non-intention to nominate. Nomination is not allowed in a folio held on behalf of a minor.
- ii. The applicant/unit holders can nominate a person/persons (upto two) in whom the units held by him shall vest in the event of his death. Where the units are held by more than one person jointly, the joint Unit holders may together nominate a person/persons (upto two) in whom all the rights in the units shall vest in the event of death of all the joint Unit holders.

If the units are held jointly, all joint holders will sign the nomination form.

- iii. The nomination can be made only by individuals applying for/holding units on their own behalf singly or jointly. Non individuals including society, trust, body corporate, partnership firm, Karta of Hindu undivided family (HUF), holder of Power of Attorney cannot nominate.
- iv. A minor can be nominated and in that event, the name and address of the guardian of the minor nominee shall be provided by the Unit holder.
- v. Nomination can also be in favour of the Central Government, State Government, a local authority, any person designated by virtue of his office or a religious or charitable trust.
- vi. The Nominee shall not be a Trust, other than a religious or charitable trust, society, body corporate, partnership firm, Karta of HUF or a Power of Attorney holder.
- vii. A non-resident Indian can be a Nominee subject to the exchange controls in force, from time to time.
- viii. Nomination in respect of the units stands rescinded upon the transfer of units.
- ix. Transfer of units in favour of a Nominee shall be valid discharge by the AMC against the legal heir.
- x. The cancellation of nomination can be made only by those individuals who hold units on their own behalf singly or jointly and who made the original nomination.
- xi. On cancellation of the nomination, the nomination shall stand rescinded and the AMC shall not be under any obligation to transfer the units in favour of the Nominee. Investors should note that where the Units are transferred in favour of the nominee, the KYC formalities, as applicable, shall have to be completed by the nominee.

11 - DECLARATION AND SIGNATURES:

- a) All signatures should be in English or any Indian language. Thumb impressions should be from the left hand for males and the right hand for females and in all cases be attested by a Magistrate, Notary Public under his/her official seal.
- b) In case of applications under a Power of Attorney, the relevant Power of Attorney or the certified and duly notarized copy thereof must be lodged along with the application.

TERMS & CONDITIONS FOR SIP / SWP / STP

SYSTEMATIC INVESTMENT PLAN (SIP):

The Scheme offers SIP facility subject to following terms and conditions:

- 1. SIP is offered on both monthly and quarterly frequency. Unit holders can opt to invest on monthly or quarterly frequency on the following dates - 5th, 15th, and 25th of each month/first month of the quarter. For e.g. an investor opting for quarterly SIP commencing February in a calendar year will have the following cycle for SIP installments February, May, August and November. In case the day specified is a non Business Day, the transaction will be effected on the next Business Day.
- 2. IDBI Mutual Fund is offering SIP Payment through Auto Debit facility with below mentioned core banking bank branches.

1. IDBI Bank 2. ICICI Bank, 3. State Bank of India, 4. Punjab National Bank, 5. Bank of India, 6. Bank of Baroda, 7. Kotak Mahindra Bank, 8. Indusind Bank, 9. Axis Bank, 10. Union Bank of India, 11. HDFC Bank.

- 3. If investor is having an account in other than the above mentioned banks then this facility is offered to the Investors in select cities mentioned below. The cities in the list may be modified/updated/changed/removed at any time in future entirely at the discretion of IDBI Mutual Fund without assigning any reason or prior notice. If any city is removed, SIP instructions for investors in such cities via ECS (Debit) route will be discontinued without prior notice. The Investor agrees to abide by the terms and conditions of ECS facility of Reserve Bank of India (RBI). The bank account provided for ECS (Debit) should participate in local MICR clearing.
- 4. SIP Payment through Electronic Clearing Service (Debit Clearing) of the Reserve Bank of India (RBI) ECS Centres :

Agra, Ahmedabad, Allahabad, Amritsar, Aurangabad, Asansol, Anand, Bengaluru, Belgaum, Bhilwara, Bhopal, Bhubaneswar, Bikaner, Burdwan, Bhavnagar, Kozhikode, Chandigarh, Chennai, Coimbatore, Cuttack, Dehradun, Dhanbad, Durgapur, Davangere, Erode, Gorakhpur, Guwahati, Gwalior, Gadag, Gulbarga, Gangtok, Haldia, Hubli, Hyderabad, Hasan, Indore, Jabalpur, Jaipur, Jalandhar, Jammu, Jamnagar, Jamshedpur, Jodhpur, Kanpur, Kolkata, Kakinada, Kota,
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Kolhapur, Kochi, Lucknow, Ludhiana, Madurai, Mangalore, Mumbai, Mysore, Nagpur, Nasik, Nellore, New Delhi, Panjim, Patna, Pondicherry, Pune, Rajkot, Ranchi, Raipur, Raichur, Salem, Shimla, Shimoga, Sholapur, Siliguri, Surat, Tirupati, Tirupur, Thrissur, Trichy, Thiruvananthapuram, Tirunalveli, Udaipur, Udupi, Vadodara, Varanasi, Vijayawada, Vishakapatnam

5. Completed Application Form, SIP Auto Debit Form and the first cheque (if any) should be submitted at least 30 Days before the first transaction date before 1st SIP execution date.
6. In case the frequency is not specified in the application/enrollment form, it will be deemed as an application for monthly frequency and will be processed accordingly. In case the SIP date is not specified or in case of ambiguity, the SIP transaction will be processed as of 15th of every month /first month of the every quarter. In case the end date is not specified, the Fund would continue the SIP till it receives termination notice from the investor.
7. Minimum number of installments
 - i. For monthly frequency - 12 installments (including first installment), where the amount of each SIP installment is Rs. 500 per month or more or 6 installments (including first installment), where the amount of each SIP installment is atleast Rs. 1,000 per month.
 - ii. For quarterly frequency - 4 installments with minimum investment being Rs. 1500 per quarter or more (including first installment).
8. Investor can avail SIP facility by submission of SIP ECS Mandate/ Auto debit form to enroll for SIP facility along with current dated local cheque for first SIP installment (no post dated cheque will be accepted). First SIP installment cheque is not mandatory.
9. First Installment cheque will be accepted in all business days, and the first installment will be processed at applicable NAV based on time stamping. The second installment will be processed latest for the available SIP date (currently 5th, 15th, or 25th of each month/ first month of each quarter) indicated by the investor, but only after the expiry of 30 (thirty) Days from the date of first installment.
10. First Installment Cheque (if any) should be drawn in the name of the Scheme and crossed "A/c Payee" e.g. "IDBI Short Term Bond Fund A/C XXXXXXXX" (1st Unit Holder PAN). Investor should write SIP enrollment Form or folio number on the reverse of cheque accompanying SIP enrollment form.
11. Investor has a right to discontinue the SIP facility at any time by sending written request to any Official Points of Acceptance, at least 21 calendar days prior to the next cheque date/ECS debit/Direct debit. On receipt of such request, the SIP enrollment will be terminated.
12. In case any cheque submitted by the investor for SIP installment or any payment instruction for SIP installment is dishonored by the Bankers for the reason of account of investor is closed, the AMC would discontinue the SIP immediately and reserves the right to redeem the outstanding units at applicable NAV related prices if total investment is below Rs. 5,000/- or units.
13. The AMC reserves the right to discontinue the SIP enrolment in case cheque/payment instruction submitted by Investor is not honored by Banker on 2 (two) consecutive occasions for either insufficiency of funds or as a result of a stop payment instructions issued by the Investor and reserves the right to redeem the outstanding units at applicable NAV related prices if total investment is below Rs. 5,000/- or 500 units.
14. The facility will be automatically terminated upon receipt of intimation of death of the Unit holder.

The AMC reserves right to change the frequency, date(s) or other terms and conditions of SIP

SYSTEMATIC TRANSFER PLAN (STP)

This facility allows Unit holders to transfer specified fixed sums on periodic basis from one scheme to another schemes launched by the Mutual Fund from time to time by giving a single instruction.

A Unitholder may effect a Systematic Transfer Plan (STP) by redeeming units of the transfer-out (transferor) Scheme at the prevailing NAV, subject to Exit Load, if any and investing the same amount in the transfer-in (transferee) scheme at prevailing NAV of the transfer-in Scheme. To seamlessly facilitate STP between two Schemes of the Mutual Fund, the Unitholder must comply with the redemption requirements of the transferor scheme and subscription requirements of the transferee scheme.

The Scheme offers STP facility subject to following terms & conditions:

1. STP facility is offered with - weekly (1st Business day of the week), monthly and quarterly (5th 15th or 25th) frequency. For e.g. an Unitholder opting for quarterly STP commencing February in a calendar year will have the following cycle for STP installments February, May, August and November. In case the date specified is a non Business Day, the transaction will be effected on next Business Day.
2. In case the frequency is not specified, it will be considered as application for monthly frequency and will be processed accordingly. In case the STP date is not specified or in case of ambiguity, the STP transaction will be processed on 15th of month / quarter. In case the end date is not specified, the Fund would continue the STP till it receives termination notice from the Unitholder.
3. Minimum balance in the source (transferor) scheme should be Rs. 25,000 at the time of enrollment for STP.
4. Minimum amount for each transfer for weekly STP be Rs. 1000 and in multiples of Re.1 thereafter, Rs. 2000 and in multiples of Re.1 thereafter for monthly frequency or Rs. 2,500 and in multiples of Re.1 thereafter for quarterly frequency.
5. Minimum number of installments should be 12 for weekly frequency, 6 for monthly frequency and 4 for quarterly frequency.
6. The transaction through STP will be subject to applicable exit load in the transferor scheme.
7. In case the Unitholder purchases additional units in the transferor scheme, the STP facility would be extended to such additional units also.
8. Units marked under lien or pledge in the source scheme will not be eligible for STP.
9. The Unitholder who has opted for STP under a specific scheme can also redeem or switch his units to any other eligible scheme provided he has sufficient balance in his account on the date of such a request.
10. In case the unit balance in the transferor scheme is lesser than amount specified by the Unit holders for STP, the AMC will transfer remaining unit balance to transferee scheme.
11. The facility will be automatically terminated if the units under the transferor scheme are pledged or upon receipt of intimation of death of the Unit holder.
12. The application for start of STP should be submitted to Official Point(s) of Acceptance at least 7 days before the date of commencement / start date of STP. Unitholder may change the amount (but not below the minimum specified) / frequency by giving written notice to any of the Official Point(s) of Acceptance at least 7 days prior to next transfer / STP execution date.
14. Unitholder can discontinue STP facility at any time by sending a written notice to any of the Official Point(s) of Acceptance, at least 7 days prior to next transfer / STP execution date.
15. The details, including mode of holding, of Unit holders' in the transferee scheme will be as per the existing folio in the transferor scheme. Units in the transferee scheme will be allotted in the same folio.

The AMC reserves the right to change the frequency, date(s) or other terms and conditions of STP. The AMC further reserves the right to add new Schemes to the list of Schemes offering STP, as and when made available for subscription or delete Schemes from the list of Schemes offering STP. Please contact the nearest Unitholder Service Centre (ISC) of IDBI Mutual Fund for more information on STP.

SYSTEMATIC WITHDRAWAL PLAN (SWP):

This facility allows Unit holders to withdraw a fixed rupee amount (subject to deduction of tax at source, if applicable) on monthly basis by redemption of units in the Unit holders' account. Withdrawal will be both from the unit capital and appreciation (if any) on the invested capital.

The Scheme offers SWP facility subject to following terms & conditions:

- a. Unitholder can withdraw the amount on the 25th of each month. In case the 25th of the month is a non Business Day, the transaction would be effected on the next Business Day.
- b. Minimum balance in the Scheme should be Rs. 25,000 at the time of enrollment for SWP.
- c. Minimum amount for each withdrawal should be Rs. 1,000 and in multiples of Re.1 thereafter for a minimum period of 6 months

- d. In case the Unitholder purchases additional Units in the Scheme under the same folio, the SWP facility would be extended to such units also.
- e. The facility will be automatically terminated if the units in the Scheme are pledged or upon receipt of intimation of death of the Unit holder.
- f. The redemption under SWP will be subject to applicable Exit Load.
- g. The application for start of SWP should be submitted to Official Point(s) of Acceptance at least 7 days before the date of commencement / start date of SWP. Unitholder may change the amount (but not below the minimum specified) / frequency by giving written notice to any of the Official Point(s) of Acceptance at least 7 days prior to next SWP execution date.
- h. Unitholder can discontinue SWP facility at any time by sending a written notice to any of the Official Point(s) of Acceptance, at least 7 days prior to next SWP execution date.
- i. If the balance under scheme falls below Rs. 5000, then the AMC reserve the right to redeem the balance units.

The AMC reserves right to change the frequency, date(s) or other terms and conditions of SWP. Please contact the nearest Investor Service Centre (ISC) of IDBI Mutual Fund for more information on SWP.

CHECKLIST (Please submit the following documents with your application (where applicable). All documents should be original/ true copies certified by a Director/Trustee /Company Secretary /Authorized signatory / Notary Public/AMC or R&T Officials.)

Documents	Individual (RI)	Companies	Societies	Partnership Firms	Investment through POA	Trusts	NRI	FIs	PIO
Copy of the PAN Card	✓	✓	✓	✓	✓	✓	✓	✓	✓
Copy of the KYC acknowledgement	✓	✓	✓	✓	✓	✓	✓	✓	✓
Resolution/ Authorisation to invest		✓	✓						
List of authorised signatories with specimen signatures		✓	✓			✓			
Trust Deed						✓			
Bye-laws			✓						
Partnership Deed				✓					
Overseas Auditor Certificate								✓	
Notarised POA					✓				
Proof of Address									✓
PIO Card									✓
Foreign Inward Remittance Certificate								✓	

Stamp,
Signature & Date

8. POWER OF ATTORNEY (POA)

POA Name :

Address

City State Pin Code

PAN KYC ☐ Yes ☐ No - If investment is being made by a constitutional Attorney, Please submit the notarized copy of the POA

9. IDBIMF PERSONAL IDENTIFICATION NUMBER (IPIN) (Please ✓)

☐ I / We being unit holder(s) of IDBI Mutual Fund (Fund) schemes do hereby apply for the facility for effecting online transactions over the internet with respect to my investment with IDBI Mutual Fund. Please send me the PIN agreement form.

10. INVESTMENT DETAILS AND PAYMENT DETAILS - Cheque/DD/RTGS/NEFT/Transfer (Payment through Cash/Outstation Cheques not accepted)

(Please ✓) For complete information on Investment details, please refer to "Plan & Options" in the KIM.

Scheme Name	Option	Sub-option	Dividend Mode
IDBI SHORT TERM BOND FUND	Growth <input type="checkbox"/>		
	Dividend <input type="checkbox"/>	Weekly* <input type="checkbox"/>	Payout# <input type="checkbox"/>
		Monthly* <input type="checkbox"/>	Reinvestment <input type="checkbox"/>
			Sweep# <input type="checkbox"/> To Scheme _____ Plan _____ Option _____

* compulsory re-investment in case the dividend amount is less than Rs. 1000/- # only in case the dividend amount is above Rs. 1000/-

Investment Amount (Rs.) <input type="text"/>	DD Charges if any (Rs.) <input type="text"/>	Net Amount (Rs.) <input type="text"/>	Mode of Payment (Please ✓)
			Cheque <input type="checkbox"/>
			DD <input type="checkbox"/>
			Funds Transfer <input type="checkbox"/>
			RTGS/NEFT <input type="checkbox"/>

Net Amount (in Words)

Drawn on Bank

Branch & City Account No.

Chq. / DD No Date IFSC Code

A/c Type - (✓) S/B ☐ NRE ☐ Current ☐ NRO ☐ FCNR* ☐ *Kindly provide photocopy of the payment Instrument or Foreign Inward Remittance Certificate (FIRC) evidencing source of funds

Cheque / D.D. to be crossed "Account Payee" only and should be drawn payable to: - "IDBI Short Term Bond Fund A/C XXXXXXX" (1st Unit Holder PAN)

11. SIP ENROLMENT DETAILS

SIP Amount (Rs.) <input type="text"/>	Enrolment Period Start Month <input type="text"/> End Month <input type="text"/>	Frequency Please (✓) <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly
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12. NOMINATION DETAILS [Minor / HUF / POA Holder / Non Individuals cannot Nominate]

I / We _____ do hereby nominate the undermentioned Nominee(s) to receive the units to my / our credit in this folio no. in the event of my / our death. I / We also understand that all payments and settlements made to such Nominee(s) and Signature of the Nominee(s) acknowledging receipt thereof, shall be a valid discharge by the AMC / Mutual Fund / Trustees.

No.	Nominee(s) Name	% of Share*	Date of Birth (in case of Minor)	Nominee(s) Signature
1			D D - M M - Y Y Y Y	
2			D D - M M - Y Y Y Y	

No.	Name of the Guardian (in case of Minor)	Relationship with Unit Holder
1		
2		

* If the percentage of share is not mentioned then the claim will be settled equally amongst all the indicated nominee(s)

<input type="checkbox"/> I/We do not wish to nominate anybody on my/our behalf.	Signature of the Declarant <input type="text"/>
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13. SPECIAL CONSIDERATIONS

The Mutual Fund/AMC and its empanelled Brokers have not given and shall not give any indicative portfolio and indicative 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.

14. DECLARATION

I / We have read and understood the contents of the SID and Key Information Memorandum of the Scheme. I/We hereby apply to the IDBI Mutual Fund for allotment of units of the Scheme, as indicated above and agree to abide by the terms, conditions, rules and regulations of the Scheme. I / We hereby confirm and certify that the source of these funds is not directly / indirectly a result of "proceeds of crime" as defined in "The Prevention of Money Laundering Act, 2002" and we undertake to provide all necessary proof / documentation, if any, required to substantiate the facts of this undertaking. I have not received nor been induced by any rebate or gifts, directly or indirectly in making this investment. I / We authorize the Fund to disclose details of my/our account and all my/our transactions to the intermediary whose stamp appears on the application form. I also authorize the Fund to disclose details as necessary, to the Fund's and investor's bankers for the purpose of effecting payments to me / us.

Applicable to NRIs only : I/We confirm that I am/we are Non-Resident of Indian Nationality/Origin and I/We hereby confirm that the funds for subscription have been remitted from abroad through approved banking channels or from funds in my/our Non-Resident External / Ordinary Account / FCNR / NRSR Account. Investment in the scheme is made by me / us on: ☐ Repatriation basis ☐ Non Repatriation basis.

The ARN holder has disclosed to me/us all the commissions (in the form of trail commission or any other mode), payable to him for the different competing Schemes of various Mutual Funds from amongst which the Scheme is being recommended to me/us.

First / Sole Applicant / Guardian <input type="text"/>	Second Applicant <input type="text"/>	Third Applicant <input type="text"/>
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Scheme Name : IDBI Short Term Bond Fund Plan: _____ Option: _____

Cheque / DD No. : _____ Date : _____ Amount : Rs. _____ Bank and Branch: _____

REGISTRAR & TRANSFER AGENTS

Computer Age Management Services Private Limited (CAMS)
SEBI Registration Number: INR00002813,
148, Old Mahabalipuram Road, Okkiyam, Thuraiyakkam, Chennai 600 096, Tamil Nadu
Tel: 044-30407000 Fax: 044-24581750



IDBI Building, 2nd Floor, Plot No. 39-41, Sector 11, CBD Belapur, Navi Mumbai 400 614.
Website : www.idbimutual.co.in

Form No.

**Application Form For Systematic Investment Plan (SIP)/
Systematic Transfer Plan (STP)/Systematic Withdrawal Plan (SWP)**

ARN Code & Name	Sub Distributor /Branch Code	Bank Serial No. / Bank Stamp / Receipt Date

Please ☒ any one only ☐ Normal SIP ☐ Micro SIP ☐ Change in Bank Mandate ☐ STP ☐ SWP

1. Investor and investment details

Sole / First Investor Name

PAN No. Folio No.(For Existing Investor)

Scheme Plan

Option & Sub Option

2. Systematic Investment Plan (SIP) details

Each SIP Amount (Rs.) Frequency: ☐ Monthly / ☐ Quarterly

SIP Frequency Date: ☐ 5th / ☐ 15th / ☐ 25th of the month (1st month of the quarter)

No. of installments (Direct Debit /ECS instructions will take minimum 30 days for registration with the Bank and hence the first auto debit will be carried out after 30 days on the SIP date. The AMC reserve the right to modify the SIP registration period)

(Note: Please allow minimum one month for auto debit to register and start).

3. Systematic Transfer Plan (STP)

I/We would like to switch: From Scheme/Option To Scheme/Option

Each STP Amount Rs. Frequency: ☐ Weekly (1st business day of the week) ☐ Monthly ☐ Quarterly

STP Period : Enrolment Start End Or No. of installments

Date : ☐ 5th / ☐ 15th / ☐ 25th of the month/quarter

4. Systematic Withdrawal Plan (SWP)

Each SWP Amount Rs. Scheme Name/Option

SWP Period : Enrolment Start Month End Month Or No. of installments

5. Particulars of bank account

Accountholder Name as in Bank Account

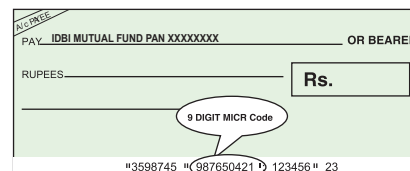
Bank Name Branch

City PIN code

Account Type ☐ Savings ☐ Current ☐ NRE ☐ NRO ☐ FCNR

Account Number

9 Digit MICR Code
(Please enter the 9 digit number that appears after your cheque number)



I/We hereby, declare that the particulars given above are correct and express my willingness to make payments referred above through participation in ECS/Auto Debit. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information. I/We would not hold the user institution responsible. I/We will also inform IDBI Mutual Fund about any changes in my bank account I/We have read and agreed to the terms and conditions mentioned overleaf.

This is to inform that I/We have registered for the RBI's Electronic Clearing Service (Debit Clearing) / Auto Debit Facility and that my payment towards my investment in IDBI Mutual Fund shall be made from my/our below mentioned bank account with your bank. I/We authorize to IDBI Mutual Fund/ representative carrying this ECS/Auto Debit to account mandate Form to get it verified and executed.

First Account Holder's Signature

Second Account Holder's Signature

Third Account Holder's Signature

For office use only (not to be filled in by investor)

Recorded on Scheme Code

Recorded by Credit Account Number

Bank use Mandate Ref. No. Customer Ref. No.

Bank Account Number

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POINTS OF ACCEPTANCE OF APPLICATION FORMS

OUR BRANCHES (Investor Service Centre)

During NFO & Ongoing Offer : **Ahmedabad:** IDBI Mutual Fund, IDBI Complex, 1st Floor, Near Lal Bungalow, Off CG Road, Ahd- 380 006. **Bengaluru :** IDBI Mutual Fund, IDBI House, 3rd Floor, No.58, Mission Road, Bengaluru - 560 027. **Chennai:** IDBI Mutual Fund, Ground Floor, "Lancor Westminster" Bldg., Old No.108, New No.70, Dr. Radhakrishnan Salai, Mylapore, Chennai - 600 004. **Chandigarh:** IDBI Mutual Fund, IDBI Bank Ltd., 3rd floor, SCO 72/73 Bank Square, sector -17B, Chandigarh -160017. **Delhi:** IDBI Mutual Fund, IDBI Bank, 5th Floor, Red Cross Building, Red Cross Road, Parliament Street, New Delhi-110 001. **Hyderabad:** IDBI Mutual Fund, 3rd Floor 5-9-89/1 Chapel Road, Hyderabad-500001. **Indore:** IDBI Mutual Fund, IDBI Bank Ltd., Ground Floor, Alankar Chambers, Ratlam kothi, A. B. Road, Indore-452001. **Kolkatta:** IDBI Mutual Fund, IDBI House, 6th floor, 44, Shakespeare Sarani, Kolkata 700 017. **Kochi:** IDBI Mutual Fund, IDBI Bank Corporate Office, Near Passport Office, Panampally Nagar, P. B. No. 4253, Kochi-680 366. **Lucknow:** IDBI Mutual Fund, IDBI Bank, 2 M G Marg, Kisan sekhar bhawan, Hazratganj, Lucknow -226001. **Mumbai:** IDBI Mutual Fund, Mittal Court, 'C' Wing, 2nd Floor, Nariman Point, Mumbai - 400 021. **Navi Mumbai:** IDBI Mutual Fund, IDBI Bldg., 2nd floor, Plot No.39 - 41, Sector-11, CBD Belapur, Navi Mumbai - 400 614. **Pune:** IDBI Mutual Fund, IDBI House, 4th Floor, Dnyaneshwar Paduka Chowk, SC Road, Shivaji Nagar, Pune-411 004.

CAMS SERVICE CENTRES (CSC's)

During NFO & Ongoing Offer : **Ahmedabad:** 402-406, 4th Floor - Devpath Building, Off C G Road, Behind Lal Bungalow, Ellis Bridge, Gujarat, Ahmedabad 380 006; **Bengaluru:** Trade Centre, 1st Floor, 45, Dikensen Road, (Next to Manipal Centre), Karnataka, Bengaluru 560 042; **Bhilai :** 209 , Khichariya Complex, Opp IDBI Bank, Nehru Nagar Square, Bhilai- 490020. **Bhubaneswar :** Plot No - 111, Varaha Complex Building, 3rd Floor, Station Square, Kharvel Nagar, Unit 3, Bhubaneswar-751 001. **Chandigarh:** SCO 80-81, IIIrd F, Sector 17 C, Punjab, Chandigarh 160 017; **Chennai:** Ground Floor No.178/10, Kodambakkam High Road, Opp. Hotel Palmgrove, Nungambakkam, Tamil Nadu, Chennai 600 034; **Cochin:** 40 / 9633 D, Veekshanam Road, Near International hotel, Keralam Cochin 682 035; **Coimbatore:** Old # 66 New # 86, Lokamanya Street (West), Ground Floor, R.S.Puram, Tamil Nadu, Coimbatore 641 002; **Dehradun:** 204/121 Nari Shilp Mandir Marg , Old Connaught Place, Dehradun-248001. **Hyderabad:** 208, II Floor, Jade Arcade, Paradise Circle, Andhra Pradesh, Secunderabad 500 003; **Indore:** 101, Shalimar Corporate Centre, 8-B, South tukogunj, Opp.Greenpark, Madhya Pradesh, Indore 452 001; **Jaipur:** R-7, Yudhisthir Marg ,C-Scheme, Behind Ashok Nagar Police Station, Rajasthan, Jaipur 302 001; **Jodhpur :** 1/5, Nirmal Tower, Ist Chopasani Road, Jodhpur-342003. **Kanpur:** I Floor 106 to 108, CITY CENTRE Phase II, 63/ 2, THE MALL, Uttarpradesh, Kanpur 208 001; **Kolkata :** "LORDS Building", 7/1, Lord Sinha Road, Ground Floor, West Bengal, Kolkata, 700 071; **Lucknow:** Off # 4, 1st Floor, Centre Court Building, 3/C, 5 - Park Road, Hazratganj, Uttarpradesh, Lucknow 226 001; **Ludhiana:** U/ GF, Prince Market, Green Field, Near Traffic Lights, Sarabha Nagar Pulli, Pakhowal Road, Punjab, Ludhiana 141 002; **Mumbai:** Rajabahdur Compound, Ground Floor, Opp Allahabad Bank, Behind ICICI BankL 30, Mumbai Samachar Marg, Fort, Maharashtra, Mumbai 400 023; **New Delhi:** 304-305 III Floor, Kanchenjunga Building, 18, Barakhamba Road, Cannauht Place, New Delhi 110 001; **Pune:** Nirmity Eminence, Off No. 6, I Floor, Opp Abhishek Hotel Mehendale Garage Road, Erandawane, Maharashtra Pune 411 004; **Raipur:** C-24, Sector 1, Devendra Nagar, Chhattisgarh, Raipur 492004; **Vadodara :** 103 Aries Complex, BPC Road, Off R.C. Dutt Road, Alkapuri, Gujarat, Vadodara 390 007