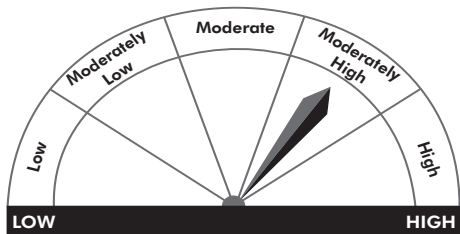
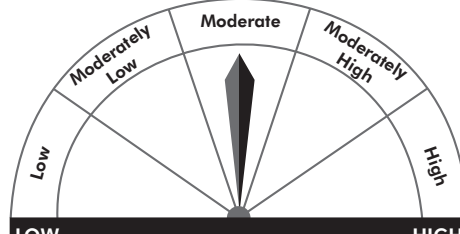


HDFC CHILDREN'S GIFT FUND

AN OPEN-ENDED BALANCED SCHEME

Name of Schemes / Plan	This product is suitable for investors who are seeking*	Riskometer
HDFC Children's Gift Fund - Investment Plan (Equity Oriented)	<ul style="list-style-type: none"> capital appreciation over long term investment in equity and equity related instruments as well as debt and money market instruments. 	 <p>Investors understand that their principal will be at moderately high risk</p>
HDFC Children's Gift Fund - Savings Plan (Debt Oriented)	<ul style="list-style-type: none"> capital appreciation over medium to long term. investment in debt and money market instruments as well as equity and equity related instruments. 	 <p>Investors understand that their principal will be at moderate risk</p>

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

Continuous offer of Units at Applicable NAV

Name of Mutual Fund: **HDFC Mutual Fund**

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

Name of Trustee Company: **HDFC Trustee Company Limited**

Addresses, Website of the entities:

Address:

Asset Management Company (AMC) :

HDFC Asset Management Company Limited
A Joint Venture with Standard Life Investments
Registered Office :
HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166,
Backbay Reclamation, Churchgate, Mumbai - 400 020.
CIN No: U65991MH1999PLC123027

Trustee Company :

HDFC Trustee Company Limited
Registered Office :
HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166,
Backbay Reclamation, Churchgate, Mumbai - 400 020.
CIN No. U65991MH1999PLC123026

Website:

www.hdfcfund.com

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

The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres (ISCs) / Website/ Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of HDFC Mutual Fund, Tax and Legal issues and general information on www.hdfcfund.com.

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

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

This Scheme Information Document is dated April 30, 2016.

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HIGHLIGHTS/SUMMARY OF THE SCHEME

Name of the Scheme	HDFC Children's Gift Fund
Type of Scheme	An open-ended balanced scheme
Inception Date	March 2, 2001
Investment Objective	The primary objective of both the Plans (viz. Investment Plan and Savings Plan) offered under the Scheme is to generate long term capital appreciation.
Plans / Options	<p>The Scheme offers investors two Plans:</p> <p>(i) Investment Plan (Equity oriented)</p> <p>(ii) Savings Plan (Debt oriented)</p> <p>Each of the above Plans will be managed as separate portfolios. In other words, there will be two separate investment portfolios each with its own NAV.</p> <p>Each Plan offers the following Options for subscription:</p> <ul style="list-style-type: none"> ● Regular Option ● Direct Option
Liquidity	<p>The Scheme being an open - ended scheme, offers for Sale / Switch-in and Redemption / Switch-out of Units at NAV based prices (subject to completion of Lock-in period, if any) on every Business Day. However, Investors / Applicants who desire that the investment be locked-in till such date as the Unit holder (being the beneficiary child) attains 18 years of age or till completion of 3 years from the date of allotment whichever is later, they may do so by indicating it at the appropriate place in the application form.</p> <p>As per SEBI (MF) Regulations, the Mutual Fund shall despatch redemption proceeds within 10 Business Days from the date of redemption, subject to completion of lock-in period, if opted. A penal interest of 15% or such other rate as may be prescribed by SEBI from time to time, will be paid in case the payment of redemption proceeds is not made within 10 Business Days from the date of redemption. However under normal circumstances, the Mutual Fund would endeavour to pay the redemption proceeds within 3-4 Business Days from the date of redemption. Please refer to section 'Redemption' on Page 30 and Page 45 for details.</p>
Benchmark Index	<p>Investment Plan : CRISIL Balanced Fund Index</p> <p>Savings Plan : CRISIL MIP Blended Index</p>
Transparency / NAV Disclosure	<p>The AMC will calculate and disclose the NAVs, Sale and Repurchase price of the respective Plan(s) of Scheme at the close of every Business Day and send for publication to at least 2 daily newspapers. NAV, Sale and Repurchase price will be displayed on the websites of the Mutual Fund and Association of Mutual Funds in India (AMFI). In addition, the ISCs would also display the same.</p> <p>The AMC shall update the NAVs on the website of the Mutual Fund (www.hdfcfund.com) and on the website of AMFI (www.amfiindia.com) by 9.00 p.m. on every Business Day. In case of any delay, the reasons for such delay would be explained to AMFI in writing. If the NAVs are not available before commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAVs.</p> <p>The Mutual Fund / AMC shall disclose portfolio of the Scheme as on the last day of each month on its website viz. www.hdfcfund.com on or before the tenth day of the succeeding month in the prescribed format. As presently required by the SEBI (MF) Regulations, a complete statement of the portfolio of the Scheme would also be published by the Mutual Fund as an advertisement in one English daily Newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated within one month from the close of each half year (i.e. March 31 & September 30) or mailed to the Unit holders.</p>

<p>Loads (For Lumpsum Purchases and Investments through SIP)</p>	<p>Entry Load : Not Applicable</p> <p>Pursuant to SEBI Circular No.SEBI/IMD/CIR No.4/168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor. Upfront commission shall be paid directly by the investor to the ARN Holder (AMFI registered Distributor) based on the investors' assessment of various factors including the service rendered by the ARN Holder.</p> <p>Exit Load (Investment Plan & Savings Plan)</p> <ul style="list-style-type: none"> ● In respect of units subject to lock-in period: Nil ● In respect of units not subject to lock-in period:- <ul style="list-style-type: none"> – In respect of each purchase/ Switch-in of units, an exit load of 3% is payable if units are redeemed / switched-out within 1 year from the date of allotment. – In respect of each purchase/ Switch-in of units, an exit load of 2% is payable if units are redeemed / switched-out between 1st and 2nd year of the date of allotment. – In respect of each purchase/ Switch-in of units, an exit load of 1% is payable if units are redeemed / switched-out between 2nd and 3rd year of the date of allotment. – No exit load is payable, if units are redeemed / switched-out after 3rd year from the date of allotment. <p>No Entry / Exit Load shall be levied on bonus units.</p> <p>For further details on load structure refer to the section 'Load Structure' on Page 54.</p>
<p>Minimum Application Amount (Under each Plan / Option)</p>	<p>Purchase: Rs. 5,000/- and any amount thereafter. Additional Purchase: Rs. 1,000/- and any amount thereafter</p>
<p>Transaction Charges</p>	<p>In accordance with SEBI Circular No.Cir/IMD/DF/13/2011 dated August 22, 2011, as amended from time to time, HDFC Asset Management Company Limited ("the AMC")/ Mutual Fund shall deduct the Transaction Charges on purchase / subscription received from the investors investing through a valid ARN Holder i.e. AMFI registered Distributor (provided the distributor has opted-in to receive the Transaction Charges for the Scheme type) as under:</p> <p>(i) First Time Mutual Fund Investor (across Mutual Funds): Transaction Charge of Rs. 150/- per purchase / subscription of Rs. 10,000/- and above will be deducted from the purchase / subscription amount for payment to the distributor of such investor and the balance shall be invested.</p> <p>(ii) Investor other than First Time Mutual Fund Investor: Transaction Charge of Rs. 100/- per purchase / subscription of Rs. 10,000/- and above will be deducted from the purchase / subscription amount for payment to the distributor of such investor and the balance shall be invested.</p> <p>TRANSACTION CHARGES IN CASE OF INVESTMENTS THROUGH SIP: Transaction Charges in case of investments through SIP are deductible only if the total commitment of investment (i.e. amount per SIP installment x No. of installments) amounts to Rs. 10,000 or more. In such cases, Transaction Charges shall be deducted in 3-4 installments.</p> <p>Identification of investors as "first time" or "existing" will be based on Permanent Account Number (PAN)/ PAN Exempt KYC Reference Number (PEKRN) at the First/ Sole Applicant/ Guardian level. Hence, Investors/ Unit holders are urged to ensure that their PAN/ PEKRN/ KYC is updated with the Fund. Unit holders may approach any of the Official Points of Acceptances of the Fund i.e. Investor Service Centres (ISCs) of the Fund/ offices of our Registrar and Transfer Agent, M/s. Computer Age Management Services Pvt. Ltd in this regard.</p> <p>It may be noted that Transaction Charges shall not be deducted:</p> <ol style="list-style-type: none"> (a) where the distributor of the investor has not opted to receive any Transaction Charges; (b) for purchases / subscriptions / total commitment amount in case of SIP of an amount less than Rs. 10,000/-; (c) for transactions other than purchases / subscriptions relating to new inflows i.e. through Switches; and (d) for purchases / subscriptions made directly with the Fund (i.e. not through any distributor).
<p>Eligibility of Unit holder</p>	<p>Children less than 18 years of age as on the date of the investment by the Investor / Applicant. Applications to the Scheme may be made by the Investor / Applicant as provided herein. Please refer to section 'Who can invest' on Page 32.</p>
<p>Gift of Units</p>	<p>The Investor / Applicant makes a gift of the Units to the beneficiary child, i.e. the Unit holder. The gift vests upon the Beneficiary Child on completion of the lock-in period, if opted.</p>

Lock-in Period (if opted)	Units purchased cannot be assigned / transferred / pledged / redeemed / switched out until the Unit holder attains Maturity, (i.e. he / she completes 18 years of age) or until completion of 3 years from the date of allotment whichever is later. The Trustee/AMC reserves the right to change the Lock-in Period prospectively from time to time.
Joint holding	Units will be held by the Unit holder singly. Anytime after attaining Majority, the Unit holder is entitled to introduce upto two additional persons as joint holders.
Personal Accident Insurance Cover	<p>For Units allotted on or before July 31, 2009</p> <p>The Personal Accident Insurance Cover, covering the Unit holder will commence from the date of allotment of Units or the Unit holder attaining age of 3 months (minimum age), whichever is later, till the Unit holder attains 18 years of age or till such date as the Units are redeemed in accordance with the terms and conditions stated in the Scheme Information Document, whichever is earlier. The cover will be equivalent to 10 times the face value of the outstanding Units held by the Unit holder under all the applications / account statements / folios, subject to a maximum amount of Rs. 3 lakhs per Unit holder. The insurance premium in respect of the personal accident insurance cover will be borne by the AMC. This accident insurance cover is subject to conditions of the group personal accident insurance policy. The Unit holders (through their Parent/ Legal Guardian) covered under this Policy have been given an option to opt for the new Personal Accident Insurance cover, covering the Parent / Legal Guardian (upto the age of 80 years) of the Unit holder at monthly intervals. Once opted, the change will be irreversible. For further details please refer to the section 'Personal Accident Insurance' on Page 59.</p> <p>For Units allotted on or after August 1, 2009</p> <p>The Personal Accident Insurance Cover, covering the Parent / Legal Guardian (upto the age of 80 years) of the Unit holder (named in the application form) will commence from the date of allotment of Units till the Unit holder attains 18 years of age or till such date as the Units are redeemed in accordance with the terms and conditions stated in the Scheme Information Document, whichever is earlier. The cover will be equivalent to 10 times the cost value of the outstanding Units held by the Unit holder under all the applications / account statements / folios, subject to a maximum amount of Rs. 10 lakhs per Unit holder. The insurance premium in respect of the personal accident insurance cover will be borne by the AMC. This accident insurance cover is subject to conditions of the group personal accident insurance policy. For further details please refer to the section 'Personal Accident Insurance' on Page 57.</p>

I. INTRODUCTION

A. RISK FACTORS

■ Standard Risk Factors:

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down depending on the various factors and forces affecting the capital markets and money markets.
- Past performance of the Sponsors and their affiliates / AMC / Mutual Fund does not guarantee future performance of the Scheme(s) of the Mutual Fund.
- The name of the Scheme does not in any manner indicate either the quality of the Scheme or its future prospects and returns.
- The Sponsors are not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1 lakh each made by them towards setting up the Fund.
- The present Scheme is not a guaranteed or assured return scheme.

■ Scheme Specific Risk Factors

Some of the specific risk factors related to the Scheme include, but are not limited to the following:

(i) Risk factors associated with investing in equities and equity related instruments

- Equity shares and equity related instruments are volatile and prone to price fluctuations on a daily basis. Investments in equity shares and equity related instruments involve a degree of risk and investors should not invest in the Scheme unless they can afford to take the risks.
- While securities that are listed on the stock exchange carry lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges and may lead to the Scheme incurring loss till the security is finally sold.
- Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges. Investment in such securities may lead to increase in the scheme portfolio risk.
- Scheme's performance may differ from the benchmark index to the extent of the investments held in the debt segment, as per the investment pattern indicated under normal circumstances.

(ii) Risk factors associated with investing in Fixed Income Securities

- The Net Asset Value (NAV) of the Scheme, to the extent invested in Debt and Money Market instruments, will be affected by changes in the general level of interest rates. The NAV of the Scheme is expected to increase from a fall in interest rates while it would be adversely affected by an increase in the level of interest rates.
- Money market instruments, while fairly liquid, lack a well developed secondary market, which may restrict the selling ability of the Scheme and may lead to the Scheme incurring losses till the security is finally sold.
- Investments in money market instruments involve credit risk commensurate with short term rating of the issuers.
- Investment in Debt instruments are subject to varying degree of credit risk or default risk (i.e. the risk of an issuer's inability to meet interest and principal payments on its obligations) or any other issues, which may have their credit ratings downgraded. Changes in financial conditions of an issuer, changes in economic and political conditions in general, or changes in economic and/ or political conditions specific to

an issuer, all of which are factors that may have an adverse impact on an issuer's credit quality and security values. This may increase the risk of the portfolio. The Investment Manager will endeavour to manage credit risk through in-house credit analysis.

- Government securities where a fixed return is offered run price-risk like any other fixed income security. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates. The new level of interest rate is determined by the rates at which government raises new money and/ or the price levels at which the market is already dealing in existing securities. The price-risk is not unique to Government Securities. It exists for all fixed income securities. However, Government Securities are unique in the sense that their credit risk generally remains zero. Therefore, their prices are influenced only by movement in interest rates in the financial system.
- Different types of fixed income securities in which the Scheme would invest as given in the Scheme Information Document carry different levels and types of risk. Accordingly, the Scheme risk may increase or decrease depending upon its investment pattern. e.g. corporate bonds carry a higher level of risk than Government securities. Further even among corporate bonds, AAA rated bonds, are comparatively less risky than AA rated bonds.
- The AMC may, considering the overall level of risk of the portfolio, invest in lower rated / unrated securities offering higher yields as well as zero coupon securities that offer attractive yields. This may increase the absolute level of risk of the portfolio.
- As zero coupon securities do not provide periodic interest payments to the holder of the security, these securities are more sensitive to changes in interest rates and are subject to issuer default risk. Therefore, the interest rate risk of zero coupon securities is higher. The AMC may choose to invest in zero coupon securities that offer attractive yields. This may increase the risk of the portfolio. Zero coupon or deep discount bonds are debt obligations that do not entitle the holder to any periodic payment of interest prior to maturity or a specified date when the securities begin paying current interest and therefore, are generally issued and traded at a discount to their face values. The discount depends on the time remaining until maturity or the date when securities begin paying current interest. It also varies depending on the prevailing interest rates, liquidity of the security and the perceived credit risk of the Issuer. The market prices of zero coupon securities are generally more volatile than the market prices of securities that pay interest periodically.
- Scheme's performance may differ from the benchmark index to the extent of the investments held in the equity segment, as per the investment pattern indicated under normal circumstances.
- **Prepayment Risk:** Certain fixed income securities give an issuer the right to call back its securities before their maturity date, in periods of declining interest rates. The possibility of such prepayment may force the Scheme to reinvest the proceeds of such investments in securities offering lower yields, resulting in lower interest income for the fund.
- **Reinvestment Risk:** This risk refers to the interest rate levels at which cash flows received from the securities in the Schemes are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.
- **Settlement Risk:** Different segments of Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. Delays or other problems in settlement of transactions could

result in temporary periods when the assets of the Scheme are uninvested and no return is earned thereon. The inability of the Scheme to make intended securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme's portfolio, due to the absence of a well developed and liquid secondary market for debt securities, may result at times in potential losses to the Scheme in the event of a subsequent decline in the value of securities held in the Scheme's portfolio.

- The Scheme at times may receive large number of redemption requests, leading to an asset-liability mismatch and therefore, requiring the investment manager to make a distress sale of the securities leading to realignment of the portfolio and consequently resulting in investment in lower yield instruments.

(iii) General Risk Factors

- Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Scheme. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances leading to delays in receipt of proceeds from sale of securities. The NAV of the Units of the Scheme can go up or down because of various factors that affect the capital markets in general.
- As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for redemption of Units may be significant in the event of an inordinately large number of redemption requests or restructuring of the Scheme. In view of the above, the Trustee has the right, in its sole discretion, to limit redemptions (including suspending redemptions) under certain circumstances, as described on **Page 34** under **"Right to Limit Redemptions"** in Section **'Restrictions, if any, on the right to freely retain or dispose of units being offered'**.
- At times, due to the forces and factors affecting the capital market, the Scheme may not be able to invest in securities falling within its investment objective resulting in holding the monies collected by it in cash or cash equivalent or invest the same in other permissible securities / investment amounting to substantial reduction in the earning capability of the Scheme.
- Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options to the investor, including a put option. The AMC may choose to invest in unlisted securities that offer attractive yields. This may increase the risk of the portfolio.
- Investment strategy to be adopted by the Scheme may carry the risk of significant variance between the portfolio allocation of the Scheme and the Benchmark particularly over a short to medium term period.
- Performance of the Scheme may be affected by political, social, and economic developments, which may include changes in government policies, diplomatic conditions, and taxation policies.

(iv) Risk factors associated with investing in Foreign Securities

- **Currency Risk:**
Moving from Indian Rupee (INR) to any other currency entails currency risk. To the extent that the assets of the Scheme(s) will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in the value of certain foreign currencies relative to the Indian Rupee.
- **Interest Rate Risk:**
The pace and movement of interest rate cycles of various

countries, though loosely co-related, can differ significantly. Hence by investing in securities of countries other than India, the Scheme stands exposed to their interest rate cycles.

- **Credit Risk:**
Investment in Foreign Debt Securities are subject to the risk of an issuer's inability to meet interest and principal payments on its obligations and market perception of the creditworthiness of the issuer. This is substantially reduced since the SEBI (MF) Regulations stipulate investments only in debt instruments with rating not below investment grade by accredited/registered credit rating agency.

- **Country Risk:**
The Country risk arises from the inability of a country, to meet its financial obligations. It is the risk encompassing economic, social and political conditions in a foreign country, which might adversely affect foreign investors' financial interests. In addition, country risks would include events such as introduction of extraordinary exchange controls, economic deterioration, bi-lateral conflict leading to immobilisation of the overseas financial assets and the prevalent tax laws of the respective jurisdiction for execution of trades or otherwise.

To manage risks associated with foreign currency and interest rate exposure, the Mutual Fund may use derivatives for efficient portfolio management including hedging and in accordance with conditions as may be stipulated by SEBI/ RBI from time to time.

(v) Risk factors associated with investing in Derivatives

- The AMC, on behalf of the respective Plan(s) under the Scheme may use various derivative products, from time to time, in an attempt to protect the value of the portfolio and enhance Unit holders' interest. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Other risks include, the risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of 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.
- 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.
- **Credit Risk:** The credit risk in derivative transaction is the risk that the counter party will default on its obligations and is generally low, as there is no exchange of principal amounts in a derivative transaction.
- **Illiquidity risk:** This is the risk that a derivative cannot be sold or purchased quickly enough at a fair price, due to lack of liquidity in the market.

(vi) Risk factors associated with investing in Securitised Debt

The Risks involved in Securitised Papers described below are the principal ones and do not represent that the statement of risks set out hereunder is exhaustive.

- **Limited Liquidity & Price Risk**
There is no assurance that a deep secondary market will develop for the Certificates. This could limit the ability of the investor to resell them.
- **Limited Recourse, Delinquency and Credit Risk**
The Credit Enhancement stipulated represents a limited loss cover to the Investors. These Certificates 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 Certificate Holders against the Investors' Representative. Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the Investor Payouts to the Certificate 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 Asset. However many factors may affect, delay or prevent the repossession of such Asset or the length of time required to realise the sale proceeds on such sales. In addition, the price at which such Asset may be sold may be lower than the amount due from that Obligor.

● **Risks due to possible prepayments and Charge Offs**

In the event of prepayments, investors may be exposed to changes in tenor and yield. Also, any Charge Offs would result in the reduction in the tenor of the Pass Through Certificates (PTCs).

● **Bankruptcy of the Swap Bank**

If the Swap Bank, becomes subject to bankruptcy proceedings then an Investor could experience losses or delays in the payments due under the Interest Rate Swap Agreement.

● **Risk of Co-mingling**

With respect to the Certificates, the Servicer will deposit all payments received from the Obligors into the Collection Account. However, there could be a time gap between collection by a Servicer and depositing the same into the Collection account especially considering that some of the collections may be in the form of cash. In this interim period, collections from the Loan Agreements may not be segregated from other funds of originator. If originator in its capacity as Servicer fails to remit such funds due to Investors, the Investors may be exposed to a potential loss.

(vii) Risk factors associated with Securities Lending

- As with other modes of extensions of credit, there are risks inherent to securities lending, including the risk of failure of the other party, in this case the approved intermediary, to comply with the terms of the agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure can result in the possible loss of rights to the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

Each of the respective Plan(s) shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Plan (at portfolio level). The two conditions mentioned above shall be complied within each calendar quarter on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable Net Asset Value on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. REQUIREMENT OF MINIMUM AVERAGE ASSETS UNDER MANAGEMENT (AUM)

The Savings Plan shall maintain an average AUM of Rs. 20 crore on half yearly rolling basis. In case, the average AUM falls below Rs. 20 crore, the AMC shall scale up the AUM of the Plan within a period of six months so as to maintain the

average AUM of Rs. 20 crore on half yearly rolling basis, failing which the Plan shall be wound up in accordance with the provisions of Regulation 39 (2) (c) of SEBI (Mutual Funds) Regulations, 1996 as amended from time to time.

D. SPECIAL CONSIDERATIONS

- The Lock-in Period, if opted, for Units invested under the Scheme is till such date as the Unit holder (**being the beneficiary child**) attains 18 years of age or till completion of 3 years from the date of allotment, whichever is later. No Redemption / Switch of the Units shall be permitted prior to the completion of the Lock-in Period, if opted.
- The information set out in the Scheme Information Document (SID) and Statement of Additional Information (SAI) are for general purposes only and do not constitute tax or legal advice. The tax information provided in the SID/SAI does not purport to be a complete description of all potential tax costs, incidence and risks inherent in subscribing to the Units of scheme(s) offered by HDFC Mutual Fund. Investors should be aware that the fiscal rules/ tax laws may change and there can be no guarantee that the current tax position as laid out herein may continue indefinitely. The applicability of tax laws, if any, on HDFC Mutual Fund/ Scheme(s)/ investments made by the Scheme(s) and/or investors and/ or income attributable to or distributions or other payments made to Unitholders are based on the understanding of the prevailing tax legislations and are subject to adverse interpretations adopted by the relevant authorities resulting in tax liability being imposed on HDFC Mutual Fund/ Scheme(s)/ Unitholders/ Trustee / AMC.

In the event any such liability as may be determined by the tax authorities is imposed on HDFC Mutual Fund/ Scheme(s) or the Trustee or the AMC, the Unitholders shall be liable to pay on demand and/or indemnify HDFC Mutual Fund/ Scheme(s) and/ or the Trustee and/or the AMC for any such tax liability. In view of the individual nature of the tax consequences, each investor is advised to consult his/ her own professional tax advisor to determine possible legal, tax, financial or other considerations for subscribing and/ or redeeming the Units and/or before making a decision to invest/ redeem Units. The tax information contained in SID/ SAI alone may not be sufficient and should not be used for the development or implementation of an investment strategy or construed as investment advice. Investors alone shall be fully responsible/ liable for any investment decision taken on the basis of this document. Neither the Mutual Fund nor the AMC nor any person connected with it accepts any liability arising from the use of this information.

- The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise, in the event that the Schemes are wound up for the reasons and in the manner provided in SAI.
- Redemption by the Unit holder either due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any such tax consequences that may arise.
- Subject to SEBI (Mutual Funds) Regulations, 1996 in the event of substantial investment by the Sponsors and their associates directly or indirectly in the Scheme of the Mutual Fund, Redemption of Units by these entities may have an adverse impact on the performance of the Scheme because of the timing of any such Redemptions and this may also impact the ability of other Unit holders to redeem their Units.
- The Schemes have not been registered in any jurisdiction. The Scheme may however in future be registered in any jurisdiction, as and when the Trustee desires. The distribution of this SID in certain jurisdictions may be restricted or totally prohibited due to registration or other requirements and accordingly, persons who come in possession of this SID are required to inform themselves about and observe any

such restrictions and/ or legal, compliance requirements with respect to their eligibility for investment in the Units of the Scheme. Any person receiving a copy of this SID, SAI or any accompanying application form in such jurisdiction should not treat this SID, SAI or such application form as constituting an invitation to them to subscribe for Units. Such persons should in no event use any such application form unless in the relevant jurisdiction such an invitation to subscribe could lawfully be made to them and such application form could lawfully be used without complying with any registration or other legal requirements by the AMC/Mutual Fund/Trustee.

- Any dispute arising out of the Scheme(s) shall be subject to the non-exclusive jurisdiction of the Courts in India. Statements in this SID are, except where otherwise stated, based on the law, practice currently in force in India and are subject to changes therein.
- Investors are advised to rely upon only such information and/ or representations as contained in this SID. Any subscription or redemption made by any person on the basis of statements or representations which are not contained in this SID or which are inconsistent with the information contained herein shall be solely at the risk of the Investor. The Investor is required to confirm the credentials of the individual/firm he/she is entrusting his/her application form alongwith payment instructions for any transaction in the Scheme. The Mutual Fund/Trustee/AMC shall not be responsible for any acts done by the intermediaries representing or purportedly representing such Investor.
- The AMC and/ or its Registrars & Transfer Agent (RTA) reserve the right to disclose/share Unit holder's details of folio(s) and transaction details thereunder with the following third parties:
 - a) RTA, Banks and/ or authorised external third parties who are involved in transaction processing, dispatching etc., of the Unitholder's investment in the Scheme;
 - b) Distributors or sub-brokers through whom the applications are received for the Scheme;
 - c) Any other organizations for compliance with any legal or regulatory requirements or to verify the identity of the Unitholders for complying with anti-money laundering requirements.
- The Product labeling mandated by SEBI is to provide investors an easy understanding of the risk involved in the kind of product / scheme they are investing to meet their financial goals. The Riskometer categorizes the schemes of Fund under different levels of risk based on the respective scheme's investment objective, asset allocation pattern, investment strategy and typical investment time horizon of investors. Therefore, the schemes falling under the same level of risk in the Riskometer may not be similar in nature. Investors are advised before investing to evaluate a scheme not only on the basis of the Product labeling (including the Riskometer) but also on other quantitative and qualitative factors such as performance, portfolio, fund managers, asset manager, etc. and shall also consult their financial advisers, if they are unsure about the suitability of the scheme before investing. The AMC shall monitor and review the Riskometer on annual basis and in view of this, current position of Riskometer as laid out for the Plan(s) is subject to change.
- Mutual funds investments are subject to market risks and the Investors should review/study this SID, the SAI and the addenda thereto issued from time to time carefully in its entirety before investing and should not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation or financial/investment matters. There can be no assurance or guarantee that the Scheme objectives will be achieved and the investment decisions made by the AMC may not always be profitable.
- In terms of the Prevention of Money Laundering Act, 2002, the Rules issued there under and the guidelines/circulars issued by SEBI regarding the Anti Money Laundering (AML Laws), all intermediaries, including Mutual Funds, have to formulate and implement a client identification i.e. Know Your Customer programme, verify and maintain the record of identity and address(es) of investors.
 - The need to Know Your Customer. (KYC) is vital for the prevention of money laundering. The Trustee / AMC may seek information or obtain and retain documentation used to establish identity. It may re-verify identity and obtain any missing or additional information for this purpose. The Trustee / AMC shall have absolute discretion to reject any application or prevent further transactions by a Unit holder, if after due diligence, the Investor / Unit holder / a person making the payment on behalf of the Investor does not fulfill the requirements of the Know Your Customer (KYC).
 - If after due diligence the Trustee / AMC has reason to believe that any transaction is suspicious in nature as regards money laundering, the AMC shall report such transactions to competent authorities under PMLA and rules/guidelines issued thereunder by SEBI/RBI, furnish any such information in connection therewith to such authorities and take any other actions as may be required for the purposes of fulfilling its obligations under PMLA and rules/ guidelines issued thereunder without obtaining prior approval of the Unitholder/any other person. In this connection the Trustee/ AMC reserves the right to reject any such application at its discretion.
 - The AMC offers portfolio management / non-binding investment advisory services and such activities are not in conflict with the activities of the Mutual Fund. The AMC has renewed its registration obtained from SEBI vide Registration No. - PM / INP000000506 dated February 18, 2016 to act as a Portfolio Manager under the SEBI (Portfolio Managers) Regulations, 1993. The Certificate of Registration is valid from January 1, 2016 to December 31, 2018.
 - The AMC will also act as the investment manager for HDFC AMC Real Estate AIF (AIF Fund), which is formed as a trust and has received registration as a Category II Alternative Investment Fund from SEBI vide Registration No. IN/AIF2/ 12-13/0038. The Certificate of Registration is valid till the expiry of the last scheme set up under the Fund. The Fund is currently in the process of launching its first scheme, HDFC MC Real Estate AIF Scheme 1. The AMC will ensure that any potential conflicts between the AIF Fund and the Mutual Fund will be adequately addressed by (a) compliance with the requirements under Regulation 24(b) of the SEBI (Mutual Funds) Regulations, 1996 which require that the AMC cannot undertake any activity which is in conflict with the activities of the mutual fund; (b) ensuring that the fund manager(s) of each scheme of the Mutual Fund, will not play any role in the day-to-day operations of the AIF Fund and the key investment team of the AIF Fund is not involved with the activities of the Mutual Fund; and (c) ensuring that there is no inter-se transfer of assets between the Mutual Fund and any scheme of the AIF Fund.
 - The AMC will offer management and/ or advisory services to: (a) Category I foreign portfolio investors; and/ or (b) Category II foreign portfolio investors which are appropriately regulated broad based funds investing in India through fund manager(s) managing the schemes of the Fund ("Business Activity") as permitted under Regulation 24(b) of the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time ("the Regulations"). The services provided by the AMC for the said Business Activity shall inter-alia include India focused research, statistical and analytical information, investment management and non-binding investment advice. While, undertaking the said Business Activity, the AMC shall ensure that (i) there is no conflict of interest with the activities of the Fund; (ii) there exists a system to prohibit access to insider information as envisaged under the Regulations; and (iii) Interest of the Unit holder(s) of the Scheme of the Fund are protected at all times.

E. DEFINITIONS

In this Scheme Information Document, the following words and expressions shall have the meaning specified herein, unless the context otherwise requires:

“AMC” or “Asset Management Company” or “Investment Manager”	HDFC Asset Management Company Limited, incorporated under the provisions of the Companies Act, 1956 and approved by Securities and Exchange Board of India to act as the Asset Management Company for the scheme(s) of HDFC Mutual Fund.
“Applicable NAV”	The NAV applicable for purchase or redemption or switching of Units based on the time of the Business Day on which the application is accepted, subject to the provisions of ‘realization of funds’ and ‘cut off timings’ as described in this Scheme Information Document.
“ARN Holder” or “AMFI registered Distributors”	Intermediary registered with Association of Mutual Funds in India (AMFI) to carry out the business of selling and distribution of mutual fund units and having AMFI Registration Number (ARN) allotted by AMFI.
“Book Closure”	The time during which the Asset Management Company would temporarily suspend sale, redemption and switching of Units.
“Business Day”	A day other than: (i) Saturday and Sunday; or (ii) A day on which the banks in Mumbai and / or RBI are closed for business/ clearing; or (iii) A day on which the National Stock Exchange of India Limited is closed; or (iv) A day which is a public and /or bank holiday at an Investor Service Centre where the application is received; or (v) A day on which Sale / Redemption / Switching of Units is suspended by the AMC; or (vi) A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time. The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres.
“Business Hours”	Presently 9.30 a.m. to 5.30 p.m. on any Business Day or such other time as may be applicable from time to time.
“Custodian”	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996, which for the time being is HDFC Bank Limited.
“Derivative”	Derivative includes (i) a security derived from a debt instrument, share, loan whether secured or unsecured, risk instrument or contract for differences or any other form of security; (ii) a contract which derives its value from the prices, or index of prices, or underlying securities.
“Direct Option”	A Option for investors who wish to invest directly without routing the investment through any distributor. This Option shall have a lower expense ratio excluding distribution expenses, commission, etc and no commission for distribution of Units will be paid/ charged under the Direct Option.
“Dividend”	Income distributed by the Mutual Fund on the Units.
“Entry Load” or “Sales Load”	Load on Sale / Switch in of Units.
“Equity Related Instruments”	“Equity Related Instruments” includes convertible bonds and debentures, convertible preference shares, warrants carrying the right to obtain equity shares, equity derivatives and any other like instrument.
“Exit Load” or “Redemption Load”	Load on Redemption / Switch out of Units.
“Floating Rate Debt Instruments”	Floating rate debt instruments are debt instruments issued by Central and / or State Government, corporates or PSUs with interest rates that are reset periodically. The periodicity of the interest reset could be daily, monthly, quarterly, half-yearly, annually or any other periodicity that may be mutually agreed with the issuer and the Fund. The interest on the instruments could also be in the nature of fixed basis points over the benchmark gilt yields.
“Foreign Securities”	Securities as specified in the SEBI Circular - SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007 and any subsequent amendments thereto specified by SEBI and / or RBI from time to time.
“Gilts” or “Government Securities”	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.

“Holiday”	Holiday means the day(s) on which the banks (including the Reserve Bank of India) are closed for business or clearing in Mumbai or their functioning is affected due to a strike / bandh call made at any part of the country or due to any other reason.
“Investment Management Agreement”	The agreement dated June 8, 2000 entered into between HDFC Trustee Company Limited and HDFC Asset Management Company Limited, as amended from time to time.
“Investor / Applicant”	Such person or persons [donor(s)] who apply for Units by contributing the initial investment amount and / or making periodic investments so as to gift the Units of the Scheme to the Unit holder (beneficiary child) in accordance with the procedure stated in this Scheme Information Document.
“Investor Service Centres” or “ISCs”	Designated Offices of HDFC Asset Management Company Limited or such other centres / offices as may be designated by the AMC from time to time.
“Load”	In the case of Redemption / Switch out of a Unit, the sum of money deducted from the Applicable NAV on the Redemption / Switch out and in the case of Sale / Switch in of a Unit, a sum of money to be paid by the prospective investor on the Sale /Switch in of a Unit in addition to the Applicable NAV.
“Lock-in Period” (if opted)	The period during which a Unit cannot be assigned / transferred / pledged /tendered for Redemption / Switch out i.e. until the Unit holder (being the beneficiary child) attains 18 years of age or till completion of 3 years from the date of allotment whichever is later. The AMC reserves the right to change the Lock-in Period prospectively from time to time.
“Majority”	The age at which a person is deemed to attain majority under the provisions of the Indian Majority Act, 1875, as amended from time to time.
“Money Market Instruments”	Includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time.
“Mutual Fund” or “the Fund”	HDFC Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882.
“Net Asset Value” or “NAV”	Net Asset Value per Unit of the respective Plans, calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
“Non-Resident Indian” or “NRI”	NRI means a person resident outside India who is either a citizen of India or a person of Indian origin.
“Official Points of Acceptance” or “OPA”	Places, as specified by AMC from time to time where application for subscription / redemption / switch will be accepted on ongoing basis.
“Overseas Citizen of India” or “OCI”	OCI means a person registered as an overseas citizen of India by the Central Government under section 7A of ‘The Citizenship Act, 1955’. The Central Government may register as an OCI a foreign national (except a person who is or had been a citizen of Pakistan or Bangladesh or such other person as may be specified by Central Government by notification in the Official Gazette), who was eligible to become a citizen of India on 26.01.1950 or was a citizen of India on or at time after 26.01.1950 or belonged to a territory that became part of India after 15.08.1947 and his / her children and grand children (including Minor children), provided his / her country of citizenship allows dual citizenship in some form or other under the local laws.
“Person of Indian Origin” or “PIO”	PIO means citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grand parents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in sub-clause (a) or (b).
“Plans”	Shall include and mean the Investment Plan and the Savings Plan and any prospective Plan(s) issued by the Scheme in accordance with SEBI (MF) Regulations
“Rating”	Rating means an opinion regarding securities, expressed in the form of standard symbols or in any other standardised manner, assigned by a credit rating agency and used by the issuer of such securities, to comply with any requirement of the SEBI (Credit Rating Agencies) Regulations, 1999.
“Registrar and Transfer Agent” or “RTA”	Computer Age Management Services Pvt. Limited (CAMS) Chennai, currently acting as registrar to the Scheme, or any other registrar appointed by the AMC from time to time.
“Regular Option”	The Plans / Options already in existence prior to the introduction of Direct Option under the Scheme are referred to as “Regular Option” in this SID. Effective, January 1, 2013 this Option is offered only to investors who wish to route their investment through any distributor.
“Regulatory Agency”	Government of India, SEBI, RBI or any other authority or agency entitled to issue or give any directions, instructions or guidelines to the Mutual Fund

“Repo”	Sale of Securities with simultaneous agreement to repurchase / resell them at a later date.
“Repurchase / Redemption”	Repurchase / Redemption of Units of the Scheme permitted, subject to completion of Lock-in Period, if opted.
“Reserve Bank of India” or “RBI”	Reserve Bank of India, established under the Reserve Bank of India Act, 1934,(2 of 1934)
“Reverse Repo”	Purchase of Securities with a simultaneous agreement to sell them at a later date
“Sale / Subscription”	Sale or allotment of Units to the Unit holder (i.e. beneficiary child) upon subscription by the investor / applicant under the Scheme / Plans.
“Scheme Information Document” or “SID”	This document issued by HDFC Mutual Fund, offering Units of the Scheme / Plans for subscription.
“Scheme” or “HDFC Children’s Gift Fund” or “HDFC CGF”	HDFC Children’s Gift Fund (including, as the context permits, the Plans / Options there under)
“SEBI”	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992.
“SEBI (MF) Regulations” or “Regulations”	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
“Short Selling”	Selling a stock which the seller does not own at the time of trade.
“Sponsors” or “Settlers”	Housing Development Finance Corporation Limited and Standard Life Investments Limited.
“Statement of Additional Information” or “SAI”	The document issued by HDFC Mutual Fund containing details of HDFC Mutual Fund, its constitution, and certain tax, legal and general information. SAI is legally a part of the Scheme Information Document.
“Switch”	Redemption of a unit in any scheme (including the plans / options therein) of the Mutual Fund against purchase of a unit in another scheme (including the plans / options therein) of the Mutual Fund, subject to completion of Lock-in Period, if any.
“Stock Lending”	Lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio.
“Trust Deed”	The Trust Deed dated June 8, 2000 made by and between HDFC and HDFC Trustee Company Limited (“Trustee”), thereby establishing an irrevocable trust, called HDFC Mutual Fund and deed of variations dated June 11, 2003 and June 19, 2003.
“Unit”	The interest of the Unit holder which consists of each Unit representing one undivided share in the assets of the Scheme/Plans.
“Unit holder”	Unit holder (i.e. the beneficiary child) means any resident individual or NRI who is eligible to receive a gift of Units under the Scheme based on the valid application of the Investor. A Unit holder till attaining Majority shall be represented by his / her parent or legal guardian.

INTERPRETATION

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

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

F. ABBREVIATIONS

In this Scheme Information Document the following abbreviations have been used.

ADR	American Depository Receipts
AMC	Asset Management Company
AMFI	Association of Mutual Funds in India
BSE	BSE Limited
CAGR	Compound Annual Growth Rate
CBLO	Collateralised Borrowing & Lending Obligations
ECS	Electronic Clearing System
EFT	Electronic Funds Transfer
FCNR A/c	Foreign Currency (Non-Resident) Account
GDR	Global Depository Receipts
HDFC CGF	HDFC Children's Gift Fund
ISC	Investor Service Centre
KYC	Know Your Customer
KRA	KYC Registration Agency
MIBOR	Mumbai Inter-Bank Offer Rate
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Funds Transfer
NFO	New Fund Offer
NRE A/c	Non-Resident (External) Rupee Account
NRI	Non-Resident Indian
NRO A/c	Non-Resident Ordinary Rupee Account
NSE	National Stock Exchange of India Limited
OCI	Overseas Citizen of India
PAN	Permanent Account Number
PEKRN	PAN Exempt KYC Reference Number
PIO	Person of Indian Origin
RBI	Reserve Bank of India
RTA	Registrar and Transfer Agent
RTGS	Real Time Gross Settlement
RWF	Recurring Withdrawal Facility
SAI	Statement of Additional Information
SEBI	Securities and Exchange Board of India
SID	Scheme Information Document
SIP	Systematic Investment Plan
SWAP	Systematic Withdrawal Advantage Plan

G. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

- (i) This Scheme Information Document has been prepared in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- (ii) All legal requirements connected with the launching of the scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- (iii) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the scheme.
- (iv) The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

Place : Mumbai
Date : April 30, 2016

Signed : sd/-
Name : **Yezdi Khariwala**
Designation : Chief Compliance Officer

II. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME :

HDFC Children's Gift Fund is an open-ended balanced scheme. Investors / Unitholders in the Scheme are not being offered any guaranteed / assured returns

The Scheme offers investors two Plans:

- (i) Investment Plan (Equity oriented)
- (ii) Savings Plan (Debt oriented)

The Plans will be managed as separate portfolios. In other words, there will be separate investment portfolios each with its own NAV.

Investment Plan:

The net assets of the Plan will be primarily invested in Equities and Equity related instruments. The AMC will also invest the net assets of the Plan in Debt / Money market instruments with an objective of generating long term returns and maintaining risk under control.

Savings Plan:

The net assets of the Plan will be primarily invested in Debt and Money market instruments. The AMC will also invest the net assets of the Plan in Equities and Equity related instruments. This Plan seeks to generate steady long term returns with relatively low levels of risk.

Each Plan offers two Options:

- Regular Option
- Direct Option

Regular Option

The Option already in existence prior to the introduction of Direct Option under the Scheme is referred to as Regular Option in this SID. Effective, January 1, 2013 this Option is offered only to investors who wish to route their investment through any distributor.

Direct Option

Direct Option was introduced under the Scheme with effect from January 1, 2013. The Option offered under the Scheme prior to January 1, 2013 is also available for subscription under the Direct Option. This Option is offered only to investors who wish to invest directly without routing the investment through any distributor. This Option shall have a lower expense ratio excluding distribution expenses, commission, etc., and no commission for distribution of Units will be paid / charged under the Direct Option.

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

The primary objective of both the Plans (viz. Investment Plan and Savings Plan) offered under the Scheme is to generate long term capital appreciation.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

ASSET ALLOCATION :

Under normal circumstances the asset allocation (as a % of Net Assets) of the respective Plans' portfolio under the Scheme will be as follows:

Investment Plan

Instruments	Minimum Allocation	Maximum Allocation	Risk Profile
	(% of net assets)		
Equity and Equity linked instruments	40	75	High
Debt securities and money market instruments*	25	60	Low to Medium

* Investment in Securitised debt, if undertaken, would not exceed 20% of the net assets of the Scheme.

Savings Plan

Instruments	Minimum Allocation	Maximum Allocation	Risk Profile
	(% of net assets)		
Equity and Equity linked instruments	0	20	High
Debt securities and money market instruments (including cash/CBLO/ Reverse Repo and securitised debt)	80	100	Low to Medium

Each of the respective Plan(s) may take derivatives position (both equity and fixed income) based on the opportunities available subject to the guidelines issued by SEBI from time to time and in line with the investment objective of the Scheme. These may be taken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. The maximum derivative position will be restricted to 20% of the Net Assets (i.e. Net Assets including cash) of the respective Plans.

Each of the respective Plan(s) may seek investment opportunity in the Foreign Securities, in accordance with guidelines stipulated in this regard by SEBI and RBI from time to time. Under normal circumstances, each Plan shall not have an exposure of more than 50% and 20% of its net assets in Foreign Debt Securities and in ADRs / GDRs / Foreign Equity Securities respectively subject to regulatory limits. However, the AMC with a view to protecting the interest of the investors may increase or decrease this exposure as deemed fit from time to time subject to regulatory limit.

In addition to the instruments stated in the table above, the Scheme may enter into repos / reverse repos as may be permitted by RBI / SEBI. From time to time, the Scheme may hold cash. A part of the net assets may be invested in the Collateralised Borrowing & Lending Obligations (CBLO) or repo or in an alternative investment as may be provided by RBI / SEBI to meet the liquidity requirements.

Pending deployment of funds of the Scheme in securities in terms of the investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, as amended from time to time.

Change in Asset Allocation Pattern

Subject to SEBI (MF) 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. These proportions may 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 investment pattern will be for short term and only for defensive considerations.

In the event of change in the asset allocation, the fund manager will carry out portfolio rebalancing within 30 Days. Further, in case the portfolio is not rebalanced within the period of 30 days, justification for the same shall be placed before the investment committee and reasons for the same shall be recorded in writing. The investment committee shall then decide on the course of action.

Debt Market In India

The instruments available in Indian Debt Market are classified into two categories, namely Government and Non - Government debt. The instruments available in these categories include:

A] Government Debt -

- Central Government Debt
- Treasury Bills
- Dated Government Securities
 - Coupon Bearing Bonds
 - Floating Rate Bonds
 - Zero Coupon Bonds

- State Government Debt
 - State Government Loans
 - Coupon Bearing Bonds
- B] Non-Government Debt**
- Instruments issued by Government Agencies and other Statutory Bodies
 - Government Guaranteed Bonds
 - PSU Bonds
- Instruments issued by Public Sector Undertakings
 - Commercial Paper
 - PSU Bonds
 - Fixed Coupon Bonds
 - Floating Rate Bonds
 - Zero Coupon Bonds
- Instruments issued by Banks and Development Financial Institutions
 - Certificates of Deposit
 - Promissory Notes
 - Bonds
 - Fixed Coupon Bonds
 - Floating Rate Bonds
 - Zero Coupon Bonds
- Instruments issued by Corporate Bodies
 - Commercial Paper
 - Non-Convertible Debentures
 - Fixed Coupon Debentures
 - Floating Rate Debentures
 - Zero Coupon Debentures
 - Pass Through Securities

Activity in the Primary and Secondary Market is dominated by Central Government Securities including Treasury Bills. These instruments comprise close to 60% of all outstanding debt and more than 75% of the daily trading volume on the Wholesale Debt Market Segment of the National Stock Exchange of India Limited. In the money market, activity levels of the Government and Non- Government Debt vary from time to time. Instruments that comprise a major portion of money market activity include,

- Overnight Call
- Repo/Reverse Repo Agreements
- Collateralised Borrowing & Lending Obligations (CBLO)
- Treasury Bills
- Government Securities with a residual maturity of < 1 year
- Commercial Paper
- Certificates of Deposit
- Bills Rediscounting Scheme (BRDS)

Though not strictly classified as Money Market Instruments, PSU/ DFI / Corporate paper with a residual maturity of < 1 year, are actively traded and offer a viable investment option.

The following table gives approximate yields prevailing during the month of March 2016 on some of the instruments. These yields are indicative and do not indicate yields that may be obtained in future as interest rates keep changing consequent to changes in macro economic conditions and RBI policy.

Instrument	Yield Range (% per annum)
Inter bank Call Money	5.80 - 12
91 Day Treasury Bill	7.13 - 7.25
364 Day Treasury Bill	7.06 - 7.23
A1+ Commercial Paper 90 Days	8 - 8.48
5 Year Government of India Security	7.43 - 7.72
10 Year Government of India Security	7.47 - 7.66
15 Year Government of India Security	7.83 - 8.05
1 Year Corporate Bond - AAA Rated	8.26 - 8.50
3 Year Corporate Bond - AAA Rated	8.30 - 8.55
5 Year Corporate Bond - AAA Rated	8.35 - 8.59

Source : Bloomberg

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

Generally, for instruments issued by a non-Government entity (corporate / PSU bonds), the yield is higher than the yield on a Government Security with corresponding maturity. The difference, known as credit spread, depends on the credit rating of the entity.

Overseas Debt Market

The nature and number of debt instruments available in international debt markets is very wide. In terms of diverse instruments as well as liquidity, overseas debt markets offer great depth and are extremely well developed.

Investment in international debt greatly expands the universe of top quality debt, which is no longer restricted to the limited papers available in the domestic debt market. The higher rated overseas sovereign, quasi-government and corporate debt offer lower default risk in addition to offering a high degree of liquidity since these are traded across major international markets. Investments in rated international debt offer multiple benefits of risk reduction, a much wider universe of top quality debt and also potential gains from currency movements.

Investments in international markets are most often in U.S. dollars, though the Euro, Pound Sterling and the Yen are also major currencies. Though this market is geographically well-spread across global financial centres, the markets in the U.S., European Union and London offer the most liquidity and depth of instruments.

Besides factors specific to the country / issuer, international bond prices are influenced to a large extent by a number of other factors; chief among these are the international economic outlook, changes in interest rates in major economies, trading volumes in overseas markets, cross currency movements among major currencies, rating changes of countries / corporations and major political changes globally.

The approximate yields to maturity in the US Bond Market as at March 2016 are as follows:

Maturity	US Treasury yields (%)
3 months	0.30
6 months	0.46
2 years	0.89
3 years	1.05
5 years	1.39
10 years	1.91

Source : H.15, Federal Reserve Statistical Release

Maturity	US AA Corporate Bond yields rate* (%)
1 year	0.75
2 years	1.00
5 years	1.77
10 years	2.68

Source : Bloomberg

* Composite curve include AA-, AA, AA+ as US AA curve has been discontinued.

D. WHERE WILL THE SCHEME INVEST?

The corpus of the respective Plan(s) shall be invested in any (but not exclusively) of the following securities:

- **Equity and equity related instruments.** Investments in these securities will be as per the limits specified in the

asset allocation table as mentioned on **Page 14**, subject to permissible limits laid under SEBI (MF) Regulations.

■ **Debt securities:**

The Scheme will retain the flexibility to invest in the entire range of debt instruments and money market instruments. These instruments are more specifically highlighted below:

- Debt instruments (in the form of non-convertible debentures, bonds, secured premium notes, zero interest bonds, deep discount bonds, floating rate bond / notes, securitised debt, pass through certificates, asset backed securities, mortgage backed securities and any other domestic fixed income securities including structured obligations etc.) include, but are not limited to:
 1. Debt issuances of the Government of India, State and local Governments, Government Agencies and statutory bodies (which may or may not carry a state / central government guarantee),
 2. Debt Instruments that have been guaranteed by Government of India and State Governments,
 3. Debt Instruments issued by Corporate Entities (Public / Private sector undertakings),
 4. Debt Instruments issued by Public / Private sector banks and development financial institutions.
- Money Market Instruments include:
 1. Commercial papers
 2. Commercial bills
 3. Treasury bills
 4. Government securities having an unexpired maturity upto one year
 5. Collateralised Borrowing & Lending Obligation (CBLO)
 6. Certificate of deposit
 7. Usance bills
 8. Permitted securities under a repo / reverse repo agreement
 9. Any other like instruments as may be permitted by RBI / SEBI from time to time

Investment in debt securities will usually be in instruments, which have been assessed as "high investment grade" by at least one credit rating agency authorised to carry out such activity under the applicable regulations. Pursuant to SEBI Circular No.MFD/CIR/9/120/2000 dated November 24, 2000, the AMC may constitute committee(s) to approve proposals for investments in unrated debt instruments. The AMC Board and the Trustee shall approve the detailed parameters for such investments. The details of such investments would be communicated by the AMC to the Trustee in their periodical reports. It would also be clearly mentioned in the reports, how the parameters have been complied with. However, in case any unrated debt security does not fall under the parameters, the prior approval of Board of AMC and Trustee shall be sought. Investment in debt instruments shall generally have a low risk profile and those in money market instruments shall have an even lower risk profile. The maturity profile of debt instruments will be selected in accordance with the AMC's view regarding current market conditions, interest rate outlook and the stability of ratings.

Investments in Debt and Money Market Instruments will be as per the limits specified in the asset allocation table as mentioned on **Page 14**, subject to permissible limits laid under SEBI (MF) Regulations.

Investments in both equity and debt will be made through secondary market purchases, initial public offers, other public offers, placements and right offers (including renunciation).

The securities could be listed, unlisted, privately placed, secured / unsecured, rated / unrated.

■ **Stock Lending by the Mutual Fund**

Subject to the SEBI (MF) Regulations and in accordance with Securities Lending Scheme, 1997, SEBI Circular No.MFD/CIR/01/047/99 dated February 10, 1999, SEBI Circular No.SEBI/IMD/CIR No.14/187175/2009 dated December 15, 2009 and framework for short selling and borrowing and lending of securities notified by SEBI vide Circular No.MRD/DoP/SE/Dep/Cir-14/2007 dated December 20, 2007, as may be amended from time to time, the Scheme(s) seeks to engage in Stock Lending. The AMC shall adhere to strict limits should it engage in Stock Lending.

1. Not more than 25% of the net assets of the Plans can generally be deployed in Stock Lending.
2. Not more than 5% of the net assets of the Plans can generally be deployed in Stock Lending to any single Approved intermediary.

The Mutual Fund may not be able to sell such lent out securities and this can lead to temporary illiquidity.

■ **Investment in Securitised Debt**

A securitization transaction involves sale of receivables by the originator (a bank, non-banking finance company, housing finance company, or a manufacturing / service company) to a Special Purpose Vehicle (SPV), typically set up in the form of a trust. Investors are issued rated Pass Through Certificates (PTCs), the proceeds of which are paid as consideration to the originator. In this manner, the originator, by selling his loan receivables to an SPV, receives consideration from investors much before the maturity of the underlying loans. Investors are paid from the collections of the underlying loans from borrowers. Typically, the transaction is provided with a limited amount of credit enhancement (as stipulated by the rating agency for a target rating), which provides protection to investors against defaults by the underlying borrowers.

Generally available asset classes for securitization in India are:

- Commercial vehicles
- Auto and two wheeler pools
- Mortgage pools (residential housing loans)
- Personal loan, credit card and other retail loans
- Corporate loans/receivables

Investment / Risk Mitigation Strategy

1. Risk profile of securitised debt vis-à-vis risk appetite of the Scheme(s)

The risk profile of securitized debt is generally at par with the risk profile of other debt securities at the same level of credit rating. Securitised debt offers additional income (spread) over a debt security of similar rating and maturity, which enables the scheme to optimize its income without taking any additional credit risk. Securitised debt is generally less liquid, however, investment in securitised debt is made to maintain a diversified portfolio of debt securities that optimizes return without increasing the overall risk profile of the scheme.

2. Policy relating to originators based on nature of originator, track record, NPAs, losses in earlier securitised debt, etc

The originator is an entity (like banks, non-banking finance companies, corporates etc), which has initially provided the loan & is also generally responsible for servicing the loans. The schemes will invest in securitized debt of originators with at least investment grade credit rating and established track record. A detailed evaluation of originator is done before the investment is made in securitised debt of any originator on various parameters given below:

● **Track record**

The investment in securitized debt is done based on

origination and underwriting process and capabilities of the originator, overview of corporate structure, group to which they belong, experience of the company in the business & how long they have been in the business, financial condition of the company, credit rating, past performance of similar pools by the originator, etc.

● **Willingness to pay, through credit enhancement facilities etc.**

Credit enhancement is provided by the originator, as indicated by rating agencies, so as to adequately cover the defaults and acts as a risk mitigation measure. The size of the credit enhancement as indicated by rating agency depends on, the originator’s track record, past delinquencies pattern of the portfolio & characteristics of the pool vis-a-vis of the portfolio, nature of the asset class.

● **Ability to pay**

The quality of the origination impacts the performance of the underlying asset & thus originators with strong systems and processes in place can eliminate poor quality assets. A robust risk management system of the originator and availability of MIS reports on timely basis, results in creation of strong asset portfolio.

● **Business Risk Assessment**

The business risk assessment of originator / underlying borrower also includes detailed credit assessment wherein following factors are also considered:

- Outlook for the economy (domestic and global)
- Outlook for the industry
- Company specific factors

In addition, a detailed review and assessment of rating rationale is done along with interactions with the company as well as the rating agency. All investment in securitised debt is done after taking into account, the Critical Evaluation Parameters (for pool loan and single loan securitization transactions) regarding the originator / underlying issuer as mentioned below:

- Default track record / frequent alteration of redemption conditions / covenants

- High leverage ratios of the ultimate borrower (for single-sell downs) - both on a standalone basis as well on a consolidated level / group level
- Higher proportion of reschedulement of underlying assets of the pool or loan, as the case may be
- Higher proportion of overdue assets of the pool or the underlying loan, as the case may be
- Poor reputation in market
- Insufficient track record of servicing of the pool or the loan, as the case may be.

3. Risk mitigation strategies for investments with each kind of originator

Investments are based on assessment of following parameters, so as to mitigate risk associated with such investment:

- a. Credit quality, size and reach of the originator
- b. Nature of receivables / asset category i.e. cars, construction equipment, commercial vehicles, personal loans etc.
- c. Collection process, infrastructure and follow-up mechanism
- d. Quality of MIS
- e. Credit cum liquidity enhancement
- f. Credit appraisal norms of originator
- g. Asset Quality - portfolio delinquency levels
- h. Past performance of rated pools
- i. Pool Characteristics - seasoning, Loan-to-value ratios, geographic diversity etc.

4. The level of diversification with respect to the underlying assets, and risk mitigation measures for less diversified investments

Diversification of underlying assets is achieved through a) prudent mix of asset categories - i.e. cars (new, used), commercial vehicles, construction equipment, unsecured loans to individuals or small & medium enterprises b) total number of contracts in a pool c) average ticket size of loans and d) geographical distribution.

Risk mitigation measures for less diversified investments in pools is accomplished through the size of credit enhancement, seasoning or loan to value ratios.

Illustrative framework, which will be applied while evaluating investment decision relating to a pool securitization transaction:

Characteristics/ Type of Pool	Mortgage Loan	Commercial Vehicle and Construction Equipment	Car	2 wheelers	Micro Finance Pools	Personal Loans	Single Sell Downs	Others
Approximate Average maturity (in Months)	NA	12-60 months	12-60 months	8-40 months	NA	NA	Refer Note a	Refer Note b
Collateral margin (including cash, guarantees, excess interest spread, subordinate tranche)	NA	5% - 20%	4- 15%	4-15%	NA	NA		
Average Loan to Value Ratio	NA	80-95%	70-90%	70-95%	NA	NA		
Average seasoning of the Pool	NA	3-8 months	3-8 months	2-5 months	NA	NA		
Maximum single exposure range	NA	3-7%	NA (Retail pool)	NA (Retail pool)	NA	NA		
Average single exposure range %	NA	1-5%	0-1%	0-1%	NA	NA		

NA - Not Applicable

Information in the table above is based on current scenario and is subject to change depending upon the change in related factors.

Notes:

a. In case of securitised debt with underlying being single loan, the investment limit applicable to the underlying borrower is considered.

b. Other investment will be decided on a case to case basis.

In case of asset backed pools (ABS), evaluation of the pool assets is done considering the following factors: (Refer the table above

which illustrates the averages of parameter considered while selecting the pool)

- Size of the loan
- Average original maturity of the pool
- Loan to Value Ratio
- Average seasoning of the pool
- Default rate distribution

- Geographical Distribution
- Credit enhancement facility
- Liquid facility
- Structure of the pool

5. Minimum retention period of the debt by originator prior to securitization

The illustrative average seasoning of the debt by originator prior to securitisation is given above in table (Refer Point 4). Minimum retention period of the debt by originator prior to securitization in the case of asset pools is in the form of seasoning of loans to various asset classes (cars, commercial vehicles, etc.) and generally varies from one month to six months depending on the nature of asset.

6. Minimum retention percentage by originator of debts to be securitized

While minimum retention percentage by originator is not prescribed, any amount retained by the originator through subordination is viewed positively at the time of making investment and generally varies from 5% to 10%.

7. The mechanism to tackle conflict of interest when the mutual fund invests in securitized debt of an originator and the originator in turn makes investments in that particular scheme of the fund

All proposals for investment in securitized debt are evaluated by the credit analyst based on several parameters such as nature of underlying asset category, pool characteristics, asset quality, credit rating of the securitization transaction, and credit cum liquidity enhancement available. Investment in securitized debt in any scheme is made by the respective fund manager in line with the investment objective of that scheme.

8. The resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt (in general)

Investment in securitized debt is monitored regularly with regards to its performance on various parameters such as collection efficiency, delinquencies, prepayments and utilization of credit enhancement. Information on these parameters is available through monthly reports from Pool Trustees and through information disseminated by the rating agencies. Monthly performance report is released by the credit analyst to the fund management team and the fund management team periodically reviews the same.

- Pending deployment as per investment objective, the moneys under the Scheme may be parked in short-term deposits of Scheduled Commercial Banks.

Each of the respective Plan shall abide by the guidelines for parking of funds in short term deposits as per SEBI Circular No. SEBI/IMD/CIR No. 1/91171/07 dated April 16, 2007 as may be amended from time to time. For details refer '**What are the Investment Restrictions**' on Page 25.

- Each of the respective Plan(s) may invest in other schemes managed by the AMC or in the schemes of any other mutual funds, provided it is in conformity with the investment objectives of the Scheme and in terms of the prevailing SEBI (MF) Regulations. As per the SEBI (MF) Regulations, no investment management fees will be charged for such investments and the aggregate inter scheme investment made by all the schemes of HDFC Mutual Fund or in the schemes of other mutual funds shall not exceed 5% of the net asset value of the HDFC Mutual Fund.
- Each of the respective Plan(s) may also invest in suitable investment avenues in overseas financial markets for the purpose of diversification, commensurate with the Scheme objectives and subject to necessary stipulations by SEBI / RBI. Towards this end, the Mutual Fund may also appoint

overseas investment advisors and other service providers, as and when permissible under the regulations. The Scheme may, with the approval of SEBI / RBI invest in :

- i. ADRs / GDRs issued by Indian or foreign companies
- ii. Equity of overseas companies listed on recognized stock exchanges overseas
- iii. Initial and follow on public offerings for listing at recognized stock exchanges overseas
- iv. Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited / registered credit rating agencies
- v. Money market instruments rated not below investment grade
- vi. Repos in the form of investment, where the counterparty is rated not below investment grade; repos should not however, involve any borrowing of funds by mutual funds
- vii. Government securities where the countries are rated not below investment grade
- viii. Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities
- ix. Short term deposits with banks overseas where the issuer is rated not below investment grade
- x. Units / securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, (b) Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or (c) unlisted overseas securities (not exceeding 10% of their net assets).

Mutual funds can make overseas investments [as stated in point (i) to (x) above] subject to a maximum of US \$300 million (limit per mutual fund subject to overall limit of US \$ 7 billion) or such limits as may be prescribed by SEBI from time to time.

Subject to the approval of the RBI / SEBI and conditions as may be prescribed by them, the Mutual Fund may open one or more foreign currency accounts abroad either directly, or through the custodian / sub-custodian, to facilitate investments and to enter into / deal in forward currency contracts, currency futures, index options, index futures, interest rate futures / swaps, currency options for the purpose of hedging the risks of assets of a portfolio or for its efficient management.

The Mutual Fund may, where necessary appoint intermediaries as sub-managers, sub-custodians, etc. for managing and administering such investments. The appointment of such intermediaries shall be in accordance with the applicable requirements of SEBI and within the permissible ceilings of expenses as stated under Regulation 52 of SEBI (MF) Regulations.

Under normal circumstances each Plan shall not have an exposure of more than 50% and 20% of its net assets in Foreign Debt Securities and in ADRs / GDRs / Foreign Equity Securities respectively subject to regulatory limits.

■ **Trading in Derivatives**

Each of the respective Plan(s) may take derivatives position based on the opportunities available subject to the guidelines provided by SEBI from time to time and in line with the overall investment objective of the Scheme. These may be taken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. The Plan(s) intends to take position in derivative instruments like Futures, Options, Interest Rate Swaps, Forward Rate Agreements, and such other derivative instruments as may be permitted by SEBI from time to time.

Derivatives can be traded over the exchange or can be structured between two counter-parties. Those transacted

over the exchange are called Exchange Traded derivatives whereas the other category is referred to as OTC (Over the Counter) derivatives.

Some of the differences of these two derivative categories are as under :

Exchange traded derivatives : These are quoted on the exchanges like any other traded asset class. The most common amongst these are the Index Futures, Index Options, Stock Futures and Options on individual equities / securities. The basic form of the futures contract is similar to that of the forward contract, a futures contract obligates its owner to purchase a specified asset at a specified exercise price on the contract maturity date. Futures are cash-settled and are traded only in organised exchanges. Exchange traded derivatives are standardised in terms of amount and delivery date. Standardisation and transparency generally ensures

a liquid market together with narrower spreads. On the other hand, for delivery dates far in the future, there may be insufficient liquidity in the futures market whereas an OTC price may be available.

OTC derivatives : OTC derivatives require the two parties engaging in a derivatives transaction to come together through a process of negotiation. It is a derivative that is customised in terms of structure, amount, tenor, underlying assets, collateral etc. Some of the common examples are interest rate and currency swaps, Forward Rate Agreements (FRAs) etc.

In order to protect the interests of the Unit holders, the respective Plan(s) under the Scheme will have a maximum derivatives net position of 20% of the portfolio (i.e. net assets including cash). The limits on derivatives exposure per scrip/instrument and derivatives positions and limits are as per the table below.

Table I. Common Derivative Positions and Limits

Sr.	Derivative	Action	Description	Limit
1	Index futures	Buy	Buy futures against cash to protect against rising market	To the extent of cash / equivalents in the portfolio. Max. limit (20%) of portfolio
2	Index Options - Call	Buy	Buy index calls against cash (existing / expected) to protect against rising market	To the extent of cash / equivalents in the portfolio. Max. limit (20%) of portfolio
3	Stock futures	Buy	Buy against cash to protect against rising share prices	To the extent of cash / equivalents in the portfolio. Max. limit (20%) of portfolio; per scrip limit (100%)
4	Stock futures	Sell	Sell against existing stock - Hedging against downside on existing stock in the face of expected volatility in the stock price	To the extent of the particular scrip holding in the portfolio; per scrip limit 100%)
5	Stock options - Call	Buy	Buy against cash to protect against rising share prices	To the extent of cash / equivalents in the portfolio. Max. limit (20%) of portfolio; per scrip limit (100%)
6	Stock options - Put	Buy	Purchase against existing stock. Hedging against downside on existing stock in the face of expected volatility in the stock price	To the extent of the particular scrip holding in the portfolio; per scrip limit 100%)

Note : The per scrip limit disclosed above is as a % of the holding in the scrip and not as a % of the portfolio of the Scheme.

Position Limits

The position limits for trading in derivatives by Mutual Funds specified by SEBI vide SEBI Circular No. DNP/Cir-29/2005 dated September 14, 2005, SEBI Circular No. DNP/Cir-30/2006 dated January 20, 2006 and SEBI Circular No. SEBI/DNP/Cir-31/2006 dated September 22, 2006 are as follows:

i. Position limit for Mutual Funds in index options contracts

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

ii. Position limit for Mutual Funds in index futures contracts

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

iii. Additional position limit for hedging

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

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

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

The Mutual Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts will be as follows :-

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

v. Position limit for each scheme of a Mutual Fund

The scheme-wise position limit requirements shall be :

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

Exposure Limits

The exposure limits for trading in derivatives by Mutual Funds specified by SEBI vide its Circular No.Cir/IMD/DF/11/2010 dated August 18, 2010 are as follows:

- The cumulative gross exposure through equity, debt and derivative positions should not exceed 100% of the net assets of the scheme.
- Mutual Funds shall not write options or purchase instruments with em-bedded written options.
- The total exposure related to option premium paid must not exceed 20% of the net assets of the scheme.
- Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.
- Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:
 - Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
 - Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1.
 - Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.
 - The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
- Mutual Funds may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme.
- Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.
- Definition of Exposure in case of Derivative Positions
Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically

have unlimited possible loss. Exposure in derivative positions shall be computed as follows:

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

E. WHAT ARE THE INVESTMENT STRATEGIES? INVESTMENT STRATEGY AND RISK CONTROL

Investment Plan :

The net assets of the Plan will be primarily invested in Equities and Equity related instruments. The AMC will also invest the net assets of the Plan in Debt / Money market instruments with an objective of generating long term returns and maintaining risk under control.

Savings Plan :

The net assets of the Plan will be primarily invested in Debt and Money market instruments. The AMC will also invest the net assets of the Plan in Equities and Equity related instruments. This Plan seeks to generate steady long term returns with relatively low levels of risk.

➤ Equity Investments :

The investment approach would be based on the concept of economic earning power and cash return on investments. **Five basic principles would serve as the foundation for this investment approach. They are as follows:**

- Focus on long term growth.
- View investments as conferring a proportionate ownership of the business.
- Maintain a margin of safety (i.e. the price of purchase represents a discount to the intrinsic value of that business).
- Maintain a balanced outlook on the market by regularly monitoring economic trends and investor sentiment.
- The decision to sell a holding would be based on one of three reasons:
 - The anticipated price appreciation has been achieved or is no longer probable; or
 - Alternative investments offer superior total return prospects; or
 - A fundamental change has occurred in the company or the market in which it competes.

In summary, the assessment of investment value is a function of extensive research and based on data and reasoning, rather than current fashion and emotion. The idea is to develop a model that allows us to identify **“businesses with superior growth prospects and good management, at a reasonable price”**.

In order to implement the investment approach effectively, it would be important to periodically meet the management face to face. This would provide an understanding of their broad vision and commitment to the long-term business objectives. These meetings would also be useful in assessing key determinants of management quality such as orientation to minority shareholders, ability to cope with adversity and approach to allocating surplus cash flows. Discussions with management would also enable benchmarking actual performance against stated commitments.

➤ Debt Investments :

Investment in debt securities will usually be in instruments which have been assessed as “high investment grade” by at least one credit rating agency authorised to carry out such activity under the applicable regulations. Pursuant to SEBI Circular No.MFD/CIR/9/120/2000 dated November 24, 2000, the AMC may constitute committee(s) to approve proposals for investments in unrated debt instruments. The AMC Board and the Trustee

shall approve the detailed parameters for such investments. The details of such investments would be communicated by the AMC to the Trustee in their periodical reports. It would also be clearly mentioned in the reports, how the parameters have been complied with. However, in case any unrated debt security does not fall under the parameters, the prior approval of Board of AMC and Trustee shall be sought. Investment in debt instruments shall generally have a low risk profile and those in money market instruments shall have an even lower risk profile. The maturity profile of debt instruments will be selected in accordance with the Fund Managers view regarding current market conditions, interest rate outlook and the stability of ratings.

Though every endeavor will be made to achieve the objectives of the Plan(s) under the Scheme, the AMC / Sponsors / Trustee do not guarantee that the investment objectives of the Plan(s) under the Scheme will be achieved. No guaranteed returns are being offered by the Plan(s) under the Scheme.

RISK CONTROL

Investments made from the net assets of the respective Plans would be in accordance with the investment objective of the respective Plans and the provisions of the SEBI (MF) Regulations. The AMC will strive to achieve the investment objective by way of a judicious portfolio mix comprising Equity / Equity related instruments, Debt and Money Market Instruments. Every investment opportunity in Debt and Money Market Instruments would be assessed with regard to credit risk, interest rate risk, liquidity risk, derivative risk and concentration risk.

Credit Evaluation Policy

The credit evaluation policy of the AMC entails evaluation of credit fundamentals of each investment opportunity. Some of the factors that are evaluated inter-alia may include outlook on the sector, parentage, quality of management, and overall financial strength of the credit. The AMC utilises ratings of recognised rating agencies as an input in the credit evaluation process. Investments in bonds and debenture are usually in instruments that have been assigned high investment grade ratings by a recognized rating agency.

In line with SEBI Circular No.MFD/CIR/9/120/2000 dated November 24, 2000, the AMC may constitute committee(s) to approve proposals for investments in unrated instruments. The AMC Board and the Trustee shall approve the detailed parameters for such investments. The details of such investments would be communicated by the AMC to the Trustee in their periodical reports. It would also be clearly mentioned in the reports, how the parameters have been complied with. However, in case any security does not fall under the parameters, the prior approval of Board of AMC and Trustee shall be sought.

Interest Rate Risk

An interest rate scenario analysis would be performed on an on-going basis, considering the impact of the developments on the macro-economic front and the demand and supply of funds. Based on the above analysis, the AMC would manage the investments of the Scheme on a dynamic basis to exploit emerging opportunities in the investment universe and manage risks at all points in time.

Liquidity Risk

The AMC will attempt to reduce liquidity risk by investing in securities that would result in a staggered maturity profile of the portfolio, investment in structured securities that provide easy liquidity and securities that have reasonable secondary market activity. The AMC will comply with all applicable exposure limits and take actions. Effective and continuous monitoring of the Scheme shall be ensured and necessary actions shall be taken, if required.

Derivatives Risk

The AMC has provision for using derivative instruments for portfolio balancing and hedging purposes. Interest Rate Swaps will be done with approved counter parties under pre approved ISDA agreements. Mark to Market of swaps, netting off of cash flow and default provision clauses will be provided as per standard practice on a reciprocal basis.

Interest Rate Swaps and other derivative instruments will be used as per local (RBI and SEBI) regulatory guidelines.

Concentration Risk

The AMC will mitigate this risk by investing in sufficiently large number of issuers spread across the sectors so as to maintain optimum diversification and keep issuer/sector specific concentration risk relatively low.

Strategies for investment in Derivatives

Basic Structure of an Index Future

Index Futures are instruments designed to give exposure to the equity market indices. Bombay Stock Exchange Limited and the National Stock Exchange of India Limited have started trading in index futures of 1, 2 and 3 month maturities. The pricing of an index future is the function of the underlying index and short term interest rates.

Example:

Assumptions:

1 month BSE 30 Future

Spot Index: 4900

Future Price on day 1: 4920

Fund buys 10,000 futures contracts

On Date of settlement

Future price = Closing spot price = 4950

Profits for the Fund = $(4950-4920) \times 10000 = \text{Rs. } 300,000 +$ interest for the 1 month period

Please note that the above example is given for illustration purposes only.

The net impact for the Fund will be in terms of the difference between the closing price of the index and cost price (ignoring margins for the sake of simplicity) plus interest costs on funds that would otherwise be invested in stocks comprising the index. The risks associated with index futures are similar to those associated with equity investments. Additional risks could be on account of illiquidity and/or mis pricing of the future at any time during the life of the contract.

The strategies below are given for illustration purposes only. Some of the strategies involving derivatives that may be used by the Investment Manager, with a aim to protect capital and enhance returns include:

Strategy Number 1

■ Using Index Futures to increase percentage investment in equities

This strategy will be used for the purpose of generating returns on idle cash, pending its investment in equities. The Scheme is subject to daily flows. There may be a time lag between the inflow of funds and their deployment in stocks. If so desired, the scheme would be able to take immediate exposure to equities via index futures. The position in index futures may be reversed in a phased manner, as the funds are deployed in the equity markets.

Example:

The scheme has a corpus of Rs. 50 crore and there is an inflow of Rs. 5 crore in a day. The AMC may buy index futures contracts of a value of Rs. 5 crore. Later as the money is deployed in the underlying equities, the value of the index futures contracts can be suitably reduced.

Portfolio	Event	Equity Portfolio Gain / (Loss) (Rs. in crore)	Derivative Gain / (Loss) (Rs. in crore)	Total Portfolio Gain / (Loss) (Rs. in crore)
Rs. 50 Crore Equity exposure	10% rise in equity prices	5	Nil	5
Rs. 50 Crore Equity exposure + Rs. 5 Crore long position index futures	10% rise in equity prices	5	0.5	5
Rs. 50 Crore Equity exposure	10% fall in equity prices	(5)	Nil	(5)
Rs. 50 Crore Equity exposure + Rs. 5 Crore long position index futures	10% fall in equity prices	(5)	(0.5)	(5.5)

RISKS

- The strategy of taking a long position in index futures increases the exposure to the market. The long position is positively correlated with the market. However, there is no assurance that the stocks in the portfolio and the index behave in the same manner and thus this strategy may not provide gains perfectly aligned to the movement in the index.
- The long position will have as much loss / gain as in the underlying index. e.g. if the index appreciates by 10%, the index future value rises by 10%. However, this is true only for futures contracts held till maturity. In the event that a futures contract is closed out before its expiry, the quoted price of the futures contract may be different from the gain / loss due to the movement of the underlying index. This is called the basis risk.
- While futures markets are typically more liquid than the underlying cash market, there can be no assurance that ready liquidity would exist at all points in time, for the Scheme to purchase or close out a specific futures contract.

Strategy Number 2

■ Downside Protection Using Stock Put

As a stock hedging strategy, the purchase of a put option on an underlying stock held would lead to a capping of the loss in value of the stock in the event of a material decline in the stock's price. The purchase of a put option against a stock holding in the scheme gives the scheme the option of selling the stock to the writer of the put at the predetermined level of the Put Option, called the strike price. If the stock falls below this level, the downside for the scheme is protected as it has already locked into the selling price. In case of a fall in the stock's price below the strike price, the value of the Put Option appreciates, approximately corresponding to the extent of the stock's price fall below the strike price.

Example:

Let us assume 20000 shares of XYZ Limited held in the portfolio with a market value of Rs. 1000 per share (overall Rs. 2 crores). The scheme purchases put options on the stock of XYZ Limited (not exceeding its holding of 20000 shares) with a strike price of Rs. 990 for an assumed cost (called Option Premium) of Rs. 15 per share (Rs. 3 lakhs for 20000 shares).

By purchasing the above Put Option, the scheme has effectively set a floor to the realisation from the stock at Rs. 975 per share (Rs. 990 strike price less Rs. 15 Option Premium paid).

In case the stock price of the company falls below Rs. 975 per share, the gain in the price of the Put Option when added to the actual market price of the stock would bring the sale realisation per share close to Rs. 975 per share.

After purchasing the above Put Option, in case the price of the stock appreciates, remains around Rs. 1000 or declines slightly to remain above the strike price, the scheme may not avail of the option and the cost for having bought the option remains fixed at Rs. 15 per share.

In effect, a floor (in this case effectively Rs. 975) is set to the stock by buying an Option at a cost that is known (in this case Rs. 15 per share).

RISKS

- There can be no assurance that ready liquidity would exist at all points in time, for the scheme to purchase or close out a specific options contract.
- A hedging strategy using Put Options is a perfect hedge on the expiration date of the put option. On other days, there may be (temporary) imperfect correlation between the share price and the put option.

In terms of Circular No.MFD.BC.191/07.01.279/1999-2000 and MPD.BC.187/07.01.279/1999-2000 dated November 1, 1999 and July 7, 1999 respectively issued by Reserve Bank of India, Mutual Funds are permitted participation in Interest Rate Swaps and Forward Rate Agreements. These products were introduced for deepening the country's money market. The Scheme may trade in these instruments for the purpose of hedging and portfolio balancing or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. SEBI has also permitted trading of interest rate derivatives through Stock Exchange.

Interest Rate Swaps (IRS)

All swaps are financial contracts, which involve exchange (swap) of a set of payments owned by one party for another set of payments owned by another party, usually through an intermediary (market maker). An IRS can be defined as a contract between two parties (Counter Parties) to exchange, on particular dates in the future, one series of cash flows, (fixed interest) for another series of cash flows (variable or floating interest) in the same currency and on the same principal for an agreed period of time. The exchange of cashflows need not occur on the same date.

It may be noted that in such hedged positions (fixed v/s floating or vice versa), both legs of the transactions have interest rate volatility as underlying.

Basic Structure of a Swap

Assume that the Scheme has a Rs. 20 crore floating rate investment linked to MIBOR (Mumbai Inter Bank Offered Rate). Hence, the Scheme is currently running an interest rate risk and stands to lose if the interest rate moves down. To hedge this interest rate risk, the Scheme can enter into a 6 month MIBOR swap. Through this swap, the Scheme will receive a fixed predetermined rate (assume 12%) and pays the "benchmark rate" (MIBOR), which is fixed by the National Stock Exchange of India limited (NSE) or any other agency such as Reuters. This swap would effectively lock-in the rate or 12% for the next 6 months, eliminating the daily interest rate risk. This usually routed through an intermediary who runs a book and matches deals between various counterparties.

The steps will be as follows -

- Assuming the swap is for Rs. 20 crore October 1, 2015 to March 1, 2016. The Scheme is a fixed rate receiver at 12% and the counterparty is a floating rate receiver at the overnight rate on a compounded basis (say NSE MIBOR).
- On October 1, 2015 the Scheme and the counterparty will exchange only a contract of having entered this swap. This documentation would be as per International Swap Dealers Association (ISDA).
- On a daily basis, the benchmark rate fixed by NSE will be tracked by them.

- On March 1, 2016 they will calculate the following-
 - The Scheme is entitled to receive interest on Rs. 20 crore at 12% for 184 days i.e. Rs. 1.21 crore, (this amount is known at the time the swap was concluded) and will pay the compounded benchmark rate.
 - The counterparty is entitled to receive daily compounded call rate for 184 days & pay 12% fixed.
 - On March 1, 2016, if the total interest on the daily overnight compounded benchmark rate is higher than Rs. 1.21 crore, the Scheme will pay the difference to the counterparty. If the daily compounded benchmark rate is lower, then the counterparty will pay the Scheme the difference.
 - Effectively the Scheme earns interest at the rate of 12% p.a. for six months without lending money for 6 months fixed, while the counterparty pays interest @ 12% p.a. for 6 months on Rs. 20 crore, without borrowing for 6 months fixed.

The above example illustrates the benefits and risks of using derivatives for hedging and optimizing the investment portfolio. Swaps have their own drawbacks like credit risk, settlement risk. However, these risks are substantially reduced as the amount involved is interest streams and not principal.

Forward Rate Agreement

A FRA is an agreement between two counter parties to pay or to receive the difference between an agreed fixed rate (the FRA rate) and the interest rate prevailing on a stipulated future date, based on a notional amount, for an agreed period. In short, in a FRA, interest rate is fixed now for a future period. The special feature of FRAs is that the only payment is the difference between the FRA rate and the Reference rate and hence are single settlement contracts. As in the case of IRS, notional amounts are not exchanged.

Assume that on March 1, 2016, the 30 day commercial paper (CP) rate is 7.75% and the Scheme has an investment in a CP of face value Rs. 25 crores, which is going to mature on March 31, 2016. If the interest rates are likely to remain stable or decline after March 31, 2016, and if the fund manager, who wants to re-deploy the maturity proceeds for 1 more month, does not want to take the risk of interest rates going down, he can then enter into a following forward rate agreement (FRA) say as on March 31, 2016:

He can receive 1 X 2 FRA on March 31, 2016 at 7.75% (FRA rate for 1 months lending in 2 months time) on the notional amount of Rs. 25 crores, with a reference rate of 30 day CP benchmark. If the CP benchmark on the settlement date i.e. March 31, 2016 falls to 7.50%, then the Scheme receives the difference 7.75 - 7.50 i.e. 25 basis points on the notional amount Rs. 25 crores for 1 month. The maturity proceeds are then reinvested at say 7.50% (close to the benchmark). The scheme, however, would have locked in the rate prevailing on March 31, 2016 (7.75%) as it would have received 25 basis points more as settlement amount from FRA. Thus the fund manager can use FRA to mitigate the reinvestment risk.

In this example, if the rates move up by 25 basis points to 8% on the settlement date (March 31, 2016), the Scheme loses 25 basis points but since the reinvestment will then happen at 8%, effective returns for the Scheme is unchanged at 7.75%, which is the prevailing rate on March 31, 2016.

Interest Rate Futures (IRFs):

An Interest Rate Futures contract is "an agreement to buy or sell a debt instrument at a specified future date at a price that is fixed today." The underlying security for Interest Rate Futures is either Government Bond or T-Bill. Currently, exchange traded Interest Rate Futures traded on exchange are standardized contracts based on 10-Year Government of India Security and 91-day

Government of India Treasury Bill. IRFs contracts are cash settled. Holders of the fixed income securities are exposed to the risk of rising interest rates, which in turn results in the reduction in the value of their portfolio. So in order to protect against a fall in the value of their portfolio due to falling bond prices, they can take short position in IRF contracts.

Example:

Date: 01/03/2016

Spot price of GOI Security: Rs 105.05

May Futures price of IRF Contract: Rs 105.12

On 01/03/2016 ABC bought 2000 GOI securities from spot market at Rs 105.05. He anticipates that the interest rate will rise in near future. Therefore to hedge the exposure in underlying market he may sell March 2016 Interest Rate Futures contracts at Rs 105.12

On 15/03/2016 due to increase in interest rate:

Spot price of GOI Security: Rs 104.24

Futures Price of IRF Contract: Rs 104.28

Loss in underlying market will be $(104.24 - 105.05) \times 2000 = \text{Rs } 1,620$

Profit in the Futures market will be $(104.28 - 105.12) \times 2000 = \text{Rs } 1,680$

Risk Factors of SWAP / Forward Rate Agreement/ Interest Rate Futures

- **Credit Risk:** This is the risk of defaults by the counterparty. This is usually negligible, as there is no exchange of principal amounts in a derivative transaction.
- **Market Risk:** Market movements may adversely affect the pricing and settlement derivatives.
- **Liquidity Risk:** The risk that a derivative cannot be sold or purchased quickly enough at a fair price, due to lack of liquidity in the market.

PORTFOLIO TURNOVER

The Scheme is an open ended Scheme. It is expected that there would be a number of subscriptions and redemptions on a daily basis. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio.

INVESTMENT DECISIONS

The Investment Committee comprising Chief Investment Officer (CIO), Fund Manager(s) - Equities (for equity related matters), Fund Manager(s) - Debt (for debt related matters) and Chief Compliance Officer will inter alia lay down the fund's investment philosophy, policy and processes / procedures, review the performance / portfolios of the Schemes, monitor the credit ratings of debt exposures, etc.

Fund Manager(s) shall be responsible for taking investment / divestment decisions for their respective scheme(s) and for adhering to the Fund's investment philosophy, policy and processes / procedures. Investment decisions shall be recorded by the respective Fund Manager(s) along with reasons for the same. Research reports, both internal and external, covering inter alia factors like business outlook, financial analysis, valuation, etc. shall assist the Fund Manager(s) in the decision-making. Credit exposure limits shall be set and reviewed by the Head of Credit, Fund Manager(s) - Debt and the CIO.

The Executive Director & Chief Investment Officer and the Investment Committee report to the Managing Director. Investment decisions are taken by the Fund Manager(s) of the respective scheme(s) and the Managing Director does not play any role in the day-to-day investment decisions. The Managing Director of the AMC shall ensure that the investments made by the Fund Managers are in the interest of the Unit holders.

Periodic presentations will be made to the Board of Directors of the AMC and Trustee Company to review the performance of the Scheme.

INVESTMENT BY THE AMC IN THE SCHEME

The AMC may invest in the Scheme during the continuous offer period subject to the SEBI (MF) Regulations. The AMC may also invest in existing Schemes of the Mutual Fund. As per the existing SEBI (MF) Regulations, the AMC will not charge Investment Management and Advisory fee on the investment made by it in the Scheme or other existing schemes of the Mutual Fund.

F. FUNDAMENTAL ATTRIBUTES

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

(i) Type of a scheme

An open-ended balanced scheme

(ii) Investment Objective

- Main Objective - (Please refer to section 'What is the Investment Objective of the Scheme?' on Page 14.
- Investment pattern - Please refer to section 'How will the Scheme Allocate its Assets?' on Page 14.

(iii) Terms of Issue

a) Liquidity provisions such as listing, repurchase, redemption

Please refer section 'III. Units and Offer' for details.

b) Aggregate Fees and Expenses charged to the Scheme

Please refer to section 'Fees and Expenses' on Page 51 for details.

c) Any safety net or guarantee provided

This Scheme does not provide any guaranteed or assured return.

H. WHO MANAGES THE SCHEME?

The details of Fund Manager of the Scheme is as follows:

Name, Age & Tenure ^	Educational Qualifications	Experience (last 10 years)	Other Fund(s) Managed*
Mr. Chirag Setalvad 41 years Tenure for managing the Scheme: 9 years	B.Sc. in Business Administration - University of North Carolina, Chapel Hill.	Collectively over 19 years of experience, of which 16 years in Fund Management and Equity Research and 3 years in investment banking. March 19, 2007 till Date: HDFC Asset Management Company Limited October 2004 - February 28, 2007: New Vernon Advisory Services Pvt. Ltd. Last Position Held: Vice President July 2000 - August 31, 2004: HDFC Asset Management Company Limited. Last Position Held: Fund Manager	Open Ended Growth Scheme • HDFC Capital Builder Fund@ Open Ended Equity Scheme(s) • HDFC Mid - Cap Opportunities Fund • HDFC Small & Mid Cap Fund Open Ended Balanced Scheme • HDFC Balanced Fund Open Ended Equity Linked Savings Scheme with a Lock-in period of 3 years • HDFC Long Term Advantage Fund Open ended Income Scheme • HDFC Multiple Yield Fund - Plan 2005 (Equity Assets) Open Ended Notified Tax Savings Cum Pension Scheme • HDFC Retirement Savings Fund (Equity Assets)
* excluding overseas investments. @Jointly with Mr. Miten Lathia ^ Cut-off date considered for calculation of tenure is March 31 2016.			

Changes in Fundamental Attributes

In accordance with Regulation 18 (15A) of the SEBI (MF) Regulations, the Trustee shall ensure that no change in the fundamental attributes of the Scheme and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme and the Plan(s) / Option(s) thereunder and affect the interest of Unit holders is carried out unless :

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

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

BENCHMARK INDEX

The appropriate benchmark index for the Investment Plan would be CRISIL Balanced Fund Index, which tracks the returns of a portfolio consisting of 65% equity and 35% debt instruments. Hence, it is an appropriate benchmark for the Plan under the Scheme.

The appropriate benchmark index for the Savings Plan would be CRISIL MIP Blended Index, which tracks the returns of a portfolio consisting of 15% equity and 85% debt instruments. Hence, it is an appropriate benchmark for the Plan under the Scheme.

The Trustee reserves the right to change the benchmark for evaluation of performance of the Scheme from time to time in conformity with the investment objectives and appropriateness of the benchmark subject to SEBI Regulations, and other prevailing guidelines, if any.

Dedicated Fund Manager for Overseas Investments			
Name, Age & Tenure [^]	Educational Qualifications	Experience (last 10 years)	Other Fund(s) Managed
Mr. Rakesh Vyas 36 years Tenure for managing the Scheme: 3 years & 10 months	B.E. (Electrical); PGDBM from XLRI, Jamshedpur	Collectively over 12 years of experience of which 3 years in Application Engineering (Control & Automation) and 9 years in equity research. October 2009 till date: HDFC Asset Management Company Limited October 2008 to October 2009: Nomura Financial Advisory and Securities Pvt. Ltd. Last Position Held: Associate June 2006 to September 2008: Lehman Brothers Services India Pvt. Ltd. Last Position Held: Associate January 2003 to May 2004: GE Power Controls India Pvt. Ltd. Last Position Held: Application Engineer August 2001 to January 2003: Larsen & Toubro Limited Last Position Held: Project Engineer, Control & Automation - Projects	HDFC Annual Interval Fund - Series I HDFC Arbitrage Fund HDFC Balanced Fund HDFC Banking and PSU Debt Fund HDFC Capital Builder Fund HDFC Capital Protection Oriented Fund - Series I HDFC Capital Protection Oriented Fund - Series II HDFC Capital Protection Oriented Fund - Series III HDFC Cash Management Fund HDFC Core & Satellite Fund HDFC Corporate Debt Opportunities Fund HDFC Dual Advantage Fund - Series I HDFC Dual Advantage Fund - Series II HDFC Equity Fund HDFC Equity Savings Fund HDFC Floating Rate Income Fund HDFC Growth Fund HDFC High Interest Fund - Short Term Plan HDFC High Interest Fund - Dynamic Plan HDFC Income Fund HDFC Infrastructure Fund HDFC Large Cap Fund HDFC Liquid Fund HDFC Long Term Advantage Fund HDFC Medium Term Opportunities Fund HDFC MF Monthly Income Plan HDFC Mid - Cap Opportunities Fund HDFC Multiple Yield Fund - Plan 2005 HDFC Premier Multi-Cap Fund HDFC Prudence Fund HDFC Retirement Savings Fund HDFC Short Term Opportunities Fund HDFC Short Term Plan HDFC Small & Mid Cap Fund HDFC TaxSaver HDFC Top 200 Fund HDFC Fixed Maturity Plans - Series 24 HDFC Fixed Maturity Plans - Series 25 HDFC Fixed Maturity Plans - Series 27 HDFC Fixed Maturity Plans - Series 28 HDFC Fixed Maturity Plans - Series 29 HDFC Fixed Maturity Plans - Series 30 HDFC Fixed Maturity Plans - Series 31 HDFC Fixed Maturity Plans - Series 32 HDFC Fixed Maturity Plans - Series 33 HDFC Fixed Maturity Plans - Series 34 HDFC Fixed Maturity Plans - Series 35 HDFC Fixed Maturity Plans - Series 36

[^] Cut-off date considered for calculation of tenure is March 31 2016.

I. WHAT ARE THE INVESTMENT RESTRICTIONS?

Pursuant to SEBI (MF) Regulations, the following investment restrictions are applicable to the Scheme:

- Every Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities:

Provided that the Mutual Fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.

Provided further that the Mutual Fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by SEBI.

Provided further that sale of government security already

contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard.

- Save as otherwise expressly provided under SEBI (MF) Regulations, the Mutual Fund shall not advance any loans for any purpose.
- Each of the respective Plans shall enter into transactions relating to Government Securities only in dematerialised form.
- The Mutual Fund shall get the securities purchased, transferred in the name of the Mutual Fund on account of the Scheme, wherever the investments are intended to be of a long term nature.
- Each of the respective Plans shall not invest more than 10% of its NAV in debt instruments comprising money market

instruments and non-money market instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorised to carry out such activity under the Act. Such investment limit may be extended to 12% of the NAV of the scheme with the prior approval of the Board of Trustees and the Board of directors of the asset management company. Provided that such limit shall not be applicable for investments in Government Securities, treasury bills and collateralized borrowing and lending obligations.

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

- Each of the respective Plans shall not invest more than 10% of its NAV in unrated debt instruments [irrespective of residual maturity period (above or below one year)], issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the respective Plans. All such investments shall be made with the prior approval of the Trustee and the Board of the AMC.

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

- The Mutual Fund under all its Scheme(s) will not own more than ten percent of any Company's paid up capital carrying voting rights.
- Transfer of investments from one scheme to another scheme in the same Mutual Fund, shall be allowed only if:-

(a) such transfers are made at the prevailing market price for quoted Securities on spot basis

Explanation : spot basis shall have the same meaning as specified by Stock Exchange for spot transactions

(b) the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.

- The Savings Plan shall not invest more than 25% of its net assets in debt securities issued by issuers belonging to one sector. AMC shall utilize the "Sector" classification prescribed by AMFI for this purpose. However, this limit will not apply to investments in Certificates of Deposit issued by Banks, CBLOs, Government Securities, Treasury Bills, Short Term Deposits of scheduled Commercial Banks and AAA rated securities issued by Public Financial Institutions and Public Sector Banks.

The Savings Plan may have an additional exposure to financial services sector (over and above the limit of 25%) not exceeding 5% of its net assets by way of increase in exposure to Housing Finance Companies (HFCs) registered with National Housing Bank. Such additional exposure shall be to securities issued by HFCs which are rated AA and above. The total investment / exposure in HFCs shall not exceed 25% of the net assets of the Savings Plan.

The Debt Schemes of HDFC Mutual Fund shall not invest more than 20% of their net assets in a group (excluding investments in securities issued by Public Sector Units, Public Financial Institutions and Public Sector Banks). Such investment limit may be extended to 25% of the net assets of the Scheme with the prior approval of the Trustees. For this purpose, a group means a group as defined under regulation 2 (mm) of the Regulations and shall include an entity, its subsidiaries, fellow subsidiaries, its holding company and its associates.

- Each of the respective Plans may invest in another scheme under the same AMC or any other mutual fund without charging any fees, provided that aggregate inter-scheme

investment made by all schemes under the same AMC or in schemes under the management of any other asset management shall not exceed 5% of the net asset value of the Mutual Fund.

- Each of the respective Plans shall abide by the following guidelines for parking of funds in short term deposits as per SEBI Circular No. SEBI/IMD/CIR No. 1/91171/07 dated April 16, 2007.
 - "Short Term" for parking of funds shall be treated as a period not exceeding 91 days.
 - Such short-term deposits shall be held in the name of the Scheme.
 - The Plans shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustee.
 - Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
 - The Plans shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
 - The Plans shall not park funds in short-term deposit of a bank, which has invested in the Scheme.
 - No investment management and advisory fees will be charged for such investments in the respective Scheme. The aforesaid limits shall not be applicable to term deposits placed as margins for trading in cash and derivatives market.
- Each of the respective Plans shall not make any investments in:
 - any unlisted security of an associate or group company of the Sponsors; or
 - any security issued by way of private placement by an associate or group company of the Sponsors; or
 - the listed securities of group companies of the Sponsors which is in excess of 25% of the net assets.
 - any fund of funds scheme
- Each of the respective Plans shall not invest more than 10 per cent of its NAV in case of the equity shares or equity related instruments of any company and in listed securities / units of Venture Capital Funds.
- Each of the respective Plans shall not invest more than 5% of its NAV in the unlisted equity shares or equity related instruments and in unlisted securities / units of Venture Capital Funds.

The AMC / Trustee may alter these above stated restrictions from time to time to the extent the SEBI (MF) Regulations change, so as to permit the Scheme(s) / Plan(s) to make its investments in the full spectrum of permitted investments for mutual funds to achieve its respective investment objective. The AMC/Trustee may from time to time alter these restrictions in conformity with the SEBI (MF) Regulations.

Further, apart from the investment restrictions prescribed under SEBI (MF) Regulations, the fund may follow any internal norms vis-à-vis limiting exposure to a particular scrip or sector, etc.

All investment restrictions shall be applicable at the time of making investment.

J. HOW HAS THE SCHEME PERFORMED?

Performance of the Scheme (as at March 31, 2016)

HDFC Children's Gift Fund - Investment Plan - Regular Option			Absolute returns for each financial year for the last 5 years ^
Period	Returns (%) ^ \$	Benchmark Returns (%)#	
Last 1 Year (366 days)	-2.09	-2.90	
Last 3 Years (1099 days)	19.17	10.46	
Last 5 Years (1827 days)	14.10	7.15	
Since Inception* (5508 days)	16.96	N.A.	
^ Past performance may or may not be sustained in the future Returns greater than one year are compounded annualized (CAGR). N.A. Not Available * Inception Date March 02, 2001 # Crisil Balanced Fund Index \$ Adjusted for Bonus Units declared under the Scheme Since inception returns are calculated on Rs. 10 (allotment price)			
HDFC Children's Gift Fund - Investment Plan - Direct Option			Absolute returns for each financial year for the last 3 years ^
Period	Returns (%) ^	Benchmark Returns (%)#	
Last 1 Year (366 days)	-1.37	-2.90	
Last 3 Years (1099 days)	19.96	10.46	
Since Inception* (1185 days)	16.55	8.87	
^ Past performance may or may not be sustained in the future Returns greater than one year are compounded annualized (CAGR). *Inception Date: January 01, 2013 # Crisil Balanced Fund Index Since inception returns are calculated on Rs. 50.8520 (allotment price)			
HDFC Children's Gift Fund - Savings Plan - Regular Option			Absolute returns for each financial year for the last 5 years ^
Period	Returns (%) ^ \$	Benchmark Returns (%)#	
Last 1 Year (366 Days)	4.23	5.67	
Last 3 Years (1099 days)	11.87	9.40	
Last 5 Years (1827 days)	10.40	8.50	
Since Inception* (5508 days)	10.97	N.A.	
^ Past performance may or may not be sustained in the future Returns greater than one year are compounded annualized (CAGR). N.A. Not Available * Inception Date March 02, 2001 # Crisil MIP Blended Index \$ Adjusted for Bonus Units declared under the Scheme Since inception returns are calculated on Rs. 10 (allotment price)			
HDFC Children's Gift Fund - Savings Plan - Direct Option			Absolute returns for each financial year for the last 3 years ^
Period	Returns (%) ^	Benchmark Returns (%)#	
Last 1 Year (366 days)	5.12	5.67	
Last 3 Years (1099 days)	12.79	9.40	
Since Inception* (1185 days)	11.77	8.97	
^ Past performance may or may not be sustained in the future Returns greater than one year are compounded annualized (CAGR). *Inception Date: January 01, 2013 # Crisil MIP Blended Index Since inception returns are calculated on Rs. 26.4861 (allotment price)			

K. ADDITIONAL SCHEME RELATED DISCLOSURES

HDFC CHILDREN'S GIFT FUND - INVESTMENT PLAN

Portfolio - Top 10 Holdings (Issuer-wise)		Sector Allocation (% of Net Assets)	
Issuer	% to NAV	Sector Allocation	% to NAV
GOI	20.76	Sovereign	20.76
Infosys Ltd.	5.87	Financial Services	19.94
HDFC Bank Ltd.	5.49	Industrial Manufacturing	10.23
Reliance Industries Ltd.	3.75	IT	9.86
ICICI Bank Ltd.	3.33	Automobile	6.14
Tata Sons Ltd.	3.30	Construction	5.89
Bajaj Finance Ltd.	2.55	Consumer Goods	5.35
Motherson Sumi Systems Ltd.	2.54	Energy	5.26
Britannia Industries Ltd.	2.20	Pharma	4.83
Fag Bearings India Limited	2.15	Fertilisers & Pesticides	2.20
Grand Total	51.94	Metals	2.17
		Media & Entertainment	2.10
		Services	1.50
		Telecom	1.08
		Others	2.70
		Grand Total	100.00

Portfolio Turnover Ratio - Last 1 year: 5.95%

HDFC CHILDREN'S GIFT FUND - SAVINGS PLAN

Portfolio - Top 10 Holdings (Issuer-wise)		Sector Allocation (% of Net Assets)	
Issuer	% to NAV	Sector Allocation	% to NAV
GOI	53.36	Sovereign	53.36
Power Finance Corporation Ltd.	7.20	Financial Services	25.30
Tata Sons Ltd.	5.73	Metals	3.10
LIC Housing Finance Ltd.	5.35	Industrial Manufacturing	2.80
State Bank of India	3.36	Automobile	2.58
Vedanta Ltd.	3.10	Consumer Goods	2.54
Infosys Ltd.	1.69	IT	2.35
Bajaj Finance Ltd.	0.96	Services	1.11
Axis Bank Ltd.	0.95	Media & Entertainment	0.79
ICICI Bank Ltd.	0.88	Pharma	0.71
Grand Total	82.58	Construction	0.54
		Others	4.81
		Grand Total	100.00

Portfolio Turnover Ratio - Last 1 year: Not Applicable

Notes:

- Aggregate of equity securities and debt instruments held by the Scheme at issuer level/sectors are as of March 31, 2016
- Top 10 holdings do not include cash & cash equivalents, fixed deposits and/or exposure in derivative instruments, if any
- 'Others' under sector disclosure include cash & cash equivalents
- For complete details and latest monthly portfolio, investors are requested to visit www.hdfcfund.com/statutory-disclosures/monthly-portfolio

Disclosure of aggregate investment in the scheme by AMC's Board of Directors, scheme's Fund Manager(s) and Other key managerial personnel:

Not applicable as this is a gift scheme for minors. Hence, the above categories of persons are not eligible to make investments in the Scheme in their own name.

III. UNITS AND OFFER

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

A. NEW FUND OFFER (NFO)

This section does not apply to the Scheme except for the relevant details covered under section "B. Ongoing Offer Details".

B. ONGOING OFFER DETAILS

Plans / Options offered	<p>Investors will have the option of two Plans, viz. Investment Plan and Savings Plan.</p> <p>Investment Plan The net assets of the Plan will be primarily invested in Equities and Equity related instruments. The AMC will also invest the net assets of the Plan in Debt / Money market instruments with an objective of generating long term returns and maintaining risk under control.</p> <p>Savings Plan The net assets of the Plan will be primarily invested in Debt and Money market instruments. The AMC will also invest the net assets of the Plan in Equities and Equity related instruments. This Plan seeks to generate steady long term returns with relatively low levels of risk.</p> <p>Each Plan offers the following Options for subscription:</p> <ul style="list-style-type: none"> ● Regular Option ● Direct Option <p>Regular Option The Option already in existence prior to the introduction of Direct Option under the Scheme is referred to as Regular Option in this SID. Effective, January 1, 2013 this Option is offered only to investors who wish to route their investment through any distributor.</p> <p>Direct Option Direct Option was introduced under the Scheme with effect from January 1, 2013. The Option offered under the Scheme prior to January 1, 2013 is also available for subscription under the Direct Option. This Option is offered only to investors who wish to invest directly without routing the investment through any distributor. This Option shall have a lower expense ratio excluding distribution expenses, commission, etc., and no commission for distribution of Units will be paid / charged under the Direct Option. The Trustee reserves the right to introduce or discontinue / withdraw any plan / option, if deemed fit, at later date.</p> <p>Default Plan / Option Investors should mention the Plan for which the subscription is made by indicating the choice in the appropriate box provided for this purpose in the application form. In case of valid applications received, without indicating any choice of Plan, it will be considered as option for Investment Plan and processed accordingly. Investors may also opt to invest in both the Plans of the Scheme subject to minimum subscription requirements under each Plan. Investors should also indicate the Plan (viz. Direct Option/ Regular Option) for which the subscription is made by indicating the choice in the appropriate box provided for this purpose in the application form. In case of valid applications received without indicating any choice of Plan, the application will be processed for the Plan as under:</p> <table border="1"> <thead> <tr> <th>Scenario</th> <th>ARN Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Option to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not Mentioned</td> <td>Not Mentioned</td> <td>Direct Option</td> </tr> <tr> <td>2</td> <td>Not Mentioned</td> <td>Direct</td> <td>Direct Option</td> </tr> <tr> <td>3</td> <td>Not Mentioned</td> <td>Regular</td> <td>Direct Option</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct</td> <td>Direct Option</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not Mentioned</td> <td>Direct Option</td> </tr> <tr> <td>6</td> <td>Direct</td> <td>Regular</td> <td>Direct Option</td> </tr> <tr> <td>7</td> <td>Mentioned</td> <td>Regular</td> <td>Regular Option</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not Mentioned</td> <td>Regular Option</td> </tr> </tbody> </table> <p>In cases where wrong/ invalid/ incomplete ARN codes are mentioned on the application form, the application shall be processed under Regular Option. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Option from the date of application, without any exit load.</p>			Scenario	ARN Code mentioned by the investor	Plan mentioned by the investor	Default Option to be captured	1	Not Mentioned	Not Mentioned	Direct Option	2	Not Mentioned	Direct	Direct Option	3	Not Mentioned	Regular	Direct Option	4	Mentioned	Direct	Direct Option	5	Direct	Not Mentioned	Direct Option	6	Direct	Regular	Direct Option	7	Mentioned	Regular	Regular Option	8	Mentioned	Not Mentioned	Regular Option
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	<p>In the event of a discrepancy between the Plan / Option mentioned in the Application Form by the Applicant and the Plan mentioned on the cheque / demand draft / any other instrument accompanying the Application Form, then the application shall be rejected and amount will be refunded to the applicant.</p>
<p>Ongoing Offer Period This is the date from which the scheme will reopen for subscriptions / redemptions after the closure of the NFO period.</p>	<p>Continuous Offer for the Scheme commenced from March 7, 2001.</p> <p>The Scheme offers for Sale and Redemption of Units at NAV based prices on every Business Day. However, Investors / Donors who desire that the investment be locked-in till such date as the Unit holder (being the beneficiary child) attains 18 years of age or till completion of 3 years from the date of allotment whichever is later, they may do so by indicating it at the appropriate place in the application form. Units of the Scheme are available at Applicable NAV, on any Business Day from any of the Official Points of Acceptance.</p> <p>SUBSCRIPTION OF UNITS</p> <p>Applications by Investors on behalf of existing Unit holder must be for a minimum amount of Rs. 1,000 and any amount thereafter under each Plan. Applications by Investors on behalf of new Unit holder must be for a minimum amount of Rs. 5,000 and any amount thereafter under each Plan. The AMC reserves the right to change the minimum application amount from time to time.</p> <p>Subscriptions on an ongoing basis may be made only by specifying the amount to be invested and not the number of Units to be subscribed. The total number of Units allotted will be determined with reference to the applicable Sale Price and fractional Units may be created. Fractional Units will be computed and accounted for upto three decimal places and they will in no way affect an unit holder's ability to redeem Units.</p> <p>Units of the respective Plans of the Scheme may be provided in demat mode at a later date, if decided by the Trustee / AMC. Under such circumstances, Units will be transferable in accordance with the provisions of Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as may be amended from time to time.</p> <p>REDEMPTION OF UNITS</p> <p>The Redemption request can be made on a pre-printed form or by using the Transaction Slip, which should be submitted at / may be sent by mail to any of the ISCs. Redemption request before the Unit holder attains the age of Majority must be signed by the parent / legal guardian of the Unit holder. The Redemption cheque drawn in favour of the Unit holder will be despatched to either the parents / legal guardian of the Unit holder.</p> <p>After completion of Lock-in Period, if opted, the Unit holder may either by himself / herself or through the parents / legal guardian, as the case may be apply to the ISC's for Redemption / Switch of the Units. In case the Units are held in the names of more than one Unit holder subsequent to attaining Majority, where mode of holding is specified as "Joint", Redemption requests will have to be signed by all the joint holders. However, in cases of holding specified as 'Anyone or Survivor', any of the Unit holders will have the power / authority to make Redemption / Switch request, without it being necessary for all the Unit holders to sign. However, in all cases, the Redemption proceeds will be paid only to the first named Unit holder.</p> <p>PREMATURE REDEMPTION - FOR UNITS SUBJECT TO LOCK-IN PERIOD</p> <p>The Mutual Fund will allow premature Redemption of Units at the applicable Redemption Price / NAV related price, in exceptional circumstances such as death of the Unit holder (where no alternate child has been nominated), meeting unforeseen medical expenses for disease contracted or injury sustained by the Unit holder, which requires hospitalisation, and for higher education of the Unit holder. Such disease and / or injury shall be certified by a duly qualified Physician / Medical Specialist / Medical Practitioner or a duly qualified Surgeon. In case of Redemption for higher education after tenth standard, a certified true copy of the mark sheet and / or any other document as may be required should be submitted along with the Redemption request. The facility of Redemption under exceptional circumstances will be considered on a case to case basis by the Trustee / AMC. For Redemption under exceptional circumstances, the Account Statement(s) and the Redemption request may be submitted to the ISC, duly discharged on the reverse. The Redemption request requires attestation of the Unit holder's parent's / legal guardian's signature by a bank manager or by a notary public or by a magistrate. The Redemption cheque will be despatched to either the parents / legal guardian of the Unit holder.</p> <p>Redemption of Units under exceptional circumstances represents the sale of Units / income arising to the Unit holder who is a minor. Under provisions of Section 64(1A) of the Income Tax Act, 1961, all income, which arises or accrues to the minor, shall be clubbed to the income of that parent of the minor whose total income [excluding the income included under Section 64(1A)] is greater.</p>

<p>Dividend Policy</p>	<p>The Plans may declare dividend or make any other distributions to the Unit holders as may be deemed fit by the Trustee from time to time.</p> <p>The Trustee reserves the right to introduce a dividend option under both plans at a later date.</p> <p>The Trustee also reserves the right to declare dividends under the dividend option of the Scheme depending on the availability of distributable surplus under the Scheme. Dividends, if declared, will be paid (subject to deduction of tax at source, if any) to those Unit holders whose names appear in the Register of Unit holders on the record date. In order to be a Unit holder, an investor has to be allotted Units against receipt of clear funds by the Scheme. Further, the Trustee at its sole discretion may also declare interim dividend. However, it must be distinctly understood that the actual declaration of dividend and the frequency thereof will inter-alia, depend on the availability of distributable surplus as computed in accordance with SEBI (MF) Regulations and the decision of the Trustee / AMC in this regard shall be final. There is no assurance or guarantee to Unit holders as to the rate/quantum of dividend distribution nor that dividends will be paid regularly.</p> <p>On payment of dividends, the NAV will stand reduced by the amount of dividend and dividend tax / statutory levy (if applicable) paid. The Trustee / AMC reserves the right to change the record date from time to time.</p> <p>Dividend Distribution Procedure</p> <p>In accordance with SEBI Circular No. SEBI/IMD/Cir No.1/64057/06 dated April 4, 2006, the procedure for Dividend Distribution would be as under:</p> <ol style="list-style-type: none"> 1. Quantum of dividend and the record date will be fixed by the Trustee in their meeting. Dividend so decided shall be paid, subject to availability of distributable surplus. 2. Within one calendar day of decision by the Trustee, the AMC shall issue notice to the public communicating the decision about the dividend including the record date, in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the head office of the Mutual Fund is situated. 3. Record date shall be the date, which will be considered for the purpose of determining the eligibility of unit holders whose names appear on the register of unit holders for receiving dividends. The Record Date will be 5 calendar days from the issue of notice. 4. The notice will, in font size 10, bold, categorically state that pursuant to payment of dividend, the NAV of the Scheme would fall to the extent of payout and statutory levy (if applicable). 5. The NAV will be adjusted to the extent of dividend distribution and statutory levy, if any, at the close of business hours on record date. 6. Before the issue of such notice, no communication indicating the probable date of dividend declaration in any manner whatsoever will be issued by Mutual Fund. <p>The requirement of giving notice shall not be applicable for Dividend Options having frequency upto one month.</p>
<p>Allotment</p>	<p>The date of inception of the Scheme is March 2, 2001</p> <p>All Applicants whose monies towards purchase of Units have been realised by the Fund will receive a full and firm allotment of Units, provided also the applications are complete in all respects and are found to be in order. The Trustee retains the sole and absolute discretion to reject any application.</p> <p>Normally no Unit certificates will be issued. However, if the applicant so desires, the AMC shall issue a non-transferable Unit certificate to the applicant within 5 Business Days of the receipt of request for the certificate. Unit certificate if issued must be duly discharged by the Unit holder(s) and surrendered alongwith the request for Redemption / Switch or any other transaction of Units covered therein.</p> <p>All Units will rank pari passu, among Units within the same respective Plans in the Scheme concerned as to assets, earnings and the receipt of dividend distributions, if any, as may be declared by the Trustee.</p> <p>Face Value per unit of all Plans/ Options under the Schemes is Rs. 10.</p>

Who Can Invest

This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.

The following persons (i.e. an indicative list), proposing to make a gift to a child of less than 18 years of age are eligible and may apply for subscription to the Units of the respective Plans provided they are not prohibited by any law / constitutive document overning them:

1. Resident or non-resident adult individuals, who may be the parent, grand parent, step parent, legal guardian or friend. Such Applicants may apply either singly or jointly (not exceeding two);
2. Karta of Hindu Undivided Family (HUF);
3. Companies, Bodies Corporate, Public Sector Undertakings, Partnership Firms, Limited Liability Partnerships (LLPs), Association of Persons or bodies of individuals and societies registered under the Societies Registration Act, 1860, Co-Operative Societies registered under the Co- Operative Societies Act, 1912, One Person Company;
4. Non-resident Indians (NRIs) / Persons of Indian Origin residing abroad (PIOs) / Overseas Citizens of India (OCIs) on repatriation basis or on non-repatriation basis subject to prevailing laws;
5. Such other individuals / institutions / body corporate etc., as may be decided by the AMC/ Trustee from time to time, so long as wherever applicable they are in conformity with SEBI (MF) Regulations.

The age of the beneficiary child, i.e. the Unit holder, must be less than 18 years on the date of the investment by the Investor / Applicant. The Guardian of the minor should either be a natural guardian (i.e. father or mother, as applicable) or a court appointed legal guardian. A copy of birth certificate, passport copy, etc evidencing date of birth of the minor and relationship of the guardian with the minor should be mandatorily attached with the application. Subsequent purchases of Units may be made until the beneficiary child completes 18 years of age.

All transactions / standing instructions / systematic transactions etc. will be suspended i.e. the account will be frozen for operation by the guardian from the date of beneficiary child completing 18 years of age. Mutual Fund will send a notice to Unit holders at their registered correspondence address advising the minor to submit, on attaining majority, an application form along with prescribed documents to change the status of the account from 'minor' to 'major'. KYC Acknowledgment Letter of Unit holder becoming major should also be provided.

Note :

1. Reserve Bank of India vide their letter No.EC CO.FID (II)/2022/10.02.52 (2150)/2000-01 dated December 23, 2000 have conveyed no objection for issue of Units of HDFC Children's Gift Fund in the name of minor donees, where the investment funds have been received from donors. However, Investors may note that proceeds will be repatriable only when both donors and donees (first and alternate children holders) are NRIs / PIOs / OCIs and investment is made either through inward remittance or by debit to NRE / FCNR account. In all other cases Units will be issued on non-repatriation basis.
2. In case of application(s) made by individual investors under a Power of Attorney, the original Power of Attorney or a duly notarized copy should be submitted alongwith the subscription application form. In case of applications made by non-individual investors, the authorized signatories of such nonindividual investors should sign the application form in terms of the authority granted to them under the Constitutional Documents/Board resolutions/ Power of Attorneys, etc. A list of specimen signatures of the authorized signatories, duly certified / attested should also be attached to the Application Form. The Mutual Fund/AMC/Trustee shall deem that the investments made by such non individual investors are not prohibited by any law/Constitutional documents governing them and they possess the necessary authority to invest.
3. Under the KYC norms, Investors and parent / guardian of unit holder are required to provide prescribed documents for establishing their identity and address such as copy of the Memorandum and Articles of Association / bye-laws / trust deed / partnership deed / Certificate of Registration along with the proof of authorization to invest, as applicable, to the KYC Registration Agency (KRA) registered with SEBI. The Mutual Fund / AMC / Trustee / other intermediaries will rely on the declarations / affirmations provided by the Investor(s) in the Application / Transaction Form(s) and the documents furnished to the KRA. Further, the Investor shall be liable to indemnify the Fund / AMC / Trustee / other intermediaries in case of any dispute regarding the eligibility, validity and authorization of the transactions and / or the applicant who has applied on behalf of the unit holder.
The Mutual Fund / AMC / Trustee reserves the right to call for such other information and documents as may be required by it in connection with the investments made by the investor.

	<p>4. Returned cheques are not liable to be presented again for collection, and the accompanying application forms are liable to be rejected. In case the returned cheques are presented again, the necessary charges are by the AMC liable to be debited to the investor.</p> <p>5. The Trustee, reserves the right to recover from an investor any loss caused to the Schemes on account of dishonour of cheques issued by the investor for purchase of Units of the Scheme.</p> <p>6. Subject to SEBI (MF) Regulations, any application for subscription of Units may be accepted or rejected in the sole and absolute discretion of the AMC/Trustee. The AMC/Trustee may inter-alia reject any application for the purchase of Units if the application is invalid or incomplete or if the AMC/Trustee for any other reason does not believe that it would be in the best interest of the Scheme or its Unit holders to accept such an application.</p> <p>Who cannot invest The following persons / entities cannot invest in the Scheme:</p> <ol style="list-style-type: none"> 1. United States Person (U.S. person*) as defined under the extant laws of the United States of America; 2. Residents of Canada; 3. NRIs residing in any Financial Action Task Force (FATF) declared noncompliant country or territory <p><i>*The term "U.S. person" means any person that is a U.S. person within the meaning of Regulation S under the Securities Act of 1933 of U.S. or as defined by the U.S. Commodity Futures Trading Commission or as per such further amended definitions, interpretations, legislations, rules etc, as may be in force from time to time.</i></p>
<p>How to Apply</p>	<p>Please refer to the SAI and Application form for the instructions.</p> <p>Cash investments</p> <p>Pursuant to SEBI Circular No. CIR/IMD/DF/ 21/2012 dated September 13, 2012 read with SEBI Circular No. CIR/IMD/DF/10/2014 dated May 22, 2014 the Fund will accept subscription applications with payment mode as 'Cash' ("Cash Investments") to the extent of Rs. 50,000/- per investor, per financial year subject to the following.</p> <ol style="list-style-type: none"> 1) Eligible Investors: Only resident individuals, sole proprietorships and minors (through guardians), who are KYC Compliant and have a Bank Account can make Cash Investments. Such investors may or may not possess a Permanent Account Number (PAN). 2) Mode of application: Applications for subscription with 'Cash' as mode of payment can be submitted in physical form only at select Investor Service Centres (ISCs) of the Fund. Cash Investments cannot be made through electronic modes such as website of the Fund / Channel Distributors or through Stock Exchange Platforms, etc. 3) Cash collection facility with HDFC Bank: Currently, the Fund has made arrangement with HDFC Bank Limited ("the Bank") to collect cash at its designated branches from investors (accompanied by a deposit slip issued and verified by the Fund). <p>The Bank only acts as an aggregator for cash received towards subscriptions under various schemes received on a day at the various Bank branches. The Bank would be remitting the cash collected to the Fund's schemes usually by the next business day.</p> <p>Please refer our website www.hdfcfund.com or contact any of our ISCs for an updated list of designated bank branches / ISCs accepting Cash Investments.</p> <p>The acceptance of Cash Investments by the Fund is subject to-</p> <ol style="list-style-type: none"> i) compliance with Prevention of Money Laundering Act, 2002 and Rules framed there under, the SEBI Circular(s) on Anti Money Laundering (AML) and other applicable AML rules, regulations and guidelines; and ii) sufficient systems and procedures in place. <p>For details on procedure and conditions for making 'Cash Investments', refer section 'How to Apply' appearing in SAI or contact any of our ISCs or visit our website www.hdfcfund.com</p>
<p>Listing</p>	<p>Being an open ended Scheme under which Sale and Redemption of Units (subject to completion of Lock-in Period, if opted) will be made on continuous basis by the Mutual Fund, the Units of the Scheme are not proposed to be listed on any stock exchange. However, the Mutual Fund may at its sole discretion list the Units under the Scheme on one or more stock exchanges at a later date.</p>
<p>The policy regarding re-issue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.</p>	<p>The number of Units held by the Unit holder under his folio will stand reduced by the number of Units redeemed. Presently, the AMC does not intend to reissue the repurchased units. However, the Trustee reserves the right to reissue the repurchased units at a later date after issuing adequate public notices and taking approvals, if any, from SEBI.</p>

Restrictions, if any, on the right to freely retain or dispose of units being offered.

The Units of the respective Plans in the Scheme are not transferable. In view of the same, additions / deletions of names will not be allowed under any folio of the Scheme. However, the said provisions will not be applicable in case a person (i.e. a transferee) becomes a holder of the Units by operation of law or upon enforcement of pledge, then the AMC shall, subject to production of such satisfactory evidence and submission of such documents, proceed to effect the transfer, if the intended transferee is otherwise eligible to hold the Units of the respective Plans in the Scheme.

The said provisions in respect of deletion of names will not be applicable in case of death of a Unit holder (in respect of joint holdings) as this is treated as transmission of Units and not transfer.

Further, the facility to hold units in demat mode has not been provided in view of the unique feature / provisions of the scheme. However, the units may be provided in demat mode at a later date if so decided by the Trustee / AMC.

RIGHT TO LIMIT REDEMPTIONS

The AMC, may in the general interest of the Unit holders of the Scheme, keeping in view the unforeseen circumstances / unsure conditions, limit the total number of Units which may be redeemed on any Business Day to 5% of the total number of Units then in issue under each Plan of the Scheme (or such higher percentage as the AMC may decide in any particular case). In addition, the Trustee reserves the right, in its sole discretion, to limit the redemption with respect to any single account to an amount of Rs. 2 crores on any Business Day. Any units which by virtue of these limitations are not Redeemed on a particular Business Day will be carried for Redemption to the next Business Day, in the order of receipt of redemption request. Redemption so carried forward will be priced on the basis of Redemption Price of the Business Day on which Redemption is made. Under such circumstances, to the extent multiple Redemption requests are received at the same time on a single Business Day, Redemption will be made on a pro-rata basis, based on the size of each Redemption request, the balance amount being carried forward for the Redemption to the next Business Day(s).

SUSPENSION OF SALE / REDEMPTION / SWITCHING OPTIONS OF THE UNITS

The Mutual Fund at its sole discretion reserves the right to withdraw Sale and / or Redemption or Switching of the Units in the Scheme (including any one of the Plan of the Scheme) temporarily or indefinitely, if in the opinion of the AMC the general market conditions are not favourable and / or suitable investment opportunities are not available for deployment of funds.

Further, the indicative list of circumstances under which sale and / or redemption or switching of units may temporarily be suspended is as follows:

1. When one or more stock exchanges or markets, which provide basis for valuation for a substantial portion of the assets of the Scheme are closed otherwise than for ordinary holidays.
2. When, as a result of political, economic or monetary events or any circumstances outside the control of the Trustee and the AMC, the disposal of the assets of the Scheme are not reasonable, or would not reasonably be practicable without being detrimental to the interests of the Unit holders.
3. In the event of breakdown in the means of communication used for the valuation of investments of the Scheme, without which the value of the securities of the Scheme cannot be accurately calculated.
4. During periods of extreme volatility of markets, which in the opinion of the AMC are prejudicial to the interests of the Unit holders of the Scheme.
5. In case of natural calamities, war, strikes, riots and bandhs.
6. In the event of any force majeure or disaster that affects the normal functioning of the AMC or the Official Point of Acceptance.
7. During the period of Book Closure.
8. If so directed by SEBI.

Additionally, the AMC reserves the right in its sole discretion to withdraw the facility of Sale and Switching option of Units into the Scheme (including any one Plan of the Scheme), temporarily or indefinitely, if AMC views that changing the size of the corpus may prove detrimental to the existing Unit holders of the Scheme or any other reason as may be deemed fit by the AMC / Trustee.

Suspension or restriction of sale and / or redemption or switching shall be made applicable only after the approval of the Board of Directors of the AMC and the Trustee. The approval from the AMC Board and the Trustee Board giving details of circumstances and justification for the proposed action shall also be informed to SEBI in advance.

<p>Ongoing Price for subscription (purchase) / switch-in (from other schemes/plans of the mutual fund) by investors.</p> <p>This is the price you need to pay for purchase/ switch-in.</p>	<p>The Sale Price will be the Applicable NAV of the Scheme / Plan / Option.</p>
<p>Ongoing Price for redemption (sale)/ switch-outs (to other schemes/plans of the mutual fund) by investors.</p> <p>This is the price you will receive for redemptions / switch-outs</p>	<p>Redemption Price for each Plan will be calculated on the basis of the Applicable NAV and Exit Load, if any, of the respective Plans. The Redemption Price per Unit of the respective Plans will be calculated using the following formula:</p> <p>Redemption Price = Applicable NAV * (1 - Exit Load, if any)</p> <p>Example : If the Applicable NAV is Rs. 10 and a 2% Exit Load is charged, the Redemption Price per Unit will be calculated as follows:</p> <p style="padding-left: 40px;">= Rs. 10 * (1-0.02)</p> <p style="padding-left: 40px;">= Rs. 10 * (0.98)</p> <p style="padding-left: 40px;">= Rs. 9.80</p>
<p>Cut off timing for subscriptions / redemptions / switches. This is the time before which your application (complete in all respects) should reach the official points of acceptance</p>	<p>A. Applications for amount less than Rs. 2 lakhs:</p> <p>For Purchases including switch-ins</p> <ul style="list-style-type: none"> ● In respect of valid applications received upto 3 p.m. on a Business Day by the Fund along with a local cheque or a demand draft payable at par at the Official Point(s) of Acceptance where the application is received, the closing NAV of the day on which application is received shall be applicable. ● In respect of valid applications received after 3 p.m. on a Business Day by the Fund alongwith a local cheque or a demand draft payable at par at the Official Point(s) of Acceptance where the application is received, the closing NAV of the next Business Day shall be applicable. ● However, in respect of valid applications with outstation cheques / demand drafts not payable at par at the Official Point(s) of Acceptance where the application is received, closing NAV of the day on which cheque / demand draft is credited shall be applicable. <p>B. Applications for amount equal to or more than Rs. 2 Lakhs</p> <p>(i) For Purchases:</p> <ul style="list-style-type: none"> ● In respect of valid application received for an amount equal to or more than Rs. 2 lakhs upto 3.00 p.m. on a day at the Official Point(s) of Acceptance and funds for the entire amount of subscription/purchase as per the application are credited to the bank account of the Plan under the Scheme before the cut-off time i.e. available for utilization before the cut-off time- the closing NAV of the day shall be applicable; ● In respect of valid application received for an amount equal to or more than Rs. 2 lakhs after 3.00 p.m. on a day at the Official Point(s) of Acceptance and funds for the entire amount of subscription / purchase as per the application are credited to the bank account of the Plan under the Scheme before the cut-off time of the next Business Day i.e. available for utilization before the cut-off time of the next Business Day - the closing NAV of the next Business Day shall be applicable; and ● Irrespective of the time of receipt of application for an amount equal to or more than Rs. 2 lakhs at the official point(s) of acceptance, where funds for the entire amount of subscription/purchase as per the application are credited to the bank account of the Plan under the Scheme before the cut-off time on any subsequent Business Day i.e. available for utilization before the cut-off time on any subsequent Business Day - the closing NAV of such subsequent Business Day shall be applicable. <p>(ii) For switch-ins:</p> <p>For determining the Applicable NAV, the following shall be ensured:</p> <ul style="list-style-type: none"> ● Application for switch-in is received before the applicable cut-off time. ● Funds for the entire amount of subscription/purchase as per the switch-in request are credited to the bank account of the Plan before the cut-off time. ● The funds are available for utilization before the cut-off time.

	<p>Where application is received after the cut-off time on a day but the funds are cleared on the same day, the closing NAV of the next Business Day shall be applicable.</p> <p>For investments of an amount equal to or more than Rs. 2 lakh through systematic investment routes such as Systematic Investment Plans (SIP), FLEXINDEX Plan, the units will be allotted as per the closing NAV of the day on which the funds are available for utilization by the Target Scheme.</p> <p>All multiple applications for investment at the Unit holders' PAN and holding pattern level in a Scheme (irrespective of amount or the plan / option / sub-option) received on the same Business Day, will be aggregated to ascertain whether the total amount equals to Rs. 2 lakh or more and to determine the applicable Net Asset Value. Transactions in the name of minor received through guardian will not be aggregated with the transaction in the name of same guardian. The AMC may have additional criteria for aggregation of multiple transactions. The criteria for aggregation of multiple transactions shall be as decided by the AMC at its sole discretion from time to time.</p> <p>C. For Redemptions including switch-outs:</p> <ul style="list-style-type: none"> ● In respect of valid applications received upto 3 p.m. on a Business Day by the Fund, same day's closing NAV shall be applicable. ● In respect of valid applications received after 3 p.m. on a Business Day by the Fund, the closing NAV of the next Business Day shall be applicable. <p>Transactions through online facilities / electronic modes:</p> <p>The time of transaction done through various online facilities / electronic modes offered by the AMC, for the purpose of determining the applicability of NAV, would be the time when the request for purchase / sale / switch of units is received in the servers of AMC / RTA.</p> <p>In case of transactions through online facilities / electronic modes, there may be a time lag of upto 5-7 banking days between the amount of subscription being debited to investor's bank account and the subsequent credit into the respective Scheme's bank account. This lag may impact the applicability of NAV for transactions where NAV is to be applied based on actual realization of funds by the Scheme. Under no circumstances will HDFC Asset Management Company Limited or its bankers or its service providers be liable for any lag / delay in realization of funds and consequent pricing of units. The AMC has the right to amend cut off times subject to SEBI (MF) Regulations for the smooth and efficient functioning of the Scheme.</p>
<p>Where can the applications for purchase / redemption / switches be submitted?</p>	<p>The application forms for subscription / redemption/switches should be submitted at / may be sent by mail to, any of the ISCs / Official Points of Acceptance whose names and addresses are mentioned on Pages 61 to 63 of the SID.</p> <p>For details on updated list of ISCs / Official Points of Acceptance investors are requested to call 1800 3010 6767/ 1800 419 7676 or contact the AMC branches or log on to our website www.hdfcfund.com</p>
<p>Minimum amount for purchase / redemption/switches</p>	<p>Minimum amount for Purchase: Rs. 5,000 and any amount thereafter under each Plan/Option.</p> <p>Additional Purchase: Rs. 1,000 and any amount thereafter under each Plan/Option.</p> <p>Minimum Amount / Units for Redemption (including Switch-out):</p> <p>The Redemption / Switch-out (subject to completion of Lock-in Period, if opted) would be permitted to the extent of credit balance in the Unit holder's account. The Redemption / Switch-out request can be made by specifying the rupee amount or by specifying the number of Units of the respective Plans to be Redeemed. If a Redemption / Switch-out request is for both, a specified rupee amount and a specified number of Units of the respective Plans, the specified number of Units will be considered the definitive request. If only the Redemption / Switch-out amount is specified by the Unit holder, the AMC will divide the Redemption / Switch-out amount so specified by the Redemption Price to arrive at the number of Units. The request for Redemption / Switch-out of Units could also be in fractions, upto three decimal places. Redemption / Switch-out request can be made for a minimum amount of Rs. 500 or a minimum of 50 Units. The minimum amount of Redemption / Switch-out may be changed in future by the Trustee.</p>

<p>Minimum balance to be maintained and consequences of non maintenance</p>	<p>Investors may note that in case balance in the account of the Unit holder does not cover the amount of Redemption request, then the Mutual Fund is authorised to close the account of the Unit holder and send the entire such (lesser) balance to the Unit holder.</p> <p>Closure of Unit Holders' Account</p> <p>Investors may note that the AMC at its sole discretion may close a Unit holder's account (subject to completion of Lock-in Period, if opted) under a Plan after giving notice of 30 days, if at the time of any part Redemption, the value of balance Units (represented by the Units in the Unit holder's account if such Redemption / Switch were to take place, valued at the applicable Redemption Price), falls below Rs. 5,000 (or such other amount as the AMC may decide from time to time) or where the Units are held by a Unit holder in breach of any Regulation.</p>																																				
<p>Special products available</p>	<p>SYSTEMATIC INVESTMENT PLAN (SIP)</p> <p>The Unit holders under the Scheme can benefit by investing specified Rupee amounts at regular intervals for a continuous period. Under the SIP, Investors can invest a fixed amount of Rupees at regular intervals for purchasing additional Units of the Scheme(s) at Applicable NAV. This concept is called Rupee Cost Averaging.</p> <p>Investors on behalf of Unit holder can enroll for the SIP facility by submitting duly completed Enrolment Form at the Official Point(s) of Acceptance. It may be noted that new investors can apply for SIP without any existing investment / folio. The provision for minimum application amount shall not be applicable to SIP investments.</p> <p>Presently, SIP offers investors two plans viz. 'Monthly Systematic Investment Plan (MSIP)' and 'Quarterly Systematic Investment Plan (QSIP)'. Minimum amount per SIP installment is Rs. 500 and in multiples of Rs. 100 thereafter under MSIP and Rs. 1,500 and in multiples of Rs. 100 thereafter under QSIP.</p> <p>Additionally, investors may avail for SIP Top-up facility wherein those who have enrolled for SIP, have an option to increase the amount of the SIP Installment by a fixed amount at pre-defined intervals. This will enhance the flexibility of the investor to invest higher amounts during the tenure of the SIP. SIP Top-up facility shall be available for SIP Investments through ECS (Debit Clearing) / Direct Debit Facility/Standing Instruction only. The Top-up amount should be in multiples of Rs. 500 only. Monthly SIP offers top-up frequency at half yearly and yearly intervals. Quarterly SIP offers top-up frequency at yearly intervals only. In case the top-up frequency is not indicated under Monthly SIP, it will be considered as yearly interval.</p> <p>An Illustration: How to calculate the SIP Top-up amount? SIP Period : 01-Jan-2016 to 01-Dec-2017 (2 Years) Monthly SIP Installment Amount : Rs. 2,000/- SIP Date : 1st of every month (24 installments) Top-up Amount: Rs. 1,000/- Top-up Frequency: Half Yearly SIP Installments shall be as follows:</p> <table border="1" data-bbox="541 1273 1425 1541"> <thead> <tr> <th>Installment No(s).</th> <th>From Date</th> <th>To Date</th> <th>Monthly SIP Installment Amount</th> <th>SIP Top-up Amount Installment</th> <th>Increased Monthly SIP Amount</th> </tr> <tr> <td></td> <td></td> <td></td> <td>(A)</td> <td>(B)</td> <td>(A+B)</td> </tr> </thead> <tbody> <tr> <td>1 to 6</td> <td>1-Jan-16</td> <td>1-Jun-16</td> <td>2,000</td> <td>N.A.</td> <td>2,000</td> </tr> <tr> <td>7 to 12</td> <td>1-Jul-16</td> <td>1-Dec-16</td> <td>2,000</td> <td>1,000</td> <td>3,000</td> </tr> <tr> <td>13 to 18</td> <td>1-Jan-17</td> <td>1-Jun-17</td> <td>3,000</td> <td>1,000</td> <td>4,000</td> </tr> <tr> <td>19 to 24</td> <td>1-Jul-17</td> <td>1-Dec-17</td> <td>4,000</td> <td>1,000</td> <td>5,000</td> </tr> </tbody> </table> <p>N.A. - Not Applicable</p> <p>Note: Monthly SIP Installment Amount increases by Top-up amount Rs. 1,000/- at half-yearly intervals.</p> <ul style="list-style-type: none"> ● Minimum number of Installments under MSIP: <ul style="list-style-type: none"> ■ In respect of each SIP Installment less than Rs. 1,000/- in value: 12 ■ In respect of each SIP Installment equal to or greater than Rs. 1,000/- in value: 6 ● Minimum number of installments under QSIP: <ul style="list-style-type: none"> ■ In respect of each SIP Installment less than Rs. 3,000/- in value: 4 ■ In respect of each SIP Installment equal to or greater than Rs. 3,000/- in value: 2 	Installment No(s).	From Date	To Date	Monthly SIP Installment Amount	SIP Top-up Amount Installment	Increased Monthly SIP Amount				(A)	(B)	(A+B)	1 to 6	1-Jan-16	1-Jun-16	2,000	N.A.	2,000	7 to 12	1-Jul-16	1-Dec-16	2,000	1,000	3,000	13 to 18	1-Jan-17	1-Jun-17	3,000	1,000	4,000	19 to 24	1-Jul-17	1-Dec-17	4,000	1,000	5,000
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Investors (Donor) on behalf of the Unit Holder (i.e. the beneficiary child) can enroll for the SIP facility for a period until the Unit Holder attains the age of 18 years and the SIP facility will automatically stand terminated upon the Unit Holder attaining 18 years of age.

Investors can invest under this facility at periodic intervals by providing post-dated cheques to Official Point(s) of Acceptance. An investor is eligible to issue only one cheque for each month / quarter in the same SIP enrolment form. All SIP cheques under MSIP and QSIP should be of the same amount and same date. However, first cheques could be of any date but all subsequent cheques should be dated 1st, 5th, 10th, 15th, 20th or 25th. The first cheque and subsequent cheque should not fall in the same month in case of MSIP and in the same quarter in case of QSIP. The cheques should be drawn in favour of **"HDFC Children's Gift Fund - (Plan Name) (Permanent Account Number of First Unit holder)"** or **"HDFC Children's Gift Fund - (Plan Name) (First Unit holder's Name)"** and crossed **"A/c Payee only"**.

On receipt of the post dated cheques, the Fund will send a letter to the Unit holder confirming that the Unit holder's name has been noted for the SIP facility. The cheques will be presented on the dates mentioned on the cheque and subject to realization of the cheque, Units will be allotted at the Applicable NAV. In case the date falls on a holiday or falls during a Book Closure period, the immediate next Business Day will be considered for this purpose.

Investors may also enroll for SIP Auto Debit facility through Electronic Clearing Service (Debit Clearing) of the Reserve Bank of India or for SIP Direct Debit Facility / Standing Instruction Facility available with specified Banks / Branches. In order to enroll for SIP Auto Debit facility or Direct Debit Facility or Standing Instruction, an investor must fill-up the SIP Enrolment Form (for investment through Auto Debit / ECS / Standing Instructions).

Investors will have the right to discontinue the SIP facility at any time by sending a written request to any of the Official Point(s) of Acceptance. Notice of such discontinuance should be received at least 15 days prior to the due date of the next installment. On receipt of such request, the SIP facility will be terminated and the balance post-dated cheque/s will be returned to the Investor. SIP will be terminated upon the beneficiary child attaining 18 years of age and balance post dated cheques, if any, will be returned to the investor.

Transactions Charges shall be deducted from SIP installments, if applicable. For further details, refer to the section 'Transaction Charges' on **Page 4**.

Exit Load, if any, prevailing on the date of enrolment shall be levied in the Scheme.

The AMC / Trustee reserves the right to change / modify load structure and other terms and conditions under the SIP prospectively at a future date.

Please refer to the Enrolment Form for terms & conditions before enrolment.
MICRO SYSTEMATIC INVESTMENT PLAN ("MICRO SIP") / PAN EXEMPT INVESTMENTS

Investment in mutual fund schemes [including through Systematic Investment Plan (SIP)] upto Rs. 50,000/- per year per investor, are exempt from the requirement of PAN. Such PAN exempt SIPs are referred to as Micro SIP.

Investors may make PAN exempt investments subject to the following provisions:

- The limit of Rs. 50,000/- is applicable at an aggregate level (SIP plus lumpsum investments) across all Schemes of the Fund in a rolling 12 month period or in a financial year i.e. April to March.
- This exemption is applicable only to investments by "Eligible Investors" i.e. individuals [including Joint Holders who are individuals, NRIs but not PIOs], Minors and Sole proprietary firms, who do not possess a PAN*. Hindu Undivided Family (HUF) and other categories are not eligible for PAN exemption.

**In case of joint holders, first holder must not possess a PAN.*

- Eligible Investors are required to undergo Know Your Customer (KYC) procedure with any of the SEBI registered KYC Registration Agency (KRA).
- Eligible Investors must attach a copy of the KYC acknowledgement letter containing the PAN Exempt KYC Reference No (PEKRN) issued by the KRA along with the application form. Eligible investors must hold only one PEKRN.

Eligible Investors who wish to enroll for Micro SIP are required to fill in the SIP Enrolment Form available with the ISCs, distributors / agents and also displayed on the website www.hdfcfund.com

All terms and conditions (including load structure and Transaction Charges) of Systematic Investment Plans (SIPs) (except availability of SIP Top-up facility) shall apply to Micro SIPs.

The detailed procedures / requirements for accepting PAN exempt investments, including Micro SIPs, shall be as specified by AMC / Trustee from time to time and their decision in this behalf will be final and binding.

Please refer to the Micro SIP Enrolment Form for terms & conditions before enrolment.

OTM - ONE TIME MANDATE ('FACILITY'):

OTM is a simple, convenient and paperless facility that enables the Unit holders to transact in the Schemes of the Fund by submitting OTM - One Time Mandate registration form to the Fund. It is a one - time registration process wherein the Unit holder(s) of the Scheme of the Fund authorizes his/her bank to debit their account upto a certain specified limit based per day, on request received from the Fund, as and when the transaction is undertaken by the Unit holder, without the need of submitting cheque or fund transfer letter with every transaction thereafter. This Facility is only available to Unit holder(s) of the Fund who have been assigned a folio number by the AMC.

Unit Holder(s) are requested to note that the AMC reserves the right to amend the terms and conditions, or modify, or discontinue the Facility for existing as well as prospective investors at anytime in future. For general terms and conditions and more information, Unit holder(s) are requested to read Terms and Conditions, OTM registration form available at the Investor Service Centres (ISCs) of the Fund and also available on www.hdfcfund.com.

SYSTEMATIC WITHDRAWAL ADVANTAGE PLAN (SWAP)

This facility, available to the parent / legal guardian of the Unitholder (less than 18 years of age) or to the Unitholder (on attaining 18 years of age) of the respective Plans enables them to withdraw (subject to deduction of tax at source, if any) fixed sum (Fixed Plan) or a variable amount (Variable Plan) from their Unit accounts at periodic intervals **(subject to completion of lock-in period, if any)**. Fixed Plan is available for Growth as well as Dividend Option and Variable Plan is available for Growth Option only for eligible Scheme(s) / Plan(s) under SWAP facility. Unitholder(s) who opt for Fixed Plan under systematic withdrawal from each Scheme / Plan have an option of Monthly, Quarterly, Half-Yearly and Yearly intervals and Unitholder(s) who opt for Variable Plan under systematic withdrawal from each Scheme / Plan have an option of Quarterly, Half-Yearly and Yearly intervals. Any Unit holder can avail of this facility subject to the terms and conditions contained in the SWAP Enrolment Form. The amount withdrawn (subject to deduction of tax at source, if any) under SWAP by Redemption shall be converted into the specific Scheme / Plan Units at the NAV based prices as on 1st, 5th, 10th, 15th, 20th, 25th of month / quarter / year and such Units will be subtracted from the Unit Balance of the Unit holders. If the net asset value of the Units outstanding on the withdrawal date is insufficient to process the withdrawal request, then the Mutual Fund will redeem the Units outstanding in its entirety. In respect of amount withdrawn under SWAP, the Exit Load, if any, applicable to the Scheme / Plan as on the date of allotment of units shall be levied. **Unit holders may note that if you decide to take up Fixed Plan under SWAP facility, you should be aware of the possibility that you could erode your capital.**

The Mutual Fund / AMC will register SWAP in the folio held by a minor only till the date of the minor attaining majority, even though the instructions may be for a period beyond that date. The SWAP facility will automatically stand terminated upon the Unit Holder attaining 18 years of age.

Unit holders can enroll themselves for the facility by submitting the duly completed SWAP Enrolment Form at any of the OPAs. The AMC / Trustee reserve the right to change / modify load structure and other terms and conditions under the SWAP prospectively at a future date.

SWAP facility is available subject to terms & conditions. Please refer to the SWAP Enrolment Form for terms & conditions before enrolment.

SWITCHING OPTIONS

Unit holders under the Scheme have the option to Switch part or all of their Unit holdings in the respective Plans to another Schemes established by the Mutual Fund, or within the Scheme from one Plan to another, **(subject to completion of Lock-in Period, if opted)**, which is available for investment at that time, subject to applicable exit load. This Option will be useful to Unit holders who wish to alter the allocation of their investment among the Scheme(s) / Plans of the Mutual Fund in order to meet their changed investment needs.

The Switch will be effected by way of a Redemption of Units from [On a First In First Out (FIFO) basis] the Scheme / Plan and a reinvestment of the Redemption proceeds in the other Scheme / Plan and accordingly, to be effective, the Switch must comply with the Redemption rules of the Scheme and the issue rules of the other scheme (for e.g. as to the minimum number of Units that may be redeemed or issued, Exit / Entry Load etc). The price at which the Units will be Switched out of the respective Plans will be based on the Redemption Price, and the proceeds (subject to deduction of tax at source, if any) will be invested in the other Scheme / Plan at the prevailing sale price for units in that Scheme / Plan. Applicable load shall be imposed for switching between the Plans within the Scheme.

Exit Load for switches within the Scheme:

- (i) Applicable exit load will be levied for switches between the Plans under the Scheme.
- (ii) Switch of investments from Regular Option to Direct Option under the same Plan shall be subject to applicable exit load, unless the investments were made directly i.e. without any distributor code. However, any subsequent switch-out or redemption of such investments from Direct option will not be subject to any exit load.
- (iii) No exit load shall be levied for switch-out from Direct Option to Regular Option under the same Plan. However, any subsequent switch-out or redemption of such investment from Regular Option shall be subject to exit load based on the original date of investment in the Direct Option.

The Switch request can be made on a pre-printed form or by Transaction Slip which should be submitted at / may be sent by mail to any of the Official Point(s) of Acceptance.

The AMC reserves the right to modify the load structure for Switching between Plans within the Scheme(s) or Options within the respective Plans at a future date.

TRANSACTIONS THROUGH “CHANNEL DISTRIBUTORS”

Investors may enter into an agreement with certain distributors (with whom AMC also has a tie up) referred to as “Channel Distributors” who provide the facility to investors to transact in units of mutual funds through various modes such as their website / other electronic means or through Power of Attorney in favour of the Channel Distributor, as the case may be.

Under such arrangement, the Channel Distributors will aggregate the details of transactions (viz. subscriptions / redemptions / switches) of their various investors and forward the same electronically to the AMC / RTA for processing on daily basis as per the cut-off timings applicable to the relevant schemes.

The Channel Distributor is required to send copy of investors’ KYC Proof and agreement entered into between the investor & distributor to the RTA (one time for central record keeping) as also the transaction documents / proof of transaction authorization as the case may be, to the AMC / RTA as per agreed timelines. In case KYC Proof and other necessary documents are not furnished within the stipulated timeline, the transaction request, shall be liable to be rejected.

Normally, the subscription proceeds, when invested through this mode, are by way of direct credits to the specified bank account of the Fund. The Redemption proceeds (subject to deduction of tax at source, if any) and dividend payouts, if any, are paid by the AMC to the Unit holder directly through direct credit in the specified bank account of the investor or through issuance of payment instrument, as applicable.

It may be noted that investors investing through this mode may also approach the AMC / Official Point(s) of Acceptance directly with their transaction requests (financial / non-financial) or avail of the online transaction facilities offered by the AMC.

The Mutual Fund, the AMC, the Trustee, along with their directors, employees and representatives shall not be liable for any errors, damages or losses arising out of or in connection with the transactions undertaken by investors / distributors through above mode.

SUBSCRIPTION OF UNITS THROUGH ELECTRONIC MODE

Subject to an investor fulfilling applicable terms and conditions as may be stipulated by the AMC from time to time, the AMC / Mutual Fund / Registrar / or any other agent or representative of the AMC / Mutual Fund / Registrar (“Recipient”) may accept instructions / transaction requests transmitted through fax / web / any other electronic

mode as may be permitted by the AMC from time to time (hereinafter referred to as “**electronic transactions**”) by such investor (hereinafter referred to as “**transmitter**”). The acceptance of the electronic transactions will be solely at the risk of the transmitter and the Recipient shall not be liable and /or responsible for any loss or damage caused to the transmitter directly and / or indirectly, as a result of sending and / or purporting to send such electronic transactions including where such electronic transactions sent / purported to be sent is not processed by the Recipient for any reason whatsoever.

The transmitter acknowledges that electronic transactions is not a secure means of giving instructions / transactions requests and is aware of the risks involved including but not limited to such instructions / requests being inaccurate, imperfect, ineffective, illegible, having a lack of quality or clarity, garbled, altered, distorted, not timely etc.

The transmitter acknowledges that the request to the Recipient to act on any electronic transactions is for the transmitter’s convenience and the Recipient is not obliged or bound to act on the same.

The transmitter authorizes the Recipient to accept and act on the electronic transactions that the Recipient believes in good faith to be given by the transmitter duly signed. The Recipient at its discretion may treat such electronic transactions as final for all record purposes.

In case there is any discrepancy between the particulars mentioned in the electronic transactions and the original document/s that may be received thereafter, the Recipient shall not be liable for any consequences arising therefrom.

The transmitter agrees that security procedures adopted by the Recipient may include signature verification, telephone call backs or a combination of the same, that may be recorded by tape recording device and the transmitter consents to such recording and agrees to co-operate with the Recipient to enable confirmation of such electronic transactions.

The transmitter accepts that the electronic transactions shall be time stamped (wherever required) upon receipt by the Recipient in accordance with SEBI (MF) Regulations.

In consideration of the Recipient accepting and at its sole discretion acting on any electronic transactions received / purporting to be received from the transmitter, the transmitter hereby agrees to indemnify and keep indemnified the AMC, Directors, employees, agents, representatives of the AMC, Mutual Fund and Trustee (hereinafter referred to as “**indemnified parties**”) from and against all actions, claims, demands, liabilities, obligations, losses, damages, costs and expenses of whatever nature (whether actual or contingent) directly or indirectly suffered or incurred, sustained by or threatened against the indemnified parties whatsoever arising from and / or in connection with or in any way relating to the indemnified parties in good faith accepting and acting on the electronic transactions.

The AMC reserves the right to modify the terms and conditions and / or to discontinue the facility at any time. On availing this facility, transmitter will unequivocally be bound by what is stated above.

ELECTRONIC SERVICES

The **eServices** facility includes **HDFCMFOnline**, **HDFCMFInvestOnline**, **HDFCMFMobile**, **eDocs**, **eAlerts** and **ePayouts**. The AMC / Fund may at its sole discretion offer / discontinue any and / or all of the **eServices** facilities offered to any Unitholder in the event the offer of the same is restricted under the applicable jurisdictional laws of such Unitholder.

HDFCMFOnline

This facility enable Unitholders to execute purchases, redemptions, switches, view account details, portfolio valuation online, download account statements, request for documents via email and avail such other services as may be introduced by the Fund from time to time) on the Fund’s website www.hdfcfund.com using **HDFCMFOnline**.

HDFCMFInvestOnline

This facility enables existing Unitholders not having a HDFC Personal Identification Number (HPIN) to execute purchases / avail such other services as may be introduced by the Fund from time to time on the Fund’s website www.hdfcfund.com using **HDFCMFInvestOnline**.

HDFCMFMobile

This facility enables Unitholders to execute purchases, redemptions, switches, view account details and portfolio valuation, request for account statements and avail such other services as may be introduced by the Fund from time to time) on their mobile handsets.

eDocs

This facility enables the Unitholder to register an email address with the AMC for receiving allotment confirmations, consolidated account statement / account statement,

annual report / abridged summary and / or any statutory / other information as permitted by email.

eAlerts

This facility enables the Unit holder to receive SMS confirmations for purchase, redemption or switch, dividend declaration details and other alerts.

Apart from above mentioned facilities, the facility of **ePayouts** comprising of mode of payment of Redemption / Dividend Proceeds if any, via Direct Credit / NEFT / ECS is covered under **eServices** facility.

For further details and the terms and conditions applicable for availing **eServices**, please visit our website www.hdfcfund.com

ALTERNATE CHILD

The facility to register an alternate child is an additional feature under the Scheme. As children less than 18 years of age as on the date of the investment only are eligible to become the Unit holder under the Scheme, the parent / legal guardian of the Unit holder are given the facility to nominate an alternate child not exceeding 18 years of age at any time before the Unit holder attains Majority. By providing this facility the Trustee is not in any way attempting to grant any rights other than those granted to the nominee. The alternate child shall receive the Units only as an agent and trustee for the legal heirs or legatees as the case may be.

Where an alternate child is nominated, the parent / legal guardian of such an alternate child, at the time of such nomination shall sign such forms or any other documents as may be required by the AMC. The AMC shall recognize such nomination only upon and from the date of receiving the duly completed forms and documents as it may require. Any nomination of an alternate child wherein the parent / legal guardian of the alternate child has not been named shall be an invalid nomination and the AMC shall be under no obligation to recognise the nominee as an alternate child or any claims made thereof.

In the event of death of the Unit holder before attaining Majority and in the event that an alternate child has been named, the alternate child shall stand transposed in respect of the Units held by the deceased Unit holder. Such alternate child (new Unit holder) will hold the Units in trust for and on behalf of the estate of the original Unit holder and his / her successors / legal heirs.

The alternate child will also be entitled to be covered under the personal accident insurance cover (in the event of the death of the Unit holder) subject to the terms and conditions of the personal accident insurance cover.

Any payment to be made to the alternate child (new Unit holder) shall be made to the legal guardian appointed by the competent court or where no such guardian has been appointed, to either parent of the alternate child, or where neither parent is alive, to any other guardian of the alternate child, which shall be a full and valid discharge of the AMC / Fund from all further liabilities in respect of the sum so paid. At the time of making any payment to the parent / legal guardian of the alternate child as aforesaid the AMC may require any additional information or documentation it deems fit as proof of guardianship including but not limited to procuring an indemnity bond.

In the event of death of the Unit holder (before attaining Majority) during the tenor of the Scheme and where no alternate child has been named, the value of Units (at the Redemption Price) at the credit of the deceased Unit holder will be paid by the Fund to the legal guardian appointed by the competent court or where no such guardian has been appointed, to either parent of the Unit holder, or where neither parent is alive, to any other guardian of the Unit holder, which shall be a full and valid discharge of the AMC / Fund from all further liabilities in respect of the sum so paid. At the time of making any payment as aforesaid the AMC may require any additional information or documentation it deems fit as proof of guardianship including but not limited to procuring an indemnity bond.

In the event of simultaneous death of the Unit holder and the alternate child, the legal guardian of the Unit holder appointed by the competent court or where no such guardian has been appointed, either parent of the Unit holder, or where neither parent is alive, any other guardian of the Unit holder, alone shall have the right to claim the value of Units (at the Redemption Price) at the credit of the deceased Unit holder, which shall be a full and valid discharge of the AMC / Fund from all further liabilities in respect of the sum so paid. At the time of making any payment as aforesaid the AMC may require any additional information or documentation it deems fit as proof of guardianship including but not limited to procuring an indemnity bond.

For the substitution or cancellation of a nomination to be valid an application in the prescribed form shall be made to the AMC. For e.g. in the event of death of the alternate child before the Unit holder attains Majority, the parent / legal guardian of the Unit holder may name another child not exceeding 18 years of age as the alternate child.

PERSONAL ACCIDENT INSURANCE

The Parent / Legal Guardian (Resident / Non-Resident) of a Unit holder named in the Application Form will be covered upto the age of 80 years (subject to conditions of the Policy) under the group personal accident insurance cover for death by accident or permanent total disability or permanent partial disability sustained due to accident. The AMC has obtained a Group Personal Accident Insurance Policy from The New India Assurance Company Limited for this purpose. The personal accident insurance cover will commence from the date of allotment of Units or the Unit holder attaining age of three months (minimum age), whichever is later, till the Unit holder attains 18 years of age or till such date as the Units are Redeemed in accordance with the terms and conditions stated in the Scheme Information Document, whichever is earlier. The Capital Sum Insured under the personal accident insurance cover will be equivalent to 10 times of the cost value of the outstanding Units (including bonus Units / Units allotted on dividend reinvestment, if any, etc. but excluding ongoing SIP installments falling due on or after August 1, 2009 unless otherwise intimated by the Unit holder to avail the terms of the new Policy) held by the Unit holder (i.e. Units allotted on or after August 1, 2009 at the continuous offer / Applicable NAV Less Units Redeemed), under all the applications / account statements / folios subject to a maximum amount of Rs. 10 lakhs per Unit holder. The compensation payable to each Unit holder / Insured under the Policy shall not carry any interest. The insurance premium in respect of the personal accident insurance cover will be borne by the AMC.

In the case of an accident resulting in death or permanent total disability of the Resident/ Non Resident Parent / Legal Guardian of the Unit holder, the legal representative of the Unit holder may file the claim directly with the designated branch of The New India Assurance Company Limited supported by all relevant documents. The payment of the claim shall be made to the Unit holder. In the case of an accident resulting in permanent partial disablement of the insured i.e. the Parent / Legal Guardian, the payment of the claim shall be made to the insured, the sum or sums as set forth in the Policy. All insurance claims will be settled in India and shall only be payable in Indian Rupees. The terms and conditions of the new personal accident insurance cover (insured-Parent / Legal Guardian of the Unit holder for units allotted on or after August 1, 2009) and the guidelines for filing claims under the personal accident insurance cover with the insurance company are detailed on **Page 57-58** of this document.

The Trustee, AMC, Mutual Fund or their Directors, or their employees shall not be liable for any claims (including but not limited to rejection of any claim, non settlement, delays etc.) arising out of the personal accident insurance cover provided to the Parent / Legal Guardian of the Unit holder or the surviving Parent as the case may be.

The Trustee / AMC reserves the right to modify / annul the said personal accident insurance cover on a prospective basis. The Trustee / AMC also reserves the right to change the insurance company from time to time.

The terms and conditions of old personal accident insurance cover [insured-Unit holder (Beneficiary Child) for Units allotted on or before July 31, 2009] and the guidelines for filing claims under the personal accident insurance cover with the insurance company are detailed on **Page 59-60** of this document.

Statement of Claims Pending :
(as at March 31, 2016)

Number of Cases	Aggregate amounts involved
3	Rs. 12,40,000

<p>Account Statements</p>	<p>For normal transactions during ongoing sales and repurchase:</p> <ul style="list-style-type: none"> ● The AMC shall send an allotment confirmation specifying the units allotted by way of email and / or SMS within 5 Business Days of receipt of valid application / transaction to the Unit holders registered e-mail address and / or mobile number. ● The AMC shall send an account statement for each calendar month to the Unit holder(s) in whose folio(s) transaction(s) has / have taken place during the month on or before 10th of the succeeding month by mail / e-mail. ● In case of a specific request received from the Unit holders by the AMC/ISC/R&T, the AMC / Fund will provide an account statement (reflecting transactions of the Fund) within 5 Business Days from the receipt of such request, by mail / email. The Unit holder may request for a physical account statement by writing to/ calling the AMC/ ISC/ R&T. <p>Half Yearly Account Statement:</p> <ul style="list-style-type: none"> ● An account statement detailing holding across all schemes at the end of every six months (i.e. September / March), on or before 10th day of succeeding month, to all such Unit holders in whose folios no transaction has taken place during that period shall be sent by mail / email. ● The half yearly account statement will be sent by e-mail to the Unit holders whose e-mail address is registered with the Fund, unless a specific request is made to receive in physical. <p>COMMUNICATION BY EMAIL</p> <p>For those Unit holders who have provided an e-mail address, the AMC will send the statement by email. Unit holders will be required to download and print the documents after receiving 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.</p>
<p>Dividend</p>	<ul style="list-style-type: none"> ● The dividend proceeds will be paid directly into the Unitholder's bank account through various electronic payout modes such as Direct credit / NEFT / RTGS/ ECS / NECS etc. unless the Unitholder has opted to receive the proceeds through Warrant / Cheque/Demand Draft. ● The proceeds will be paid in favour of the Unit holder (registered holder of the Units or, if there is more than one registered holder, only to the first registered holder) with bank account number furnished to the Mutual Fund (please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI, even in cases where investments are made in cash). Warrant / Cheque / Demand Draft will be sent to the Unit holders address (or, if there is more than one holder on record, the address of the first-named Unit holder). ● The dividend warrants / cheque / demand draft shall be despatched to the Unitholders within 30 days of the date of declaration of dividend. In the event of failure of despatch of dividend within the stipulated 30 day period, the AMC shall be liable to pay interest @ 15% per annum to the Unitholders.

Redemption

Payment of Redemption Proceeds

Unit holders will receive redemption proceeds directly into their bank account through various electronic payout modes such as Direct credit / NEFT / RTGS/ECS / NECS etc. unless they have opted to receive the proceeds through Cheque/ Demand Draft.

Redemption proceeds will be paid in favour of the Unit holder (registered holder of the Units or, if there is more than one registered holder, only to the first registered holder) with bank account number furnished to the Mutual Fund (please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI, even in cases where investments are made in cash). Redemption cheques will be sent to the Unit holders address (or, if there is more than one holder on record, the address of the first-named Unit holder).

As per SEBI (MF) Regulations, the Mutual Fund shall dispatch Redemption proceeds within 10 Business Days of the Redemption date. A penal interest of 15% or such other rate as may be prescribed by SEBI from time to time, will be paid in case the Redemption proceeds are not made within 10 Business Days of the Redemption Date.

However, under normal circumstances, the Mutual Fund would endeavor to despatch the Redemption proceeds cheque within 3-4 Business Days from the date of redemption.

On an ongoing basis, when existing and new investors make subscriptions, a lien on Units allotted will be created, and such Units shall not be available for redemption until the payment proceeds are realised by the Scheme. In case the cheque / draft is dishonoured by the bank, the transaction shall be reversed and the Units allotted earlier shall be cancelled, and a fresh Account Statement shall be dispatched to the Unit holder. In case a Unit holder requests for redemption of "ALL UNITS" soon after making purchase, where the funds have not yet been realized, only "FREE UNITS" i.e. where funds have been clearly realized, will be redeemed. Units will be redeemed on First In First Out (FIFO) basis.

REDEMPTION BY NRIs / PIOs / OCIs

Payment to NRI/PIO/OCI Unit holders will be subject to the relevant laws / guidelines of the Reserve Bank of India as are applicable from time to time (also subject to deduction of tax at source as applicable).

- (i) Subject to RBI approval, in the case of a Unit holder who is an NRI/PIO/OCI beneficiary child and such beneficiary child continues to be an NRI/PIO/OCI, the amounts due on Redemptions (subject to deduction of tax at source) will be credited to the NRI/PIO/OCI investor's NRO account, where the payment for the purchase of the Units redeemed was made out of funds held in NRO account or
- (ii) Remitted abroad or at the NRI/PIO/OCI investor's option, credited to his NRE / FCNR / NRO account, where the Units were purchased on repatriation basis and the payment for the purchase of Units redeemed was made by inward remittance through normal banking channels or out of funds held in NRE / FCNR account.

Where investments have been made on a non-repatriation basis then such Redemption proceeds will be paid by means of a Rupee cheque payable to the NRO account of the Unit holder and subject to deduction of tax at source as applicable.

BANK DETAILS

In order to protect the interest of Unit holders from fraudulent encashment of redemption / dividend cheques, SEBI has made it mandatory for investors to provide their bank details viz. name of bank, branch, address, account type and number, etc. to the Mutual Fund. Payment will be made only in the Bank Account registered with the Mutual Fund. This also applies to cases where investments are made through cash payments. Applications without complete bank details shall be rejected. Further, it will be mandatory for the investors to submit any one of the documentary proof mentioned in point No.1, 2 and 3 as detailed in procedure under section '**Change in Bank Account**' on Page 47 in case the pay-out bank account details (i.e. bank account for receipt of redemption/ dividend proceeds) mentioned in the application form for subscription under a new folio is different from pay-in bank account details (i.e. bank account from which a subscription payment is being made). The Fund / AMC / Trustee reserves the right to call for such other information and documents as may be required from the investors. Investors are requested to note that applications for new folio creation submitted (wherein pay-out bank details is different from pay-in bank details) without any of the required documentary proof relating to pay-out bank account details will be treated as invalid and liable to be rejected. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques/ warrants and/ or any delay/ loss in transit.

In case Unit holder has not provided the bank details at the time of making investment (pertains to the period when bank details were not mandatory), redemption requests should be submitted along with the following documents:

1. Any one of the following documents:
 - 1.1. Cancelled original cheque leaf (where first Unit holder name and bank account number printed on the face of the cheque). Unit holders should without fail cancel the cheque and write 'Cancelled' on the face of it to prevent any possible misuse;
 - 1.2. Self attested copy of the bank pass book or a statement of bank account with current entries not older than 3 months having the name and address of the first unit holder and account number;
 - 1.3. Letter from the bank on its letterhead certifying that the Unit holder maintains an account with the bank, the bank account information like bank account number, bank branch, account type, the MICR code of the branch & IFSC Code (where available) and specimen signature of the Unit holder.

and
2. Self attested copy of any one of the documents admissible as Proof of Identity (PoI) as may be prescribed by SEBI from time to time.

Note: The above documents shall be submitted in Original. If copies are furnished, the same must be submitted at the Investor Service Centres of AMC (ISCs) where they will be verified with the original documents to the satisfaction of the Fund. The original documents will be returned across the counter to the Unit holder after due verification. In case the original of any document is not produced for verification, then the copies should be attested by the bank manager with his / her full signature, name, employee code, bank seal and contact number.

In case of folios held on behalf of minors, when a minor attains the age of majority, the documents pertaining to the major investor's bank details registration must be submitted to the Fund.

● Multiple Bank Accounts Registration

The AMC / Mutual Fund provides a facility to the Unit holders to register multiple bank accounts (currently upto 5 for Individuals and 10 for Non - Individuals) for receiving redemption / dividend proceeds etc. by providing necessary documents. Unit holders must specify any one account as the "Default Bank Account". The unit holder, may however, specify any other registered bank account for credit of redemption proceeds at the time of requesting for redemption.

Unit holders are requested to avail the facility of registering multiple bank accounts by filling in the 'Multiple Bank Accounts Registration Form' available at our Investor Service Centres (ISCs) or on our website www.hdfcfund.com.

● **Change in Bank Account**

The Unit holders may change their bank details registered with the Mutual Fund by submitting 'Multiple Bank Account Registration Form' or a standalone separate Change of Bank Details Form

In case a 'Change of Bank Details Form' is submitted, the following procedure needs to be adhered to:

1. Unit holders will be required to submit the duly filled in Change of Bank Details Form along with a cancelled original cheque leaf of the new bank account as well as the bank account currently registered with the Mutual Fund (where the account number and first unit holder name is printed on the face of the cheque). Unit holders should without fail cancel the cheque and write 'Cancelled' on the face of it to prevent any possible misuse.
2. Where such name is not printed on the original cheque, the Unit holder may submit a letter from the bank on its letterhead certifying that the Unit holder maintains / maintained an account with the bank, the bank account information like bank account number, bank branch, account type, the MICR code of the branch & IFSC Code (where available).
3. In case of non-availability of any of these documents, a self attested copy of the bank pass book or a statement of bank account with current entries not older than 3 months having the name and address of the first unit holder and account number.

Note: The above documents shall be submitted in Original. If copies are furnished, the same must be submitted at the ISCs where they will be verified with the original documents to the satisfaction of the Fund. The original documents will be returned across the counter to the Unit holder after due verification. In case the original of any document is not produced for verification, then the copies should be attested by the bank manager with his / her full signature, name, employee code, bank seal and contact number.

In the event of a request for change in bank account information being invalid / incomplete / not satisfactory in respect of signature mismatch/document insufficiency / not meeting any requirements more specifically as indicated in clauses 1-3 above, the request for such change will not be processed. Redemptions / dividend payments, if any, will be processed and the last registered bank account information will be used for such payments to Unit holders.

Unit holders may note that it is desirable to submit their requests for change in bank details atleast 7 days prior to date of redemption / dividend payment, if any and ensure that the request for change in bank details has been processed before submitting the redemption request. If change in bank details has not been processed, payment will be made in the existing bank account registered in the folio. Further, in the event of a request for redemption of units being received within seven days of change in bank account details, the normal processing time as specified in the Scheme Information Document, may not necessarily apply, however it shall be within the regulatory limits. Any unregistered bank account or a new bank account mentioned by the Unit holder along with the redemption request may not be considered for payment of redemption / dividend proceeds.

Change of Address

Unit holder will be required to submit a valid request for change in address details along with the following supporting documents:

- **KYC Not Complied Folios / Clients:**
 - Self attested copy of Proof of New Address; and
 - Self attested copy of PAN card copy, if PAN is updated in the folio or PAN / other proof of identity as may be prescribed by SEBI from time to time, if PAN is not updated in the folio.
- **KYC Complied Folios / Clients:**
 - Self attested copy of Proof of New Address; and
 - Any other document / form that the KYC Registration Agency (KRA) may specify from time to time.

The above documents will be forwarded to KRA for updation in their record.

	<p>Note: The above documents shall be submitted in Original. If copies are furnished, the same must be submitted at the ISCs where they will be verified with the original documents to the satisfaction of the Fund. The original documents will be returned across the counter to the Unit holder after due verification. In case the original of any document is not produced for verification, then the copies should be properly attested / verified by entities authorized for attesting/verification of the documents as per extant KYC guidelines.</p> <p>Unit holders are advised to provide their contact details like telephone numbers, mobile numbers and email IDs to HDFC Mutual Fund in writing.</p> <p>The AMC / Trustee reserves the right to amend the aforesaid requirements.</p> <p>Payment to Alternate Payee</p> <p>The Mutual Fund may, subject to compliance with such requirement as it deems fit and necessary may stipulate, arrange to make payments towards redemption and / or any distribution in favour of an alternate payee on Unitholder's specific request. Procedures will have to be complied with by the Unitholder for giving instructions for payment to Alternate Payee. The Unitholder(s) would be liable for the loss resulting from a fraudulent encashment / payment to Alternate Payee, based on the Unitholder's instructions, that the Mutual Fund reasonably believed and relied upon to be genuine. The Mutual Fund, reserves the right to obtain an indemnity or verification countersigned by a Bank Manager, Notary Public, Magistrate or any other party acceptable to it before accepting any such instructions from the Unitholder. All payments and settlements made to such Alternate Payee(s) and a receipt thereof shall be a valid discharge by the Mutual Fund and the Mutual Fund shall not in any manner liable to the Unitholder. It may be noted that there is no commitment from the Mutual Fund that this facility will be available to the Unitholder(s).</p>
<p>Delay in payment of redemption / repurchase proceeds</p>	<p>The AMC shall be liable to pay interest to the Unit holders at 15% or such other rate as may be prescribed by SEBI from time to time, in case the redemption / repurchase proceeds are not made within 10 Business Days of the date of Redemption / repurchase. However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC / Trustee is required to obtain from the investor / unit holders verification of identity or such other details relating to subscription for Units under any applicable law or as may be requested by a regulatory body or any government authority, which may result in delay in processing the application.</p>

C. PERIODIC DISCLOSURES

<p>Net Asset Value</p> <p>This is the value per unit of the scheme on a particular can be obtained by the Unit holders / Investors by calling or day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p>	<p>The AMC will calculate and disclose the NAV, Sale and Repurchase price of the respective Plan(s) at the close of every Business Day and send for publication to atleast 2 daily newspapers.</p> <p>The NAV, Sale and Repurchase price can be viewed on the website of the Mutual Fund (www.hdfcfund.com) and on the website of Association of Mutual Funds in India - AMFI (www.amfiindia.com). Investors may also contact any of the Investor Service Centres (ISCs) of HDFC Mutual Fund for the same.</p> <p>AMC shall update the NAVs on the website of AMFI (www.amfiindia.com) by 9.00 p.m. every Business day. In case of any delay, the reasons for such delay would be explained to AMFI in writing. If the NAVs are not available before commencement of business hours on the following day due to any reason, Mutual Fund shall issue a press release providing reasons and explaining when the Mutual Fund would be able to publish the NAVs.</p>
<p>Monthly Portfolio Disclosure</p>	<p>The Mutual Fund shall disclose portfolio of the Scheme as on the last day of each month on its website viz. www.hdfcfund.com on or before the tenth day of the succeeding month in the prescribed format.</p>
<p>Monthly Average Asset under Management (Monthly AAUM) Disclosure</p>	<p>The Mutual Fund shall disclose the Monthly AAUM under different categories of Schemes as specified by SEBI in the prescribed ormat on a monthly basis on its website viz. www.hdfcfund.com and forward to AMFI within 7 working days from the end of the month.</p>
<p>Half yearly Disclosures:</p> <p>A. Portfolio</p> <p>This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p>The Mutual Fund shall before the expiry of one month from the close of each half year i.e. March 31 and September 30, send to all Unit holders a complete statement of its Scheme portfolio. Provided that the statement of Scheme portfolio may not be sent to the Unit holders if the statement is published, by way of an advertisement, in one English daily Newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The disclosure of Portfolio shall be made in the format prescribed by SEBI. The statement of portfolio shall also be displayed on the website of the Mutual Fund.</p>

B. Half Yearly Results	The Mutual Fund shall host half yearly disclosures of the Schemes' unaudited financial results in the prescribed format on its website viz. www.hdfcfund.com within one month from the close of each half year i.e. on 31 st March and on 30 th September and shall publish an advertisement in this regard in at least one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the Mutual Fund is situated.																																									
Annual Report	<p>The Scheme wise annual report or an abridged summary thereof shall be sent:</p> <p>(i) by e-mail to the Unit holders whose e-mail address is available with the Fund, (ii) in physical form to the Unit holders whose email address is not registered with the Fund and / or those Unit holders who have opted / requested for the same.</p> <p>The scheme wise annual report or an abridged summary thereof shall be sent by mail / e-mail not later than four months from the date of closure of the relevant accounting year (i.e. within 4 months from 31st March each year).</p> <p>The physical copy of the scheme wise annual report or abridged summary thereof shall be made available to the unit holders at the registered office of the AMC.</p> <p>A link of the scheme annual report or abridged summary thereof shall be displayed prominently on the website of the Fund and shall also be displayed on the website of Association of Mutual Funds in India (AMFI).</p>																																									
Associate Transactions	Please refer to 'Statement of Additional Information ('SAI')'.																																									
<p>Taxation</p> <p>The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors / authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.</p>	<p>HDFC Mutual Fund is a Mutual Fund registered with the Securities & Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from the Income tax in accordance with the provisions of section 10(23D) of the Income Tax Act, 1961 (the Act). The applicability of tax laws, if any, on HDFC Mutual Fund / Scheme(s) / investments made by the Scheme(s) / investors / income attributable to or distributions or other payments made to Unit holders are based on the understanding of the current tax legislations.</p> <table border="1" data-bbox="530 875 1422 1902"> <thead> <tr> <th></th> <th data-bbox="757 875 1100 919">Resident Unit holders ^ ^</th> <th data-bbox="1100 875 1422 919">Mutual Fund ^ ^</th> </tr> </thead> <tbody> <tr> <td colspan="3" data-bbox="530 919 1422 952">DEBT ORIENTED FUND (Other than Equity Oriented Fund)</td> </tr> <tr> <td data-bbox="530 952 757 1203">Tax on Dividend:</td> <td data-bbox="757 952 1100 1203">Nil</td> <td data-bbox="1100 952 1422 1203"> Dividend Distribution Tax (DDT) Individual / HUF 28.84%* Others 34.608%* (Refer Note 1 below) </td> </tr> <tr> <td colspan="3" data-bbox="530 1203 1422 1236">Capital Gains:</td> </tr> <tr> <td data-bbox="530 1236 757 1389">Long Term (Period of holding more than 36 months)</td> <td data-bbox="757 1236 1100 1389">20% (with indexation) (plus applicable surcharge and education cess)</td> <td data-bbox="1100 1236 1422 1389">Nil</td> </tr> <tr> <td data-bbox="530 1389 757 1552">Short Term (Period of holding less than or equal to 36 months)</td> <td data-bbox="757 1389 1100 1552">Income tax rate applicable to the Unit holders as per their income slabs.</td> <td data-bbox="1100 1389 1422 1552">Nil</td> </tr> <tr> <td colspan="3" data-bbox="530 1552 1422 1607">* including applicable surcharge, education cess and secondary and higher education cess.</td> </tr> <tr> <th></th> <th data-bbox="757 1607 1100 1640">Resident Unit holders ^ ^</th> <th data-bbox="1100 1607 1422 1640">Mutual Fund ^ ^</th> </tr> <tr> <td colspan="3" data-bbox="530 1640 1422 1683">EQUITY ORIENTED FUND</td> </tr> <tr> <td data-bbox="530 1683 757 1727">Tax on Dividend:</td> <td data-bbox="757 1683 1100 1727">Nil</td> <td data-bbox="1100 1683 1422 1727">Nil</td> </tr> <tr> <td colspan="3" data-bbox="530 1727 1422 1771">Capital Gains:</td> </tr> <tr> <td data-bbox="530 1771 757 1814">Long Term</td> <td data-bbox="757 1771 1100 1814">Nil</td> <td data-bbox="1100 1771 1422 1814">Nil</td> </tr> <tr> <td data-bbox="530 1814 757 1902">Short Term</td> <td data-bbox="757 1814 1100 1902">15% (plus applicable surcharge and education cess)</td> <td data-bbox="1100 1814 1422 1902">Nil</td> </tr> </tbody> </table>				Resident Unit holders ^ ^	Mutual Fund ^ ^	DEBT ORIENTED FUND (Other than Equity Oriented Fund)			Tax on Dividend:	Nil	Dividend Distribution Tax (DDT) Individual / HUF 28.84%* Others 34.608%* (Refer Note 1 below)	Capital Gains:			Long Term (Period of holding more than 36 months)	20% (with indexation) (plus applicable surcharge and education cess)	Nil	Short Term (Period of holding less than or equal to 36 months)	Income tax rate applicable to the Unit holders as per their income slabs.	Nil	* including applicable surcharge, education cess and secondary and higher education cess.				Resident Unit holders ^ ^	Mutual Fund ^ ^	EQUITY ORIENTED FUND			Tax on Dividend:	Nil	Nil	Capital Gains:			Long Term	Nil	Nil	Short Term	15% (plus applicable surcharge and education cess)	Nil
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Long Term	Nil	Nil																																								
Short Term	15% (plus applicable surcharge and education cess)	Nil																																								

	<p>Note:</p> <ol style="list-style-type: none"> 1. On income distribution, if any, made by the Mutual Fund, additional income tax is payable under section 115R of the Act, in the case of other than equity oriented funds. An equity oriented fund is a fund where the investible funds are invested by way of equity shares in domestic companies to the extent of more than 65% of the total proceeds of such fund). For the purpose of determining the tax payable, the amount of distributed income be increased to such amount as would, after reduction of tax from such increased amount, be equal to the income distributed by the Mutual Fund. The impact of the same has not been reflected above. 2. Equity Oriented Funds will also attract Securities Transaction Tax (STT) at applicable rates. <p>^ ^ The information given herein is as per the prevailing tax laws.</p> <p>For Further details on taxation, please refer to the Section on 'Taxation on investing in Mutual Funds' in 'Statement of Additional Information ('SAI')'. Investors should be aware that the fiscal rules/ tax laws may change and there can be no guarantee that the current tax position may continue indefinitely.</p>
<p>Investor services</p>	<p>Investors may contact any of the Investor Service Centres (ISCs) of the AMC for any queries / clarifications at telephone number 1800 3010 6767/1800 419 7676 (toll free), Fax number. (022) 22821144, e-mail: cliser@hdfcfund.com. Investors can also post their grievances / feedback / suggestions on our website www.hdfcfund.com under the section 'Feedback or Queries' appearing under 'Contact Us'. The Head Office of the AMC will follow up with the respective ISCs to ensure timely redressal and prompt investor services. Mr. John Mathews, Head -Client Services can be contacted at HDFC House, 3rd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020 at telephone number (Direct) (022) 66316301 or telephone number (Board) (022) 66316333. His e-mail contact is: jmathews@hdfcfund.com.</p>

D. COMPUTATION OF NAV

The Net Asset Value (NAV) per Unit of each Plan will be computed by dividing the net assets of the respective Plan by the number of Units outstanding under the Plan on the valuation date. The Mutual Fund will value its investments according to the valuation norms, as specified in Schedule VIII of the SEBI (MF) Regulations, or such norms as may be specified by SEBI from time to time. In case of any conflict between the Principles of Fair Valuation and valuation guidelines specified by SEBI, the Principles of Fair Valuation shall prevail.

NAV of Units under the Plan shall be calculated as shown below:

$$\text{NAV (Rs.) per Unit} = \frac{\text{Market or Fair Value of the Scheme's Investments} + \text{Current Assets} - \text{Current Liabilities and Provisions}}{\text{No. of Units outstanding under the Plan}}$$

The NAV of the Plan(s) will be calculated and disclosed at the close of every Business Day.

Separate NAVs will be calculated and announced for each Option.

The NAVs will be calculated upto 3 decimals for Investment Plan. The NAVs will be calculated upto 4 decimals for Savings Plan. Units will be allotted upto 3 decimals.

IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the Scheme and also about the transaction charges to be borne by the investors. The information provided under this Section seeks to assist the investor in understanding the expense structure of the Scheme and types of different fees / expenses / loads the investor is likely to incur on purchasing and selling the Units of the Scheme.

A. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses incurred for the Scheme. These expenses include but are not limited to Investment Management and Advisory Fees charged by the AMC, Registrar and Transfer Agents' Fees & expenses, Marketing and Selling costs etc.

The AMC has estimated that the following expenses will be charged to the respective Plan(s), as permitted under Regulation 52 of SEBI (MF) Regulations. The expenses are estimated on assets under management of Rs. 100 crores. For the actual current expenses being charged, the investor should refer to the website of the Mutual Fund viz. www.hdfcfund.com

Expense Head	[% of daily net assets ^ (estimated) (p.a.)]	
	HDFC Children's Gift Fund	
	Investment Plan	Savings Plan
Investment Management and Advisory Fees	Upto 2.25%	Upto 2.25%
Trustee Fees & Expenses ¹		
Audit Fees & Expenses		
Custodian Fees & Expenses		
RTA Fees & Expenses		
Marketing & Selling expenses including agent commission		
Cost related to Investor Communication		
Cost of fund transfer from location to location		
Cost of providing account statements and dividend / redemption cheques and warrants		
Costs of Statutory Advertisements		
Cost towards investor education & awareness (at least 0.02% p.a.) ²		
Brokerage & Transaction cost over and above 0.12% and 0.05% on value of trades for cash and derivative market trades respectively		
Service tax on expenses other than Investment Management and Advisory Fees ³		
Service tax on brokerage and transaction cost ³		
Other Expenses		
Maximum total expense ratio (TER) permissible under Regulation 52 (6)⁴		
Additional expenses under Regulation 52 (6A) (c) ⁴	Upto 0.20%	Upto 0.20%
Additional expenses for gross new inflows from specified cities under Regulation 52 (6A) (b)	Upto 0.30%	Upto 0.30%

^ At least 5% of the TER will be charged towards distribution expenses / commission in the Regular Option under the Scheme. The TER of the Direct Option under the Scheme will be lower to the extent of the above mentioned distribution expenses / commission (at least 5% of TER) which is charged in the Regular Option. For example, in the event that the TER of the Regular Option is 1% p.a., the TER of the Direct Option would not exceed 0.95% p.a.

The insurance premium in respect of the personal accident insurance cover will be borne by the AMC.

Notes:

¹ Trustee Fees and Expenses

In accordance with the Trust Deed constituting the Mutual Fund, the Trustee is entitled to receive, in addition to the reimbursement of all costs, charges and expenses, a quarterly fee computed at a rate not exceeding 0.10% per annum of the daily net assets of the respective Plan(s) or a sum of Rs. 15,00,000/- per annum, whichever is higher. Such fee shall be paid to the Trustee within seven working days from the end of each quarter every year, namely, within 7 working days from June 30, September 30, December 31 and March 31 of each year. The Trustee may charge further expenses as permitted from time to time under the Trust Deed and SEBI (MF) Regulations.

² Investor Education and Awareness initiatives

As per Para F of the SEBI Circular No.CIR/IMD/DF/21/2012 dated September 13, 2012, the AMC shall annually set apart at least 2 basis points p.a. (i.e. 0.02% p.a.) on daily net assets of the respective Plan(s) within the limits of total expenses prescribed under Regulation 52 of SEBI (MF) Regulations for investor education and awareness initiatives undertaken.

³ Refer Point (3) below on Service Tax on various expenses / exit load.

⁴ **Fungibility of expenses:** The expenses towards Investment Management and Advisory Fees under Regulation 52 (2) and the various sub-heads of recurring expenses mentioned under Regulation 52 (4) of SEBI (MF) Regulations are fungible in nature. Thus, there shall be no internal sub-limits within the expense ratio for expense heads mentioned under Regulation 52 (2) and (4) respectively. Further, the additional expenses under Regulation 52(6A)(c) shall also be incurred towards any of these expense heads.

The purpose of the above table is to assist the Investor in understanding the various costs and expenses that an Investor in the Plan will bear directly or indirectly. The figures in the table above are estimates. The actual expenses that can be charged to the Scheme will be subject to limits prescribed from time to time under the SEBI (MF) Regulations. Currently these are as under:

(1) Recurring expenses under Regulation 52 (6):

On the first Rs. 100 crores of the daily net assets - 2.25% p.a.

On the next Rs. 300 crores of the daily net assets - 2.00% p.a.
 On the next Rs. 300 crores of the daily net assets - 1.75% p.a.
 On the balance of the assets - 1.50% p.a.

(2) Additional Expenses under Regulation 52 (6A):

(i) To improve the geographical reach of the Scheme in smaller cities / towns as may be specified by SEBI from time to time, expenses not exceeding 0.30% p.a. of daily net assets, if the new inflows from such cities are at least (a) 30% of gross new inflows in the respective Plan(s) or (b) 15% of the average assets under management (year to date) of the respective Plan(s), whichever is higher.

In case inflows from such cities are less than the higher of (a) or (b) above, such expenses on daily net assets of the respective Plan(s) shall be charged on proportionate basis in accordance with SEBI Circular No.CIR/IMD/DF/21/2012 dated September 13, 2012.

The amount so charged shall be utilised for distribution expenses incurred for bringing inflows from such cities. However, the amount incurred as expense on account of inflows from such cities shall be credited back to the respective Plan(s) in case the said inflows are redeemed within a period of one year from the date of investment. Currently, SEBI has specified that the above additional expense may be charged for inflows from beyond 'Top 15 cities'. Top 15 cities shall mean top 15 cities based on Association of Mutual Funds in India (AMFI) data on 'AUM by Geography - Consolidated Data for Mutual Fund Industry' as at the end of the previous financial year.

(ii) Brokerage and transaction costs incurred for execution of trades and included in the cost of investment not exceeding 0.12% of the value of trades in case of cash market transactions and 0.05% of the value of trades in case of derivatives transactions.

In accordance with SEBI Circular No.CIR/IMD/DF/24/2012 dated November 19, 2012, any payment towards brokerage and transaction cost, over and above

the said 0.12% and 0.05% for cash market transactions and derivatives transactions respectively, may be charged to the respective Plan(s) within the maximum limit of Total Expense Ratio (TER) as prescribed under Regulation 52 (6) of the SEBI (MF) Regulations, 1996.

(iii) Expenses not exceeding 0.20% p.a. of daily net assets towards Investment Management and Advisory Fees and the various sub-heads of recurring expenses mentioned under Regulation 52 (2) and (4) respectively of SEBI (MF) Regulations.

(3) Service Tax

As per Para B of the SEBI Circular No.CIR/IMD/DF/21/ 2012 dated September 13, 2012, Service tax shall be charged as follows:

1. Service tax on investment management and advisory fees shall be charged to the respective Plan(s) in addition to the maximum limit of TER as prescribed in Regulation 52 (6) of the SEBI (MF) Regulations.
2. Service tax on other than investment management and advisory fees, if any, shall be borne by the respective Plan(s) within the maximum limit of TER as prescribed in Regulation 52 (6) of the SEBI (MF) Regulations.
3. Service tax on exit load, if any, shall be paid out of the exit load proceeds and exit load net of service tax, if any, shall be credited to the respective Plan(s).
4. Service tax on brokerage and transaction cost paid for execution of trade, if any, shall be within the limit prescribed under Regulation 52 of the SEBI (MF) Regulations.

The total expenses of the respective Plan(s) including the Investment Management and Advisory Fee shall not exceed the limits stated in Regulation 52 of the SEBI (MF) Regulations. Any expenditure in excess of the SEBI regulatory limits shall be borne by the AMC or by the Trustee or the Sponsor.

The current expense ratios will be updated on the Mutual Fund website on www.hdfcfund.com within two working days mentioning the effective date of the change.

Illustration: Impact of Expense Ratio on Scheme's return:

Expense ratio, normally expressed as a percentage of Average Assets under Management, is calculated by dividing the permissible expenses under the Regulations by the average net assets.

To further illustrate the above, suppose an Investor invested Rs. 10,000/- under the Scheme's **Investment Plan**, the impact of expenses charged will be as under:

	Regular Option			Direct Option		
	Amount (Rs.)	Units	NAV (Rs.)	Amount (Rs.)	Units	NAV (Rs.)
Invested on March 31, 2015 (A)	10,000.00	950.299	10.523	10,000.00	931.619	10.734
Value of above investment as on March 31, 2016 (post all applicable expenses) (B)	10,902.89	950.299	11.473	10,977.89	931.619	11.784
Expenses charged during the year (other than Distribution Expenses/Commission) (C)	150.00			150.00		
Distribution Expenses/Commission charged during the year (D)	75.00			0.00		
Value of above investment as on March 31, 2016 (after adding back all expenses charged) (E) [E= B+C+D]	11,127.89	950.299	11.710	11,127.89	931.619	11.945
Returns (%) (post all applicable expenses) (F) [F= (B-A)/A]		9.03%			9.78%	
Returns (%) (without considering any expenses) (G) [G= (E-A)/A]		11.28%			11.28%	

Similarly if an Investor invested Rs. 10,000/- under the Scheme's **Savings Plan**, the impact of expenses charged will be as under:

	Regular Option			Direct Option		
	Amount (Rs.)	Units	NAV (Rs.)	Amount (Rs.)	Units	NAV (Rs.)
Invested on March 31, 2015 (A)	10,000.00	978.186	10.2230	10,000.00	968.711	10.3230
Value of above investment as on March 31, 2016 (post all applicable expenses) (B)	10,648.53	978.186	10.8860	10,698.53	968.711	11.0441
Expenses charged during the year (other than Distribution Expenses/Commission) (C)	100.00			100.00		
Distribution Expenses/Commission charged during the year (D)	50.00			0.00		
Value of above investment as on March 31, 2016 (after adding back all expenses charged) (E) [E= B+C+D]	10,798.53	978.186	11.0393	10,798.53	968.711	11.1473
Returns (%) (post all applicable expenses) (F) [F= (B-A)/A]	6.49%			6.99%		
Returns (%) (without considering any expenses) (G) [G= (E-A)/A]	7.99%			7.99%		

Note(s):

- The purpose of the above illustrations is purely to explain the impact of expense ratio charged to the Scheme and should not be construed as providing any kind of investment advice or guarantee of returns on investments.
- It is assumed that the expenses charged are evenly distributed throughout the year.
- The expenses of the Direct Option under the Scheme will be lower to the extent of the above mentioned distribution expenses/commission
- Calculations are based on assumed NAVs, and actual returns on your investment may be more, or less.
- Any tax impact has not been considered in the above example, in view of the individual nature of the tax implications. Each investor is advised to consult his or her own financial advisor

B. TRANSACTION CHARGES

For details refer section 'Highlights / Summary of the Scheme(s)' on Page 3.

C. LOAD STRUCTURE

Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the Fund (www.hdfcfund.com) or may call at Toll Free No. 1800 3010 6767 / 1800 419 7676 or your distributor.

Details of Load Structure (Ongoing basis)

(as a % of Applicable NAV)

Particulars	HDFC Children's Gift Fund	
	Investment Plan	Savings Plan
Entry / Sales Load	Not Applicable Pursuant to SEBI Circular No. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor. Upfront commission shall be paid directly by the investor to the ARN Holder (AMFI registered Distributor) based on the investors' assessment of various factors including the service rendered by the ARN Holder.	
Exit / Redemption Load	In case of Units subject to Lock-in period : Nil In case of Units not subject to Lock-in Period : <ul style="list-style-type: none"> ● 3% if the Units are redeemed / switched-out within one year from the date of allotment. ● 2% if the Units are redeemed / switched-out between first and second year of the date of allotment. ● 1% if the Units are redeemed / switched-out between second and third year of the date of allotment. ● Nil if the Units are redeemed / switched-out after third year from the date of allotment. 	

- (ii) Applicable exit load will be levied for switches between the Plans under the Scheme.
- (iii) Switch of investments from Regular Option to Direct Option under the same Plan shall be subject to applicable exit load, unless the investments were made directly i.e. without any distributor code. However, any subsequent switch-out or redemption of such investments from Direct Option will not be subject to any exit load.
- (iv) No exit load shall be levied for switch-out from Direct Option to Regular Option under the same Plan. However, any subsequent switch-out or redemption of such investment from Regular Option shall be subject to exit load based on the original date of investment in the Direct Option.

- (v) No Entry / Exit Load will be levied on the issue / redemption of bonus units.

Under the Scheme, the Trustee / AMC reserves the right to modify / change the Load structure if it so deems fit in the interest of smooth and efficient functioning of the Mutual Fund. The AMC reserves the right to introduce / modify the Load Structure depending upon the circumstances prevailing at that time subject to maximum limits as prescribed under the SEBI (MF) Regulations. The Load may also be changed from time to time and in the case of an Exit / Redemption Load this may be linked to the period of holding. Exit load (net of Service Tax) charged, if any, shall be credited to the Scheme. The investor is requested to check the prevailing load structure of the Scheme before investing.

The Redemption Price however, will not be lower than 93% of the NAV, and the Sale Price will not be higher than 107% of the NAV, provided that the difference between the Redemption price and Sale price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time which is presently 7% calculated on the Sale Price.

Any imposition or enhancement of Exit Load in the load shall be applicable on prospective investments only. However, AMC shall not charge any load on issue of bonus units and units allotted on reinvestment of dividend for existing as well as prospective investors. At the time of changing the load structure the AMC / Mutual Fund may adopt the following procedure:

- (i) The addendum detailing the changes will be attached to Scheme Information Document and Key Information Memorandum and displayed on our website www.hdfcfund.com. The addendum will be circulated to all the distributors / brokers so that the same can be attached to all Scheme Information Document and Key Information Memorandum already in stock.
- (ii) Arrangements will be made to display the changes / modifications in the Scheme Information Document in the form of a notice in all the Investor Service Centres and distributors / brokers office.
- (iii) The introduction of the Load along with the details will be stamped in the acknowledgement slip issued to the investors on submission of the application form and will also be disclosed in the Account Statement or in the covering letter issued to the Unit holders after the introduction of such Load.
- (iv) A public notice shall be given in respect of such changes in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated.

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Pursuant to SEBI Circular No. SEBI/IMD/CIR No.4/168230/09 dated June 30, 2009 no entry load shall be charged for all mutual fund schemes.

Therefore, the procedure for waiver of load for direct applications is no longer applicable.

V. RIGHTS OF UNITHOLDERS

Please refer to 'Statement of Additional Information ('SAI')' for details.

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

1. *Penalties and action(s) taken against foreign Sponsor(s) limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out and where the headquarters of the Sponsor(s) is situated. Also, top 10 monetary penalties of foreign Sponsor(s) during the last three years.*

None.

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

The penalty levied by SEBI on HDFC for delay in intimating the acquisition of shares of Hindustan Oil Exploration Company Limited, in compliance with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 had been set aside by the Securities Appellate Tribunal (SAT).

Aggrieved by the order passed by SAT, SEBI filed an appeal before the Hon'ble High Court at Mumbai, pursuant to which the Hon'ble High Court set aside the said order and remanded the matter to SAT for fresh hearing and review. Aggrieved by the impugned order passed by the Hon'ble High Court, HDFC filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India, pursuant to which the Hon'ble Supreme Court of India was pleased to issue notice to SEBI in the matter. The matter is now pending before the Hon'ble Supreme Court of India. At a hearing held on April 21, 2005 the Hon'ble Supreme Court of India was pleased to admit the said SLP.

The Hon'ble Supreme Court of India vide its Order dated July 22, 2015, exercised its powers under Article 142 of the Constitution of India and imparted quietus to the litigation by reducing the penalty from Rs. 1,50,000 to Rs. 75,000.

3. *Details of all nforcement actions (including the details of violation, if any) taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party.*

SEBI carried out an investigation into the alleged front running of the trade orders of HDFC Mutual Fund by certain

set of persons on the basis of information provided by Mr. Nilesh Kapadia, formerly a Dealer (Equities) at HDFC Asset Management Company Limited ('the AMC'), and had issued the following orders and notices in the matter:

- SEBI interim order no. WTM/KMA/IVD/267/06/ 2010 dated June 17, 2010
- SEBI order no. WTM/PS/ 26/IVD/ID-6/ JULY/2014 dated July 24, 2014
- SEBI Show Cause Notice no. EAD-2/KM/8485/2014 dated March 20, 2014
- SEBI interim order no. WTM/PS/135/IVD/ JAN/2016 dated January 15, 2016

HDFC Trustee Company Limited ('the Trustee Company'), the AMC and its Managing Director had filed consent applications seeking settlement of the issues arising out of and any proceedings that may be initiated by SEBI in this regard, including under the SEBI (Mutual Funds) Regulations, 1996, SEBI (Portfolio Managers) Regulations, 1993, Clause IV (Operation Risks) in Operating Manual for Risk Management for Indian Mutual Funds - Annexure to Circular No. MFD / CIR / 15 / 19133 /2002 dated September 30, 2002. The Trustee Company, the AMC and Mr. Milind Barve, Managing Director of the AMC remitted sums of Rs. 20,00,000/-, Rs. 20,00,000/- and Rs. 15,00,000/- respectively without admission or denial of guilt, and the AMC also undertook to compensate investors for any losses suffered by them on account of the alleged front-running activities, as determined by SEBI. SEBI issued a Consent Order no. CO/ID-6/AO/BM/ 130-132/2011 dated September 30, 2011 in this regard. The AMC also terminated the services of Mr. Nilesh Kapadia.

SEBI by its order dated July 24, 2014, inter alia, prohibited Mr. Nilesh Kapadia and certain other accused persons from accessing the securities market, or buying, selling or otherwise dealing in securities, for a period of 10 (ten) years for violation of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003. SEBI further directed that Mr. Nilesh Kapadia shall not associate himself with any intermediary or any other entity registered with SEBI for a period of 10 years from the date of the interim order dated June 17, 2010. SEBI by its interim order dated January 15, 2016 ordered impounding of unlawful gains allegedly made by Mr. Nilesh Kapadia and certain front runners, together with interest. No directions were issued against the Trustee Company, the AMC or its Managing Director in SEBI's orders dated July 24, 2014 and January 15, 2016.

In accordance with the directions issued by SEBI in the matter vide interim order dated June 17, 2010, letter no. EFD-DRA-3/PVS/21350/2011 dated July 5, 2011, letter no. DRA3/MC/OW/ 458/2016 dated January 18, 2016, and letter no. EFD/OW/MC/7367/1/2016 dated March 10, 2016, the AMC deposited the total amount of losses suffered by the investors during the period November 2001 to September 2007 aggregating to Rs. 6,96,93,914/-, as determined by SEBI, in a segregated bank account maintained with the Trustee Company. The AMC has thereafter compensated the concerned investors in accordance with the aforementioned directions issued by SEBI.

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

As per the SEBI MF Regulations, mutual fund schemes are permitted to invest in securitised debt. Accordingly, few schemes of HDFC Mutual Fund ("the Fund") had made investment in certain Pass Through Certificates (PTCs) of certain special purpose vehicles / securitisation trusts ("the Trusts"). The returns filed by few of these securitisation Trusts whose PTCs were held by the Fund were taken up for scrutiny by the Income Tax Authorities for Assessment Years 2007-08, 2008-09, 2009-10 and 2010-11. Arising out of this, they had raised a demand on such Trusts. On failure to recover the same from them, they sent demand notices to the Fund along with other Mutual Funds as beneficiaries / contributors to such Trusts. The Fund in consultation with its tax & legal advisors has contested the applicability of such demand and proceedings there on are still pending.

5. *Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/ Trustee Company which SEBI has specifically advised to be disclosed in the SID, or notified by any other regulatory agency.*

None

Notes:

1. Any amendments / replacement / re-enactment of SEBI (MF) Regulations subsequent to the date of the Scheme Information Document shall prevail over those specified in this Scheme Information Document.
2. The Scheme under this Scheme Information Document was approved by the Trustee in their Board Meeting held on November 17, 2000.
3. The consolidated Scheme Information Document is an updated version of the same in line with the current laws/ regulations and other developments.
4. Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

For and on behalf of the Board of Directors of
HDFC Asset Management Company Limited

Place : Mumbai
Date : April 30, 2016

MILIND BARVE
Managing Director

**PERSONAL ACCIDENT INSURANCE COVER (NEW POLICY) - HDFC CHILDREN'S GIFT FUND
INSURED - PARENT / LEGAL GUARDIAN OF THE UNITHOLDER
FOR UNITS ALLOTTED ON OR AFTER AUGUST 1, 2009**

1. The scope and the extent of the group personal accident insurance cover and the terms and conditions and schedule of benefits are as under:

1.1 Capital Sum Insured (CSI)

The Capital Sum Insured under the personal accident insurance cover will be equivalent to 10 times of the cost value of the outstanding Units (including bonus Units / Units allotted on dividend reinvestment, if any, etc. but excluding ongoing SIP installments falling due on or after August 1, 2009 unless otherwise intimated by the Unit holder to avail the terms of the new Policy) held by the Unit holder (i.e. Units allotted on or after August 1, 2009 at the continuous offer / Applicable NAV Less Units Redeemed), under all the applications / account statements / folios subject to a maximum amount of Rs. 10 lakhs per Unit holder. The compensation payable to each Unit holder / Insured under the Policy shall not carry any interest.

1.2 Term of the Insurance Benefit

The personal accident insurance cover, covering the Parent / Legal Guardian (upto the age of 80 years) of the Unit holder (named in the Application form) will commence from the date of allotment of Units till the Unit holder attains 18 years of age or till such date as the Units are redeemed in accordance with the terms and conditions stated in the Scheme Information Document, whichever is earlier. In the case of an accident resulting in death or permanent total disability of the Resident / Non-Resident Parent / Legal Guardian of the Unit holder, the legal representative of the Unit holder may file the claim directly with the designated branch of The New India Assurance Company Limited supported by all relevant documents as the payment of the claim shall be made in favour of the Unit holder. In the case of an accident resulting in permanent partial disablement of the insured i.e. the Parent / Legal Guardian, the payment of the claim shall be made to the insured, the sum or sums as set forth in the Policy.

1.3 Benefits:

Death due to accident: 100% of CSI

For permanent total disability: 100% of CSI

Loss of 2 eyes or 2 limbs OR 1 eye and 1 limb in an accident: 100% of CSI

Loss of 1 eye or 1 limb in an accident: 50% of CSI

Any other permanent partial disablement as per scale below:

Part Lost	% of CSI
i. Loss of toes - all	20
Great - both phalanges	05
Great - one phalanx	02
Other than great, if more than one toe lost each	01
ii. Loss of hearing - both ears	75
iii. Loss of hearing - one ear	30
iv. Loss of four fingers and thumb of one hand	40
v. Loss of four fingers	35
vi. Loss of thumb-	
- both phalanges	25
- one phalanx	10

Part Lost	% of CSI
vii. Loss of index finger - three phalanges or two phalanges or one phalanx	10
viii. Loss of middle finger - three phalanges or two phalanges or one phalanx	06
ix. Loss of ring finger - three phalanges or two phalanges or one phalanx	05
x. Loss of little finger - three phalanges or two phalanges or one phalanx	04
xi. Loss of meta carpels first or second (additional) or third, fourth or fifth (additional)	03
xii. Any other permanent partial disablement	% as assessed by the Panel Doctor of The New India Assurance Company Limited (NIAC)

1.4 Scope of Benefits

If the Parent / Legal Guardian covered by the personal accident insurance policy shall sustain any bodily injury resulting solely and directly from an accident caused by outward violent and visible means then the insurer shall pay to the insured, the sum or sums hereinafter set forth that is to say:

- a. If such injury shall within 12 calendar months of its occurrence be the sole and direct cause of death of the Parent / Legal Guardian covered by the personal accident insurance policy, the CSI.
- b. If such injury shall within 12 calendar months of its occurrence be the sole and direct cause of total and irrecoverable loss of sight of both eyes, or of the actual loss by physical separation of the two entire hands or two entire feet or of one entire hand and one entire foot, or of such loss of one eye and such loss of one entire hand or of such loss of one entire foot of an insured person, the CSI.
- c. If such injury shall within 12 calendar months of its occurrence be the sole and direct cause of total and irrecoverable loss of sight of one eye, or of the actual loss of by physical separation of one entire hand or one entire foot of an insured person, (50%) fifty percent of the CSI.
- d. If such injury shall as a direct consequence thereof immediately, permanently, totally, and absolutely disable an insured person from engaging in being occupied or giving attention to paid employment or occupation of any description whatsoever, the CSI.
- e. If such injury shall within 12 calendar months of its occurrence be the sole and direct cause of the permanent partial disablement as mentioned in the benefits of the insured person, relevant percent of CSI.
- f. The Parent / Legal Guardian covered by the Policy shall be entitled to receive full payment as herein provided, notwithstanding that such Parent/ Legal Guardian may have been covered or may hereafter be covered by a

policy of insurance issued by any other insurer or by the insurer, the liability of the insurer being full and absolute under the personal accident insurance policy without any reduction or abatement of the claim.

Provisos:

PROVIDED ALWAYS THAT the Insurer shall not be liable under the personal accident insurance policy for:

- Compensation under more than one of the foregoing sub-clauses (a), (b), (c), (d) or (e) in respect of the same injury or disablement of an insured person.
- Payment of compensation in respect of injury or disablement directly or indirectly arising out of or contributed to by or traceable to any disability existing on the date of issue of the personal accident insurance policy.
- Payment of compensation in respect of death, injury or disablement of the insured from:
 - i) intentional self injury, suicide or attempted suicide,
 - ii) whilst under the influence of intoxicating liquor or drug,
 - iii) whilst racing on wheels, hunting, big game shooting, mountaineering or whilst engaged in winter sports, such as skiing and ice hockey,
 - iv) directly or indirectly caused by insanity,
 - v) arising or resulting from the insured committing any breach of law with criminal intent.
- Payment of compensation in respect of death, injury, or disablement of an insured person due to or arising out of or directly or indirectly connected with or traceable to war, invasion, hostile act of foreign enemy, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection, mutiny, military or usurped power, seizure, capture, arrests, restraints and detainment of all kings, princes and people of whatsoever nationality.
- Payment of compensation in respect of death of / or injury or disablement of the insured person directly or indirectly caused by or contributed to by or arising from or traceable to ionizing radiation or contamination by radio activity from any source whatsoever or from nuclear weapon materials.

1.5 Coverage Period:

The period of personal accident insurance cover, covering the Parent / Legal Guardian (upto the age of 80 years) of the Unit holder (named in the Application form) will commence from the date of allotment of Units and will cease to exist on the date on which the Unit holder attains 18 years of age or on the date on which all Units are redeemed in accordance with the terms and conditions stated in the Scheme Information Document, whichever is earlier.

1.6 Arbitration

If any difference shall arise as to the quantum to be paid under the personal accident insurance policy (liability being otherwise admitted) such difference shall independently of all other questions to be referred to the decision of a sole Arbitrator to be appointed in writing by the parties in difference (Parent / Legal Guardian of the Unit holder and Insurer) in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

1.7 Conditions Applicable

a. Mis-description

The personal accident insurance cover under the personal accident insurance policy shall be void in respect of Parent / Legal Guardian in the event of any misrepresentation, mis-description or non-disclosure of any material fact in the claim made under the personal accident insurance policy by the Unit holder.

b. Fraud

If any claim under the personal accident insurance policy shall be in any respect fraudulent or if any fraudulent means or devices are used by the person insured or any one acting on his / her behalf to obtain any benefit under the personal accident insurance policy all his / her claim under the personal accident insurance policy shall be forfeited.

1.8 Servicing of Claims

In the event of claim, the following guidelines shall be required to be complied for speedy processing of claims and their settlement:

- With all convenient despatch intimation in writing of the claim to the following office of Insurer soon after occurrence of any claim.

The New India Assurance Company Limited

Division Office: 120500, Hull DO
 4th floor, New India Centre,
 Cooperage Road, Mumbai 400001
 Tel : 022-22040005, 22842530
 Fax: 022-22840530

- Claim form - prescribed Claim form should be returned to the above designated office of Insurer within a reasonable time of the receipt of the same from them on intimation of the claim.

The Claim form should be completed in all respects and returned alongwith:

- Disability Certificate of Attending Doctor / Hospital / Nursing Home and other supporting medical evidence for claims other than death.
- In case of accidental death to furnish the Death Certificate, Post Mortem Report and / or Police Report as may be available.
- Proof of age of the deceased Parent / Legal Guardian of the Unit holder.

Investors / Parents / Legal Guardian of the Unit holder should note that:

- The Trustee, AMC, Mutual Fund or their Directors, or their employees shall not be liable for any claims (including but not limited to rejection of any claim, non settlement, delays etc.) arising out of the personal accident insurance cover provided to the Parent / Legal Guardian or the Surviving Parent as the case may be.
- The AMC reserves the right to modify / annul the said personal accident insurance cover on a prospective basis. The AMC also reserves the right to change the insurance company from time to time.

**PERSONAL ACCIDENT INSURANCE COVER (OLD POLICY) – HDFC CHILDREN’S GIFT FUND
INSURED - UNITHOLDER (BENEFICIARY CHILD)
FOR UNITS ALLOTTED ON OR BEFORE JULY 31, 2009**

1. The scope and the extent of the group personal accident insurance cover and the terms and conditions and schedule of benefits are as under:

1.1 Capital Sum Insured (CSI)

The Capital Sum Insured under the personal accident insurance cover will be equivalent to 10 times the face value of all the Units (including bonus Units / Units allotted on dividend reinvestment / rights issue / switch in, if any) held by the Unit holder (i.e. Units allotted at the Initial Offer Period / Initial Offer Price and at the continuous offer / NAV based price Less Units Redeemed), under all the applications / account statements / folios subject to a maximum amount of Rs. 3 lakhs per Unit holder. The compensation payable to each Unit holder under the personal accident insurance policy shall not carry any interest.

1.2 Term of the Insurance Benefit

The personal accident insurance cover will commence from the date of allotment of Units or the Unit holder attaining age of three months (minimum age), whichever is later, till the Unit holder attains 18 years of age or till such date as the Units are Redeemed, in accordance with the terms and conditions stated in the Scheme Information Document of HDFC Children’s Gift Fund (‘the Scheme’), whichever is earlier.

A Unit holder not resident in India (“Non-resident Unit holder”) will not be covered under the personal accident insurance cover.

The alternate child will also be entitled to be covered under the personal accident insurance cover (in the event of the death of the Unit holder) subject to the terms and conditions as stated in the Scheme Information Document of the Scheme.

1.3 Benefits:

Death due to accident : 100% of CSI

For permanent total disability : 100% of CSI

Loss of 2 eyes or 2 limbs OR 1 eye and 1 limb in an accident : 100% of CSI

Loss of 1 eye or 1 limb in an accident : 50% of CSI

Any other permanent partial disablement as per scale below :

Part Lost	% of CSI
i. Loss of toes - all	20
Great - both phalanges	05
Great - one phalanx	02
Other than great, if more than one toe lost each	01
ii. Loss of hearing - both ears	75
iii. Loss of hearing - one ear	30
iv. Loss of four fingers and thumb of one hand	40
v. Loss of four fingers	35
vi. Loss of thumb-	
– both phalanges	25
– one phalanx	10

Part Lost	% of CSI
vii. Loss of index finger – three phalanges or two phalanges or one phalanx	10
viii. Loss of middle finger – three phalanges or two phalanges or one phalanx	06
ix. Loss of ring finger – three phalanges or two phalanges or one phalanx	05
x. Loss of little finger – three phalanges or two phalanges or one phalanx	04
xi. Loss of meta carpels first or second (additional) or third, fourth or fifth(additional)	03
xii. Any other permanent partial disablement	% as assessed by the Panel Doctor of The New India Assurance Company Limited (NIAC)

1.4 Scope of Benefits

If the Unit holder covered by the personal accident insurance policy shall sustain any bodily injury resulting solely and directly from an accident caused by outward violent and visible means then The New India Assurance Company Limited (NIAC) shall pay to the insured, the sum or sums hereinafter set forth that is to say:

- If such injury shall within 12 calendar months of its occurrence be the sole and direct cause of death of the Unit holder covered by the personal accident insurance policy, the CSI.
- If such injury shall within 12 calendar months of its occurrence be the sole and direct cause of total and irrecoverable loss of sight of both eyes, or of the actual loss by physical separation of the two entire hands or two entire feet or of one entire hand and one entire foot, or of such loss of one eye and such loss of one entire hand or of such loss of one entire foot of an insured person, the CSI.
- If such injury shall within 12 calendar months of its occurrence be the sole and direct cause of total and irrecoverable loss of sight of one eye, or of the actual loss of by physical separation of one entire hand or one entire foot of an insured person, (50%) fifty percent of the CSI.
- If such injury shall as a direct consequence thereof immediately, permanently, totally, and absolutely disable an insured person from engaging in being occupied or giving attention to paid employment or occupation of any description whatsoever, the CSI.
- If such injury shall within 12 calendar months of its occurrence be the sole and direct cause of the permanent partial disablement as mentioned in the benefits of the insured person, relevant percent of CSI.

- f. The Unit holder covered by the personal accident insurance policy shall be entitled to receive full payment as herein provided, notwithstanding that such Unit holder may have been covered or may hereafter be covered by a policy of insurance issued by any other insurer or by the NIAC, the liability of the NIAC being full and absolute under the personal accident insurance policy without any reduction or abatement of the claim.

Provisos:

PROVIDED ALWAYS THAT the NIAC shall not be liable under the personal accident insurance policy for:

- Compensation under more than one of the foregoing sub-clauses (a), (b), (c), (d) or (e) in respect of the same injury or disablement of an insured person.
- Payment of compensation in respect of injury or disablement directly or indirectly arising out of or contributed to by or traceable to any disability existing on the date of issue of the personal accident insurance policy.
- Payment of compensation in respect of death, injury or disablement of the insured from:
 - i) intentional self injury, suicide or attempted suicide,
 - ii) whilst under the influence of intoxicating liquor or drug,
 - iii) whilst racing on wheels, hunting, big game shooting, mountaineering or whilst engaged in winter sports, such as skiing and ice hockey,
 - iv) directly or indirectly caused by insanity,
 - v) arising or resulting from the insured committing any breach of law with criminal intent.
- Payment of compensation in respect of death, injury, or disablement of an insured person due to or arising out of or directly or indirectly connected with or traceable to war, invasion, hostile act of foreign enemy, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection, mutiny, military or usurped power, seizure, capture, arrests, restraints and detainment of all kings, princes and people of whatsoever nationality.
- Payment of compensation in respect of death of / or injury or disablement of the insured person directly or indirectly caused by or contributed to by or arising from or traceable to ionizing radiation or contamination by radio activity from any source whatsoever or from nuclear weapon materials.

1.5 Arbitration

If any difference shall arise as to the quantum to be paid under the personal accident insurance policy (liability being

otherwise admitted) such difference shall independently of all other questions to be referred to the decision of a sole Arbitrator to be appointed in writing by the parties in difference (parent /legal guardian of the Unit holder and NIAC) in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

1.6 Conditions Applicable

- a. Mis-description
The personal accident insurance cover under the personal accident insurance policy shall be void in respect of an Unit holder in the event of any misrepresentation, mis-description or non-disclosure of any material fact in the claim made under the personal accident insurance policy by the parent / legal guardian of the Unit holder.
- b. Fraud
If any claim under the personal accident insurance policy shall be in any respect fraudulent or if any fraudulent means or devices are used by the person insured or any one acting on his / her behalf to obtain any benefit under the personal accident insurance policy all his / her claim under the personal accident insurance policy shall be forfeited.

1.7 Servicing of Claims

In the event of claim, the following guidelines shall be required to be complied for speedy processing of claims and their settlement:

- With all convenient despatch intimation in writing of the claim to the following office of NIAC soon after occurrence of any claim.

The New India Assurance Company Limited

Division Office: 120500, Hull DO
4th floor, New India Centre,
Cooperage Road, Mumbai 400001
Tel : 022-22040005, 22842530 • Fax: 022-22840530

- Claim form - prescribed Claim form should be returned to the above designated office of NIAC within a reasonable time of the receipt of the same from them on intimation of the claim.

The Claim form should be completed in all respects and returned alongwith:

- Disability Certificate of Attending Doctor/Hospital/ Nursing Home and other supporting medical evidence for claims other than death.
- In case of accidental death to furnish the Death Certificate, Post Mortem Report and / or Police Report as may be available.

Investors / Parents / Legal Guardian of the Unit holder should note that:

- The Unit holders (through their Parent / Legal Guardian) covered under the old Personal Accident Insurance Policy have been given an option to opt for the new Personal Accident Insurance cover at monthly intervals. Once opted, the change will be irreversible.
Accordingly, the existing Unit holders were given an option to opt for the revised Personal Accident Insurance cover from August 1, 2009 onwards. All requests opting for new cover received during the calendar month will be made effective from the 1st of next calendar month. For example, if an existing Unit holder has lodged the request opting for new cover on March 10, 2015 it will be effective from April 1, 2015. The existing insurance cover will prevail till close of March 31, 2015. The Trustee/AMC reserves the right to change the designated date / frequency from time to time.
The Unit holders (through their Parent / Legal Guardian) not exercising the option as mentioned above shall continue to be covered under the old Personal Accident Insurance Policy.
- The insurance premium in respect of the personal accident insurance cover will be borne by the AMC.
- The Trustee, AMC, Mutual Fund or their Directors, or their employees shall not be liable for any claims (including but not limited to rejection of any claim, non settlement, delays etc.) arising out of the personal accident insurance cover provided to the Unit holder or the alternate child as the case may be.
- The Trustee / AMC reserves the right to modify / annul the said personal accident insurance cover on a prospective basis. The AMC also reserves the right to change the insurance company from time to time.

**HDFC ASSET MANAGEMENT COMPANY LIMITED (HDFC AMC LTD.) -
INVESTOR SERVICE CENTRES / OFFICIAL POINTS OF ACCEPTANCE FOR HDFC MUTUAL FUND
(For ongoing Transactions) Contd.**

454/3, Meyanoor Main Road, **Salem - 636 009**. Tel: (0427) 3982680/700. Fax: (0427) 2333617. HDFC AMC Ltd., 1st floor, No. 142/7, Sri Balaji Arcade, Opp. Alagar Jewellery, Trivandrum Road, Palayamkottai, **Tirunelveli - 627 002**. Tel.: (0462) 2576174. Fax: (0462) 2576173. HDFC AMC Ltd., No. 60, Sri Krishna Arcade, First Floor, Tennur High Road, Tennur, **Trichy - 620 017**. Tel: (0431) 3982830. Fax: (0431) 3982835. HDFC AMC Ltd., Premises No.73, 1st Floor Door No. 73/19, Thiyagarajapuram Officer's Line Officer's Line, **Vellore - 632 001**. Tel: (0416) 2214670/2. Fax: (0416) 2214671. **TELANGANA:** HDFC AMC Ltd., 2-5-83/84, 1st Floor, Mitralaxmi Narayana Arcade, Nakkala Gutta, Hanmakonda, **Warangal - 506 002**. Tel.: (040) 23417401 / 02 / 03 / 04 / 05, Fax: (040) 23417407. HDFC AMC Ltd., Gem Square, 1-88/2, 1st Floor, Hi-tech City Main Road, Above HDFC Bank Madhapur, After Indian Oil Petrol Pump, Near Krissah Sapphire, Madhapur, **Hyderabad - 500081**. HDFC AMC Ltd., 2-5-83/84, 1st Floor, Mitralaxmi Narayana Arcade, Nakkala Gutta, Hanmakonda, **Warangal - 506 002**. Tel: (0870) 2566 005 / 006 / 007 / 008 / 009, Fax: (0870) 2566010. **UTTARAKHAND:** HDFC AMC Ltd., 76, Rajpur Road, Near RTO, **Dehradun - 248 001**. Tel: (0135) 3988029 / 7434. Fax: (0135) 3987444. HDFC AMC Ltd., Plot No. 1, 1st Floor, Durga City Centre, Bhotia Parao, Nainital Road, **Haldwani - 263 139**. Tel: (05946) 285286 Fax: (05946) 285290. HDFC AMC Ltd., 1st Floor, Kumar Complex, Chandracharya Chowk, **Haridwar - 249407** Tel: (01334) 222406/7 Fax: (01334) 222410. **UTTAR PRADESH:** HDFC AMC Ltd., 1-C, First Floor, Block no 10/8, Padamdeep Building, Sanjay Place, **Agra - 282002**. Tel: (0562) 3984761-73. Fax: (0562) 3984777. HDFC AMC Ltd., 3/260-A, Arena Complex, Laxmibai Marg, Marris Road, **Alligarh - 202 001**. Tel: (0571) 2740 770 / 771 / 772. Fax: (0571) 2740772. HDFC AMC Ltd. 3rd Floor, Agarwal Arcade, Hyundai Motors Showroom, 4 Sardar Patel Marg, Civil Lines, **Allahabad - 211 001**. Tel: (0532) 2561 035/036/038, Fax: (0532) 2561035. HDFC AMC Ltd., 146 Civil Lines, 1st Floor, Gupta Complex, Near Circuit House Chouraha, **Bareilly - 243 001**. Tel: (0581) 2510 749 / 759, Fax: (0581) 2510709. HDFC AMC Ltd., D-2, 1st Floor, Raj Nagar District Centre, Raj Nagar, **Ghaziabad - 201 010**. Tel: (0120) 301 0635 Fax: (0120) 3010636. HDFC AMC Ltd., 4th Floor, A.D. Tower Compound, Bank Road, **Gorakhpur - 273 001**, Tel. No: (0551) 6060011/2/3. HDFC AMC Ltd., 101 & 201, Sai Arcade, 16/34 Bhargava Estate, Civil Lines, **Kanpur - 208 001**. Tel: (0512) 3935592/93/94. Fax: (0512) 3935596. HDFC AMC Ltd., 1st Floor, Narain Ford Building, 4 Shah Najaf Road, Hazratganj, **Lucknow - 226 001**. Tel: (0522) 4155500/ 01, Fax: (0522) 4155555. HDFC AMC Ltd., 143/145/1, Ganpati Plaza, Ground Floor, Magal Pandey Nagar, **Meerut - 250 005**. Tel: (0121) 2602 380 / 2601 965, Fax: (0121) 2602380. HDFC AMC Ltd., Parsvath Plaza-II, UGF Hall No. 4, Delhi Road, **Moradabad - 244 001**. Tel: (0591) 3988029 / 3982131. Fax: (0591) 3982137. HDFC AMC Ltd., K-24/25, First Floor, Pearl Plaza Building, Sector-18, **Noida - 204 301**. Tel: (0120) 432 5757 / 5959, Fax: (0120) 423 4349. HDFC AMC Ltd., D-64/127, 4th Floor, Arihant Complex, Sigra, **Varanasi - 221 010**. Tel: (0542) 6450711 / 6450712. **WEST BENGAL:** HDFC AMC Ltd., 2nd Floor, Chatterjee Plaza, 69/101, GT Road, Rambandhuala, **Asansol - 713 303**. Tel: (0341) 2221220, Fax: (0341) 2221219. HDFC AMC Ltd., City Plaza, City Centre, 1st Floor, **Durgapur - 713 216**. Tel: (0343) 3982150, Fax: (0343) 3982153. HDFC AMC Ltd., Krishna Enclave, 2nd Floor, 2/1, Bhajanlal Lohia Lane, Opposite Howrah A.C. Market, **Howrah - 711 101**, Phone: (033) 33546150/163, Fax: (033) 33546157. HDFC AMC Ltd., Menaka Estate, 1st Floor, 3, Red Cross Place, **Kolkata - 700 001**. Tel: (033) 22312875, 22312876, Fax: (033) 22439582. HDFC AMC Ltd., 2nd Floor, 209A, Sarat Bose Road, Besides Sarat Bose Road post office, **Kolkata-700 029**. Tel: 033-33541166/67/68/69/70/71. Fax: 033-33541172. HDFC Asset Management Company Limited, Hinterland Complex - 2, 6/A Roy Ghat Lane, **Serampore - 712201**. Gitanjali Complex, 2nd Floor, Above Corporation Bank, Sevoke Road, **Siliguri - 734 001**. Tel: (0353) 6453474. Fax: (0353) 2545270.

*This is not an Investor Service Centre for HDFC Mutual Fund. However, this is an official point of acceptance for acceptance of all on-going transactions from Institutional Investors only, i.e. broadly covering all entities other than resident / non resident individuals. Institutional Investors are free to lodge their applications at any other official points of acceptance also.

**CAMS - OFFICIAL POINTS OF ACCEPTANCE OF TRANSACTIONS
(For ongoing Transactions) Contd.**

A. List of Investor Service Centres (ISCs) of Computer Age Management Services Pvt. Ltd. (CAMS), Registrar & Transfer Agents of HDFC Mutual Fund. These ISCs will be in addition to the existing points of acceptance at the offices of HDFC Asset Management Company Ltd. (Investor Service Centres for HDFC Mutual Fund). These ISCs of CAMS will be the official points of acceptance of transactions for schemes of HDFC Mutual Fund except HDFC Arbitrage Fund.

ANDHRA PRADESH: Door No 48-3-2, Flat No. 2, 1st Floor, Sidhi Plaza, Near Visakha Library, Srinagar, **Visakhapatnam - 530 016**. **ASSAM:** Dhawal Complex, Ground Floor, Durgabari, Rangagora Road, Near Dena Bank, **Tinsukia - 786 125**. **BIHAR:** G-3, Ground Floor, Om Vihar Complex, SP Verma Road **Patna - 800 001**. 69, Gandhi Chowk (Ground Floor), K.P Road, **Gaya - 823 001**. **GOA:** No.108, 1st Floor, Gurudutta Bldg, Above Weekender, M.G. Road, Panaji, **Goa - 403 001**. **GUJARAT:** 111- 113, 1st Floor - Devpath, Building, Off C G Road, Behind Lal Bungalow, Ellis Bridge, **Ahmedabad - 380 006**. Office 207 - 210, Everest Building, Opp. Shastrai Maidan, Limda Chowk, **Rajkot - 360 001**. Plot No-629, 2nd Floor, Office No. 2-C / 2-D, Mansukhlal Tower, Beside Seventh Day Hospital, Opp. Dhiraj Sons, Athwalines, **Surat - 395 001**. 103, Aries Complex, BPC Road, Off R.C. Dutt Road, Alkapuri, **Vadodara - 390 007**. **JHARKHAND:** Millennium Tower, Room No.15, 1st Floor, R- Road, Bistupur, **Jamshedpur - 831 001**. **KARNATAKA:** Trade Centre, 1st Floor, 45, Dikens Road (Next to Manipal Centre), **Bangalore - 560 042**. G 4 & 5, Inland Monarch, Opp. Karnataka Bank, Kadri Main Road, Kadri, **Mangalore - 575 003**. **KERALA:** 1st Floor, K C Centre, Door No. 42/227-B, Chittoor Road, Opp. North Town Police Station, Kacheripady, **Cochin - 682 018**. **MAHARASHTRA:** Ground Floor, Rajabahadur Compound, Opp. Allahabad Bank, Behind ICICI Bank, 30, Mumbai Samachar Marg, Fort, **Mumbai - 400 023**. 145 Lendra Park, New Ramdaspath, Behind Indust Ind Bank, **Nagpur - 440 010**. Nirmiti Eminence, Off No. 6, 1st Floor, Opp. Abhishek Hotel, Mehendale Garage Road, Erandawane, **Pune - 411 004**. **MADHYA PRADESH:** Plot No. 10, 2nd Floor, Alankar Complex, Near ICICI Bank, M. P. Nagar, Zone II, **Bhopal - 462 011**. 101, Shalimar Corporate Centre, 8-B, South Tukoganj, Opp. Green Park, **Indore - 452 001**. **NEW DELHI:** 7-E, 4th Floor, Deen Dayal Research Institute Building, Swami Ram Tirath Nagar, Near Videocon Tower, Jhandewalan Extension, **New Delhi - 110 055**. Ground floor, Unit no. 5/6/8, Pearls Best Heights I, Plot no. A-5, Nr. Max Hospital, Netaji Subhash Place, Pitampura North Delhi. **New Delhi - 110 034**. **ORISSA:** Plot No - 111, Varaha Complex Building, 3rd Floor, Station Square, Kharvel Nagar, Unit 3, **Bhubaneswar - 751 001**. **PUNJAB:** Deepak Towers, SCO 154-155, 1st Floor, Sector 17-C, **Chandigarh - 160 011**. U/GF, Prince Market, Green Field, Near Traffic Lights, Sarabha Nagar Pulli, Pakhowal Road, **Ludhiana - 141 002**. **RAJASTHAN:** G-III, Park Saroj, R-7, Yudhisthir Marg, C-Scheme, Behind Ashok Nagar Police Station, **Jaipur - 302 001**. 1/5, Nirmal Tower, 1st Chopasani Road, **Jodhpur - 342 003**. **TAMIL NADU:** D No #66 New #86, Lokamanya Street (West), Ground Floor, R. S. Puram, **Coimbatore - 641 002**. 178/10, Kodambakkam High Road, Opp. Hotel Palm Grove, Nungambakkam, **Chennai - 600 034**. **TELANGANA:** 208, 2nd Floor, Jade Arcade, Paradise Circle, **Secunderabad - 500 003**. **UTTAR PRADESH:** 106 - 107 - 108, 1st Floor, Ind Phase, City Centre, 63/2, The Mall, **Kanpur - 208 001**. C-81, 1st floor, Sector - 2, **Noida - 201 301**. Off# 4, 1st Floor, Centre Court Building, 3/c, 5-Park Road, Hazratganj, **Lucknow - 226 001**. **WEST BENGAL:** 2nd Floor, Saket Building, 44 Park Street, **Kolkata - 700 016**

B. List of Transaction Points of Computer Age Management Services Pvt. Ltd. (CAMS), Registrar & Transfer Agents of HDFC Mutual Fund. These Transaction Points will be in addition to the existing points of acceptance at the offices of HDFC Asset Management Company Ltd. (Investor Service Centres for HDFC Mutual Fund) except HDFC Arbitrage Fund.

ANDHRA PRADESH: 15-570-33, I Floor, Pallavi Towers, **Ananthapur - 515 001**. D. No. 5-38-44, 5/1, Brodipet, Near Ravi Sankar Hotel, **Guntur - 522 002**. Bandi Subbaramaiah Complex, Door No: 3/1718, Shop No: 8, Raja Reddy Street, **Kadapa - 516 001**. No.33-1, 44 Sri Sathya Complex, Main Road, **Kakinada - 533 001**. H. No. 43/8, Upstairs, Uppini Arcade, N R Peta, **Kurnool - 518 004**. 9/756, 1st Floor, Immadisetty Towers, Ranganayakulapet Road, Santhapet, **Nellore - 524 001**. D No 34-1-76, Old Govt Hospital Road, Opp. Konigeti Guptha Apartments, **Ongole - 523 001**. Door No. 6-2-12, 1st Floor, Rajeswari Nilayam, Near Vamsikrishna Hospital, Nyapathi Vari Street, T Nagar, **Rajahmundry - 533 101**. Shop No. 6, Door No. 19-10-8, (Opp. to Passport Office), AIR Bypass Road, **Tirupathi - 517 501**. 40-1-68, Rao & Ratnam Complex, Near Chennupati Petrol Pump, M. G. Road, Labbipet, **Vijayawada - 520 010**. **ASSAM:** A.K. Azad Road, Rehabri, Tinali, **Guwahati - 781 008**. **BIHAR:** Krishna, 1st Floor, Near Mahadev Cinema, Dr. R. P. Road, **Bhagalpur - 812 002**. Brahman Toil, Durga Asthan, Gola Road, **Muzaffarpur - 842 001**. **CHHATTISGARH:** Shop No. 117, Ground Floor, Khicharia Complex, Opposite IDBI Bank, Nehru Nagar Square, **Bhilai - 490 020**. 2nd Floor, Gwalani Chambers, St Xavier School Road, In Front of CIT (Income Tax) Office, Vyapar Vihar, **Bilaspur - 495 001**. Shop No 6, Shriram Commercial Complex in front of Hotel Blue Diamond, Ground Floor, T.P. Nagar, **Korba - 495677**. C-23, Sector 1, Devendra Nagar, **Raipur - 492 004**. **DELHI:** Flat no.512, Narian Manzil, 23, Barakhamba Road, Connaught Place, **New Delhi - 110 001**. **GOA:** B-301, Reliance Trade Center, Opp. Grace Nursing Home, Near Cafe Tato, V. V. Road (Varde Valuilikkar), Margao, **Goa - 403 601**. **GUJARAT:** No. 101, A P Towers, B/H Sardar Gunj, Next to Nathwani Chambers, **Anand - 388 001**. Shop No - F -56, 1st Floor, Omkar Complex, Opp. Old Colony, Near Valia Char Rasta, GIDC, **Ankleshwar - 393002**. 305-306, Sterling Point, Waghawadi, Opp. HDFC Bank, **Bhavnagar - 364 002**. Office No. 17, 1st Floor, Municipal Bldg, Opp. Hotel Prince Station Road, **Bhuj - 370 001**. A/177, Kailash Complex, Opp. Khedut Decor, **Gondal - 360 311**. 207, Manek Centre, P N Marg, **Jamnagar - 361 001**. Aastha Plus", 202-A, 2nd Floor, Sardarbarag Road, Near. Alkapuri, Opp. Zansi Rani Statue, **Junagadh - 362 001**. 1st Floor, Subhadra Complex, Urban Bank Road, **Mehsana - 384 002**. 16, 1st Floor, Shivani Park, Opp. Shankheshwar Complex, Kaliawadi, **Navsari - 396 445**. Gita Nivas, 3rd Floor, Opp. Head Post Office, Halar Cross Lane, **Valsad - 396 001**. 208, 2nd Floor, Heena Arcade, Opp. Tirupati Tower, Near G.I.D.C. Char Rasta, **Vapi - 396 195**. **HARYANA:** Opposite PEER, Bal Bhawan Road, **Ambala City - 134 003**. B-49, 1st Floor, Nehru Ground, Behind Anupam Sweet House, NIT, **Faridabad - 121 001**. SCO - 16, First Floor, Sector - 14, **Gurgaon - 122 001**. 12, Opp. Bank of Baroda, Red Square Market, **Hisar - 125 001**. 83, Devi Lal Shopping Complex, Opp ABN AMRO Bank, G. T. Road, **Panipat - 132 103**. 205, 2nd Floor, Bldg No. 2, Munjal Complex, Delhi Road, **Rohtak - 124 001**. 124 - B / R, Model Town, Yamuna Nagar - 135 001. **HIMACHAL PRADESH:** 1st Floor, Opp. Panchayat Bhawan Main Gate, Bus Stand, **Shimla - 171 001**. **JAMMU & KASHMIR:** JRDs Heights, Lane Opp. S&S Computers, Near RBI Building, Sector 14, Nanak Nagar, **Jammu - 180 004**. **JHARKHAND:** Mazzanie Road, F-4, City Centre Sector 4, Bokaro Steel City, **Bokaro - 827 004**. S. S. M. Jalan Road, Ground Floor, Opp. Hotel Ashoke, Caster Town, **Deoghar - 814 112**. Urmila Towers, Room No. 111, 1st Floor, Bank More, **Dhanbad - 826 001**. Municipal Market, Annanda Chowk, **Hazaribagh - 825 301**. 4, HB Road No. 206, 2nd Floor, Shri Lok Complex, **Ranchi - 834 001**. **KARNATAKA:** Shop No. 2, 1st floor, Shreyas Complex, Near Old Bus Stand, **Bagalokot - 587 101**. 1st Floor, 221/2A/1B, Vaccine Depot Road, Near 2nd Railway gate, Tilakwadi, **Belgaum - 590 006**. # 60/5, Mullangi Compound, Gandhinagar Main Road, (Old Gopalswamy Road), **Bellary - 583 101**. No. 9, 1st floor, Gajanan Complex, Azad Road, **Bijapur - 586 101**. #13, 1st Floor, Akkamahadevi Samaj Complex, Church Road, P J Extension, **Davangere - 577 002**. No. 204 - 205, 1st Floor, 'B' Block, Kundagol Complex, Opp. Court, Club Road, **HUBLI - 580 029**. No. 1, 1st Floor, CH.26, 7th Main, 5th Cross (Above Trishakti Medicals) Saraswati Puram, **Mysore - 570 009**. No.65 1st Floor, Kishnappa, Compound 1st Cross, Hosmane Extn, **Shimoga - 577 201**. **KERALA:** Doctor's Tower Building, 1st Floor, Door No. 14/2562, North of Iorn Bridge, Near Hotel Arcadia Regency, **Alleppey - 688 001**. Room No. 14/435, Casa Marina Shopping Centre, Talap, **Kannur - 670 004**.

CAMS – OFFICIAL POINTS OF ACCEPTANCE OF TRANSACTIONS (For ongoing Transactions) Contd.

Kochupilamoodu Junction, Near VLC, Beach Road, **Kollam - 691 001**. Jacob Complex, Building No - Old No-1319F, New No - 2512D, Behind Maktil Center, Good Shepherd Road, **Kottayam - 686001**. 29/97G, 2nd Floor, Gulf Air Building, Mavoor Road, Arayidathupalam, **Kozhikode - 673 016**. 10 / 688, Sreedevi Residency, Mettupalayam Street, **Palakkad - 678 001**. Room No. 26 & 27, Dee Pee Plaza, Kakkalai, **Thrissur - 680 001**. R. S. Complex, Opp. LIC Building, Pattom, P.O., **Trivandrum - 695 004**. 24/590-14, C. V. P Parliament Square Building, Cross Junction, **Thiruvalla - 689 101**. **MADHYA PRADESH** : G-6, Global Apartment, Phase-II, Opposite Income Tax Office, Kailash Vihar City Centre, **Gwalior - 474 011**. 8, Ground Floor, Datt Towers, Behind Commercial Automobiles, Napier Town, **Jabalpur - 482 001**. **MAHARASHTRA** : Opp. RLT Science College, Civil Lines, **Akola* - 444 001**. 81, Gulsham Tower, Near Panchsheel, **Amaravati - 444 601**. Office No. 1, 1st Floor, Amodi Complex, Juna Bazar, **Aurangabad - 431 001**. 70, Navipeth, Opp. Old Bus Stand, **Jalgaon - 425 001**. Shop No. 6, Ground Floor, Anand Plaza Complex, Bharat Nagar, Shivaji Putla Road, **Jalna - 431 203**. 2 B, 3rd Floor, Ayodhya Towers, Station Road, **Kolhapur - 416 001**. Ruturang Bunglow, 2, Godavari Colony, Behind Big Bazar, Near Boys Town School, Off College Road, **Nasik - 422 005**. Jiveshwar Krupa Bldg, Shop. No.2, Ground Floor, Tilak Chowk, Harbhat Road, **Sangli - 416 416**. 117 / A / 3 / 22, Shukrawar Peth, Sargam Apartment, **Satara - 415 002**. Flat No 109, 1st Floor, A Wing, Kalyani Tower, 126 Siddheshwar Peth, Near Pangal High School, **Solapur* - 413 001**. 3rd Floor, Nalanda Chambers, "B" Wing, Gokhale Road, Near Hanuman Temple, Naupada, **Thane (W) - 400 602**. **MEGHALAYA** : 3rd Floor, RPG Complex, Keating Road, **Shillong - 793 001**. **ORISSA** : B. C. Sen Road, **Balasore - 756 001**. Gandhi Nagar Main Road, 1st Floor, Upstairs of Aroon Printers, **Berhampur - 760 001**. Near Indian Overseas Bank, Cantonment Road, Mala Math, **Cuttack - 753 001**. 1st Floor, Mangal Bhawan, Phase II, Power House Road, **Rourkela - 769 001**. Opp. Town High School, Sansarak, **Sambalpur - 768 001**. **PONDICHERY** : S-8, 100, Jawaharlal Nehru Street, (New Complex, Opp. Indian Coffee House), **Pondicherry - 605 001**. **PUNJAB** : SCO - 18J, 'C' Block Ranjit Avenue **Amritsar - 143 001**. 2907 GH, GT Road, Near Zilla Parishad, **Bhatinda - 151 001**. 367/8, Central Town, Opp. Gurudwara Diwan Asthan, **Jalandhar - 144 001**. 35, New Lal Bagh Colony, **Patiala - 147 001**. **RAJASTHAN** : AMC No. 423/30, Near Church, Brahampuri, Opposite T B Hospital, Jaipur Road, **Ajmer - 305 001**. 256 - A, Scheme No. 1, Arya Nagar, **Alwar - 301 001**. Indraprashta Tower, Shop Nos. 209 - 213, Second Floor, Shyam Ki Sabji Mandi, Near Mukharji Garden, **Bhilwara - 311 001**. Behind Rajasthan Patrika, In front of Vijaya Bank, 1404, Amar Singh Pura, **Bikaner - 334001**. B-33 'Kalyan Bhawan', Triangle Part, Vallabh Nagar, **Kota - 324 007**. 18 L Block, **Sri Ganganagar - 335 001**. 32, Ahinsapuri, Fatehpura Circle, **Udaipur - 313 004**. **TAMILNADU** : Ground Floor, 148, Old Mahabalipuram Road, Okkiyam, Thuraiyakkam, **Chennai - 600 097**. Shop No 1 & 2, Saradarman Complex, Door No. 6-7, Theradi Kadai Street, **Chidambaram - 608 001**. 171-E, Sheshaiyer Complex, First Floor, Agraharam Street, **Erode - 638 001**. 126 GVP Towers, Kovai Road, Basement of Axis Bank, **Karur - 639 002**. Jailani Complex, 47, Mutt Street, **Kumbakonam - 612 001**. 1st Floor, 278, North Perumal Maistry Street (Nadar Lane), **Madurai - 625 001**. No. 2, 1st Floor, Vivekanand Street, New Fairland, **Salem - 636 016**. 1st Floor, Mano Prema Complex, 182/6, S.N. High Road, **Tirunelveli - 627 001**. No. 1 (1), Binny Compound, 2nd Street, Kumaran Road, **Tiruppur - 641 601**. No. 8, 1st Floor, 8th Cross West Extn., Thillainagar, **Trichy - 620 018**. No. 1, Officer's Line, 2nd Floor, MNR Arcade, Opp. ICICI Bank, Krishna Bhawan, **Vellore - 632 001**. **TELANGANA**: H. No.7-1-257, Upstairs S.B.H. Mankammathota, **Karimnagar - 505 001**. A.B.K. Mall, Near Old Bus Depot Road, F-7, 1st Floor, Rammagar, Hanamkonda, **Warangal - 506 001**. **TRIPURA** : Krishnanagar, Advisor Chowmuhani (Ground Floor), **Agartala - 799 001**. **UTTAR PRADESH**: No. 8, II Floor, Maruti Tower, Sanjay Place, **Agra - 282 002**. City Enclave, Opp. Kumar Nursing Home, Ramghat Road, **Aligarh - 202 001**. 30/2, A&B, Civil Lines Station, Besides Vishal Mega Mart, Strachey Road, **Allahabad - 211 001**. F-62, 63, IInd Floor, Butler Plaza Commercial Complex, Civil Lines, **Bareilly - 243 001**. FF-26, Konark Building, 1st Floor, RDC - Rajnagar, **Ghaziabad - 201 002**. Shop No. 3, 2nd Floor, Cross Road, A. D. Chowk Bank Road, **Gorakhpur - 273001**. Opp. SBI Credit Branch, Babu Lal Karkhana Compound, **Gwalior Road, Jhansi - 284 001**. 1st Floor, Canara Bank Building, Dhundhi Katra, **Mirzapur - 231 001**. H 21-22, 1st Floor Ram Ganga Vihar Shopping Complex, Opposite Sale Tax Office, **Moradabad - 244 001**. 108, Ist Floor, Shivam Plaza, Opposite Eves Cinema, Hapur Road, **Meerut - 250 002**. I Floor, Krishna Complex, Opp. Hath Gate, Court Road, **Saharanpur - 247 001**. Office No. 1, Second floor, Bhawani Market, Building No. D-58/2-A1, Rathayatra, Beside Kuber Complex, **Varanasi - 221 010**. **UTTARANCHAL** : 204/121, Nari Shilp Mandir Marg, Old Connaught Place, **Dehradun - 248 001**. **WEST BENGAL** : Block - G, 1st Floor, P C Chatterjee Market Complex, Rambandhu Talab, P. O. Ushagram, **Asansol - 713 303**. 399, G T Road, Opposite of Talk of the Town, **Burdwan - 713 101**. City Plaza Building, 3rd Floor, City Centre, **Durgapur - 713 216 A - 1/50**. Block - A, **Kalyani - 741 235**. Shivhare Niketan, H. No. 29/11, Ward No. 15, Malancha Main Road, Opposite UCO Bank, **Kharagpur - 721 301**. 47/5/1, Raja Rammohan Roy Sarani, P.O. Mallickpara, Dist. Hoogly, **Seerampur - 712 203**. 17B Swamiji Sarani, **Siliguri - 734 001**.

* accepts transactions of Liquid Schemes / Plans viz. HDFC Liquid Fund, HDFC Liquid Fund - Premium Plan and HDFC Cash Management Fund - Savings Plan & Call Plan.

C. List of Limited Transaction Points (LTPs) of Computer Age Management Services Pvt. Ltd. (CAMS), Registrar & Transfer Agents of HDFC Mutual Fund. These LTPs of CAMS will be the official points of acceptance of transactions for schemes of HDFC Mutual Fund except transactions of Liquid Schemes / Plans viz. HDFC Liquid Fund, HDFC Liquid Fund - Premium Plan, HDFC Cash Management Fund - Savings Plan & Call Plan and HDFC Arbitrage Fund. These LTPs will accept transaction / service requests from Monday to Friday between 12 p.m. and 3 p.m. only.

ANDHRA PRADESH : Door No 4-4-96, 1st Floor, Vijaya Ganapathi Temple Back Side, Nanubala Street, **Srikakulam - 532 001**. **ASSAM**: Shyamaprasad Road, Shillongpatty, 2nd Floor, Opp. Hindi School, **Silchar - 788 001**. **BIHAR** : Ground Floor, Belbhadrapur, Near Sahara Office, Laheriasarai Tower Chowk, Laheriasarai, **Darbhanga - 846 001**. **GOA** : Office No. CF-8, 1st Floor, Business Point, Above Bicholim Urban Co-op Bank Ltd, Angod, **Mapusa - 403 507**. No. DU 8, Upper Ground Floor, Behind Techoclean Clinic, Suvridha Complex, Near ICICI Bank, **Vasco da Gama - 403 802**. **GUJARAT** : F-108, Rangoli Complex, Station Road, **Bharuch - 392 001**. S-7, Ratnakala Arcade, Plot No. 231, Ward - 12/B, **Gandhidham - 370 201**. M-12 Mezzanine Floor, Suman Tower, Sector 11, **Gandhinagar - 382011**. D-78, First Floor, New Durga Bazar, Near Railway Crossing, **Himmatnagar - 383 001**. F 142, First Floor, Ghantakarana Complex, Gunj Bazar, **Nadiad - 387 001**. Tirupati Plaza, 3rd Floor, T - 11, Opp. Government Quarter, College Road, **Palanpur - 385 001**. 2 M I Park, Near Commerce College, Wadhwan City, **Surenhranagar - 363 035**. 10/11, Maruti Complex, Opp. B R Marbles, Highway Road, **Unjha - 384 170**. **HARYANA** : 7, IInd Floor, Gurunagar, Kunjapur Road, Opp. Bata Showroom, **Karnal - 132 001**. Bansal Cinema Market, Hissar Road, Besides Overbridge, Next to Nissan car showroom, **Sirsa - 125 055**. **HIMACHAL PRADESH**: 1st Floor, Above Sharma General Store, Near Sanki Rest house, The Mall, **Solan - 173 212**. **JAMMU AND KASHMIR** : Anil Nirmal & Associates, Near New Era Public School, Rajbagh, **Srinagar - 190 008**. Seven Square Shopping Plaza, 2nd Floor, Near New Airport Road Crossing, Hyderabad Bypass, **Srinagar-190014**. **KARNATAKA**: Pal Complex, 1st Floor, Opp. City Bus Stop, Super Market, **Gulbarga - 585 101**. Basement floor, Academy Tower, Opposite Corporation Bank, **Manipal - 576 104**. Guru Nanak institute, NH-1A, **Udhampur - 182 101**. **MADHYA PRADESH** : Shop No. 01, Near Puja Lawn, Parasara Road, **Chhindwara - 480 001**. Tarani Colony, Near Pushp Tent House, **Dewas - 455 001**. 1st Floor, Gurunanak Dharmakanta, Jabalpur Road, Bargawan, **Katni - 483 501**. 18, Ram Bagh, Near Scholar's School, **Ratlam - 457 001**. Opp. Somani Automobiles, Bhagwanjani, **Sagar - 470 002**. 123, 1st Floor, Siddhi Vinayaka Trade Centre, Saheed Park, **Ujjain - 456 010**. **MAHARASHTRA** : B, 1 + 3, Krishna Enclave Complex, Near Hotel Natraj, Nagar-Aurangabad Road, **Ahmednagar* - 414 001**. 3, Adelaide Apartment, Christian Mohala, Behind Gulshan-E-Iran Hotel, Amardeep Talkies Road, **Bhusawal - 425 201**. Hakimji Manson, Behind Bangalore Bakery, Kasturba Road, **Chandrapur - 442 402**. House No.3140, Opp. Liberty Furniture, Jammatal Bajaj Road, Near Tower Garden, **Dhule - 424 001**. CTS No 411, Citipoint, Gundivali, Teli Gali, Above C.T. Chatwani Hall, Andheri (E), **Mumbai - 400 069**. Shop No.303, 1st floor, Raj Mohd. Complex, Mani Road, **Srinagar, Nanded - 431 605**. Kohinoor Complex, Near Natya Theatre, Nachane Road, **Ratnagiri - 415 639**. Opp. Raman Cycle Industries, Krishna Nagar, **Wardha - 442 001**. Pushpam, Tilakwadi, Opp. Dr. Shrotri Hospital, **Yavatmal - 445 001**. **PUNJAB** : Near Arches Gallery, Shimla Pahari Chowk, **Hoshiarpur - 146 001**. Gandhi Road, Opp. Union Bank of India, **Moga - 142 001**. 13 - A, 1st Floor, Gurjeet Market, Dhangu Road, **Pathankot - 145001**. 152-C, Model Town, District Kapurthala, **Phagwara - 144 401**. **RAJASTHAN** : 3 Ashok Nagar, Near Heera Vatika, **Chittorgarh-312 001**. **TAMIL NADU** : 16A/63A, Pidamaneri Road, Near Indoor Stadium, **Dharmapuri - 636 701**. 104/6, Pensioner Street, Opp. Gomath Towers, **Dindugal - 624 001**. No.9/2, 1st Floor Attibele Road, HCF Post, Behind RTO office, Mathigiri, **Hosur - 635 110**. 4th Floor, Kalluveetil Shyras Center, 47, Court Road, **Nagercoil - 629 001**. 156A / 1, First Floor, Lakshmi Vilas Building, Opp. to District Registrar Office, Trichy Road, **Namakkal - 637 001**. D. No. 59A/1, Railway Feeder Road, (Near Railway Station), **Rajapalayam - 626 117**. 4B / A-16 Mangal Mall Complex, Ground Floor, Mani Nagar, **Tuticorin - 628 003**. **TELANGANA**: Shop No: 11 - 2 - 31/3, 1st Floor, Phillips Complex, Balajinagar, Wyrva Road, Near Baburao Petrol Bunk, **Khammam - 507 001**. **UTTARAKHAND** : No 7, Kanya Gurukul Road, Krishna Nagar, **Haridwar - 249 404**. Durga City Centre, Nainital Road, Haldwani - 263 139. 22 Civil Lines, Ground Floor, Hotel Krish Residency, **Roorkee - 247 667**. **UTTAR PRADESH** : Office No. 3, 1st Floor, Jamia Shopping Complex, Opposite Pandey School, Station Road, **Basti - 272 002**. Amar Deep Building, 3/20/14, IInd Floor, Niyanan, **Faizabad - 224 001**. 53, 1st Floor, Shastri Market, Sadar Bazar, **Firozabad - 283203**. 248, Fort Road, Near Amber Hotel, **Jaunpur - 222 001**. 159 / 160, Vikas Bazar, **Mathura - 281 001**. F26/27-Kamadhenu Market, Opp. LIC Building, Ansari Road, **Muzaffarnagar - 251 001**. Opposite Dutta Traders, Near Durga Mandir, Balipur, **Pratapgarh - 230 001**. 17, Anand Nagar Complex, **Rae Bareilly - 229 001**. Mohd. Bijlipura, Old Distt Hospital, Jail Road, **Shahjahanpur - 242 001**. Arya Nagar, Near Arya Kanya School, **Sitapur - 261 001**. 967, Civil Lines, Near Pant Stadium, **Sultanpur - 228 001**. **WEST BENGAL** : Ward No.5, Basantapur More, PO Arambag, Hoogly, **Arambagh - 712 601**. Cinema Road, Nutanganj, Beside Mondal Bakery, PO & District Bankura, **Bankura - 722 101**. N. N. Road, Power House Choupathi, **Coochbehar - 736 101**. 2nd Floor, New Market Complex, Durgachak Post Office, Purba Medinipur District, **Haldia - 721 602**. Babu Para Beside Meenar Apartment, Ward No VIII, Kotwali Police Station, **Jaipalguri - 735 101**. S.D. Tower, Sreeparna Apartment AA-101, Prafulla Kannan (West) Shop No. 4M, Block - C (Ground Floor), Kestopur, **Kolkata - 700 101**. 2A, Ganesh Chandra Avenue, Room No.3A 4th Floor, "Commerce House" **Kolkata - 700 013**. Babu Para Beside Meenar Apartment, Ward No VIII, Kotwali Police Station, **Jaipalguri - 735 101**. Daxhinapan Abasan, Opp Lane of Hotel Kalinga, SM Pally, **Malda - 732 101**.

* accepts transactions of Liquid Schemes / Plans viz. HDFC Liquid Fund, HDFC Liquid Fund - Premium Plan and HDFC Cash Management Fund - Savings Plan & Call Plan.

OFFICIAL POINT OF ACCEPTANCE FOR TRANSACTIONS IN ELECTRONIC FORM

Investors can undertake any transaction, including purchase / redemption / switch and avail of any services as may be provided by AMC from time to time through the online/electronic modes/ sources like its official website - www.hdfcfund.com, mobile handsets, etc. Additionally, this will also cover transactions submitted in electronic mode including through secured internet sites operated by CAMS by specified banks, financial institutions, distributors etc., on behalf of investors, with whom AMC has entered or may enter into specific arrangements. The servers (maintained at various locations) of HDFC Asset Management Company Limited (AMC) and CAMS will be the official point of acceptance for all such online / electronic transaction facilities offered by the AMC.



www.hdfcfund.com

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A Joint Venture with Standard Life Investments

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