



IIFL
Asset Management

India Infoline Asset Management Company Limited
(CIN: U74900MH2010PLC201113)
Regd Off: IIFL Centre, 6th Floor, Kamala City,
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

Merger of IIFL Nifty ETF into IIFL India Growth Fund

NOTICE IS HEREBY GIVEN THAT the Board of Directors of India Infoline Asset Management Company Limited (IIFL AMC), Investment Manager to IIFL Mutual Fund (IIFMF) and India Infoline Trustee Company Limited (IIFL Trustee) Trustee to IIFL MF have approved the merger of IIFL Nifty ETF (IIFL NIFTY) into IIFL India Growth Fund (IIFL IGF).

The Securities and Exchange Board of India vide its letter no. OW/4976/2015 dated February 16, 2015 has conveyed it's no objection to the aforesaid merger.

IIFL NIFTY is an index scheme which replicates the constituents of CNX Nifty (benchmark index) and hence is passively managed in nature. As per internal analysis, the mutual fund returns for the last decade demonstrates that in India active management has generated significant alpha for the investors and top actively performing mutual funds have considerably outperformed their benchmarks. In view of the same, it is proposed to offer actively managed schemes to our investors and merge passively managed scheme(s).

The unit holders of IIFL NIFTY are requested to note that IIFL NIFTY, would cease to exist with effect from the close of the business hours on July 24, 2015 ("the effective date")

In terms of prevailing regulatory requirements, investors in IIFL NIFTY are given an option to redeem or switch (to any other open ended scheme of IIFL Mutual Fund) at the prevailing Net Asset Value without any exit load in case they do not wish to approve the merger. The period of this exit offer is valid from June 25, 2015 to July 24, 2015 up to 3.00 p.m.

As all Unitholder(s) hold their units in dematerialised form, they may submit the redemption request with their Depository Participant during exit option period. Redemption amount will be dispatched / transferred to the bank account registered in the Demat account within 10 business days of receipt of valid redemption request to the unitholders who exercise their exit option.

Unitholders who do not exercise the exit option on or before July 24, 2015 would be deemed to have consented to the proposed merger.

The provisions of Scheme Information document of IIFL Nifty ETF regarding redemption of units only in creation unit size will not be applicable and Investor(s) have the option to redeem/exit any number of unit(s) held by the investor.

The redemption payment will be made within 10 Business Days of receipt of valid redemption request to those unit holders who choose to exercise their exit option. In case of any pledge/ lien / other encumbrance marked on any units in IIFL NIFTY, the unitholders will not have the option to exit unless they submit a release of their pledges/encumbrances prior to submitting their redemption/switch requests during the exit offer. On the effective date, the respective pledges/encumbrances shall be marked on the corresponding number of units allotted in IIFL IGF.

Consequently, on the date of merger i.e., effective July 24, 2015, IIFL NIFTY ETF will cease to exist. The investors of IIFL NIFTY will be allotted units of IIFL IGF Direct Plan - Growth option at the last available applicable Net Asset Value. As a result of merger, the units of IIFL Nifty ETF will be delisted from Stock Exchange atleast 2 days prior to the effective date.

All the features of the IIFL IGF and provisions as contained in Scheme Information Document shall remain unchanged post the merger and no new scheme/plan will emerge post the aforesaid merger.

The redemption/switch of units from the IIFL NIFTY would be liable for deduction of STT. However, such STT shall be borne by AMC and will not be borne by unitholders.

In case of NRI investors, TDS shall also be deducted in accordance with the applicable Tax laws for the redemption/switch of units from IIFL NIFTY during the exit period and the same would be required to be borne by such investor only. The unitholders are advised to consult their tax advisors with respect to their tax liability. The units allotted to the unitholders in IIFL IGF shall be treated as fresh subscription.

Further, the investment portfolio of IIFL NIFTY as on the date of merger, which are valued as per SEBI Guidelines, will be merged with the portfolio of IIFL IGF. This exit offer is not available to the investors of IIFL IGF since there is no change in fundamental attribute and the interests of investors of IIFL IGF are not adversely affected.

The individual communications regarding the merger are also dispatched to the unitholders of the IIFL NIFTY.

Unit holders may note that no action is required in case they are in agreement with the aforesaid changes. The offer to exit is optional at the discretion of the unit holders and not compulsory. We would like you to remain invested in the Scheme.

For India Infoline Asset Management Company Limited

Sd/-

Prashasta Seth

Chief Executive Officer

Place: Mumbai

Date: June 22, 2015

"Mutual Fund investments are subject to market risks, read all scheme related documents carefully"