

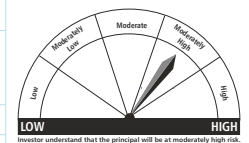
## KEY INFORMATION MEMORANDUM

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

- Capital appreciation over long term;
- Investment predominantly in equity and equity related instruments;

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

Risk is represented in following colours:



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.iiflmf.com**

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

The KIM is dated June 30, 2017

Name of Mutual Fund	Name of Asset Management Company	Name of Trustee company
<b>IIFL Mutual Fund</b> IIFL Centre, 6th floor, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013	<b>IIFL Asset Management Ltd. (IIFL AMC)</b> (Formerly known as India Infoline Asset Management Company Ltd.) Regd. Office: IIFL Centre, 6th floor, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013	<b>IIFL Trustee Ltd.</b> (Formerly known as India Infoline Trustee Company Ltd.) Regd. Office: IIFL Centre, 6th floor, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

Name of the Sponsor	Name of the Registrar
IIFL Wealth Management Limited Regd. Office: IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane - 400 604	Computer Age Management Services Pvt. Ltd. (CAMS) Regd. Office: No.178 (New No.10) M.G.R. Salai (formerly Known as Kodambakkam High Road), Nungambakkam, Chennai - 600 034

**Name of the Scheme: IIFL India Growth Fund**

**Type of the Scheme: An open ended Equity Scheme**

### Investment Objective:

The investment objective of the scheme is to generate long term capital appreciation for investors from a portfolio of equity and equity related securities. However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.

### Asset Allocation Pattern of the Scheme:

The investment policies of the Scheme shall be as per SEBI (Mutual Funds) Regulations, 1996, and within the following guidelines. Under normal market circumstances, the investment range would be as follows:

Instruments	Indicative Allocation (% of Net assets)		Risk Profile
	Minimum	Maximum	
Equity or* Equity Related Instruments	75%	100%	High
Debt and money market instruments	0%-25%		Low to Medium

Equity related instruments are securities which give the holder of the security right to receive equity shares and includes share warrants, convertible preference shares and compulsorily or optionally convertible debentures.

The Scheme will not participate in short selling, securitized debt, equity linked debentures, repo transactions of Corporate Debt Securities. The Scheme may invest in unrated debt and debt derivative instruments. Investment in debt derivatives shall be up to 10% of the net assets of the Scheme. The Scheme may invest in derivative products from time to time as permitted by SEBI. The exposure to derivative instruments shall not exceed 50% of the total Net Assets of Scheme. The Scheme will not participate in securities lending more than 20% of total Net Assets of the Scheme and would limit its exposure with regard to securities lending for a single intermediary to the extent of 5% of the total net assets at the time of lending.

IIFL India Growth Fund is the only Equity Scheme of IIFL Mutual Fund.

**Investment Strategy:** The Fund would endeavor to identify the sectors that are likely to do well in the medium term, based on the business cycle of the economy and take focused exposure to securities of Companies in identified sectors. The sectors would be actively monitored and changes will be made to invest in sectors that will benefit from the current stage of the business cycle. The fund would take concentrated exposure in not more than 25 - 30 high conviction stocks in such sectors. The Fund would be market cap agnostic and there wouldn't be any restriction on the sectors in which the fund can invest.

**Risk Profile of the Scheme:** Mutual Fund Units involve investment risk 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. Scheme specific Risk Factors are summarised below:

### Risks associated with investing in Equities :

- Investments in the equity shares of the Companies are subject to price fluctuation on daily basis. The volatility in the value of equity is due to various micro and macro economic factors like economic and political developments, changes in interest rates, etc. affecting the securities markets. This may have adverse impact on individual securities/sector

and consequently on the NAV of Scheme.

- The NAVs of schemes investing in equity will fluctuate as the daily prices of the individual securities in which they invest fluctuate and the units when redeemed may be worth more or less than their original cost.
- The value of the Scheme's investments, may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or policies of any appropriate authority and other political and economic developments and closure of stock exchanges which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. Consequently, the NAV of the units of the Scheme may fluctuate and can go up or down.
- Investors may note that Fund Manager's investment decisions may not always be profitable, as actual market movements may be at variance with anticipated trends.
- Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed on the exchanges or offer other exit options to the investors, including put options. The AMC may choose to invest in unlisted securities that offer attractive yields within the regulatory limit. This may, however, increase the risk of the portfolio. Additionally, the liquidity and valuation of the Scheme's investments due to its holdings of unlisted securities may be affected if they have to be sold prior to the target date of disinvestment.
- The sector weightage in the fund would be different from that in the Index. Because of this the fund returns could be divergent from the Index returns and could also under-perform if the sector calls do not go right as expected by the fund management team.

**Risk associated with Investing in Debt and money market instruments:** The performance of the Scheme may be affected by changes in macroeconomic factors such as Government policies, general levels of interest rates and risks associated with trading volumes, liquidity and settlement systems.

**Risk associated with Investing in Derivatives:** Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of the 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.

**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.

**Risk Mitigation Measures:** Risk is an inherent part of the investment function. Effective Risk management is critical to fund management for achieving financial soundness. Investment by the Scheme would be made as per the investment objective of the Scheme and in accordance with SEBI Regulations. AMC has adequate safeguards to manage risk in the portfolio construction process. Risk control would involve managing risk in order to keep in line with the investment objective of the Scheme. The risk control process would include identifying the risk and taking proper measures for

risk. The system has incorporated all the investment restrictions as per the SEBI guidelines and enables identifying and measuring the risk through various risk management tools like various portfolio analytics, risk ratios, average duration and analyses the same and acts in a preventive manner.

**Dematerialization of units:** The applicants intending to hold Units in dematerialized mode will be required to have a beneficiary account with a Depository Participant of the NSDL/CDSL and will be required to mention in the Application Form details of the beneficiary account at the time of purchasing Units.

**Liquidity:** The Scheme will offer Units for Purchase and Redemption at NAV related prices on every Business Day on an ongoing basis, commencing not later than 5 working days from the allotment of units of the scheme. The Mutual Fund will dispatch the Redemption proceeds not later than 10 business days from the acceptance of the Redemption request.

**Plans and Options:**

- Regular Plan • Direct Plan
- Dividend Option • Growth Option. Dividend Option will have facility of Dividend pay-out and re-investment.

If the applicant does not indicate the choice of Option in the Application form, the fund accepts the application as being for the Growth Option. Under Dividend Option, if applicant has not indicated the facility, the default facility accepted will be Dividend Payout.

**Applicable NAV (after the scheme opens for repurchase and sale):**

The Cut-off time for the Scheme is 3.00 pm and the Applicable NAV will be as under:

**For Purchase / Switch-in:**

- In respect of valid Purchase applications [alongwith necessary documents] of investment amount less than ₹2 Lakh accepted at an Official Point of acceptance 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 Purchase applications [alongwith necessary documents] of investment amount equal to or more than ₹2 Lakh accepted at an Official Point of acceptance received up to 3.00 pm on a Business Day, and the funds are available for utilisation before the cut-off time, the closing NAV of the day of receipt of application will be applicable;
- In respect of valid Purchase applications [alongwith necessary documents] of investment amount less than ₹2 Lakh accepted at an Official Point of Acceptance received after 3.00 pm on a Business Day, the closing NAV of the next Business Day will be applicable.
- In respect of valid Purchase applications [alongwith necessary documents] of investment amount equal to or more than ₹2 Lakh accepted at an Official Point of Acceptance received after 3.00 pm on a Business Day, 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 utilisation before the cut-off time, the closing NAV of the day on which the funds are available for utilisation will be applicable.

For allotment of units, it shall be ensured that for all valid applications of investment amount equal to or more than 2 Lakh 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, and the funds are available for utilisation before the cut-off time without availing any credit facility whether intra-day or otherwise, by the Scheme.

Where one or more subscription applications are received on a business day (as per time stamping rules) from an investor and the aggregate subscription amount of such applications is equal to or more than ₹2 lacs, the applicable NAV would be the closing NAV of the day on which such subscription money is available for utilization. For more details on said aggregation refer SID.

**For Redemption/ Switch out:** In respect of valid applications accepted at an Official Point of Acceptance upto 3.00 p.m. on a Business Day, the closing NAV of the same day will be applicable; and In respect of valid applications accepted at an Official Point of Acceptance after 3.00 p.m., the closing NAV of the next Business Day will be applicable.

**Minimum Application Amount:**

- New Purchase - ₹5,000 and in multiples of ₹100 thereafter.
- Additional purchase - ₹1,000 and in multiples of ₹100 thereafter
- Systematic Investment Plan (SIP)
  - Rs. 1000 per month for a minimum period of six months.
  - Quarterly Option - ₹1,500 per quarter for a minimum period of 4 quarters.

Investments above the minimum amount mentioned, shall be made in multiples of ₹100 for all SIP irrespective of frequency of SIP or the Option. The minimum application amounts listed above does not apply in case of Transfers

The AMC in consultation with the Trustees reserves the right to discontinue/ add more plans/ options at a later date subject to complying with the prevailing SEBI guidelines and Regulations.

**Repurchase/ Redemption:** The minimum amount in rupees for Redemption shall be 1,000/- or account balance whichever is less. Investor may note that upon the processing of part redemption/switch out request, if the account balance in the scheme falls below ₹1000/- then the same will be redeemed/switched out along with the said request.

**Switches:** The minimum amount in case of inter/ intra scheme (inter plan/inter option) switches shall be the minimum amount required in the respective transfereescheme/plan.

**Cash Investments:** It is permitted to accept cash transactions to the extent of ₹50,000/-, however, the Asset Management Company is in process of implementing adequate systems and controls to accept Cash Investment in the Scheme. Information in this regard will be provided to Investors as and when the facility is made available.

**Despatch of Repurchase (Redemption) Request:** Within 10 Business Days of the receipt of valid redemption request at the Official Points of

Acceptance.

**Benchmark Index:** Nifty 50

**Dividend Policy:** Under Dividend Option, dividend will be declared subject to availability of distributable surplus and at discretion of AMC/ Trustee. The undistributed portion of the income will remain in the Option and be reflected in the NAV, on an ongoing basis. The Trustee's decision with regard to availability and adequacy, rate, timing and frequency of distribution of dividend shall be final.

**Name of Fund Manager:** Mr. Prashasta Seth

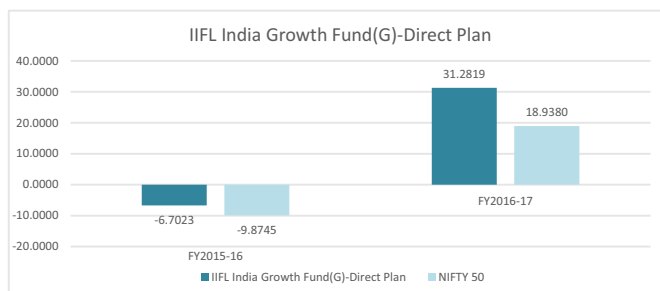
He is managing the scheme since November 03, 2016.

**Name of Trustee Company:** IIFL Trustee Ltd.

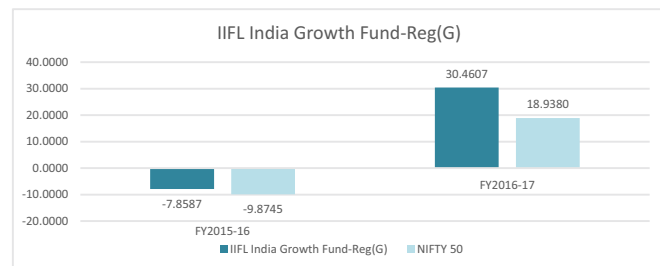
**Performance of the Scheme:**

Compounded Annual Return	Scheme Return - Regular Plan	Scheme Return - Direct Plan	Benchmark Return %
Returns for the last 1 year	24.04%	25.00%	17.90%
Returns since inception* CAGR	11.92%	13.07%	6.53%

As on 31-May-2017, above 1 year CAGR Return, SI\*\*\* 30 October 2014



Absolute Returns for each financial year for the last 3 years



Absolute Returns for each financial year for the last 3 years

**Disclosure pursuant to SEBI Circular Dated March 18, 2016:**

**Top 10 Holdings (by issuer) of the Scheme as on May 31, 2017:**

Name of the issuer	% of Scheme
Kotak Mahindra Bank Limited	9.56%
Bajaj Finance Limited	9.11%
Muthoot Finance Limited	7.17%
Power Grid Corporation of India Limited7.	7.10%
The Federal Bank Limited	7.00%
Castrol India Limited	5.80%
Tata Motors Ltd DVR Shares	5.43%
Housing Development Finance Corporation Limited	5.21%
Bajaj Finserv Limited	5.10%
Aditya Birla Nuvo Limited	4.75%

The complete portfolio of the scheme on monthly basis is updated at <http://www.iiflmf.com/Downloads/MandatoryDisclosures/MonthlyPortfolio.aspx>

**Allocation of the scheme towards its various Sectors:**

Sectors	% of Holding
Finance	26.59%
Banks	19.89%
Power	9.87%
Consumer Non-Durables	7.78%
Petroleum Products	5.80%
Auto	5.43%
Services	4.75%
Software	4.73%
Pharmaceuticals	4.49%
Telecom - Services	4.18%
Ferrous Metals	1.42%
Cash	5.07%

Schemes Portfolio turnover ratio : 1.03

#### Expenses of the Scheme:

1. **Load Structure:** • Entry Load: Nil • Exit Load: Nil

2. **New Fund offer expenses:** All initial issue expense shall be borne by AMC.

#### 3. Annual Recurring Expenses:

As per Regulation 52 (6) (c)(i) of SEBI Regulations, the maximum annual scheme recurring expenses including the investment management fees that can be charged to the Scheme is as follows:

Daily Net Assets(₹)	First 100 crores	Next 300 crores	Next 300 crores	Balance Assets
% per annum	2.5%	2.25%	2.00%	1.75%

The AMC has estimated the following annual recurring expenses on daily net assets of the Scheme. For the actual current expenses being charged, the investor should refer to the website.

Particulars	(% of Daily Net Assets)
Investment Management and Advisory Fees, Trustee fee, Audit fees, Custodian fees, RTA Fees, Marketing & Selling expense incl. agent commission, Cost related to investor communications, Cost of fund transfer from location to location, Cost of providing account statements & dividend redemption cheques & warrants, Costs of statutory Advertisements, Cost towards investor education & awareness (at least 2 bps), Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades respectively, Service tax on expenses other than investment and advisory fees, Service tax* on brokerage and transaction cost, other expenses (including listing expenses)	Up to 2.50%
Maximum total expense ratio (TER) permissible under Regulation 52 (6)(c)(i) & (6) (a)	Up to 2.50%
Additional expenses under regulation 52 (6A) (c)	Up to 0.20%
^ Additional expenses for gross new inflows from specified cities	Up to 0.30%

These estimates of Investment Management Fees and Expenses have been made in good faith as per the information available to the Investment Manager and are subject to change inter-se, which may be more or less than estimated above. Any expenditure in excess of the said prescribed limit (including brokerage and transaction cost, if any) shall be borne by the AMC.

\*In addition to above mentioned limits, the Service tax payable on investment and advisory service fees ('AMC Fees') charged by IIFL Asset Management Limited (IIFLAMC) will be charged to the Scheme.

^ Expenses not exceeding of 0.30 % Of daily net assets, if the new inflows from such cities as specified by the SEBI, from time to time are at least :

- 30 per cent of the gross new inflows into the scheme, or;
- 15 per cent of the average assets under management (year to date) of the scheme, whichever is higher;

Provided that if inflows from such cities are less than the higher of the above, such expenses on daily net assets of the scheme shall be charged on proportionate basis. Provided further that expenses charged under this clause shall be utilised 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.

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

#### Transaction charges

SEBI has permitted a transaction charge to be paid to distributors, as detailed below:

- A transaction charge (presently ₹100/-) on every subscription of or above a certain amount (presently ₹10,000/-) will be deducted from the subscription amount for an existing investor in mutual funds, and the balance subscription amount will be invested.
- In the case of an investor investing in mutual funds for the first time,

a transaction charge (presently ₹150/-\*) on a subscription of or above a certain amount (presently ₹10,000/-) will be deducted from the subscription amount, and the balance subscription amount will be invested.

\*In the case of any applicable transaction, where the AMC/ Fund/ Registrar is unable to identify whether the investor concerned is a first-time investor in mutual funds, the transaction charge applicable to existing investors in mutual funds (presently Rs. 100/-) will be deducted from the subscription amount, and the balance will be invested.

- For subscriptions lesser than a certain amount (presently Rs. 10,000/-), no transaction charges will be deducted from the subscription amount, and the entire subscription amount will be invested.

The transaction charge referred to in (i) and (ii) above will be payable only for transactions done through a distributor who has opted to receive the transaction charge.

- In the case of SIPs, the transaction charge shall be applicable only if the total commitment through SIPs, i.e. amount per SIP installment x No. of instalments, is of or above a certain amount (presently Rs. 10,000/-). In such cases, the transaction charge will be recovered in 3-4 installments.

#### Actual Expenses for the previous financial year:

- Regular Plan-2.61% • Direct Plan-1.09%

**Waiver of Load for Direct Application:** Not applicable

**Tax Treatment for Investors (Unit Holders):** Investors are advised to refer to the detail in the Statement of Additional Information and also independently refer to his/ her tax advisor.

#### Daily Net Asset Value (NAV) Publication:

The NAV will be declared on all business days and will be communicated to atleast two newspapers. NAV can also be viewed on www.iiflmf.com and also on AMFI website www.amfiindia.com.

#### For Investor Grievances please contact

Name and address of Registrar:
Computer Age Management Services Pvt. Ltd. (CAMS) Regd. Office: No.178 (New No.10) M.G.R. Salai (formerly Known as Kodambakkam High Road), Nungambakkam, Chennai - 600 034
Contact Person Name, Address, Telephone No., Fax No., E-mail ID at IIFL Mutual Fund
Mr. Chandan Bhatnagar IIFL Asset Management Ltd. IIFL Centre, 6th floor, Kamala City, S.B. Marg, Lower Parel, Mumbai – 400 013 Tel (91 22) 4249 9000 Fax: (91 22) 2495 4310 Email: service@iiflmf.com

Investors are advised to contact any of the ISCs or the AMC by calling the Toll Free No. 1800-200-2267. Investors can also visit the website at [www.iiflmf.com](http://www.iiflmf.com) for complete details.

#### Unit Holder's Information:

**Account Statements:** Account Statement will be sent to Investors opting to subscribe to/ hold units in physical form (i) by way of an e-mail and/or an sms to their registered e-mail address and or mobile number not later than 5 Business Days from the date of acceptance of the request for subscription, and (ii) a 'Consolidated Account Statement (CAS)' (to investors whose PAN details are updated). For investors who hold Units in dematerialized form, a demat statement shall be provided by the DP in such form and in such manner and at such time as provided in the agreement with the beneficial owner.

**Annual Financial Results and Half Yearly Portfolio:** IIFLAMC within one month from the close of each half year (i.e. 31st March and 30th September) host a soft copy of unaudited financial results of schemes of IIFL Mutual Fund on its website and shall publish an advertisement disclosing the hosting of such financial results on its website, in atleast one English daily newspaper having nationwide circulation and in a newspaper having wide circulation on in the language of the region where the Head Office of the Mutual Fund is situated. The Fund shall every month disclose portfolio of the Scheme as on the last day of the month on its website viz. [www.iiflmf.com](http://www.iiflmf.com), on or before the tenth day of the succeeding month.