

<b>HDFC Income Fund</b> Open-ended Income Scheme	<b>HDFC High Interest Fund</b> Open-ended Income Scheme
<b>HDFC Short Term Plan</b> Open-ended Income Scheme	<b>HDFC Short Term Opportunities Fund</b> Open-ended Income Scheme
<b>HDFC Medium Term Opportunities Fund</b> Open-ended Income Scheme	<b>HDFC Floating Rate Income Fund</b> Open-ended Income Scheme
<b>HDFC Gilt Fund</b> Open-ended Income Scheme	<b>HDFC Multiple Yield Fund</b> Open-ended Income Scheme
<b>HDFC Multiple Yield Fund - Plan 2005</b> Open-ended Income Scheme	<b>HDFC MF Monthly Income Plan*</b> Open-ended Income Scheme <i>* Monthly Income is not assured and is subject to availability of distributable surplus</i>
<b>HDFC Cash Management Fund</b> Savings Plan and Call Plan: Open-ended High Liquidity Income Scheme Treasury Advantage Plan: Open-ended Income Scheme	<b>HDFC Liquid Fund</b> Open-ended Liquid Income Scheme

<b>Continuous Offer of Units at Applicable NAV</b>
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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 Limited*  
 Registered Office :  
 Ramon House, 3rd Floor, H. T. Parekh Marg,  
 169, Backbay Reclamation, Churchgate, Mumbai 400 020.

**Trustee Company :**

HDFC Trustee Company Limited  
 Registered Office :  
 Ramon House, 3rd Floor, H. T. Parekh Marg,  
 169, Backbay Reclamation, Churchgate, Mumbai 400 020.

Website:

[www.hdfcfund.com](http://www.hdfcfund.com)

**The particulars of the Scheme(s) 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(s) 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](http://www.hdfcfund.com).**

<b>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 - <a href="http://www.hdfcfund.com">www.hdfcfund.com</a>.</b>
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<b>The Scheme Information Document should be read in conjunction with the SAI and not in isolation.</b>
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This Scheme Information Document is dated April 23, 2011.

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## HIGHLIGHTS/SUMMARY OF THE SCHEME(S)

Name of the Scheme	HDFC Income Fund (HIF)	HDFC High Interest Fund (HHIF) & HHIF-Short Term Plan (STP)	HDFC Short Term Plan (HSTP)
<b>Investment Objective</b>	To optimise returns while maintaining a balance of safety, yield and liquidity.	To generate income by investing in a range of debt and money market instruments of various maturity dates with a view to maximise income while maintaining the optimum balance of yield, safety and liquidity.	To generate regular income through investment in Debt Securities and Money Market Instruments.
<b>Liquidity</b>	The Scheme(s) being offered are open-ended scheme(s) and will offer Units for Sale / Switch-in and Redemption / Switch-out on every Business Day at NAV based prices. As per SEBI (MF) Regulations, the Mutual Fund shall despatch redemption proceeds within 10 Business Days from the date of redemption. A penal interest of 15% p.a. 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 endeavor to pay the redemption proceeds within 3-4 Business Days (as applicable) from the date of redemption. Please refer to section ' <b>Redemption</b> ' on <b>Page 77</b> for details.		
<b>Benchmark</b>	CRISIL Composite Bond Fund Index	<b>HHIF:</b> CRISIL Composite Bond Fund Index <b>HHIF - STP:</b> CRISIL Short Term Bond Fund Index	CRISIL Short Term Bond Fund Index
<b>Transparency / NAV Disclosure</b>	<p>The AMC will calculate and disclose the NAVs of the Scheme(s) at the close of every Business Day and release to the Press, News Agencies and the Association of Mutual Funds of India (AMFI) except in special circumstances described in '<b>Suspension of Sale / Redemption / Switching of Options of the Units</b>' under section '<b>Restrictions, if any, on the right to freely retain or dispose of units being offered</b>' on <b>Page 55</b>. NAVs will also be displayed on the website of the Mutual Fund. In addition, the ISCs would also display the NAVs.</p> <p>The AMC shall update the NAVs on the website of the Mutual Fund (<a href="http://www.hdfcfund.com">www.hdfcfund.com</a>) and on the website of Association of Mutual Funds in India - AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) 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 AMC may disclose details of the portfolio of the Scheme(s) on a monthly basis on its website or at such frequency as may be decided by the Trustee / AMC from time to time. As presently required by the SEBI (MF) Regulations, a complete statement of the Scheme portfolio would 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 &amp; September 30) or mailed to the Unit holders.</p>		

## HIGHLIGHTS/SUMMARY OF THE SCHEME(S) (CONTD.)

Name of the Scheme	HDFC Income Fund (HIF)	HDFC High Interest Fund (HHIF) & HHIF-Short Term Plan (STP)	HDFC Short Term Plan (HSTP)			
<b>Loads (For Lumpsum Purchases and Investments through SIP/STP)</b>	<p><b>Entry Load:</b> Not Applicable.</p> <p>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> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; vertical-align: top; border-right: 1px solid black; padding-right: 5px;"> <p><b>Exit Load:</b></p> <ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of units, an Exit Load of 0.50% is payable if Units are redeemed / switched-out within 6 months from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 6 months from the date of allotment.</li> </ul> </td> <td style="width: 33%; vertical-align: top; border-right: 1px solid black; padding-right: 5px;"> <p><b>Exit Load:</b></p> <p><b>HHIF:</b></p> <ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of Units, an Exit Load of 0.50% is payable if Units are redeemed / switched-out within 3 months from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 3 months from the date of allotment.</li> </ul> <p><b>HHIF-STP:</b></p> <ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of units, an Exit Load of 0.25% is payable if Units are redeemed / switched-out within 1 month from the date of allotment.</li> </ul> </td> <td style="width: 33%; vertical-align: top; padding-left: 5px;"> <p><b>Exit Load:</b></p> <ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of Units, an Exit Load of 0.50% is payable if Units are redeemed / switched-out within 6 months from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 6 months from the date of allotment.</li> </ul> </td> </tr> </table> <p>No Entry / Exit Load shall be levied on bonus units and units allotted on dividend reinvestment.</p> <p><b>For further details on load structure refer to the section 'Load Structure' on Pages 84-86.</b></p>			<p><b>Exit Load:</b></p> <ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of units, an Exit Load of 0.50% is payable if Units are redeemed / switched-out within 6 months from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 6 months from the date of allotment.</li> </ul>	<p><b>Exit Load:</b></p> <p><b>HHIF:</b></p> <ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of Units, an Exit Load of 0.50% is payable if Units are redeemed / switched-out within 3 months from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 3 months from the date of allotment.</li> </ul> <p><b>HHIF-STP:</b></p> <ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of units, an Exit Load of 0.25% is payable if Units are redeemed / switched-out within 1 month from the date of allotment.</li> </ul>	<p><b>Exit Load:</b></p> <ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of Units, an Exit Load of 0.50% is payable if Units are redeemed / switched-out within 6 months from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 6 months from the date of allotment.</li> </ul>
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<b>Minimum Application Amount (under each Plan/ Option)</b>	<p><b>Purchase:</b> ₹ 5,000 and any amount thereafter.</p> <p><b>Additional Purchase:</b> ₹ 1,000 and any amount thereafter.</p>		<p><b>Purchase:</b> ₹ 5,000 and any amount thereafter.*</p> <p><b>Additional Purchase:</b> ₹ 1,000 and any amount thereafter.*</p> <p>* The maximum investment amount (including switch-in) under all options shall be ₹ 10 crore per investor (for all folios) in a calendar quarter.</p>			

## HIGHLIGHTS/SUMMARY OF THE SCHEME(S) (CONTD.)

Name of the Scheme	HDFC Short Term Opportunities Fund (HSTOF)	HDFC Medium Term Opportunities Fund (HMTOF)	HDFC Floating Rate Income Fund (HFRIF)			
<b>Investment Objective</b>	To generate regular income through investments in Debt/ Money Market Instruments and Government Securities with maturities not exceeding 30 months.	To generate regular income through investments in Debt/ Money Market Instruments and Government Securities with maturities not exceeding 60 months.	To generate regular income through investment in a portfolio comprising substantially of floating rate debt / money market instruments, fixed rate debt / money market instruments swapped for floating rate returns, and fixed rate debt securities and money market instruments.			
<b>Liquidity</b>	The Scheme(s) being offered are open-ended scheme(s) and will offer Units for Sale / Switch-in and Redemption / Switch-out on every Business Day at NAV based prices. As per SEBI (MF) Regulations, the Mutual Fund shall despatch redemption proceeds within 10 Business Days from the date of redemption. A penal interest of 15% p.a. 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 endeavor to pay the redemption proceeds within 3-4 Business Days (as applicable) from the date of redemption. Please refer to section ' <b>Redemption</b> ' on <b>Page 77</b> for details.					
<b>Benchmark</b>	CRISIL Short Term Bond Fund Index	CRISIL Composite Bond Fund Index	CRISIL Liquid Fund Index			
<b>Transparency / NAV Disclosure</b>	<p>The AMC will calculate and disclose the NAVs of the Scheme(s) at the close of every Business Day and release to the Press, News Agencies and the Association of Mutual Funds of India (AMFI) except in special circumstances described in '<b>Suspension of Sale / Redemption / Switching of Options of the Units</b>' under section '<b>Restrictions, if any, on the right to freely retain or dispose of units being offered</b>' on <b>Page 55</b>. NAVs will also be displayed on the website of the Mutual Fund. In addition, the ISCs would also display the NAVs.</p> <p>The AMC shall update the NAVs on the website of the Mutual Fund (<a href="http://www.hdfcfund.com">www.hdfcfund.com</a>) and on the website of Association of Mutual Funds in India - AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) 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 AMC may disclose details of the portfolio of the Scheme(s) on a monthly basis on its website or at such frequency as may be decided by the Trustee / AMC from time to time. As presently required by the SEBI (MF) Regulations, a complete statement of the Scheme portfolio would 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 &amp; September 30) or mailed to the Unit holders.</p>					
<b>Loads (For Lumpsum Purchases and Investments through SIP/STP)</b>	<p><b>Entry Load:</b> Not Applicable.</p> <p>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> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; vertical-align: top; border-right: 1px solid black; padding-right: 10px;"> <p><b>Exit Load:</b></p> <ul style="list-style-type: none"> <li>• In respect of each purchase/ switch-in of units, an Exit load of 0.25% is payable if units are redeemed/switched-out within 1 month from the date of allotment.</li> <li>• No Exit Load is payable if units are redeemed/ switched-out after 1 month from the date of allotment.</li> </ul> </td> <td style="width: 33%; vertical-align: top; border-right: 1px solid black; padding-right: 10px;"> <p><b>Exit Load:</b></p> <ul style="list-style-type: none"> <li>• In respect of each purchase/ switch-in of units, an Exit load of 0.50% is payable if units are redeemed/switched-out within 3 months from the date of allotment.</li> <li>• No Exit Load is payable if units are redeemed/ switched-out after 3 months from the date of allotment.</li> </ul> </td> <td style="width: 33%; vertical-align: top; padding-left: 10px;"> <p><b>Exit Load:</b></p> <p><b>Short Term Plan:</b> Nil</p> <p><b>Long Term Plan:</b></p> <ul style="list-style-type: none"> <li>• In respect of <b>each</b> purchase / switch-in of Units, an Exit Load of 3.00% is payable if Units are redeemed / switched-out within 18 months from the date of allotment.</li> <li>• No Exit Load is payable if Units are redeemed / switched-out after 18 months from the date of allotment.</li> </ul> </td> </tr> </table> <p>No Entry / Exit Load shall be levied on bonus units and units allotted on dividend reinvestment.</p> <p><b>For further details on load structure refer to the section 'Load Structure' on Pages 84-86.</b></p>			<p><b>Exit Load:</b></p> <ul style="list-style-type: none"> <li>• In respect of each purchase/ switch-in of units, an Exit load of 0.25% is payable if units are redeemed/switched-out within 1 month from the date of allotment.</li> <li>• No Exit Load is payable if units are redeemed/ switched-out after 1 month from the date of allotment.</li> </ul>	<p><b>Exit Load:</b></p> <ul style="list-style-type: none"> <li>• In respect of each purchase/ switch-in of units, an Exit load of 0.50% is payable if units are redeemed/switched-out within 3 months from the date of allotment.</li> <li>• No Exit Load is payable if units are redeemed/ switched-out after 3 months from the date of allotment.</li> </ul>	<p><b>Exit Load:</b></p> <p><b>Short Term Plan:</b> Nil</p> <p><b>Long Term Plan:</b></p> <ul style="list-style-type: none"> <li>• In respect of <b>each</b> purchase / switch-in of Units, an Exit Load of 3.00% is payable if Units are redeemed / switched-out within 18 months from the date of allotment.</li> <li>• No Exit Load is payable if Units are redeemed / switched-out after 18 months from the date of allotment.</li> </ul>
<p><b>Exit Load:</b></p> <ul style="list-style-type: none"> <li>• In respect of each purchase/ switch-in of units, an Exit load of 0.25% is payable if units are redeemed/switched-out within 1 month from the date of allotment.</li> <li>• No Exit Load is payable if units are redeemed/ switched-out after 1 month from the date of allotment.</li> </ul>	<p><b>Exit Load:</b></p> <ul style="list-style-type: none"> <li>• In respect of each purchase/ switch-in of units, an Exit load of 0.50% is payable if units are redeemed/switched-out within 3 months from the date of allotment.</li> <li>• No Exit Load is payable if units are redeemed/ switched-out after 3 months from the date of allotment.</li> </ul>	<p><b>Exit Load:</b></p> <p><b>Short Term Plan:</b> Nil</p> <p><b>Long Term Plan:</b></p> <ul style="list-style-type: none"> <li>• In respect of <b>each</b> purchase / switch-in of Units, an Exit Load of 3.00% is payable if Units are redeemed / switched-out within 18 months from the date of allotment.</li> <li>• No Exit Load is payable if Units are redeemed / switched-out after 18 months from the date of allotment.</li> </ul>				

## HIGHLIGHTS/SUMMARY OF THE SCHEME(S) (CONTD.)

Name of the Scheme	HDFC Short Term Opportunities Fund (HSTOF)	HDFC Medium Term Opportunities Fund (HMTOF)	HDFC Floating Rate Income Fund (HFRIF)
<b>Minimum Application Amount (under each Plan/Option)</b>	<p><b>Purchase:</b> ₹ 5,000 and any amount thereafter.</p> <p><b>Additional Purchase:</b> ₹ 1,000 and any amount thereafter.</p>	<p><b>Purchase:</b> ₹ 5,000 and any amount thereafter.</p> <p><b>Additional Purchase:</b> ₹ 1,000 and any amount thereafter.</p>	<p><b>Short Term Plan - Retail Option:</b> (Growth Option, Weekly Dividend Option and Monthly Dividend Option)</p> <p><b>Purchase:</b> ₹ 5,000 and any amount thereafter.</p> <p><b>Additional Purchase:</b> ₹ 1,000 and any amount thereafter.</p> <p><b>Daily Dividend Option: Purchase / Additional Purchase:</b> ₹ 1 lakh and any amount thereafter.</p> <p><b>Short Term Plan - Wholesale Option:</b>(Growth Option, Daily Dividend Option, Weekly Dividend Option and Monthly Dividend Option)</p> <p><b>Purchase:</b> ₹ 10 lakhs and any amount thereafter.</p> <p><b>Additional Purchase:</b> ₹ 1 and any amount thereafter.</p> <p><b>Long Term Plan:</b></p> <p><b>Purchase:</b> ₹ 5,000 and any amount thereafter.</p> <p><b>Additional Purchase:</b> ₹ 1,000 and any amount thereafter.</p>

## HIGHLIGHTS/SUMMARY OF THE SCHEME(S) (CONTD.)

Name of the Scheme	HDFC Gilt Fund (HGILT)	HDFC Multiple Yield Fund (HMYF)	HDFC Multiple Yield Fund - Plan 2005 (HMYF'05)			
<b>Investment Objective</b>	To generate credit risk-free returns through investments in sovereign securities issued by the Central Government and/or State Government.	To generate positive returns over medium time frame with low risk of capital loss over medium time frame.	To generate positive returns over medium time frame with low risk of capital loss over medium time frame.			
<b>Liquidity</b>	The Scheme(s) being offered are open-ended scheme(s) and will offer Units for Sale / Switch-in and Redemption / Switch-out on every Business Day at NAV based prices. As per SEBI (MF) Regulations, the Mutual Fund shall despatch redemption proceeds within 10 Business Days from the date of redemption. A penal interest of 15% p.a. 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 endeavor to pay the redemption proceeds within 3-4 Business Days (as applicable) from the date of redemption. Please refer to section 'Redemption' on Page 77 for details.					
<b>Benchmark</b>	<b>Short Term Plan:</b> I-Sec Si-Bex <b>Long Term Plan:</b> I-Sec Li-Bex	CRISIL MIP Blended Index	CRISIL MIP Blended Index			
<b>Transparency / NAV Disclosure</b>	<p>The AMC will calculate and disclose the NAVs of the Scheme(s) at the close of every Business Day and release to the Press, News Agencies and the Association of Mutual Funds of India (AMFI) except in special circumstances described in '<b>Suspension of Sale / Redemption / Switching of Options of the Units</b>' under section '<b>Restrictions, if any, on the right to freely retain or dispose of units being offered</b>' on Page 55. NAVs will also be displayed on the website of the Mutual Fund. In addition, the ISCs would also display the NAVs.</p> <p>The AMC shall update the NAVs 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) 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 AMC may disclose details of the portfolio of the Scheme(s) on a monthly basis on its website or at such frequency as may be decided by the Trustee / AMC from time to time. As presently required by the SEBI (MF) Regulations, a complete statement of the Scheme portfolio would 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 &amp; September 30) or mailed to the Unit holders.</p>					
<b>Loads (For Lumpsum Purchases and Investments through SIP/STP)</b>	<p><b>Entry Load:</b> Not Applicable.</p> <p>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> <table border="0"> <tr> <td style="vertical-align: top;"> <p><b>Exit Load:</b></p> <p>Short Term Plan : Nil</p> <p>Long Term Plan :</p> <ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of Units, an Exit Load of 0.25% is payable if Units are redeemed / switched-out within 3 months from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 3 months from the date of allotment.</li> </ul> </td> <td style="vertical-align: top;"> <p><b>Exit Load:</b></p> <ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of units, an Exit Load of 1.00% is payable if Units are redeemed / switched-out within 1 year from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 1 year from the date of allotment.</li> </ul> </td> <td style="vertical-align: top;"> <p><b>Exit Load:</b></p> <ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of units, an Exit Load of 1.00% is payable if Units are redeemed/ switched-out within 15 months from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 15 months from the date of allotment.</li> </ul> </td> </tr> </table> <p>No Entry / Exit Load shall be levied on bonus units and units allotted on dividend reinvestment.</p> <p><b>For further details on load structure refer to the section 'Load Structure' on Pages 84-86.</b></p>			<p><b>Exit Load:</b></p> <p>Short Term Plan : Nil</p> <p>Long Term Plan :</p> <ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of Units, an Exit Load of 0.25% is payable if Units are redeemed / switched-out within 3 months from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 3 months from the date of allotment.</li> </ul>	<p><b>Exit Load:</b></p> <ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of units, an Exit Load of 1.00% is payable if Units are redeemed / switched-out within 1 year from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 1 year from the date of allotment.</li> </ul>	<p><b>Exit Load:</b></p> <ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of units, an Exit Load of 1.00% is payable if Units are redeemed/ switched-out within 15 months from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 15 months from the date of allotment.</li> </ul>
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<b>Minimum Application Amount (under each Plan/ Option)</b>	<p><b>Purchase:</b> ₹ 5,000 and any amount thereafter.</p> <p><b>Additional Purchase:</b> ₹ 1,000 and any amount thereafter.</p>					

## HIGHLIGHTS/SUMMARY OF THE SCHEME(S) (CONTD.)

Name of the Scheme	HDFC MF Monthly Income Plan (HMIP)	HDFC Cash Management Fund (HCMF)	HDFC Liquid Fund (HLF)			
<b>Investment Objective</b>	To generate regular returns through investment primarily in Debt and Money Market Instruments. The secondary objective of the Scheme is to generate long-term capital appreciation by investing a portion of the Scheme's assets in equity and equity related instruments. Monthly Income is not assured & is subject to availability of distributable surplus.	<p><b>Savings Plan &amp; Call Plan:</b> To generate optimal returns while maintaining safety and high liquidity.</p> <p><b>Treasury Advantage Plan:</b> To generate regular income through investment in debt securities and money market instruments.</p>	To enhance income consistent with a high level of liquidity, through a judicious portfolio mix comprising of money market and debt instruments.			
<b>Liquidity</b>	The Scheme(s) being offered are open-ended scheme(s) and will offer Units for Sale / Switch-in and Redemption / Switch-out on every Business Day at NAV based prices. As per SEBI (MF) Regulations, the Mutual Fund shall despatch redemption proceeds within 10 Business Days from the date of redemption. A penal interest of 15% p.a. 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 endeavor to pay the redemption proceeds (for Scheme(s) other than HLF, HCMF - Savings Plan & Call Plan) within 3-4 Business Days (as applicable) from the date of redemption. In case of HLF, HCMF - Savings Plan & Call Plan, the Mutual Fund will endeavor to despatch the Redemption cheque within 1 Business Day from the acceptance of the Redemption request. Please refer to section ' <b>Redemption</b> ' on <b>Page 77</b> for details.					
<b>Benchmark</b>	<b>Short Term Plan and Long Term Plan:</b> CRISIL MIP Blended Index	CRISIL Liquid Fund Index	CRISIL Liquid Fund Index			
<b>Transparency / NAV Disclosure</b>	<p>The AMC will calculate and disclose the NAVs of the Scheme(s) at the close of every Business Day (In case of HLF, HCMF - Savings Plan &amp; Call Plan, the AMC will calculate the NAVs all year round) and release to the Press, News Agencies and the Association of Mutual Funds of India (AMFI) except in special circumstances described in '<b>Suspension of Sale / Redemption / Switching of Options of the Units</b>' under section '<b>Restrictions, if any, on the right to freely retain or dispose of units being offered</b>' on <b>Page 55</b>. NAVs will also be displayed on the website of the Mutual Fund. In addition, the ISCs would also display the NAVs.</p> <p>The AMC shall update the NAVs 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) 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 AMC may disclose details of the portfolio of the Scheme(s) on a monthly basis on its website or at such frequency as may be decided by the Trustee / AMC from time to time. As presently required by the SEBI (MF) Regulations, a complete statement of the Scheme portfolio would 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 &amp; September 30) or mailed to the Unit holders.</p>					
<b>Loads (For Lumpsum Purchases and Investments through SIP/STP)</b>	<p><b>Entry Load:</b> Not Applicable</p> <p>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> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; border-right: 1px solid black; padding: 5px;"> <p><b>Exit Load:</b></p> <p><b>Short Term Plan and Long Term Plan:</b></p> <ul style="list-style-type: none"> <li>• In respect of <b>each</b> purchase / switch-in of units, an Exit Load of 1.00% is payable if Units are redeemed / switched-out within 1 year from the date of allotment.</li> <li>• No Exit Load is payable if Units are redeemed / switched-out after 1 year from the date of allotment.</li> </ul> </td> <td style="width: 33%; border-right: 1px solid black; padding: 5px;"> <p><b>Exit Load:</b></p> <p><b>Savings Plan, Treasury Advantage Plan and Call Plan:</b> Nil</p> </td> <td style="width: 33%; padding: 5px;"> <p><b>Exit Load:</b></p> <p><b>HLF, HLF-Premium Plan &amp; Premium Plus Plan:</b></p> <p>Nil</p> </td> </tr> </table> <p>No Entry / Exit Load shall be levied on bonus units and units allotted on dividend reinvestment.</p> <p><b>For further details on load structure refer to the section 'Load Structure' on Pages 84-86.</b></p>			<p><b>Exit Load:</b></p> <p><b>Short Term Plan and Long Term Plan:</b></p> <ul style="list-style-type: none"> <li>• In respect of <b>each</b> purchase / switch-in of units, an Exit Load of 1.00% is payable if Units are redeemed / switched-out within 1 year from the date of allotment.</li> <li>• No Exit Load is payable if Units are redeemed / switched-out after 1 year from the date of allotment.</li> </ul>	<p><b>Exit Load:</b></p> <p><b>Savings Plan, Treasury Advantage Plan and Call Plan:</b> Nil</p>	<p><b>Exit Load:</b></p> <p><b>HLF, HLF-Premium Plan &amp; Premium Plus Plan:</b></p> <p>Nil</p>
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## HIGHLIGHTS/SUMMARY OF THE SCHEME(S) (CONTD.)

Name of the Scheme	HDFC MF Monthly Income Plan (HMIP)	HDFC Cash Management Fund (HCMF)	HDFC Liquid Fund (HLF)
<p><b>Minimum Application Amount (under each Plan/ Option)</b></p>	<p><b>Short Term Plan: Purchase:</b> Growth &amp; Quarterly Dividend Option : ₹ 5,000 and any amount thereafter under each Option.</p> <p>Monthly Dividend Option: ₹ 25,000 and any amount thereafter.</p> <p><b>Additional Purchase:</b> ₹ 1,000 and any amount thereafter.</p> <p><b>Long Term Plan: Purchase:</b> Growth &amp; Quarterly Dividend Option: ₹ 5,000 and any amount thereafter under each Option.</p> <p>Monthly Dividend Option: ₹ 25,000 and any amount thereafter.</p> <p><b>Additional Purchase:</b> ₹ 1,000 and any amount thereafter.</p>	<p><b>Savings Plan:</b> Growth Option</p> <p><b>Purchase / Additional Purchase:</b> ₹ 10,000 and any amount thereafter.</p> <p>Dividend Option</p> <p><b>Purchase / Additional Purchase:</b> ₹ 1,00,000 and any amount thereafter.</p> <p><b>Call Plan:</b> Under Each Option:</p> <p><b>Purchase / Additional Purchase:</b> ₹ 1,00,000 and any amount thereafter.</p> <p><b>Treasury Advantage Plan - Retail Option:</b> Growth, Weekly and Monthly Dividend Option:</p> <p><b>Purchase:</b> ₹ 5,000 and any amount thereafter.</p> <p><b>Additional Purchase:</b> ₹ 1,000 and any amount thereafter.</p> <p>Daily Dividend Option: <b>Purchase / Additional Purchase:</b> ₹ 1,00,000 and any amount thereafter.</p> <p><b>Treasury Advantage Plan - Wholesale Option:</b></p> <p><b>Purchase:</b> ₹ 1 Crore and any amount thereafter. <b>Additional Purchase:</b> ₹ 1 and any amount thereafter.</p>	<p><b>HLF : Purchase/ Additional Purchase:</b></p> <p><b>Growth Option:</b> ₹ 10,000 and any amount thereafter.</p> <p><b>Dividend Option:</b> ₹ 1,00,000 and any amount thereafter.</p> <p><b>HLF - Premium Plan - Purchase:</b> ₹ 5 crore and any amount thereafter.</p> <p><b>HLF - Premium Plus Plan - Purchase:</b> ₹ 20 crore and any amount thereafter.</p> <p><b>HLF - Premium Plan &amp; Premium Plus Plan - Additional Purchase:</b> ₹ 1 and any amount thereafter.</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(s) invests fluctuates, the value of your investment in the Scheme(s) 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(s) do not in any manner indicate either the quality of the Scheme(s) or their future prospects and returns.
- The Sponsors are not responsible or liable for any loss resulting from the operation of the Scheme(s) beyond the initial contribution of ₹1 lakh each made by them towards setting up the Fund.
- The present Scheme(s) are not guaranteed or assured return scheme(s).

### ■ Scheme Specific Risk Factors

Some of the specific risk factors related to the Scheme(s) 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(s) unless they can afford to take the risks.
- 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.
- 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(s) incurring losses till the security is finally sold.
- Investment strategy to be adopted by the Scheme(s) may carry the risk of significant variance between the portfolio allocation of the Scheme(s) and the Benchmark particularly over a short to medium term period.

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

- The Net Asset Value (NAV) of the Scheme(s), to the extent invested in Debt and Money Market securities, will be affected by changes in the general level of interest rates. The NAV of the Scheme(s) 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 securities, while fairly liquid, lack a well developed secondary market, which may restrict the selling ability of the Scheme(s) and may lead to the Scheme(s) incurring losses till the security is finally sold.
- Investment in 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.

- 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(s) would invest as given in the Scheme Information Document carry different levels and types of risk. Accordingly, the Scheme(s) 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, bonds, which are AAA rated, are comparatively less risky than bonds, which are AA rated.
- 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. 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.
- 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.
- The Scheme(s) 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.
- 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.

#### (iii) General Risk Factors

- Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Scheme(s). 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(s) 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(s) 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(s). 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 55** 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(s) 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 amounting to substantial reduction in the earning capability of the Scheme(s).

**(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(s) stand exposed to their interest rate cycles.
- Credit Risk:**  
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.  
  
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 Scheme(s) 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.

**(vi) Risk factors associated with investing in Securitised Debt**

The Risks involved in Securitised Papers described below are the principal ones and does 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 a 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.

#### **(viii) Related to HFRIF**

##### **Basis Risk:**

As the Scheme will invest in floating rate instruments, the Scheme could be exposed to the interest rate risk (a) to the extent of time gap in resetting of the benchmark rates and (b) to the extent the benchmark index fails to capture the interest rate movement.

##### **Settlement Risk:**

In the case of swapping a fixed rate return for a floating return, there may be an additional risk of counter party who will pay floating rate return and receive fixed rate return.

##### **Liquidity Risk:**

Due to the evolving nature of floating rate market, there may be an increased risk of liquidity risk in the portfolio from time to time.

##### **Benchmark Risk:**

The floating rate segment of the domestic debt market is in a nascent stage. As the floating rate segment develops further, more benchmarks for floating papers may be available in future. The fewer number of benchmarks currently present could reduce the choice of an appropriate benchmark for certain instruments.

##### **Interest Rate Risk:**

Floating rate debt instruments, on account of periodical interest rate reset, carry a lower interest rate risk as compared to fixed rate debt instruments. Consequently, in a downward interest rate scenario the returns on floating rate debt instruments may not be better than those on fixed rate debt instruments.

#### **(ix) Related to HSTOF**

##### **Risk Mitigation Strategy:**

- As the Scheme has a cap on maturity of a security, it shall anchor investors with a similar investment horizon. However to mitigate liquidity risk, the Scheme shall invest in marketable securities, which shall be used to meet redemption. On expectation of redemption in future, the Scheme may suitably increase cash / money market component.
- Fixed Income schemes/portfolios having predominant or higher proportion in securities with maturities of more than 30 months bucket are likely to have more volatility. This Scheme may have relatively lower volatility since interest rate risk has been capped by limiting the maturity of the securities to a period not exceeding 30 months.

#### **(x) Related to HMTOF**

##### **Risk Mitigation Strategy:**

- As the Scheme has a cap on maturity of a security, it shall anchor investors with a similar investment horizon. However to mitigate liquidity risk, the Scheme shall invest in marketable securities, which shall be used to meet redemption. On expectation of redemption in future, the Scheme may suitably increase cash / money market component.
- Fixed Income schemes/portfolios having predominant or higher proportion in securities with maturities of more than 60 months bucket are likely to have more volatility. This

Scheme may have relatively lower volatility since interest rate risk has been capped by limiting the maturity of the securities to a period not exceeding 60 months.

#### **B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME(S)**

The Scheme(s)/Plan(s) shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme(s)/Plan(s) (at portfolio level). The two conditions mentioned above shall be complied within each subsequent 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. SPECIAL CONSIDERATIONS, IF ANY**

- The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise, in the event that the Scheme(s) are wound up for the reasons and in the manner provided in 'Statement of Additional Information ('SAI')'.
- Redemption by the Unit holder due to change in the fundamental attributes of the Scheme(s) 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.
- The tax benefits described in this Scheme Information Document and Statement of Additional Information are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India and the Unit holders should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Unit holder is advised to consult his / her own professional tax advisor.
- Investors should study this Scheme Information Document & the Statement of Additional Information carefully in its entirety and should not construe the contents as advice relating to legal, taxation, investment or any other matters. Investors are advised to consult their legal, tax, investment and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming units, before making a decision to invest / redeem Units.
- In the event of substantial investment by the Sponsors and their associates in the Scheme(s) of the Mutual Fund, Redemption of Units by these entities may have an adverse impact on the performance of the Scheme(s) and this may also affect the ability of other Unit holders to redeem their Units.
- **HCMF** : Neither this Scheme Information Document nor the Units have been registered and/or recognized in any jurisdiction except in Singapore with the Monetary Authority of Singapore under their requisite regulatory requirements.

**Scheme(s) other than HCMF:** Neither this Scheme Information Document nor the Units have been registered in any jurisdiction.

The Investors may take note that the Scheme(s) may in future be registered/recognized in any other applicable jurisdiction, by the AMC as and when it desires. The distribution of this Scheme Information Document in certain jurisdictions may be restricted or totally prohibited to registration requirements and accordingly, persons who come into possession of this Scheme Information Document are required to inform themselves about and to observe any such restrictions and or legal compliance requirements.

- Any dispute arising out of the Scheme(s) shall be subject to the exclusive jurisdiction of the Courts in India. Statements in this Scheme Information Document are, except where otherwise stated, based on the law, practice currently in force in India, and are subject to changes therein.
- No person has been authorised to issue any advertisement or to give any information or to make any representations other than that contained in this Scheme Information Document. Circulars in connection with this offering not authorised by the Mutual Fund and any information or representations not contained herein must not be relied upon as having been authorized by the Mutual Fund.
- The Mutual Fund may disclose details of the investor's account and transactions there under to those intermediaries whose stamp appears on the application form. In addition,

the Mutual Fund may disclose such details to the bankers / its agents, as may be necessary for the purpose of effecting payments to the investor. Further, the Mutual Fund may disclose details of the investor's account and transactions thereunder to any Regulatory/Statutory entities as per the provisions of law.

- Mutual funds and securities investments are subject to market risks and there can be no assurance or guarantee that the Scheme(s) objectives will be achieved. Investors should study this Scheme Information Document & the Statement of Additional Information carefully in its entirety before investing.
- 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 programme, verify and maintain the record of identify and address(es) of investors.

If after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, failure to provide required documentation, information, etc. the AMC shall have absolute discretion to report such suspicious transactions to FIU-IND and / or to freeze the folios of the investor(s), reject any application(s) / allotment of units and effect mandatory redemption of unit holdings of the investor(s) at the applicable NAV subject to payment of exit load, if any.

#### D. DEFINITIONS

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

<b>"AMC" or "Asset Management Company" or "Investment Manager"</b>	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.
<b>"AMFI Certified Stock Exchange Brokers"</b>	A person who is registered with AMFI as Mutual Fund Advisor and who has signed up with HDFC Asset Management Company Limited and also registered with BSE & NSE as Participant.
<b>"ARN Holder"/"AMFI registered Distributors"</b>	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.
<b>"Applicable NAV"</b>	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 'cut off timings' as described in this Scheme Information Document.
<b>"Book Closure"</b>	The time during which the Asset Management Company would temporarily suspend sale, redemption and switching of Units.
<b>"BSE SENSEX" or "the SENSEX"</b>	The Index of Bombay Stock Exchange Limited, comprising of, at present, thirty equity securities, the composition and the criteria of which are determined by Bombay Stock Exchange Limited from time to time.
<b>"Business Day"</b>	A day other than: <ul style="list-style-type: none"> <li>(i) Saturday and Sunday;</li> <li>(ii) A day on which the banks in Mumbai and / RBI are closed for business / clearing;</li> <li>(iii) A day on which the National Stock Exchange of India Limited is closed;</li> <li>(iv) A day which is a public and /or bank holiday at an Investor Service Centre where the application is received;</li> <li>(v) A day on which Sale / Redemption / Switching of Units is suspended by the AMC;</li> <li>(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.</li> </ul>

	Further, in case of <b>HLF</b> and <b>HCMF-Savings Plan &amp; Call Plan</b> , the day(s) on which the money markets are closed / not accessible, shall not be treated as Business Day(s). The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres.
<b>"Business Hours"</b>	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.
<b>"Combined Scheme Information Document"</b>	This document issued by HDFC Mutual Fund, offering for subscription of Units of twelve unlinked Schemes (including Plans and Options thereunder) viz; HIF, HHIF, HSTP, HSTOF, HMTOF, HFRIF, HGILT, HMYF, HMYF'05, HMIP, HCMF and HLF.
<b>"Custodian"</b>	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 are HDFC Bank Limited and Citibank N. A. [as applicable to the respective Scheme(s)].
<b>"Depository"</b>	Depository as defined in the Depositories Act, 1996 (22 of 1996).
<b>"Depository Participant"</b>	'Depository Participant' means a person registered as such under subsection (1A) of section 12 of the Securities and Exchange Board of India Act, Series XVIII92.
<b>"Derivative"</b>	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.
<b>"Dividend"</b>	Income distributed by the Mutual Fund on the Units.
<b>"Entry Load" or "Sales Load"</b>	Load on Sale / Switch in of Units.
<b>"Equity Related Instruments"</b>	"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.
<b>"Exit Load" or "Redemption Load"</b>	Load on Redemption / Switch out of Units.
<b>"FII"</b>	Foreign Institutional Investor, registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
<b>"Floating Rate Debt Instruments"</b>	Floating rate debt instruments are debt securities issued by Central and / or State Government, corporates or PSUs with interest rates that are reset periodically. The periodicity of the interest reset could be daily, monthly, quarterly, half-yearly, annually or any other periodicity that may be mutually agreed with the issuer and the Fund.  The interest on the instruments could also be in the nature of fixed basis points over the benchmark gilt yields.
<b>"Foreign Securities"</b>	ADRs / GDRs/ equity / debt securities of overseas companies listed on the recognized stock exchanges overseas/ or such other related securities as may be specified by SEBI and/or RBI from time to time.
<b>"Gilts" or "Government Securities"</b>	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.
<b>"Holiday"</b>	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.
<b>"Investment Management Agreement"</b>	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.
<b>"Investor Service Centres" or "ISCs"</b>	Designated HDFC Branches or Offices of HDFC Asset Management Company Limited or such other centres / offices as may be designated by the AMC from time to time.
<b>"Load"</b>	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.
<b>"Money Market Instruments"</b>	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.
"Multiple Yield" (Applicable to HMYF & HMYF'05)	Multiple Yield includes two sources of yields. viz. i) Dividends received on equity investments ii) Yield on the fixed income portion of portfolio.
"Net Asset Value" or "NAV"	Net Asset Value per Unit of the Scheme(s), calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
"NRI"	A Non-Resident Indian or a person of Indian origin residing outside India.
"Official Points of Acceptance"	Places, as specified by AMC from time to time where application for subscription / redemption / switch will be accepted on ongoing basis.
"Person of Indian Origin"	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his 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 any prospective Plan(s) issued by the Scheme(s) in accordance with SEBI (MF) Regulations and other Plan(s) issued under the Schemes of HDFC Mutual Fund.
"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.
"RBI"	Reserve Bank of India, established under the Reserve Bank of India Act, 1934, (2 of 1934)
"Registrar and Transfer Agent / 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.
"Redemption / Repurchase"	Redemption of Units of the Scheme as permitted.
"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 Government Securities with simultaneous agreement to repurchase / resell them at a later date.
"SAI" or "Statement of Additional Information"	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.
"Sale / Subscription"	Sale or allotment of Units to the Unit holder upon subscription by the investor / applicant under the Scheme.
"Scheme(s)" or "Scheme"	HIF, HHIF, HSTP, HSTOF, HMTOF, HFRIF, HGILT, HMYF, HMYF'05, HMIP, HCMF and HLF (including Plans and Options thereunder), collectively referred to as 'the Scheme(s)' and individually, as the context permits, as 'the Scheme'.
"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"	Short selling means 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.
"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.
<b>"Unit"</b>	The interest of the Unit holder which consists of each Unit representing one undivided share in the assets of the Scheme.
<b>"Unit holder" or "Investor"</b>	A person holding Unit in the Scheme(s) of HDFC Mutual Fund offered under this Scheme Information Document.
<b>INTERPRETATION</b>	
For all purposes of this Scheme Information Document, except as otherwise expressly provided or unless the context otherwise requires:	
<ul style="list-style-type: none"> <li>▪ all references to the masculine shall include the feminine and all references, to the singular shall include the plural and vice-versa.</li> <li>▪ all references to "dollars" or "\$" refer to United States Dollars and "₹" refer to Indian Rupees. A "crore" means "ten million" and a "lakh" means a "hundred thousand".</li> <li>▪ all references to timings relate to Indian Standard Time (IST).</li> </ul>	

## E. ABBREVIATIONS

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

<b>ADR</b>	American Depository Receipts
<b>AMC</b>	Asset Management Company
<b>AMFI</b>	Association of Mutual Funds in India
<b>BSE</b>	Bombay Stock Exchange Limited
<b>CAGR</b>	Compound Annual Growth Rate
<b>CBLO</b>	Collateralised Borrowing & Lending Obligations
<b>CDSL</b>	Central Depository Services Limited
<b>ECS</b>	Electronic Clearing System
<b>EFT</b>	Electronic Funds Transfer
<b>FCNR A/c</b>	Foreign Currency (Non-Resident) Account
<b>FII</b>	Foreign Institutional Investor
<b>GDR</b>	Global Depository Receipts
<b>HCMF</b>	HDFC Cash Management Fund
<b>HFRIF</b>	HDFC Floating Rate Income Fund
<b>HGILT</b>	HDFC Gilt Fund
<b>HHIF</b>	HDFC High Interest Fund
<b>HHIF - STP</b>	HDFC High Interest Fund - Short Term Plan
<b>HIF</b>	HDFC Income Fund
<b>HLF</b>	HDFC Liquid Fund
<b>HMIP</b>	HDFC MF Monthly Income Plan
<b>HMTOF</b>	HDFC Medium Term Opportunities Fund
<b>HMYF</b>	HDFC Multiple Yield Fund
<b>HMYF'05</b>	HDFC Multiple Yield Fund - Plan 2005
<b>HSTOF</b>	HDFC Short Term Opportunities Fund
<b>HSTP</b>	HDFC Short Term Plan
<b>ISC</b>	Investor Service Centre
<b>KYC</b>	Know Your Customer
<b>MIBOR</b>	Mumbai Inter-Bank Offer Rate
<b>NAV</b>	Net Asset Value
<b>NEFT</b>	National Electronic Funds Transfer
<b>NRE A/c</b>	Non-Resident (External) Rupee Account
<b>NRI</b>	Non-Resident Indian
<b>NRO A/c</b>	Non-Resident Ordinary Rupee Account
<b>NSDL</b>	National Depositories Services Limited



<b>NSE</b>	National Stock Exchange of India Limited
<b>PAN</b>	Permanent Account Number
<b>RBI</b>	Reserve Bank of India
<b>RTGS</b>	Real Time Gross Settlement
<b>SEBI</b>	Securities and Exchange Board of India
<b>SIP</b>	Systematic Investment Plan
<b>STP</b>	Systematic Transfer Plan
<b>SWAP</b>	Systematic Withdrawal Advantage Plan

## **F. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**

### **It is confirmed that:**

- (i) This Combined Scheme Information Document has been prepared in terms of SEBI Circular SEBI/IMD/CIR No. 5/126096/08 dated May 23, 2008 and is 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(s) 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 Combined Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed scheme(s).
- (iv) The intermediaries named in the Combined Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

Place : Mumbai  
Date : April 23, 2011

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

## II. INFORMATION ABOUT THE SCHEME(S)

### A. TYPE OF THE SCHEME(S) :

Name of the Scheme(s)	Type of the Scheme
HDFC Income Fund	Open-ended Income Scheme
HDFC High Interest Fund (includes HDFC High Interest Fund - Short Term Plan)	Open-ended Income Scheme
HDFC Short Term Plan	Open-ended Income Scheme
HDFC Short Term Opportunities Fund	Open-ended Income Scheme
HDFC Medium Term Opportunities Fund	Open-ended Income Scheme
HDFC Floating Rate Income Fund	Open-ended Income Scheme
HDFC Gilt Fund	Open-ended Income Scheme
HDFC Multiple Yield Fund	Open-ended Income Scheme
HDFC Multiple Yield Fund - Plan 2005	Open-ended Income Scheme
HDFC MF Monthly Income Plan	Open-ended Income Scheme. <i>Monthly Income is not assured and is subject to availability of distributable surplus.</i>
HDFC Cash Management Fund	<b>Savings Plan and Call Plan:</b> Open-ended High Liquidity Income Scheme <b>Treasury Advantage Plan:</b> Open-ended Income Scheme
HDFC Liquid Fund	Open-ended Liquid Income Scheme

### B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME(S)?

#### HDFC Income Fund:

The investment objective of the Scheme is to optimise returns while maintaining a balance of safety, yield and liquidity.

#### HDFC High Interest Fund:

The investment objective of the Scheme is to generate income by investing in a range of debt and money market instruments of various maturity dates with a view to maximising income while maintaining the optimum balance of yield, safety and liquidity.

#### HDFC High Interest Fund - Short Term Plan:

The investment objective of the Scheme is to generate income by investing in a range of debt and money market instruments of various maturity dates with a view to maximising income while maintaining the optimum balance of yield, safety and liquidity. The objective is to cater to the needs of investors with shorter term investment horizons and to provide stable returns over shorter periods.

#### HDFC Short Term Plan:

The investment objective of the Scheme is to generate regular income through investment in debt securities and money market instruments.

#### HDFC Short Term Opportunities Fund:

The investment objective of the Scheme is to generate regular income through investments in Debt/Money Market Instruments and Government Securities with maturities not exceeding 30 months.

#### HDFC Medium Term Opportunities Fund:

The investment objective of the Scheme is to generate regular income through investments in Debt/Money Market Instruments and Government Securities with maturities not exceeding 60 months.

#### HDFC Floating Rate Income Fund:

The investment objective of the Scheme is to generate regular income through investment in a portfolio comprising substantially of floating rate debt / money market instruments, fixed rate debt / money market instruments swapped for floating rate returns, and fixed rate debt securities and money market instruments.

#### HDFC Gilt Fund:

The investment objective of the Scheme is to generate credit risk free returns through investments in sovereign securities issued by the Central Government and/or State Government.

#### HDFC Multiple Yield Fund

The investment objective of the Scheme is to generate positive returns over medium time frame with low risk of capital loss over medium time frame. However, there can be no assurance that the investment objective of the Scheme will be achieved.

#### HDFC Multiple Yield Fund - Plan 2005:

The investment objective of the Scheme is to generate positive returns over medium time frame with low risk of capital loss over medium time frame. However, there can be no assurance that the investment objective of the Scheme will be achieved.

#### HDFC MF Monthly Income Plan:

The primary objective of the Scheme is to generate regular returns through investment primarily in Debt and Money Market Instrument. The secondary objective of the Scheme is to generate long-term capital appreciation by investing a portion of the Scheme's assets in equity and equity related instruments. However, there can be no assurance that the investment objective of the Scheme will be achieved.

#### HDFC Cash Management Fund:

- **Savings Plan & Call Plan:** To generate optimal returns while maintaining safety and high liquidity. The specific objective of the Call Plan is to generate returns that would endeavor to be in line with the overnight call rates. The interest rate risk in this Plan will be almost nil.
- **Treasury Advantage Plan:** To generate regular income through investment in debt securities and money market instruments.

#### HDFC Liquid Fund:

The investment objective of the Scheme is to enhance income consistent with a high level of liquidity, through a judicious portfolio mix comprising of money market and debt instruments.

### C. HOW WILL THE SCHEME(S) ALLOCATE ITS ASSETS ?

The table(s) below provides the broad asset allocation of the Scheme(s) Portfolio to be followed under normal circumstances :

#### HDFC INCOME FUND

The Scheme will retain the flexibility to invest in the entire range of debt and money market instruments. The flexibility is being retained to adjust the portfolio in response to a change in the risk to return equation for asset classes under investment, with a view to maintain risks within manageable limits.

Under normal circumstances, the asset allocation of the Scheme's portfolio will be as follows:

Sr. No.	Type of Instruments	Normal Allocation (% of Net Assets)	Normal Deviation (% of Normal Allocation)	Risk Profile
1.	Debt instruments (including securitised debt)	80 - 100	50	Low to Medium
2.	Money Market instruments (including cash / CBLO / Reverse Repo)	0 - 20	50	Low

Please refer to **Page 22** for investment by the Scheme in ADR/GDR/Foreign Securities and Derivatives.

## HDFC HIGH INTEREST FUND

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

Type of Instruments	% of Net Assets	Risk Profile
Debt and Money market instruments*	100	Low to Medium

\*Investment in Securitised debt, if undertaken, would not exceed 30% of the net assets of the Scheme.

Please refer to **Page 22** for investment by the Scheme in ADR/GDR/Foreign Securities and Derivatives.

## HDFC HIGH INTEREST FUND - SHORT TERM PLAN

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

Type of Instruments	% of Net Assets	Risk Profile
Debt, money market and related instruments with a maturity more than two years (including securitised debt upto a maximum limit of 25%)	Upto 50	Low to medium
Debt, money market and related instruments with a maturity less than two years (including securitised debt upto a maximum limit of 25%)	Upto 100	Low

Please refer to **Page 22** for investment by the Scheme in ADR/GDR/Foreign Securities and Derivatives.

## HDFC SHORT TERM PLAN

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

Type of Instruments	Normal Allocation	Normal Deviation	Risk Profile
Debt Securities	60%	upto 33.33%	Low to Medium
Money Market Instruments	40%	upto 50%	Low

It is the intention of the Scheme that the investments in securitised debts will not, normally, exceed 60% of the Net Assets of the Scheme.

Please refer to **Page 22** for investment by the Scheme in ADR/GDR/Foreign Securities and Derivatives.

## HDFC SHORT TERM OPPORTUNITIES FUND

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

Type of Instruments	Minimum Allocation (% of Net Assets)	Maximum Allocation (% of Net Assets)	Risk Profile
Debt and Money Market Instruments (including securitised debt#)	60	100	Low to Medium
Government Securities	0	40	Low

# Investments in securitised debt, if undertaken, shall not normally exceed 75% of the net assets of the Scheme.

Please refer to **Page 22** for investment by the Scheme in ADR/GDR/Foreign Securities and Derivatives.

## HDFC MEDIUM TERM OPPORTUNITIES FUND

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

Type of Instruments	Minimum Allocation (% of Net Assets)	Maximum Allocation (% of Net Assets)	Risk Profile
Debt and Money Market Instruments (including securitised debt#)	60	100	Low to Medium
Government Securities	0	40	Low

# Investments in securitised debt, if undertaken, shall not normally exceed 75% of the net assets of the Scheme.

Please refer to **Page 22** for investment by the Scheme in ADR/GDR/Foreign Securities and Derivatives.

## HDFC FLOATING RATE INCOME FUND

The Scheme offers investors two Plans :

- Short Term Plan for investors who wish to invest for short time period.
- Long Term Plan for investors who wish to invest for relatively longer time periods.

The Plans (viz. Short Term Plan and Long Term Plan) will be managed as separate investment portfolios.

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

Type of Instruments	Normal Allocation	Normal Deviation	Risk Profile
Fixed Rate Debt Securities (including securitised debt, Money Market Instruments & Floating Rate Debt Instruments swapped for fixed rate returns)	0 - 25	0 - 50	Low to Medium
Floating Rate Debt Securities (including securitised debt, Money Market Instruments & Fixed Rate Debt Instruments swapped for floating rate returns)	75 - 100	50 - 100	Low to Medium

Please refer to **Page 22** for investment by the Scheme in ADR/GDR/Foreign Securities and Derivatives.

Under normal circumstances at least 75% of the total portfolio will be invested in floating rate debt securities / money market instruments. This may be by way of direct investment in floating rate assets or fixed rate assets swapped for floating rate returns by using derivatives as described later in this section. Similarly under normal circumstances at least 25% of the total portfolio will be invested in fixed rate debt securities / money market

instruments. This may be by way of direct investment in fixed rate assets or floating rate assets swapped for fixed rate returns by using derivatives as described later in this section.

It is the intention of the Scheme that the investments in securitised debts will not, normally exceed 60% of the net assets of the respective plans.

## HDFC GILT FUND

The Scheme offers investors 2 Plans each with its own NAV, namely the :

- Short Term Plan for investors who wish to invest for short time period.
- Long Term Plan for investors who wish to invest for relatively longer time periods.

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

Type of Instruments	Short Term Plan		Long Term Plan		Risk Profile
	Normal Allocation	Normal Deviation	Normal Allocation	Normal Deviation	
Government of India Dated Securities	75%	25%	75%	25%	Sovereign
State Governments Dated Securities	0%	10%	15%	15%	Low
Government of India Treasury Bills	25%	25%	10%	10%	Sovereign

## HDFC MULTIPLE YIELD FUND

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

Type of Instruments	Normal Allocation (% of Net Assets)	Maximum Allocation (% of Net Assets)	Risk Profile
Fixed Income Securities (including securitised debt of upto 10% of net assets & Money Market instruments)	85	95	Low to Medium
Equity & Equity related instruments	15	25	High

Please refer to **Page 22** for investment by the Scheme in ADR/GDR/Foreign Securities and Derivatives.

## HDFC MULTIPLE YIELD FUND - PLAN 2005

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

Type of Instruments	Minimum Allocation (% of Net Assets)	Maximum Allocation (% of Net Assets)	Risk Profile
Fixed Income Securities (including securitised debt of upto 25% of net assets & Money Market instruments)	80	95	Low to Medium
Equity & Equity related instruments	5	20	High

Please refer to **Page 22** for investment by the Scheme in ADR/GDR/Foreign Securities and Derivatives.

## HDFC MF MONTHLY INCOME PLAN

The Scheme offers investors two Plans :

### • Short Term Plan

This investment plan is suitable for investors whose investment holding period is expected to be for a short period of time.

### • Long Term Plan

This investment plan is suitable for investors whose investment horizon is expected to be for a relatively longer period of time.

The Plans (viz. Short Term Plan and Long Term Plan) will be managed as separate investment portfolios.

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

Sr. No.	Type of Instruments	Normal Allocation	Deviation	Risk Profile
1.	Debt instruments (including securitised debt) & Money Market instruments (including cash/CBLO/Reverse Repo)	75	100	Low to Medium
2.	Equities & Equity related instruments	25	100	Medium to High

The investments in central and state government securities will not exceed 75% of the net assets of the respective Plans.

It is the intention of the Scheme that the investments in securitised debt will not, normally exceed 75% of the net assets of the respective Plans.

Please refer to **Page 22** for investment by the Scheme in ADR/GDR/Foreign Securities and Derivatives.

## HDFC CASH MANAGEMENT FUND

The Scheme offers investors three Plans:

- Savings Plan
- Call Plan
- Treasury Advantage Plan

### SAVINGS PLAN

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

Type of Instruments	% of Net Assets	Risk Profile
Debt instruments (Including Securitised Debt**)	Upto 100	Low to medium
Money Market Instruments	Upto 100	Very low*

\*\*Investment in Securitised debt, if undertaken, can be undertaken upto 100% of the net assets of the Scheme.

\* The 'risk' as mentioned above pertains to the risk of erosion in the value of principal amount only. Although the risk of capital erosion is not normally envisaged in money market instruments, such investments would be subjected to the risk associated with the volatility in interest rates.

Please refer to **Page 22** for investment by the Scheme in ADR/GDR/Foreign Securities and Derivatives.

### CALL PLAN

Under normal circumstances, the asset allocation (as a % of Net

Assets) of the Plan's portfolio under the Scheme will be as follows:

Type of Instruments	% of Net Assets	Risk Profile
Debt and Money Market instruments (including MIBOR linked instruments with daily put and call option)	Upto 100	Low to medium

Please refer to **Page 22** for investment by the Scheme in ADR/GDR/Foreign Securities and Derivatives.

HDFC Cash Management Fund - Savings Plan and Call Plan are Liquid Schemes.

The portfolio of HDFC Cash Management Fund – Savings Plan and Call Plan will comply with the following additional investment restrictions in accordance with the SEBI/IMD/CIR No. 13/150975/09 dated January 19, 2009:

- (i) The Scheme shall make investment in/ purchase debt and money market securities with maturity of upto 91 days only.
- (ii) In case of securities with put and call options (daily or otherwise) the residual maturity shall not be greater than 91 days.

Explanation:

- a) In case of securities where the principal is to be repaid in a single payout, the maturity of the securities shall mean residual maturity. In case the principal is to be repaid in more than one payout then the maturity of the securities shall be calculated on the basis of weighted average maturity of security.
- b) In case the maturity of the security falls on a non-business day then settlement of securities will take place on the next business day.
- c) Inter-scheme transfers of securities held in other schemes having maturity of upto 91 days only shall be permitted in this Scheme.

### TREASURY ADVANTAGE PLAN

Under normal circumstances, the asset allocation of the Plan's portfolio under the Scheme will be as follows:

Type of Instruments	Normal Allocation (% of Net Assets)	Normal deviation (% of Normal Allocation)	Risk Profile
Fixed Rate Debt Securities & Money Market Instruments	50	Upto 100	Low to Medium
Floating Rate Debt & Money Market Instruments	50	Upto 100	Low to Medium

It is the intention of the Scheme that the investments in securitised debts will not normally exceed 50% of the net assets of the Scheme.

Please refer to **Page 22** for investment by the Scheme in ADR/GDR/Foreign Securities and Derivatives.

## HDFC LIQUID FUND

The Scheme offers investors three Plans :

- HDFC Liquid Fund
- HDFC Liquid Fund - Premium Plan
- HDFC Liquid Fund - Premium Plus Plan

The asset portfolio of the entire Scheme comprising of all the Plans and Options thereunder shall be un-segregated. The per Unit Net Asset Value (NAV) of each Plan and Option thereunder shall be different.

The AMC retains the flexibility to invest across all the securities / instruments in debt and money market. The flexibility is being retained to adjust the portfolio in response to a change in the risk - return equation for asset classes under investment, with view to maintain risks within manageable limits.

Under normal circumstances, the asset allocation of the Scheme's portfolio will be as follows:

Sr. No.	Type of Instruments	Normal* Allocation (% of Net Assets)	Normal Deviation (% of Normal Allocation)	Risk Profile
1.	Money Market Instruments (including cash/CBLO/ Reverse Repo)	50 - 90	50	Low
2.	Debt Instruments (including securitised debt)	10 - 50	50	Low to Medium

\* On introduction of cheque writing facility a minimum of 80% of the net assets (as prescribed by RBI) or such other minimum asset allocation as may be prescribed by RBI from time to time will be invested in money market instruments.

Please refer to **Page 22** for investment by the Scheme in ADR/GDR/Foreign Securities and Derivatives.

The portfolio of the Scheme will comply with the following additional investment restrictions in accordance with the SEBI/IMD/CIR No. 13/150975/09 dated January 19, 2009:

- (i) The Scheme shall make investment in/ purchase debt and money market securities with maturity of upto 91 days only.
- (ii) In case of securities with put and call options (daily or otherwise) the residual maturity shall not be greater than 91 days.

Explanation:

- a) In case of securities where the principal is to be repaid in a single payout, the maturity of the securities shall mean residual maturity. In case the principal is to be repaid in more than one payout then the maturity of the securities shall be calculated on the basis of weighted average maturity of security.
- b) In case the maturity of the security falls on a non-business day then settlement of securities will take place on the next business day.
- c) Inter-scheme transfers of securities held in other schemes having maturity of upto 91 days only shall be permitted in this Scheme.

### STOCK LENDING BY THE MUTUAL FUND (EXCEPT HDFC GILT FUND)

Subject to the SEBI (MF) Regulations, as applicable from time to time, the Mutual Fund may, if the Trustee permits, engage in Stock Lending. Stock Lending means the lending of stock to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio. The securities lent will be returned by the borrower on the expiry of the stipulated period.

In case of HIF, HSTP, HSTOF, HMTOF, HFRIF, HMYF, HMYF'05, HMIP and HLF, the AMC shall adhere to the following limits should it engage in Stock Lending.

1. Not more than 25% of the net assets of the Scheme can generally be deployed in Stock Lending.

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

In case of HHIF and HCMF, the AMC shall adhere to the following limits should it engage in Stock Lending.

- The exposure of the Scheme(s) at the time of lending will presently be restricted to 40% of its Total Assets.
- The exposure to a single approved intermediary will presently not exceed 10% of the Total Assets of the Scheme(s) or ₹ 5 crore whichever is higher.

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

#### Asset Allocation (Contd.) - Applicable to all Scheme(s)

Pending deployment of funds of the Scheme(s) in securities in terms of the investment objective of the Scheme(s) the AMC may park the funds of the Scheme(s) 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.

In addition to the instruments stated in the table(s) above, the Scheme(s) may enter into repos/reverse repos as may be permitted by RBI. From time to time, the Scheme(s) 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 to meet the liquidity requirements.

#### Investment by Scheme(s) in ADR/ GDR/ Foreign Securities:

The Scheme(s) (as applicable) may seek investment opportunity in the ADR / GDR / Foreign equity and debt securities subject to SEBI (Mutual Funds) Regulations, 1996. The details of maximum exposure to investment in Foreign Securities is given in Table 1 below.

#### Investment by Scheme(s) in Derivatives:

The Scheme(s) may use derivatives mainly for the purpose of hedging and portfolio balancing, based on the opportunities available subject to SEBI (Mutual Funds) Regulations, 1996. The details of maximum exposure to investment in Derivatives is given in Table 1 below.

Table 1 :

Name of the Scheme	Maximum Exposure for investment in ADR/ GDR/ Foreign Securities	Investment in Derivatives
HDFC Income Fund	<b>Foreign Debt Securities:</b> Upto a maximum 50% of the net assets. The Scheme will not invest in Foreign Securitised Debt.	Upto a maximum of 20% of net assets (including cash)
HDFC High Interest Fund	<b>Foreign Debt Securities and Mutual Funds:</b> Upto a maximum of 20% of the net assets.	Upto a maximum of 25% of net assets (including cash)
HDFC High Interest Fund - Short Term Plan		
HDFC Short Term Plan	<b>Foreign Debt Securities:</b> Upto a maximum 50% of the net assets. The Scheme will not invest in Foreign Securitised Debt.	Upto a maximum of 50% of net assets (including cash)
HDFC Short Term Opportunities Fund	<b>Foreign Debt Securities (including overseas Mutual Funds):</b> Upto a maximum of 75% of the net assets. However, investments in units/securities issued by overseas mutual funds shall not exceed 35% of the net assets.	Upto a maximum 20% of net assets (including cash)
HDFC Medium Term Opportunities Fund		
HDFC Floating Rate Income Fund	<b>Foreign Debt Securities:</b> Upto a maximum 60% of the net assets of the respective Plan(s).	Upto a maximum of 75% of assets (including cash)
HDFC Gilt Fund	Nil	Nil
HDFC Multiple Yield Fund	<b>ADR/ GDR/ Foreign Equity &amp; Debt Securities:</b> Upto a maximum of 25% of the net assets.	Upto a maximum of 50% of net assets (including cash) of the respective Plan(s).
HDFC Multiple Yield Fund - Plan 2005		
HDFC MF Monthly Income Plan	<b>ADR / GDR / Foreign Equity Securities (Listed Overseas Companies):</b> Upto a maximum of 25% of the net assets of the respective Plan(s). <b>Foreign Debt Securities:</b> Upto a maximum of 50% of the net assets of the respective Plan(s).	The value of derivative contracts outstanding will be limited to 60% of the allocation of equity and debt instruments each, respectively under the respective Plan(s)
HDFC Cash Management Fund-Savings Plan and Call Plan	<b>Foreign Debt Securities and Mutual Funds:</b> Upto a maximum of 20% of the net assets of the respective Plan(s).	Upto a maximum of 25% of net assets (including cash) of the respective Plan(s).
HDFC Cash Management Fund-Treasury Advantage Plan	<b>Foreign Debt Securities and Mutual Funds:</b> Upto a maximum of 25% of the net assets.	Upto a maximum of 50% of net assets (including cash)
HDFC Liquid Fund	<b>Foreign Debt Securities:</b> Upto a maximum 50% of the net assets. The Scheme will not invest in Foreign Securitised Debt.	Upto a maximum of 20% of net assets (including cash)

## CHANGE IN INVESTMENT PATTERN

Subject to SEBI (MF) Regulations (in case of HDFC Gilt Fund, the Reserve Bank of India circular IDMC No.2741/03.01.00/95-96 dated April 20, 1996), the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially depending upon the perception of the Investment Manager, 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 for defensive consideration only.

### Debt Market In India

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

#### 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

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
- Collateralised Borrowing & Lending Obligations (CBLO)
- Treasury Bills
- Government Securities with a residual maturity of < 1 year
- Commercial Paper
- Certificates of Deposit

Apart from these, there are some other options available for short tenure investments that include MIBOR linked debentures with periodic exit options and other such instruments. 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 2011 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	6.00 - 8.75
91 Day Treasury Bill	7.05 - 7.25
364 Day Treasury Bill	7.43 - 7.65
P1 + Commercial Paper 90 Days	9.40 - 10.75
5 Year Government of India Security	7.95 - 8.08
10 Year Government of India Security	7.93 - 8.03
15 Year Government of India Security	8.16 - 8.26
1 Year Corporate Bond - AAA Rated	9.55 - 9.70
3 Year Corporate Bond - AAA Rated	9.33 - 9.43
5 Year Corporate Bond - AAA Rated	9.15 - 9.29

Source : Bloomberg

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 31, 2011 are as follows:

Maturity	US Treasury yields (%)
3 months	0.09
6 months	0.17
2 years	0.80
3 years	1.29
5 years	2.24
10 years	3.47

Source : H.15, Federal Reserve Statistical Release

Maturity	US AA Corporate Bond yields (%)
1 year	0.76
2 years	1.49
5 years	3.12
10 years	4.43

(Source - Bloomberg)

#### D. WHERE WILL THE SCHEME(S) INVEST?

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

- **Equity and equity related instruments (Applicable to HMIP, HMYF & HMYF'05):**

Investments in these securities will be as per the limits specified in the asset allocation table(s) of respective Scheme(s), subject to permissible limits laid under SEBI (MF) Regulations.

- **Debt securities applicable to all Scheme(s) except HFRIF and HGILT:**

The Scheme(s) 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 obligations 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. Securities that have been guaranteed by Government of India and State Governments,
  3. Securities issued by Corporate Entities (Public / Private sector undertakings),
  4. Securities 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 securities and Money Market Instruments will be as per the limits specified in the asset allocation table(s) of respective Schemes, 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 of any maturity.

- **Debt Investments (Applicable to HFRIF) :**

- **Debt securities** (in the form of floating rate bond / notes, non-convertible debentures, bonds, secured premium notes, zero interest bonds, deep discount bonds, securitised debt, pass through certificates, asset backed securities, mortgage backed securities and any other domestic fixed income / debt securities including structured obligations etc.) include, but are not limited to:

1. Floating and Fixed rate debt obligations 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. Floating and Fixed rate Securities / obligations that have been guaranteed by Government of India and State Governments,
3. Floating and Fixed rate Securities / obligations of Corporate Entities (Public / Private sector undertakings),
4. Floating and Fixed rate Securities / obligations of Public / Private sector banks and development financial institutions.

- **Money Market Instruments (fixed / floating rate) include :**

1. Commercial paper
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

Investments 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 of any maturity.

The AMC retains the flexibility to invest across all the securities / instruments in debt and money market.

■ **Government securities (Applicable to HGILT)**

Investments will be restricted to sovereign securities issued by the Central Government and/or a State Government viz. Government of India Dated Securities, Treasury Bills and State Government Dated Securities as per the limits specified in the asset allocation table as mentioned on **Page 20**, subject to permissible limits laid under SEBI (MF) Regulations.

■ **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 securitised 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 securitised 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 securitised 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.

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		
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	Refer Note A	Refer Note B
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		

Information in the table above is based on current scenario and is subject to change depending upon the change in related factors. Illustrative framework, which will be applied while evaluating investment decision relating to a pool securitization transaction:

NA - Not Applicable

**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 securitised**

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 & generally varies from 5% to 10%.

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

All proposals for investment in securitised 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 securitised 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 securitised debt (in general)**

Investment in securitised 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(s) may be parked in short-term deposits of Scheduled Commercial Banks.

The Scheme(s) shall abide by the following guidelines for parking of funds in short term deposits:

1. "Short Term" for parking of funds shall be treated as a period not exceeding 91 days.

2. Such short-term deposits shall be held in the name of the Scheme.
3. The Scheme(s) 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.
4. 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.
5. The Scheme(s) shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
6. The Scheme(s) shall not park funds in short-term deposit of a bank, which has invested in the Scheme.

The aforesaid limits shall not be applicable to term deposits placed as margins for trading in cash and derivatives market.

- The Scheme(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.
- The Scheme(s) (**except HGILT**) 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(s) may, in terms of their respective investment objectives 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).

As per SEBI Circular SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007, 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.

#### ■ **Trading in Derivatives**

##### **All Scheme(s) (except HMIP, HMYF, HMYF'05 & HGILT)**

The Scheme(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(s). The Fund has to comply with the prescribed disclosure requirements. 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. Hedging does not mean maximisation of returns but only reduction of systematic or market risk inherent in the investment. The Scheme(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.

##### **Applicable to HMIP, HMYF & HMYF'05**

The Scheme(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(s). The Fund has to comply with the prescribed disclosure requirements. 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. Hedging does not mean maximisation of returns but only reduction of systematic or market risk inherent in the investment. The Scheme(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.

The Scheme(s) intends to use derivatives mainly for the purpose of hedging and portfolio balancing. Losses may arise as a result of using derivatives, but these are likely to be compensated by the gains on the underlying cash instruments held by the Scheme(s). The Scheme(s) will not assume any leveraged exposure to derivatives.

##### **All Scheme(s) (except HGILT)**

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.

RBI has issued guidelines on Interest Rate Swaps (IRS) and Forward Rate Agreements (FRA) on July 7, 1999. These products were introduced for deepening the country's money market. SEBI has also permitted trading of interest rate derivatives through Stock Exchanges. The Schemes may trade in these instruments.

#### Applicable to HMIP :

The maximum limit for each derivative position is as under.

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 10% 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 10% 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 10% of portfolio; per scrip limit 4%.
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 10%.
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 10% of portfolio; per scrip limit 4%
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 10%

Note : Per Scrip Limit disclosed above is as a % of the equity portfolio of the respective Plan(s) offered under HMIP.

#### - Applicable to HMYF & HMYF'05 :

The maximum limit for each derivative position is as under.

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 (50%) 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 (50%) 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 (50%) 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 (50%) 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 : Per Scrip limit disclosed above is as a % of the equity portfolio of HMYF and HMYF'05.

#### 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 cashflows (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.

#### Forward Rate Agreements (FRA)

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.

#### Investment in Equity Derivatives (Applicable to HMIP, HMYF & HMYF'05):

Please refer to **page 22** for the details of maximum exposure to investment in Derivatives by the Scheme(s). The limits on derivatives exposure per scrip/instrument and derivatives positions and limits are as per the table(s) below for the following Scheme(s).

## Position Limits (Applicable to HMIP, HMYF & HMYF'05)

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

### i. Position limit for Mutual Funds in index options contracts

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

### ii. Position limit for Mutual Funds in index futures contracts

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

### iii. Additional position limit for hedging

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

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

### iv. Position limit for Mutual 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 :-

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

### v. Position limit for each scheme of a Mutual Fund

The scheme-wise position limit requirements shall be :

1. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a mutual fund shall not exceed the higher of:

1% of the free float market 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).

2. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.

3. For index based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all schemes

put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

## Exposure Limits (Applicable to All Schemes except HMIP, HMYF, HMYF'05 & HGILT)

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 inter alia are as follows:

1. The cumulative gross exposure through debt, money market instruments and derivative positions should not exceed 100% of the net assets of the scheme.
2. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.
3. Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:
  - a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
  - b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1.
  - c. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.
  - d. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
4. 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.
5. 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.

## Exposure Limits (Applicable to HMIP, HMYF & HMYF'05)

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:

1. The cumulative gross exposure through equity, debt and derivative positions should not exceed 100% of the net assets of the scheme.
2. Mutual Funds shall not write options or purchase instruments with em-bedded written options.
3. The total exposure related to option premium paid must not exceed 20% of the net assets of the scheme.
4. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.
5. Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:
  - a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
  - b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions

shall have to be added and treated under limits mentioned in Point 1.

- c. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.
  - d. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
6. 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.
  7. 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.
  8. 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 STRATEGIES AND RISK CONTROL

### HDFC INCOME FUND

#### INVESTMENT STRATEGY

The AMC retains the flexibility to invest across all the securities / instruments in debt and money market.

Investments made from the net assets of the Scheme would be in accordance with the features of the Scheme and the provisions of the SEBI (MF) Regulations. The AMC will strive to assess risk of the potential investment in terms of credit risk, interest rate risk and liquidity risk. The credit risk analysis would involve an assessment of the past track record and prospects for the company, the industry it operates in, the future cash flows from operations and the requirement for additional capital expenditure. 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. The AMC will utilise ratings of rating agencies registered with SEBI as an input in the decision making process. Investments in bonds and debentures will usually be in instruments that have been assigned high investment grade ratings by a rating agency registered with SEBI. 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.

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. In the event of a requirement to liquidate all or a substantial part of these investments in a very short duration of time, the AMC may not be able to realize the full value of these securities to an adverse impact on the Net Asset Value of the Scheme. Please refer to clauses on **“Right to Limit Redemptions”** and **“Suspension of Sale / Redemption / Switching Options of the Units”**, on **Page 56**.

Consistent with the investment objectives of the scheme, the AMC aims to identify securities which offer superior levels of yield at low levels of risk. The investment team of the AMC will carry out an internal credit analysis of all securities included in the investment universe.

The Scheme may also use various derivative and hedging products from time to time, as would be available and permitted by SEBI, in an attempt to protect the value of the portfolio and enhance Unit holders’ interest. The Investment Manager may therefore enter into forward contracts, future contracts or buy or sell options in an effort to maintain risks at acceptable levels.

The Scheme 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, the Mutual Fund may also appoint overseas investment advisors and other service providers, as and when permissible under the regulations.

**Though every endeavor will be made to achieve the objectives of the Scheme, the AMC/Sponsors/Trustees do not guarantee that the investment objectives of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.**

### HDFC HIGH INTEREST FUND

The Investment strategy of restricting the portfolio largely to debt, money market and related instruments is intended to reduce risk while maintaining steady income. Credit risk will be minimised by investing only in those companies/industries that have been researched by the Investment Manager’s research team supported by information from credit rating agencies authorised to carry out such activity under the SEBI Act. Risk will also be reduced through diversification of the portfolio. Monies collected shall be invested in transferable securities in the money market or in the capital market or in privately placed debentures as per the SEBI (MF) Regulations. The portfolio would be reviewed and rebalanced on a continual basis.

**Though every endeavor will be made to achieve the objectives of the Scheme, the AMC/Sponsors/Trustees do not guarantee that the investment objectives of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.**

## HDFC HIGH INTEREST FUND - SHORT TERM PLAN (HHIF-STP)

HDFC High Interest Fund - Short Term Plan has been designed to provide more stable returns to shorter-term investors with lower interest rate risk than the Dividend and Growth Plans of HDFC High Interest Fund (the main scheme). Except for this, the investment strategy for HHIF-STP would be in line with that of the main Scheme. Hence, over the long term, returns in the main Scheme may be higher than that of HHIF-STP but over the short term, HHIF-STP will have a relatively lower exposure to interest rate movements as its portfolio maturity may be shorter than that of the main Scheme.

**Though every endeavor will be made to achieve the objectives of the Scheme, the AMC/Sponsors/Trustees do not guarantee that the investment objectives of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.**

## HDFC SHORT TERM PLAN

### CONCEPT

HDFC Short Term Plan, is structured as an open-ended income scheme with the objective to generate regular income through investments in debt securities and money market instruments. The characteristics of the product are similar to that of a debt fund.

With respect to the investment horizon profile, this Scheme is aimed to be positioned between the liquid scheme and the income scheme.

The Scheme will invest in debt securities and money market instruments with a short to medium term maturity and aims to maintain an average maturity profile of 9 - 18 months under normal circumstances.

### INVESTMENT STRATEGY

The net assets of the Scheme will be invested in Debt Securities and Money market instruments. The primary objective of the Scheme is to generate regular income through investment in debt securities and money market instruments.

**Though every endeavor will be made to achieve the objectives of the Scheme, the AMC/Sponsors/Trustees do not guarantee that the investment objectives of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.**

## HDFC SHORT TERM OPPORTUNITIES FUND

The investment objective of the Scheme is to generate regular income through investments in Debt/Money Market Instruments and Government Securities with maturities not exceeding 30 months.

The Scheme seeks to generate income through investments in a range of debt and money market instruments of various credit ratings (above investment grade) with a view to maximizing income while maintaining an optimum balance of yield, safety and liquidity. The Scheme shall endeavour to develop a well- diversified, high credit portfolio of debt (including Securitised debt) and other securities that minimizes liquidity and credit risk.

**Though every endeavor will be made to achieve the objective of the Scheme, the AMC/Sponsors/Trustees do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.**

### Product Differentiation :

Interest rate risk, inter alia, is one of the key risks in fixed income portfolio. This risk is a function of change in market yields and the modified duration of the portfolio. Hence, maturity of portfolio determines the Scheme's risk profile. It is in this regard, that HDFC Short Term Opportunities Fund ("HSTOF") aims to cap the risk that the investor is taking. The portfolio of the HSTOF is likely to be more concentrated in a particular segment / maturity bucket not exceeding 30 months based on macro economic analysis / interest rate outlook. None of existing open-ended income schemes of HDFC Mutual Fund have such a cap on portfolio maturity (not exceeding 30 months) and this is a key differentiator that shall influence returns over a period of time.

## HDFC MEDIUM TERM OPPORTUNITIES FUND

The investment objective of the Scheme is to generate regular income through investments in Debt/Money Market Instruments and Government Securities with maturities not exceeding 60 months.

The Scheme seeks to generate income through investments in a range of debt and money market instruments of various credit ratings (above investment grade) with a view to maximizing income while maintaining an optimum balance of yield, safety and liquidity. The Scheme shall endeavour to develop a well- diversified, high credit portfolio of debt (including Securitised debt) and other securities that minimizes liquidity and credit risk.

**Though every endeavor will be made to achieve the objective of the Scheme, the AMC/Sponsors/Trustees do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.**

### Product Differentiation :

Interest rate risk, inter alia, is one of the key risks in fixed income portfolio. This risk is a function of change in market yields and the modified duration of the portfolio. Hence, maturity of portfolio determines the Scheme's risk profile. It is in this regard, that HDFC Medium Term Opportunities Fund ("HMTOF") aims to cap the risk that the investor is taking. The portfolio of the HMTOF is likely to be more concentrated in a particular segment / maturity bucket not exceeding 60 months based on macro economic analysis / interest rate outlook. None of existing open-ended income schemes of HDFC Mutual Fund have such a cap on portfolio maturity (not exceeding 60 months) and this is a key differentiator that shall influence returns over a period of time.

## HDFC FLOATING RATE INCOME FUND

### CONCEPT

HFRIF, is structured as an open ended income scheme with the primary objective of generating regular income through investment in a portfolio comprising substantially of floating rate debt / money market instruments, fixed rate debt instruments swapped for floating rate returns, and fixed rate debt securities and money market instruments.

The primary objective of this scheme is to substantially minimise the interest rate risk for the investors. Conventional fixed interest rate investments are open to interest rate risk and hence volatility of price movements depending on interest rate fluctuations. Floating rate instruments are securities that are repriced at periodic intervals based on certain accepted benchmarks. By virtue of this repricing the price movements are minimised due to interest rate fluctuations.

Fixed rate instruments can also be swapped to generate floating rate returns by using derivatives such as interest rate swaps, forward rate agreements etc.

The fixed income derivative market has made considerable progress in the last few years and has evolved into an excellent tool for risk management. The fixed income derivative market is evolving rapidly and will considerably enhance the depth and width of the Indian debt markets.

### INVESTMENT STRATEGY

The net asset of the Scheme will be invested in a portfolio comprising substantially of floating rate debt / money market instruments, fixed rate debt instruments swapped for floating rate returns, and fixed rate debt instruments and money market instruments.

The primary objective of this Scheme is to substantially minimise the interest rate risk for the investors. Conventional fixed interest rate investments are open to interest rate risk and hence volatility of price movements depending on interest rate fluctuations. Floating rate instruments are securities that are repriced at periodic intervals based on certain accepted benchmarks, by virtue of this periodic repricing the interest rate risk is minimised. Fixed rate instruments can also be swapped to generate floating rate returns by using derivative instruments such as interest rate swaps, forward rate agreements etc.

The fixed income derivative market has made considerable progress and has evolved into an excellent tool for risk management. The Scheme intends to use derivative instruments such as interest rate swaps (IRS), forward rate agreements (FRA) and any other derivative instruments as may be permitted by RBI / SEBI from time to time. Derivatives will essentially be used for portfolio hedging and balancing purposes and to generate floating rate return by swapping fixed rate instruments. The fixed income derivative market is evolving rapidly and the introduction of innovative instruments like constant maturity swaps etc. has considerably enhanced the possibilities of managing interest rate risk in the Indian environment.

Floating rate debt issuance has grown rapidly with the introduction and wide acceptance of benchmarks such as NSE / Reuters MIBOR etc. The Government of India also issues floating rate sovereign debt which will give a major impetus to the pace of development of floating rate market in India. The Scheme will invest directly in floating rate debt instruments or will swap the returns from fixed rate instruments into floating rate returns or vice versa by the use of derivatives.

The portfolio of the Short Term Plan will normally be skewed towards short term maturities with higher liquidity and the portfolio of the Long Term Plan will be normally skewed towards longer term maturities.

**Though every endeavor will be made to achieve the objectives of the Scheme, the AMC/Sponsors/Trustees do not guarantee that the investment objectives of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.**

### HDFC GILT FUND

The Scheme offers investors two separate Plans (i.e. Short Term Plan and Long Term Plan) representing investments made and held in two separate investment portfolios. The portfolios may differ in the portfolio allocation to a particular asset class and the issue held as well as in the average maturity of each portfolio.

#### Short Term Plan :

It is proposed to invest the proceeds of the Short Term Plan in sovereign securities issued by the Central Government

and/or a State Government with short to medium term residual maturities.

#### Long Term Plan :

It is proposed to invest the proceeds of the Long Term Plan in sovereign securities issued by the Central Government and/or a State Government with medium to long term maturities.

The investment team of the AMC will study the macro economic conditions, including the political, economic environment and factors affecting Liquidity and interest rates. The AMC would use this analysis to attempt to predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same.

The Scheme will purchase securities in the public offerings, as well as those traded in the secondary markets. On occasions, if deemed appropriate, the Scheme may also participate in auction of Government Securities. The Mutual Fund will seek to underwrite issuance of Government Securities if and when permitted by SEBI/RBI and subject to the prevailing rules and regulations specified in this respect and may also participate in their auction from time to time.

### GOVERNMENT SECURITIES MARKET IN INDIA

Being a dedicated Gilt Scheme, Investments will be restricted to Government of India Dated Securities, Treasury Bills and State Government Dated Securities. Of these, Government of India Dated Securities may be rated the highest in terms of liquidity, followed by Treasury Bills and State Government Dated Securities. State Government Dated Securities normally offer yields which are higher than Government of India Dated Securities for similar tenure. Yields on these instruments are dynamic and change from time to time. Factors affecting the yields include the prevalent liquidity conditions, expectations on supply of these instruments from the issuers and the economic scenario.

### LIQUIDITY SUPPORT FROM RBI

Being a Scheme dedicated exclusively to investments in Government Securities, HDFC Gilt Fund will be eligible to avail on any day from RBI liquidity support upto 20% of the outstanding value of its investments in Government Securities (as at the close of business on the previous working day), under its Guidelines issued vide letter IDMC.No.2741/03.01.00/95-96, dated April 20, 1996. Liquidity support under these guidelines is available through reverse Redemption agreements in eligible Central Government dated securities and Treasury Bills of all maturities.

**Though every endeavor will be made to achieve the objectives of the Scheme, the AMC/Sponsors/Trustees do not guarantee that the investment objectives of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.**

### HDFC MULTIPLE YIELD FUND & HDFC MULTIPLE YIELD FUND - PLAN 2005

The net assets of the Scheme(s) will be invested primarily in fixed income securities and balance in equity and equity related instruments.

The Scheme(s) target positive returns over medium time frame and aims to reduce the chances and extent of a capital depreciation over medium term holding period for the unit holder. The Scheme(s) aims to achieve this by adopting the following investment strategy:



- a. Invest around 85% of the net assets of the Scheme(s) in fixed income securities of roughly one year (**roughly 15 months in case of HMYF'05**) maturity and adopt a predominantly buy and hold strategy. This will mean that over medium term irrespective of the interest rate movements, the Scheme(s) will earn returns that are nearly equal to the underlying yield on the bonds.
- b. Invest the balance nearly 15% of the net assets of the Scheme(s) in equities where the dividend yields are moderate to high. The investment focus will be on dividend yield stocks.

Both a) and b) combined together represent two sources of yield on the entire portfolio. These two yields combined together are expected to reduce the chances and extent of a capital loss.

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.

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

## HDFC MF MONTHLY INCOME PLAN

The net assets of the respective Plans will be invested primarily in Debt and Money market instruments. The respective Plans seeks to generate regular returns through investment primarily in Debt and Money Market Instruments. The secondary objective of the Scheme is to generate long-term capital appreciation by investing a portion of the Scheme's assets in equity and equity related instruments.

### ■ 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 :

The Scheme will retain the flexibility to invest in the entire range of debt instruments and money market instruments (including securitised debt). Investment in Debt securities and Money Market Instruments will be as per the limits in the asset allocation table of the Scheme, subject to permissible limits laid under SEBI (MF) Regulations. Please refer to 'Debt securities' and 'Money Market Instruments' under the section **'WHERE WILL THE SCHEME(S) INVEST'** on **Page 24**.

**Though every endeavor will be made to achieve the objectives of the Scheme, the AMC/Sponsors/Trustees do not guarantee that the investment objectives of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.**

## HDFC CASH MANAGEMENT FUND

The Scheme offers investors three Plans:

- Savings Plan
- Call Plan
- Treasury Advantage Plan

Each Plan shall have a separate portfolio.

### SAVINGS PLAN

The Savings Plan is suitable for investors especially institutional investors who have short-term savings/investment horizon and seek liquidity of their investment at short notice.

Under the Savings Plan, investments will be made in Money Market and Debt instruments with maturity of upto 91 days only. In case of securities with put and call options (daily or otherwise) the residual maturity shall not be greater than 91 days. The Scheme will purchase securities in primary as well as secondary markets. The Scheme may also invest in securities offered by the issuer through private placements.

The Portfolio would be reviewed and rebalanced on a continual basis.

Further it must be understood that the referred percentages are not absolute and that they can vary substantially, depending upon the AMC's perception of the debt and money market and the trend in interest rates; with the intent to protect the NAV of the Scheme. Also, the AMC may from time to time, for a short term, alter the asset allocation on defensive consideration.

### CALL PLAN

The net assets of the Call Plan will be invested in debt securities and money market instruments with maturity of upto 91 days only. In case of securities with put and call options (daily or otherwise) the residual maturity shall not be greater than 91 days. Investments under the Call Plan would be made predominantly in Collateralised Borrowing & Lending Obligations (CBLO), overnight reverse repos in Government securities and fixed income securities with overnight maturity/liquidity.

## TREASURY ADVANTAGE PLAN

The net assets of the Scheme will be invested in debt securities and money market instruments. This Scheme is suitable for investors having a short-term investment horizon and seek high levels of liquidity for their investments. This Scheme would endeavour to generate regular returns commensurate with low levels of interest rate risk.

**Though every endeavor will be made to achieve the objectives of the Scheme, the AMC/Sponsors/Trustees do not guarantee that the investment objectives of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.**

## HDFC LIQUID FUND

Consistent with the investment objectives of the Scheme, the AMC aims to identify securities which offer superior returns at lower level of risk while maintaining the liquidity profile. The investment team of the AMC will carry out an internal credit analysis of all securities included in the investment universe.

**Though every endeavor will be made to achieve the objectives of the Scheme, the AMC/Sponsors/Trustees do not guarantee that the investment objectives of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.**

### Risk Control [Applicable to All Scheme(s)]

Investments made from the net assets of the Scheme(s) would be in accordance with the investment objective of the Scheme(s) 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 of Debt Securities and Money Market Instruments and equity / equity related instruments (Applicable to HDFC MF Monthly Income Plan, HDFC Multiple Yield Fund and HDFC Multiple Yield Fund - Plan 2005). Every investment opportunity in Debt Securities and Money Market Instruments would be assessed with regard to credit risk, interest rate risk and liquidity risk.

### Credit Risk

A detailed credit evaluation of each investment opportunity will be undertaken. The AMC will utilise ratings of recognised rating agencies as an input in the decision making process. Investments in Debt Securities and Money Market Instruments will usually be in instruments that have been assigned high investment grade ratings by a recognised 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. In the event of a requirement to liquidate all or a substantial part of these investments in a very short duration of time, the AMC may not be able to realize the full value of these securities to an adverse impact on the Net Asset Value of the Scheme(s).

### Strategies for Investment in Equity Derivatives as per derivative strategy of respective Scheme(s).

#### Applicable to HMIP, HMYF and HMYF'05:

#### 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 ₹ 50 crore and there is an inflow of ₹ 5 crore in a day. The AMC may buy index futures contracts of a value of ₹ 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) (₹ in crore)	Derivative Gain / (Loss) (₹ in crore)	Total Portfolio Gain / (Loss) (₹ in crore)
₹ 50 Crore Equity exposure	10% rise in equity prices	5	Nil	5
₹ 50 Crore Equity exposure + ₹ 5 Crore long position index futures	10% rise in equity prices	5	0.5	5.5
₹ 50 Crore Equity exposure	10% fall in equity prices	(5)	Nil	(5)
₹ 50 Crore Equity exposure + ₹ 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 ₹ 1000 per share (overall ₹ 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 ₹ 990 for an assumed cost (called Option Premium) of ₹ 15 per share (₹ 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 ₹ 975 per share (₹ 990 strike price less ₹ 15 Option Premium paid).

In case the stock price of the company falls below ₹ 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 ₹ 975 per share.

After purchasing the above Put Option, in case the price of the stock appreciates, remains around ₹ 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 ₹ 15 per share.

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

#### Applicable to All Scheme(s) (except HGILT):

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 permitting participation by Mutual Funds 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.

#### Basic Structure of a Swap

Assume that the Scheme has a ₹ 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 ₹ 20 crore September 1, 2009 to March 1, 2010. 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 September 1, 2009 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, 2010 they will calculate the following -
  - The Scheme is entitled to receive interest on ₹ 20 crore at 12% for 184 days i.e. ₹ 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, 2010, if the total interest on the daily overnight compounded benchmark rate is higher than ₹ 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 ₹ 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.

### Risk Factors

- **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.
- **Illiquidity 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.

### Forward Rate Agreement (FRA)

Assume that on December 31, 2009, the 30 day commercial paper (CP) rate is 5.75% and the Scheme has an investment in a CP of face value ₹ 25 crores, which is going to mature on January 30, 2010. If the interest rates are likely to remain stable or decline after January 30, 2010, 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 December 31, 2009:

He can receive 1 X 2 FRA on December 31, 2009 at 5.75% (FRA rate for 1 months lending in 2 months time) on the notional amount of ₹ 25 crores, with a reference rate of 30 day CP benchmark. If the CP benchmark on the settlement date i.e. January 30, 2010 falls to 5.50%, then the Scheme receives the

difference 5.75 - 5.50 i.e. 25 basis points on the notional amount ₹ 25 crores for 1 month. The maturity proceeds are then reinvested at say 5.50% (close to the benchmark). The scheme, however, would have locked in the rate prevailing on December 31, 2009 (5.75%) 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 6% on the settlement date (January 30, 2010), the Scheme loses 25 basis points but since the reinvestment will then happen at 6%, effective returns for the Scheme is unchanged at 5.75%, which is the prevailing rate on January 30, 2010.

### CHEQUE WRITING FACILITY

The Reserve Bank of India (RBI) had announced in its mid-term Review of Monetary and Credit Policy for 1999-2000 that it would permit scheduled commercial banks to offer 'cheque writing' facility to Gilt funds and to those Liquid Income schemes of mutual funds which predominantly invest in money market instrument (not less than 80% of their net assets). In accordance with this announcement and the guidelines issued by RBI and any amendments to the Guidelines thereof, the Schemes may offer Cheque Writing Facility to its Unit holders.

### PORTFOLIO TURNOVER - ALL SCHEMES

The Scheme(s) are open-ended Schemes. 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 - ALL SCHEMES

The Investment Committee, comprising of the Managing Director, the Chief Investment Officer, Fund Manager(s) - Equities (for authorising equity transactions only), Senior Fund Manager (Fixed Income) & Head of Credit (for authorising fixed income transactions only), Senior Fund Manager - Fixed Income (for authorising fixed income transactions only), Company Secretary and the Chief Compliance Officer, will decide on the investment proposals (quorum of any two disinterested members). The investment proposals precede each investment decision and are reviewed by members of the Investment Committee. The initial investment proposals inter-alia will contain details like company and management background, business outlook, financial analysis / valuation and reasons for recommendation, as necessary. Subsequent proposals inter-alia will contain key investment characteristics, valuation and reasons for recommendation. Periodic presentations will be made to the Board of Directors of the AMC and Trustee Company to review the performance of the Scheme(s).

All investment decisions shall be recorded in terms of SEBI Circular No. MFD/CIR/6/73/2000, dated July 27, 2000 as amended from time to time.

The Managing Director of the AMC shall inter-alia ensure that the investments made by the fund managers are in the interest of the Unit holders. The Fund Manager shall ensure that the funds of the Scheme(s) are invested in line with the investment objective of the Scheme(s) and in the interest of the Unit holders.

### INVESTMENT BY THE AMC IN THE SCHEME(S)

The AMC may invest in the Scheme(s) anytime 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(s) or other existing schemes of the Mutual Fund.

## F. FUNDAMENTAL ATTRIBUTES

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

### (i) Type of a scheme

Please refer to Section 'Type of the Scheme(s)' on Page 18.

### (ii) Investment Objective

- Main Objective - Please refer to section 'What is the Investment Objective of the Scheme(s)?' on Page 18.
- Investment pattern - Please refer to section 'How will the Scheme(s) Allocate its Assets?' on Page 18.

### (iii) Terms of Issue

#### a) Liquidity provisions such as listing, repurchase, redemption.

#### b) Aggregate Fees and Expenses charged to the Scheme

Please refer to section 'Fees and Expenses' on Page 83 for details.

### c) Any safety net or guarantee provided

The Scheme(s) do not provide any guaranteed or assured return.

## 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(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) 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(S) BENCHMARK ITS PERFORMANCE? BENCHMARK INDEX

Name of the Scheme(s)	Benchmark Index	Justification
HDFC Income Fund HDFC High Interest Fund HDFC Medium Term Opportunities Fund	CRISIL Composite Bond Fund Index	The Scheme(s)/Plan(s) intends to have a portfolio mix of instruments, which are mainly captured by its respective Benchmark Index. Hence, the benchmark is an appropriate benchmark for the Scheme(s)/Plan(s).
HDFC High Interest Fund - Short Term Plan HDFC Short Term Plan HDFC Short Term Opportunities Fund	CRISIL Short Term Bond Fund Index	
HDFC Floating Rate Income Fund - Short Term Plan & Long Term Plan HDFC Cash Management Fund - Savings Plan, Call Plan and Treasury Advantage Plan HDFC Liquid Fund HDFC Liquid Fund - Premium Plan & Premium Plus Plan	CRISIL Liquid Fund Index	
HDFC Gilt Fund	Short Term Plan: I-Sec Si-Bex Long Term Plan: I-Sec Li-Bex	
HDFC Multiple Yield Fund HDFC Multiple Yield Fund - Plan 2005 HDFC MF Monthly Income Plan - Short Term Plan & Long Term Plan	CRISIL MIP Blended Index	

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

## H. WHO MANAGES THE SCHEME(S)?

Name of the Scheme(s)	Fund Manager*	Dedicated Fund Manager for Overseas Investments
HDFC Income Fund	Mr. Shobhit Mehrotra	Mr. Miten Lathia
HDFC High Interest Fund	Mr. Anil Bamboli (HHIF) Mr. Shobhit Mehrotra (HHIF -STP)	
HDFC Short Term Plan	Mr. Anil Bamboli	
HDFC Short Term Opportunities Fund	Mr. Anil Bamboli	
HDFC Medium Term Opportunities Fund	Mr. Shobhit Mehrotra	
HDFC Floating Rate Income Fund	Mr. Shobhit Mehrotra	
HDFC Gilt Fund	Mr. Anil Bamboli	Not Applicable
HDFC Multiple Yield Fund	Mr. Vinay Kulkarni (Equities) Mr. Anil Bamboli (Debt)	Mr. Miten Lathia
HDFC Multiple Yield Fund - Plan 2005	Mr. Chirag Setalvad (Equities) Mr. Anil Bamboli (Debt)	
HDFC MF Monthly Income Plan	<b>Long Term Plan:</b> Mr. Prashant Jain (Equities) Mr. Shobhit Mehrotra (Debt) <b>Short Term Plan:</b> Mr. Vinay Kulkarni (Equities) Mr. Shobhit Mehrotra (Debt)	
HDFC Cash Management Fund	Mr. Anil Bamboli (Treasury Advantage Plan) Mr. Bharat Pareek (Savings Plan & Call Plan)	
HDFC Liquid Fund	Mr. Shobhit Mehrotra	

\* excluding Overseas investments if any.

The details of Fund Managers are as follows:

Name & Age	Educational Qualifications	Experience (last 10 years)	Fund(s) Managed*
<b>Mr. Prashant Jain</b> 43 Years	CFA - AIMR, USA, PGDM-IIM Bangalore, B.Tech. - IIT, Kanpur	Collectively over 20 years of experience in fund management and research in Mutual Fund Industry. <ul style="list-style-type: none"> <li>• <b>June 20, 2003 till Date</b> HDFC Asset Management Company Limited</li> <li>• <b>July 1993 to June 19, 2003</b> Zurich Asset Management Company (India) Private Limited</li> </ul> Last Position Held- Chief Investment Officer	<b>Open Ended Growth Scheme(s)</b> <ul style="list-style-type: none"> <li>• HDFC Equity Fund</li> <li>• HDFC Top 200 Fund</li> </ul> <b>Open Ended Equity Scheme</b> <ul style="list-style-type: none"> <li>• HDFC Infrastructure Fund ^</li> </ul> <b>Open Ended Balanced Scheme</b> <ul style="list-style-type: none"> <li>• HDFC Prudence Fund</li> </ul> <b>Open Ended Income Scheme</b> <ul style="list-style-type: none"> <li>• HDFC MF Monthly Income Plan- Long Term Plan - (Equity Assets)</li> </ul>
<b>Mr. Shobhit Mehrotra</b> 45 years	B. Text, M.S. MBA Clemson University, SC, USA	Collectively over 18 years of experience in Fixed Income markets, credit rating etc. <ul style="list-style-type: none"> <li>• <b>Feb 16, 2004 till Date</b> HDFC Asset Management Company Limited</li> <li>• <b>Feb 1997 to Feb 2004</b> Templeton Asset Management (India) Pvt. Ltd.</li> </ul> Last Position held - AVP & Portfolio Manager (Fixed Income)	<b>Open Ended Income Scheme(s)</b> <ul style="list-style-type: none"> <li>• HDFC MF Monthly Income Plan (Debt Portfolio)</li> <li>• HDFC Income Fund</li> <li>• HDFC High Interest Fund- Short Term Plan</li> <li>• HDFC Floating Rate Income Fund</li> <li>• HDFC Medium Term Opportunities Fund</li> </ul> <b>Open Ended Liquid Income Scheme</b> <ul style="list-style-type: none"> <li>• HDFC Liquid Fund</li> </ul> <b>Close Ended Income Scheme(s)</b> <ul style="list-style-type: none"> <li>• HDFC Fixed Maturity Plans - Series XI</li> <li>• HDFC Fixed Maturity Plans - Series XII</li> <li>• HDFC Fixed Maturity Plans - Series XV</li> <li>• HDFC Fixed Maturity Plans - Series XVI</li> <li>• HDFC Fixed Maturity Plans - Series XVII (All 18 months plan(s), 25 months plan(s) and 36 month plan(s) launched thereunder)</li> </ul>

^ jointly with Mr. Srinivas Rao Ravuri

\* excluding Overseas investments if any.

Name & Age	Educational Qualifications	Experience (last 10 years)	Fund(s) Managed*
<b>Mr. Vinay R. Kulkarni</b> 45 Years	B.Tech (IIT, Mumbai), PGDM (IIM, Bangalore)	Collectively over 22 years of experience, of which 20 years in Fund Management and Equity Research and 2 years in the IT industry. <ul style="list-style-type: none"> <li>• <b>November 3, 2006 till date</b> HDFC Asset Management Company Limited</li> <li>• <b>August 2, 2006 to October 20, 2006</b> Tata Asset Management Limited Last Position Held - Senior Fund Manager</li> <li>• <b>July 26, 2005 to July 28, 2006</b> Deutsche Asset Management (India) Pvt. Ltd. Last Position Held - Senior Fund Manager</li> <li>• <b>June 8, 1992 to July 25, 2005</b> UTI Asset Management Company (Pvt.) Ltd. Last Position Held - Fund Manager</li> </ul>	<b>Open Ended Growth Scheme(s)</b> <ul style="list-style-type: none"> <li>• HDFC Core &amp; Satellite Fund</li> <li>• HDFC Premier Multi-Cap Fund</li> </ul> <b>Open Ended Index Linked Scheme</b> <ul style="list-style-type: none"> <li>• HDFC Index Fund</li> </ul> <b>Open Ended Equity Linked Savings Scheme with a Lock-in period of 3 years</b> <ul style="list-style-type: none"> <li>• HDFC TaxSaver</li> </ul> <b>Open Ended Income Scheme</b> <ul style="list-style-type: none"> <li>• HDFC MF Monthly Income Plan - Short Term Plan (Equities)</li> <li>• HDFC Multiple Yield Fund (Equities)</li> </ul>
<b>Mr. Chirag Setalvad</b> 36 Years	B.Sc. in Business Administration - University of North Carolina, Chapel Hill.	Collectively over 14 years of experience, of which 11 years in Fund Management and Equity Research and 3 years in investment banking. <ul style="list-style-type: none"> <li>• <b>March 19, 2007 till date</b> HDFC Asset Management Company Limited</li> <li>• <b>October 2004 - February 28, 2007</b> New Vernon Advisory Services Pvt. Ltd. Last Position Held - Vice President</li> <li>• <b>July 2000 - August 31, 2004</b> HDFC Asset Management Company Limited Last Position Held - Fund Manager</li> <li>• <b>September 1996 - June 2000</b> ING Barings N.V., Mumbai Last Position Held - Asst. Manager</li> </ul>	<b>Open Ended Growth Scheme</b> <ul style="list-style-type: none"> <li>• HDFC Capital Builder Fund</li> </ul> <b>Open Ended Equity Scheme</b> <ul style="list-style-type: none"> <li>• HDFC Mid-Cap Opportunities Fund</li> </ul> <b>Open Ended Balanced Scheme(s)</b> <ul style="list-style-type: none"> <li>• HDFC Children's Gift Fund</li> <li>• HDFC Balanced Fund</li> </ul> <b>Open Ended Equity Linked Savings Scheme with a Lock-in period of 3 years</b> <ul style="list-style-type: none"> <li>• HDFC Long Term Advantage Fund</li> </ul> <b>Open Ended Income Scheme</b> <ul style="list-style-type: none"> <li>• HDFC Multiple Yield Fund - Plan 2005 (Equities)</li> </ul>
<b>Mr. Anil Bamboli</b> 39 Years	B. Com, Grad CWA, MMS (Finance), CFA - CFA Institute USA	Collectively over 16 years of experience in Fund Management and Research. <ul style="list-style-type: none"> <li>• <b>July 25, 2003 till Date</b> HDFC Asset Management Company Limited</li> <li>• <b>May 1994 - July 2003</b> SBI Funds Management Pvt. Ltd. Last Position held - Asst. Vice President</li> </ul>	<b>Open Ended Income Scheme(s)</b> <ul style="list-style-type: none"> <li>• HDFC Multiple Yield Fund (Debt)</li> <li>• HDFC Multiple Yield Fund - Plan 2005 (Debt)</li> <li>• HDFC High Interest Fund</li> <li>• HDFC Short Term Plan</li> <li>• HDFC Cash Management Fund - Treasury Advantage Plan</li> <li>• HDFC Gilt Fund</li> <li>• HDFC Short Term Opportunities Fund</li> </ul> <b>Open Ended Equity Fund</b> <ul style="list-style-type: none"> <li>• HDFC Arbitrage Fund</li> </ul> <b>Open Ended Exchange Traded Fund</b> <ul style="list-style-type: none"> <li>• HDFC Gold Exchange Traded Fund</li> </ul> <b>A 3 Year Closed Ended Capital Protection Oriented Income Scheme</b> <ul style="list-style-type: none"> <li>• HDFC Debt Fund for Cancer Cure</li> </ul>

\* excluding Overseas investments if any.

Name & Age	Educational Qualifications	Experience (last 10 years)	Fund(s) Managed*
<b>Mr. Bharat Pareek</b> 32 Years	B.Com., A.C.A, Completed CFA-USA awaiting membership	Collectively over 10 years of experience, of which 8 years in treasury operations and dealing in debt market and 2 years in Fund Management <ul style="list-style-type: none"> <li><b>February 2001 till Date</b> HDFC Asset Management Company Limited</li> </ul>	<b>Open Ended High Liquidity Income Scheme</b> <ul style="list-style-type: none"> <li>HDFC Cash Management Fund – Savings Plan &amp; Call Plan</li> </ul> <b>Interval Income Scheme</b> <ul style="list-style-type: none"> <li>HDFC Quarterly Interval Fund</li> </ul> <b>Close Ended Income Scheme(s)</b> <ul style="list-style-type: none"> <li>HDFC Fixed Maturity Plans - Series XVII (All 35 Days Plan(s), 60 Days Plan(s), 100 Days Plan(s), 182 Days Plan(s) and 370 Days Plan(s) launched thereunder)</li> </ul>

\* excluding Overseas investments if any.

### Dedicated Fund Manager for Overseas Investments

Name & Age	Educational Qualifications	Experience (last 10 years)	Fund(s) Managed
<b>Mr. Miten Lathia</b> 33 Years	CFA (AIMR); CA (ICAI); B. Com. (Mumbai University).	Collectively over 11 years of experience in Equity Research <ul style="list-style-type: none"> <li><b>December 26, 2006 to date</b> HDFC Asset Management Company Limited</li> <li><b>June 1, 2004 to December 12, 2006</b> BRICS Securities Limited Position Held: Vice President - Research</li> <li><b>January 1, 2004 to May 31, 2004</b> Enam Securities Pvt. Ltd. Position Held: Analyst</li> <li><b>January 1, 2001 to December 26, 2003</b> SSKI Securities Pvt. Ltd. Position Held: AVP Research</li> <li><b>October 1, 1999 to December 31, 2000</b> Anand Rathi Securities Pvt. Ltd. Position Held: Manager Research</li> </ul>	All eligible schemes of HDFC Mutual Fund investing in foreign securities.

### I. WHAT ARE THE INVESTMENT RESTRICTIONS?

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

- The 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 a 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 a 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.
- The Mutual Fund shall enter into transactions relating to Government Securities only in dematerialised form.
- The Mutual Fund will, for securities purchased in the non-depository mode get the securities transferred in the name of the Mutual Fund on account of the Scheme(s), wherever the investments are intended to be of a long term nature.
- The Scheme(s) shall not invest more than 15% of its NAV in debt instruments [irrespective of residual maturity period

(above or below one year)], 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 SEBI Act. Such investment limit may be extended to 20% of the NAV of the Scheme 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.

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.

- The Scheme(s) 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 Scheme(s). All such investments shall be made with the prior approval of the Trustee and the Board of the AMC.
- 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.
- The Scheme shall not invest more than thirty percent of its net assets in money market instruments of an issuer.  
Provided that such limit shall not be applicable for investments in Government securities, treasury bills and collateralized borrowing and lending obligations.



- 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 Scheme(s) may invest in another scheme(s) 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.
- Pending deployment of funds as per investment objective, the moneys under the Scheme(s) may be parked in short-term deposits of Scheduled Commercial Banks. The Scheme(s) shall abide by the guidelines for parking of funds in short term deposits as mentioned in section '**WHERE WILL THE SCHEME INVEST?**' on **Page 24**.
- The Scheme(s) shall not make any investments in:
  - (a) any unlisted security of an associate or group company of the Sponsors; or
  - (b) any security issued by way of private placement by an associate or group company of the Sponsors; or
  - (c) the listed securities of group companies of the Sponsors which is in excess of 25% of the net assets.
  - (d) any fund of funds scheme
- The Scheme(s) 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.
- The Scheme(s) 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 portfolio of HDFC Liquid Fund, HDFC Liquid Fund-Premium Plan & Premium Plus Plan and HDFC Cash

Management Fund - Savings Plan and Call Plan will comply with the following additional investment restrictions in accordance with the SEBI/IMD/CIR No. 13/ 150975/ 09 dated January 19, 2009:

- (i) The Scheme(s) shall make investment in/ purchase debt and money market securities with maturity of upto 91 days only.
- (ii) In case of securities with put and call options (daily or otherwise) the residual maturity shall not be greater than 91 days.

Explanation:

- a) In case of securities where the principal is to be repaid in a single payout, the maturity of the securities shall mean residual maturity. In case the principal is to be repaid in more than one payout then the maturity of the securities shall be calculated on the basis of weighted average maturity of security.
- b) In case the maturity of the security falls on a non-business day then settlement of securities will take place on the next business day.
- c) Inter-scheme transfers of securities held in other schemes having maturity of upto 91 days only shall be permitted in the Liquid Schemes.

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) 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.

As **HDFC Gilt Fund** intends to invest only in Government Securities, the limitation clause is not relevant to **HDFC Gilt Fund**.

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

## J. HOW HAVE THE SCHEME(S) PERFORMED?

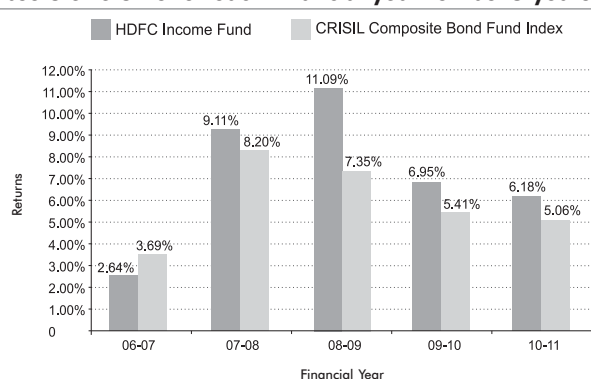
### Performance of the Scheme(s) (as at March 31, 2011)

#### HDFC Income Fund - Growth Option

Period	Returns (%) ^	Benchmark Returns (%)#
Last 1 Year (365 days)	6.18	5.06
Last 3 Years (1095 days)	8.05	5.94
Last 5 Years (1826 days)	7.17	5.94
Last 10 Years (3653 days)	7.70	N.A.
Since Inception* (3853 days)	8.11	N.A.

^ Past performance may or may not be sustained in the future  
Above returns are compounded annualized (CAGR).  
\* Inception Date: September 11, '00  
# CRISIL Composite Bond Fund Index N.A. Not Available

#### Absolute returns for each financial year for last 5 years ^

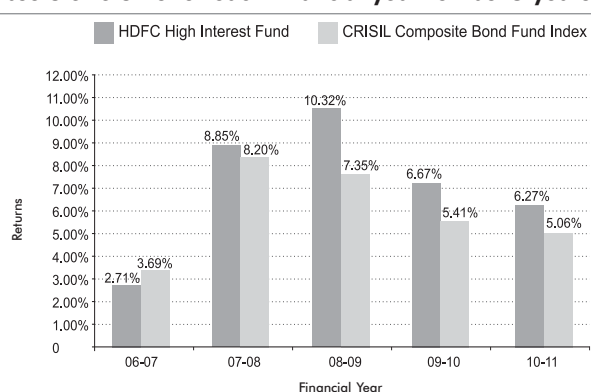


#### HDFC High Interest Fund - Growth Option

Period	Returns (%) ^	Benchmark Returns (%)#
Last 1 Year (365 days)	6.27	5.06
Last 3 Years (1095 days)	7.74	5.94
Last 5 Years (1826 days)	6.94	5.94
Last 10 Years (3653 days)	7.53	N.A.
Since Inception* (5085 days)	8.98	N.A.

^ Past performance may or may not be sustained in the future  
Above returns are compounded annualized (CAGR).  
\* Inception Date: April 28, '97  
# CRISIL Composite Bond Fund Index N.A. Not Available

#### Absolute returns for each financial year for last 5 years ^

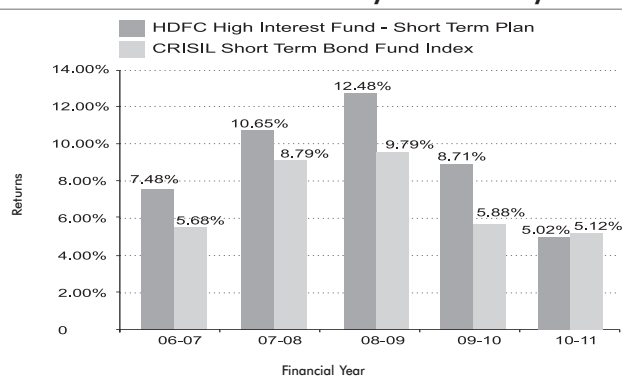


#### HDFC High Interest Fund - Short Term Plan - Growth Option

Period	Returns (%) ^	Benchmark Returns (%)#
Last 1 Year (365 days)	5.02	5.12
Last 3 Years (1095 days)	8.70	6.91
Last 5 Years (1826 days)	8.84	7.04
Since Inception* (3340 days)	7.48	N.A.

^ Past performance may or may not be sustained in the future  
Above returns are compounded annualized (CAGR).  
\* Inception Date: February 6, '02  
# CRISIL Short Term Bond Fund Index N.A. Not Available

#### Absolute returns for each financial year for last 5 years ^

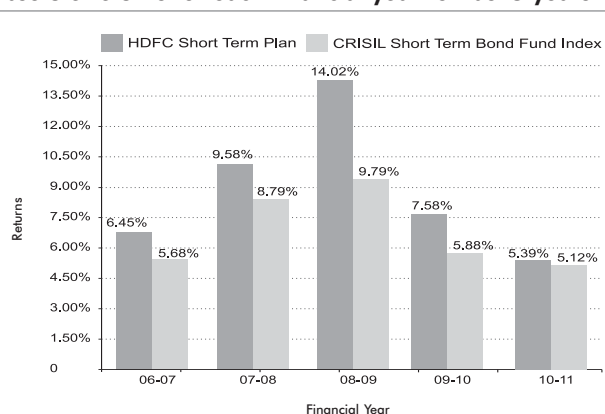


#### HDFC Short Term Plan - Growth Option

Period	Returns (%) ^	Benchmark Returns (%)#
Last 1 Year (365 days)	5.39	5.12
Last 3 Years (1095 days)	8.94	6.91
Last 5 Years (1826 days)	8.56	7.04
Since Inception* (3318 days)	7.29	N.A.

^ Past performance may or may not be sustained in the future  
Above returns are compounded annualized (CAGR).  
\* Inception Date: February 28, '02  
# CRISIL Short Term Bond Fund Index N.A. Not Available

#### Absolute returns for each financial year for last 5 years ^



## Performance of the Scheme(s) (as at March 31, 2011) (contd.....)

### HDFC Short Term Opportunities Fund - Growth Option

Period	Returns (%) <sup>^</sup>	Benchmark Returns (%) <sup>#</sup>
Since Inception* (279 days)	5.56	3.82

<sup>^</sup> Past performance may or may not be sustained in the future  
Above returns are absolute.  
<sup>#</sup> CRISIL Short Term Bond Fund Index  
\* Inception Date: June 25, '10

### Absolute returns for each financial year for last 5 years<sup>^</sup>

Not Applicable, since HSTOF is a new Scheme launched on June 21, 2010 and closed for subscription on June 24, 2010.

### HDFC Medium Term Opportunities Fund - Growth Option

Period	Returns (%) <sup>^</sup>	Benchmark Returns (%) <sup>#</sup>
Since Inception* (283 days)	5.62	3.33

<sup>^</sup> Past performance may or may not be sustained in the future  
Above returns are absolute.  
<sup>#</sup> CRISIL Composite Bond Fund Index  
\* Inception Date: June 29, '10

### Absolute returns for each financial year for last 5 years<sup>^</sup>

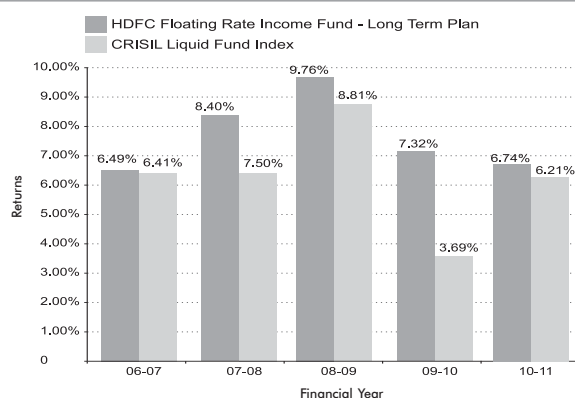
Not Applicable, since HMTOF is a new Scheme launched on June 25, 2010 and closed for subscription on June 28, 2010.

### HDFC Floating Rate Income Fund - Long Term Plan - Growth Option

Period	Returns (%) <sup>^</sup>	Benchmark Returns (%) <sup>#</sup>
Last 1 Year (365 days)	6.74	6.21
Last 3 Years (1095 days)	7.93	6.22
Last 5 Years (1826 days)	7.74	6.51
Since Inception* (2996 days)	6.58	5.71

<sup>^</sup> Past performance may or may not be sustained in the future  
Above returns are compounded annualized (CAGR).  
\* Inception Date: January 16, '03  
<sup>#</sup> CRISIL Liquid Fund Index

### Absolute returns for each financial year for last 5 years<sup>^</sup>

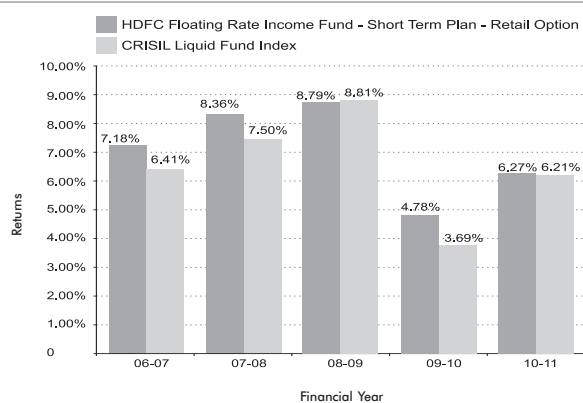


### HDFC Floating Rate Income Fund - Short Term Plan - Retail Option - Growth Option

Period	Returns (%) <sup>^</sup>	Benchmark Returns (%) <sup>#</sup>
Last 1 Year (365 days)	6.27	6.21
Last 3 Years (1095 days)	6.60	6.22
Last 5 Years (1826 days)	7.07	6.51
Since Inception* (2996 days)	6.31	5.71

<sup>^</sup> Past performance may or may not be sustained in the future  
Above returns are compounded annualized (CAGR).  
\* Inception Date: January 16, '03  
<sup>#</sup> CRISIL Liquid Fund Index

### Absolute returns for each financial year for last 5 years<sup>^</sup>



**Performance of the Scheme(s) (as at March 31, 2011) (contd....)**

**HDFC Floating Rate Income Fund - Short Term Plan - Wholesale Option- Growth Option**

Period	Returns (%) ^	Benchmark Returns (%)#
Last 1 year (365 days)	6.67	6.21
Last 3 years (1095 days)	6.94	6.22
Since Inception* (1255 days)	7.18	6.28

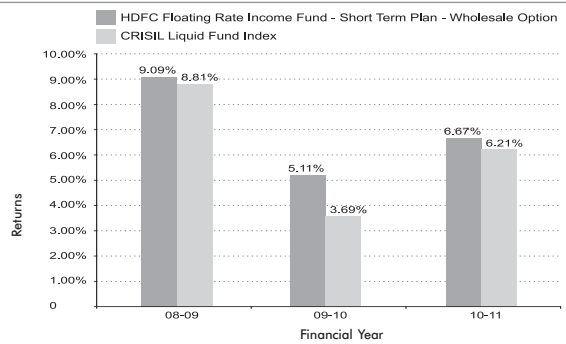
^ Past performance may or may not be sustained in the future

Above returns are compounded annualized (CAGR).

\* Inception Date: October 23, '07

# CRISIL Liquid Fund Index

**Absolute returns for each financial year for last 3 years ^**



**HDFC Gilt Fund - Short Term Plan - Growth Option**

Period	Returns (%) ^	Benchmark Returns (%)#
Last 1 Year (365 days)	5.31	4.90
Last 3 Years (1095 days)	4.65	7.72
Last 5 Years (1826 days)	5.02	7.60
Since Inception* (3536 days)	5.41	N.A.

^ Past performance may or may not be sustained in the future

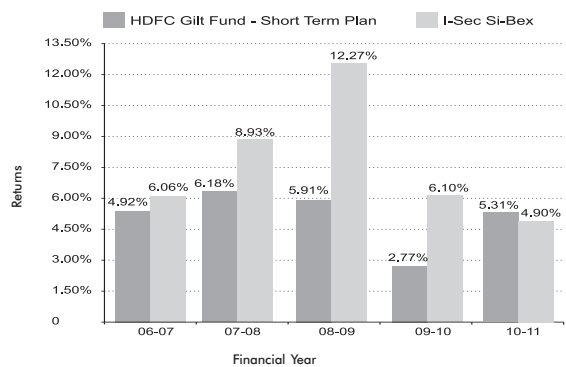
Above returns are compounded annualized (CAGR).

# I-Sec Si-Bex

N.A. Not Available

\*Inception Date: July 25, '01

**Absolute returns for each financial year for last 5 years ^**



**HDFC Gilt Fund - Long Term Plan - Growth Option**

Period	Returns (%) ^	Benchmark Returns (%)#
Last 1 Year (365 days)	6.33	7.41
Last 3 Years (1095 days)	6.17	8.38
Last 5 Years (1826 days)	5.49	8.01
Since Inception* (3536 days)	7.36	N.A.

^ Past performance may or may not be sustained in the future

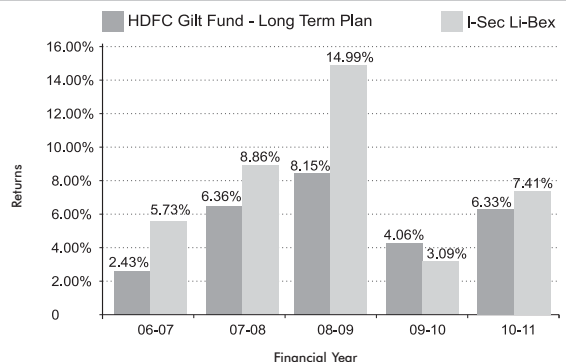
Above returns are compounded annualized (CAGR).

# I-Sec Li-Bex

N.A. Not Available

\* Inception Date: July 25, '01

**Absolute returns for each financial year for last 5 years ^**



**HDFC Multiple Yield Fund - Growth Option**

Period	Returns (%) ^	Benchmark Returns (%)#
Last 1 Year (365 days)	7.66	6.17
Last 3 Years (1095 days)	9.78	6.82
Last 5 Years (1826 days)	8.98	7.41
Since Inception* (2386 days)	9.24	8.02

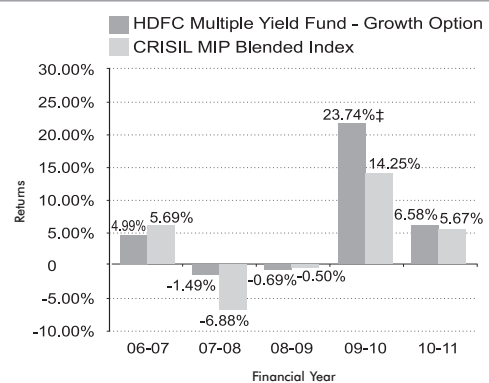
^ Past performance may or may not be sustained in the future

Above returns are compounded annualized (CAGR).

\* Inception Date: September 17, 2004

# CRISIL MIP Blended Index

**Absolute Returns for each financial year for last 5 years ^**



‡ Due to an overall sharp rise in the stock prices

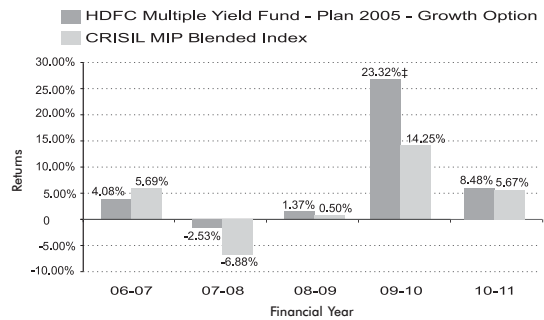
## Performance of the Scheme(s) (as at March 31, 2011) (contd.....)

### HDFC Multiple Yield Fund - Plan 2005 - Growth Option

Period	Returns (%) ^	Benchmark Returns (%)#
Last 1 Year (365 days)	7.74	6.17
Last 3 Years (1095 days)	10.43	6.82
Last 5 Years (1826 days)	9.02	7.41
Since Inception* (2052 days)	9.02	7.77

^ Past performance may or may not be sustained in the future  
Above returns are compounded annualized (CAGR).  
\* Inception Date: August 17, 2005  
# CRISIL MIP Blended Index

### Absolute returns for each financial year for last 5 years ^



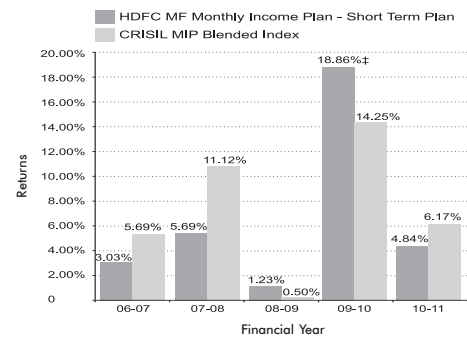
‡ Due to an overall sharp rise in the stock prices

### HDFC MF Monthly Income Plan - Short Term Plan - Growth Option

Period	Returns (%) ^	Benchmark Returns (%)#
Last 1 Year (365 days)	4.84	6.17
Last 3 Years (1095 days)	8.05	6.82
Last 5 Years (1826 days)	6.54	7.41
Since Inception* (2652 days)	7.63	7.09

^ Past performance may or may not be sustained in the future  
Above returns are compounded annualized (CAGR).  
\* Inception Date: December 26, '03  
# Index - CRISIL MIP Blended Index

### Absolute returns for each financial year for last 5 years ^



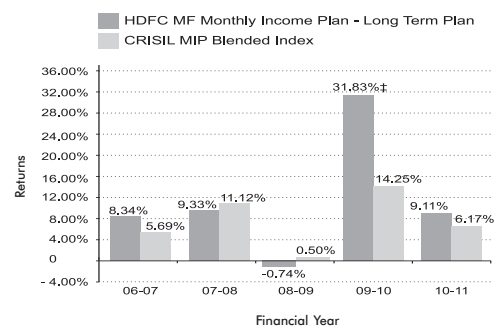
‡ Due to an overall sharp rise in the stock prices

### HDFC MF Monthly Income Plan - Long Term Plan - Growth Option

Period	Returns (%) ^	Benchmark Returns (%)#
Last 1 Year (365 days)	9.11	6.17
Last 3 Years (1095 days)	12.60	6.82
Last 5 Years (1826 days)	11.08	7.41
Since Inception* (2652 days)	12.16	7.09

^ Past performance may or may not be sustained in the future  
Above returns are compounded annualized (CAGR).  
\* Inception Date: December 26, '03  
# Index - CRISIL MIP Blended Index

### Absolute returns for each financial year for last 5 years ^



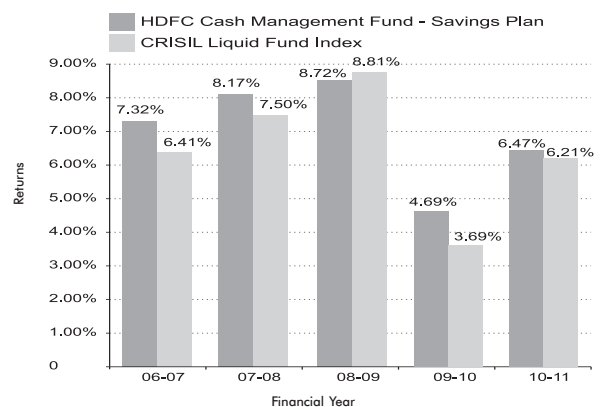
‡ Due to an overall sharp rise in the stock prices

### HDFC Cash Management Fund - Savings Plan - Growth Option

Period	Returns (%) ^ \$\$	Benchmark Returns (%)#
Last 1 Year (365 days)	6.47	6.21
Last 3 Years (1095 days)	6.61	6.22
Last 5 Years (1826 days)	7.07	6.51
Last 10 Years (3653 days)	6.57	N.A.
Since Inception* (4151 days)	6.54	N.A.

^ Past performance may or may not be sustained in the future  
Above returns are compounded annualized (CAGR).  
\* Inception Date: November 18, '99  
# CRISIL Liquid Fund Index N.A. Not Available  
\$\$ All dividends declared prior to the splitting of the Scheme into Dividend & Growth Options have been reinvested in the units of the Scheme at the then prevailing NAV (applicable ex-dividend NAV).

### Absolute returns for each financial year for last 5 years ^



## Performance of the Scheme(s) (as at March 31, 2011) (contd.....)

### HDFC Cash Management Fund - Treasury Advantage Plan - Retail Option - Growth Option

Period	Returns (%) ^	Benchmark Returns (%)#
Last 1 Year (365 days)	6.35	6.21
Last 3 Years (1095 days)	6.52	6.22
Last 5 Years (1826 days)	7.01	6.51
Last 10 Years (3653 days)	6.49	N.A.
Since Inception* (4151 days)	6.86	N.A.

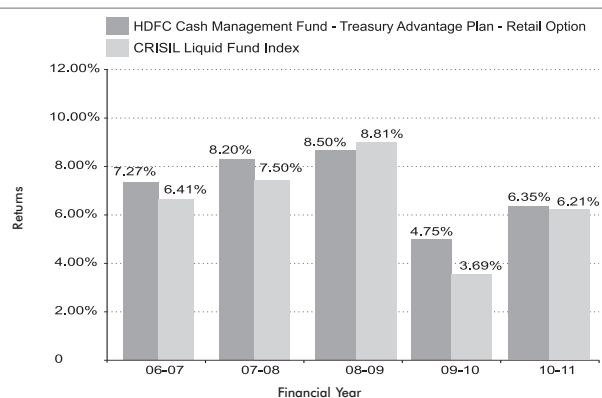
^ Past performance may or may not be sustained in the future  
Above returns are compounded annualized (CAGR).

\* Inception Date: November 18, '99

# CRISIL Liquid Fund Index

N.A. Not Available

### Absolute returns for each financial year for last 5 years ^



### HDFC Cash Management Fund - Treasury Advantage Plan - Wholesale Option - Growth Option

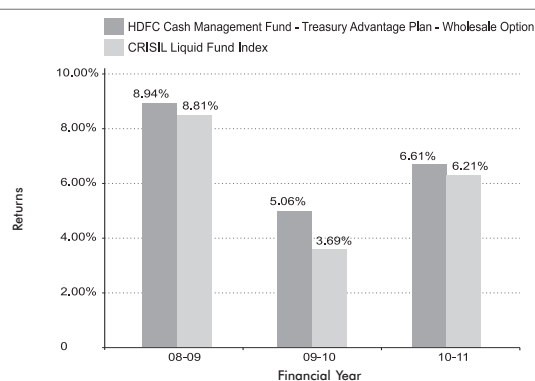
Period	Returns (%) ^	Benchmark Returns (%)#
Last 1 Year (365 days)	6.61	6.21
Last 3 Years (1095 days)	6.86	6.22
Since Inception* (1438 days)	7.23	6.41

^ Past performance may or may not be sustained in the future  
Above returns are compounded annualized (CAGR).

\* Inception Date: April 23, '07

# CRISIL Liquid Fund Index

### Absolute returns for each financial year for last 3 years ^



### HDFC Cash Management Fund - Call Plan - Growth Option

Period	Returns (%) ^	Benchmark Returns (%)#
Last 1 Year (365 days)	5.53	6.21
Last 3 Years (1095 days)	5.17	6.22
Last 5 Years (1826 days)	5.93	6.51
Since Inception* (3340 days)	5.35	N.A.

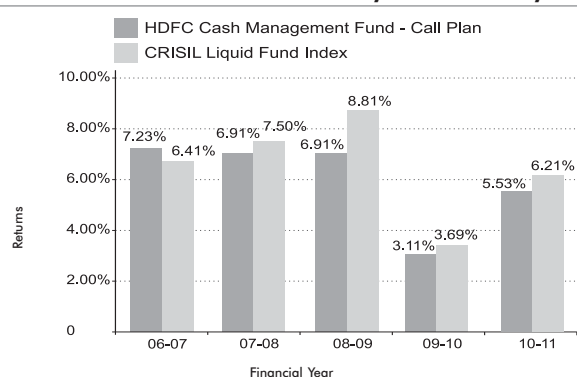
^ Past performance may or may not be sustained in the future  
Above returns are compounded annualized (CAGR).

\* Inception Date: February 6, '02

# CRISIL Liquid Fund Index

N.A. Not Available

### Absolute returns for each financial year for last 5 years ^



### HDFC Liquid Fund - Growth Option

Period	Returns (%) ^	Benchmark Returns (%)#
Last 1 Year (365 days)	6.26	6.21
Last 3 Years (1095 days)	6.41	6.22
Last 5 Years (1826 days)	6.90	6.51
Last 10 Years (3653 days)	6.40	N.A.
Since Inception* (3817 days)	6.53	N.A.

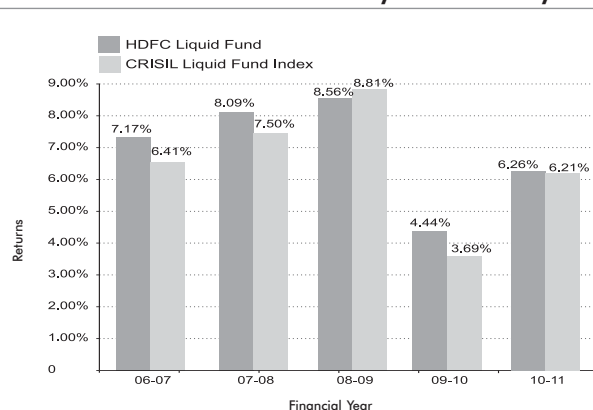
^ Past performance may or may not be sustained in the future  
Above returns are compounded annualized (CAGR).

\* Inception Date: October 17, '00

# CRISIL Liquid Fund Index

N.A. Not Available

### Absolute returns for each financial year for last 5 years ^



## Performance of the Scheme(s) (as at March 31, 2011) (contd.....)

### HDFC Liquid Fund - Premium Plan - Growth Option

Period	Returns (%) ^	Benchmark Returns (%)#
Last 1 Year (365 days)	6.49	6.21
Last 3 Years (1095 days)	6.64	6.22
Last 5 Years (1826 days)	7.08	6.51
Since Inception* (2957 days)	6.31	5.73

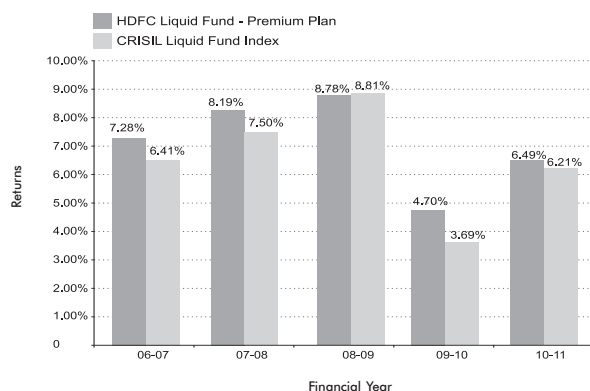
^ Past performance may or may not be sustained in the future

Above returns are compounded annualized (CAGR).

\* Inception Date: February 24, '03

# CRISIL Liquid Fund Index

### Absolute returns for each financial year for last 5 years ^



### HDFC Liquid Fund - Premium Plus Plan - Growth Option

Period	Returns (%) ^	Benchmark Returns (%)#
Last 1 Year (365 days)	6.49	6.21
Last 3 Years (1095 days)	6.64	6.22
Last 5 Years (1826 days)	7.08	6.51
Since Inception* (2957 days)	6.34	5.73

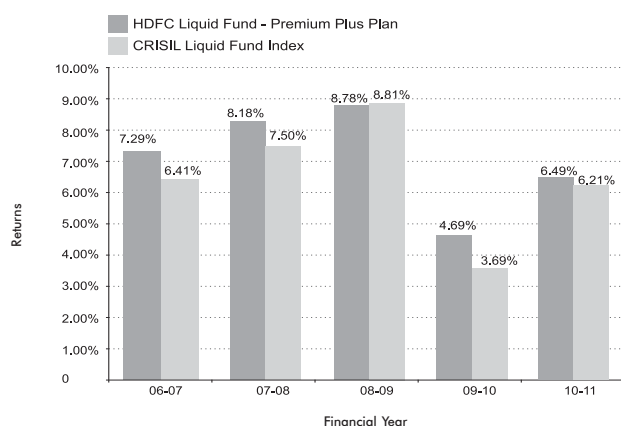
^ Past performance may or may not be sustained in the future

Above returns are compounded annualized (CAGR).

\* Inception Date: February 24, '03

# CRISIL Liquid Fund Index

### Absolute returns for each financial year for last 5 years ^



### III. UNITS AND OFFER

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

#### A. NEW FUND OFFER (INFO)

All the Scheme(s) forming part of this SID have already been launched. The Date of Inception for all the scheme(s) are as mentioned hereunder.

Name of the Scheme	Date of Inception / Allotment
HDFC Income Fund	September 11, 2000
HDFC High Interest Fund * \$	<ul style="list-style-type: none"> <li>HDFC High Interest Fund: April 28, 1997</li> <li>HDFC High Interest Fund - Short Term Plan: February 6, 2002</li> </ul>
HDFC Short Term Plan	February 28, 2002
HDFC Short Term Opportunities Fund	June 25, 2010
HDFC Medium Term Opportunities Fund	June 29, 2010
HDFC Floating Rate Income Fund	January 16, 2003
HDFC Gilt Fund	July 25, 2001
HDFC Multiple Yield Fund	September 17, 2004
HDFC Multiple Yield Fund - Plan 2005	August 17, 2005
HDFC MF Monthly Income Plan	December 26, 2003
HDFC Cash Management Fund * \$\$	<ul style="list-style-type: none"> <li>Savings Plan and Treasury Advantage Plan: November 18, 1999</li> <li>Call Plan: February 6, 2002</li> </ul>
HDFC Liquid Fund	<ul style="list-style-type: none"> <li>HDFC Liquid Fund: October 17, 2000</li> <li>HDFC Liquid Fund - Premium Plan and Premium Plus Plan: February 24, 2003</li> </ul>

\* Scheme(s) of Zurich India Mutual Fund migrated to HDFC Mutual Fund effective, June 19, 2003.

\$ Formerly known as Zurich India High Interest Fund, \$\$ Formerly known as Zurich India Liquidity Fund.

**Therefore, the Section 'NEW FUND OFFER' is not relevant, except for the details as under :**

Plans / Options offered	HDFC Income Fund (HIF)	HDFC High Interest Fund (HHIF)	HDFC High Interest Fund-Short Term Plan (HHIF - STP)	HDFC Short Term Plan (HSTP)
	<b>Plans:</b> Nil <b>Options:</b> <ul style="list-style-type: none"> <li>Growth Option</li> <li>Dividend Option (Quarterly)</li> </ul> Dividend Option offers Dividend Payout and Reinvestment facility.	<b>Plans:</b> Nil <b>Options:</b> <ul style="list-style-type: none"> <li>Growth Option</li> <li>Dividend Option                             <ul style="list-style-type: none"> <li>Quarterly Dividend Option</li> <li>Half yearly Dividend Option</li> <li>Yearly Dividend Option</li> </ul> </li> </ul> Quarterly, Half yearly and Yearly Dividend Option offers Payout and Reinvestment facility.	<b>Plans:</b> Nil <b>Options:</b> <ul style="list-style-type: none"> <li>Growth Option</li> <li>Dividend Option (Fortnightly)</li> </ul> Dividend Option offers Dividend Payout and Reinvestment facility.	<b>Plans:</b> Nil <b>Options:</b> <ul style="list-style-type: none"> <li>Growth Option</li> <li>Dividend Option</li> </ul> Dividend Option offers Dividend Payout and Reinvestment facility.



	HDFC Short Term Opportunities Fund (HSTOF)	HDFC Medium Term Opportunities Fund (HMTOF)	HDFC Floating Rate Income Fund (HFRIF)	HDFC Gilt Fund (HGILT)
	<p><b>Plans:</b> Nil</p> <p><b>Options:</b></p> <ul style="list-style-type: none"> <li>• Growth Option</li> <li>• Dividend Option (Fortnightly)</li> </ul> <p>Dividend Option offers Dividend Payout and Reinvestment facility.</p>	<p><b>Plans:</b> Nil</p> <p><b>Options:</b></p> <ul style="list-style-type: none"> <li>• Growth Option</li> <li>• Dividend Option</li> </ul> <p>Dividend Option offers Dividend Payout and Reinvestment facility.</p>	<p><b>Plan:</b></p> <ul style="list-style-type: none"> <li>• Short Term Plan</li> </ul> <p><b>Options:</b></p> <ul style="list-style-type: none"> <li>• Wholesale Option <ul style="list-style-type: none"> <li>➢ Growth Option</li> <li>➢ Dividend Option</li> </ul> </li> <li>• Retail Option <ul style="list-style-type: none"> <li>➢ Growth Option</li> <li>➢ Dividend Option</li> </ul> </li> </ul> <p>Dividend Option offers Daily Dividend Option with Reinvestment facility only and Weekly and Monthly Dividend Option with Payout and Reinvestment facility.</p> <p><b>Plan:</b></p> <ul style="list-style-type: none"> <li>• Long Term Plan</li> </ul> <p><b>Options:</b></p> <ul style="list-style-type: none"> <li>• Growth Option</li> <li>• Weekly Dividend Option with Reinvestment facility only.</li> </ul>	<p><b>Plans:</b></p> <ul style="list-style-type: none"> <li>• Short Term Plan</li> <li>• Long Term Plan</li> </ul> <p><b>Options:</b></p> <ul style="list-style-type: none"> <li>• Growth Option</li> <li>• Dividend Option (Quarterly)</li> </ul> <p>Dividend Option offers Dividend Payout and Reinvestment facility.</p>
	<p><b>HDFC Multiple Yield Fund (HMYF) &amp; HDFC Multiple Yield Fund - Plan 2005 (HMYF05)</b></p>	<p><b>HDFC MF Monthly Income Plan (HMIP)</b></p>	<p><b>HDFC Cash Management Fund (HCMF)</b></p>	<p><b>HDFC Liquid Fund (HLF)</b></p>
	<p><b>Plans:</b> Nil</p> <p><b>Options:</b></p> <ul style="list-style-type: none"> <li>• Growth Option</li> <li>• Dividend Option</li> </ul> <p>Dividend Option offers Dividend Payout and Reinvestment facility.</p>	<p><b>Plans:</b></p> <ul style="list-style-type: none"> <li>• Short Term Plan</li> <li>• Long Term Plan</li> </ul> <p><b>Options:</b></p> <p>Both the plans offer Growth Option and Dividend Option. Dividend Option offers Monthly and Quarterly Dividend Option with Payout and Reinvestment facility.</p>	<p><b>Plan:</b></p> <ul style="list-style-type: none"> <li>• Savings Plan</li> </ul> <p><b>Options:</b></p> <ul style="list-style-type: none"> <li>• Growth Option</li> <li>• Dividend Option</li> </ul> <p>Dividend Option offers Daily Dividend Option with Reinvestment facility only and Weekly Dividend Option with Payout and Reinvestment facility.</p>	<p><b>Plans:</b></p> <ul style="list-style-type: none"> <li>• HLF</li> </ul> <p><b>Options:</b></p> <ul style="list-style-type: none"> <li>• Growth Option</li> <li>• Dividend Option</li> </ul> <p>Dividend Option offers Daily Dividend Option with Reinvestment facility only and Weekly Dividend Option with Payout and Reinvestment facility.</p>
			<p><b>Plan:</b></p> <ul style="list-style-type: none"> <li>• Call Plan</li> </ul> <p><b>Options:</b></p> <ul style="list-style-type: none"> <li>• Growth Option</li> <li>• Daily Dividend facility with Reinvestment facility only</li> </ul> <p><b>Plan:</b></p> <ul style="list-style-type: none"> <li>• Treasury Advantage Plan</li> </ul> <p><b>Option:</b></p> <ul style="list-style-type: none"> <li>• Wholesale Option <ul style="list-style-type: none"> <li>➢ Growth Option</li> <li>➢ Dividend Option</li> </ul> </li> <li>• Retail Option <ul style="list-style-type: none"> <li>➢ Growth Option</li> <li>➢ Dividend Option</li> </ul> </li> </ul> <p>Dividend Option offers Daily Dividend Option with Reinvestment facility only and Weekly and Monthly Dividend Option with Payout and Reinvestment facility.</p>	<p><b>Plans:</b></p> <ul style="list-style-type: none"> <li>• HLF - Premium Plan</li> <li>• HLF - Premium Plus Plan</li> </ul> <p><b>Options:</b></p> <ul style="list-style-type: none"> <li>• Growth Option</li> <li>• Dividend Option</li> </ul> <p>Dividend Option under HLF - Premium Plan offers Daily Dividend Option with Reinvestment facility only and Weekly Dividend Option with Payout and Reinvestment facility. Dividend Option under HLF-Premium Plus Plan offers Weekly Dividend Option with Payout and Reinvestment facility.</p>

**Growth Option**

Dividends will not be declared under this Option. The income attributable to Units under this Plan / Option will continue to remain invested and will be reflected in the Net Asset Value of Units under this Option.

Hence, Unitholders who opt for this Option will not receive any dividend.

**Dividend Option**

Under the Dividend Option, it is proposed to declare dividends, as mentioned in the table below, subject to availability of distributable profits, as computed in accordance with SEBI (MF) Regulations.

Name of the Scheme	Frequency	Record Date*
HDFC Income Fund	Quarterly	As may be decided by the Trustee from time to time
HDFC Gilt Fund	Quarterly	
HDFC Liquid Fund	Daily, Weekly and Monthly	<b>Daily:</b> Every Day <b>Weekly:</b> Every Monday <b>Monthly:</b> Last Monday of the month
HDFC Liquid Fund - Premium Plan	Daily & Weekly	<b>Daily:</b> Every Day <b>Weekly:</b> Every Monday
HDFC Liquid Fund Premium Plus Plan	Weekly	Every Monday
HDFC Short Term Plan	Monthly	25th day of every month
HDFC Floating Rate Income Fund	• <b>Short Term Plan:</b> Daily, Weekly and Monthly	<b>Daily:</b> Every Day <b>Weekly:</b> Every Monday <b>Monthly:</b> Last Monday of the month
	• <b>Long Term Plan:</b> Weekly	Every Monday
HDFC Multiple Yield Fund	As may be decided by the Trustee from time to time	As may be decided by the Trustee from time to time
HDFC Multiple Yield Fund - Plan 2005		
HDFC High Interest Fund		
HDFC High Interest Fund - Short Term Plan	Fortnightly	10th and 25th of every month
HDFC Short Term Opportunities Fund	Fortnightly	10th and 25th of every month
HDFC Medium Term Opportunities Fund	As may be decided by the Trustee from time to time	As may be decided by the Trustee from time to time
HDFC Cash Management Fund	• <b>Savings Plan:</b> Daily and Weekly	Every Day - for Daily Dividend Every Friday for the Weekly Dividend
	• <b>Call Plan:</b> Daily	Every Day
	• <b>Treasury Advantage Plan:</b> Daily, Weekly and Monthly	Every Day for Daily Dividend, every Monday for Weekly Dividend and Last Monday for Monthly Dividend
HDFC MF Monthly Income Plan	Monthly and Quarterly	<b>Monthly:</b> 25th day of each month <b>Quarterly:</b> 25th day of the third month of each quarter i.e. quarter ending March, June, September and December.

\* or immediately succeeding Business Day if that is not a Business Day. The Trustee reserves the right to change the frequency / record date from time to time.

**Dividend Payout Facility - Applicable to all Scheme(s) offering Dividend Payout Facility**

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 notified record date. The Trustee / AMC reserves the right to change the record date from time to time. 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

profits as computed in accordance with SEBI (MF) Regulations. The decision of the Trustee in this regard shall be final. There is no assurance or guarantee to Unit holders as to the rate of dividend distribution nor that dividends will be paid regularly. In order to be a Unit holder, an investor has to be allotted Unit against receipt of clear funds by the Scheme. On payment of dividends, the NAV will stand reduced by the amount of dividend and dividend tax (if applicable) paid.

**Dividend Re-investment Facility - Applicable to all Scheme(s) offering Dividend Re-investment Facility**

Unit holders opting for Dividend Plan / Option may choose to reinvest the dividend to be received by them in additional Units of the Scheme. Under this facility, the dividend due and payable to the Unit holders will be compulsorily and without any further act by the Unit holders, reinvested in the Dividend Plan / Option at the prevailing ex-dividend Net Asset Value per Unit on the record date. The amount of dividend re-invested will be net of tax deducted at source, wherever applicable. The dividends so reinvested shall constitute a constructive payment of dividends to the Unit holders and a constructive receipt of the same amount from each Unit holder for reinvestment in Units.

On reinvestment of dividends, the number of Units to the credit of Unit holder will increase to the extent of the dividend reinvested divided by the Applicable NAV as explained above.

**There shall, however, be no Entry Load and Exit Load on the dividend so reinvested.**

**Default Option**

Investors should indicate the Plan / 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 / Option, the following default Plan / Option will be considered:

Name of the Scheme / Plan	Default Plan / Option
<ul style="list-style-type: none"> <li>• HDFC Income Fund</li> <li>• HDFC Gilt Fund</li> <li>• HDFC Multiple Yield Fund - Plan 2005</li> <li>• HDFC Short Term Plan</li> <li>• HDFC Short Term Opportunities Fund</li> <li>• HDFC Medium Term Opportunities Fund</li> </ul>	<ul style="list-style-type: none"> <li>• Growth Option in case Growth Option or Dividend Option is not indicated.</li> <li>• Dividend Payout in case Dividend Payout or Dividend Reinvestment is not indicated under the Dividend Option.</li> </ul>
<ul style="list-style-type: none"> <li>• HDFC Multiple Yield Fund</li> </ul>	<ul style="list-style-type: none"> <li>• Growth Option in case Growth Option or Dividend Option is not indicated.</li> <li>• Dividend Reinvestment in case Dividend Payout or Dividend Reinvestment is not indicated under the Dividend Option.</li> </ul>
<ul style="list-style-type: none"> <li>• HDFC Liquid Fund</li> </ul>	<ul style="list-style-type: none"> <li>• Growth Option in case Growth Option or Dividend Option is not indicated.</li> <li>• Daily Dividend Reinvestment Option in case Daily Dividend Option, Weekly Dividend Option or Monthly Dividend Option is not indicated under the Dividend Option</li> <li>• Dividend Reinvestment in case Payout or Reinvestment is not indicated.</li> </ul>
<ul style="list-style-type: none"> <li>• HDFC Liquid Fund – Premium Plan and Premium Plus Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Growth Option in case Growth Option or Dividend Option is not indicated.</li> <li>• Daily Dividend Reinvestment Option in case Daily Dividend Option or Weekly Dividend Option is not indicated under the Dividend Option of HDFC Liquid Fund – Premium Plan</li> <li>• Dividend Reinvestment in case Payout or Reinvestment is not indicated.</li> </ul>

	Name of the Scheme / Plan	Default Plan / Option
	<ul style="list-style-type: none"> <li>HDFC Cash Management Fund – Savings Plan, Treasury Advantage Plan – Retail Option &amp; Wholesale Option and Call Plan</li> </ul>	<ul style="list-style-type: none"> <li>Treasury Advantage Plan – Retail Option with Weekly Dividend Reinvestment Option in case Savings Plan, Treasury Advantage Plan or Call Plan is not indicated.</li> </ul>
	<ul style="list-style-type: none"> <li>HDFC Cash Management Fund – Savings Plan</li> </ul>	<ul style="list-style-type: none"> <li>Growth Option in case Dividend Option or Growth Option is not indicated.</li> <li>Daily Dividend Reinvestment in case Daily or Weekly Dividend Option is not indicated.</li> <li>Dividend Reinvestment in case Payout or Reinvestment is not indicated.</li> </ul>
	<ul style="list-style-type: none"> <li>HDFC Cash Management Fund – Treasury Advantage Plan – Retail Option &amp; Wholesale Option</li> </ul>	<ul style="list-style-type: none"> <li>Retail Option in case Retail Option or Wholesale Option is not indicated.</li> <li>Growth Option in case Dividend Option or Growth Option is not indicated.</li> <li>Daily Dividend Reinvestment in case Daily, Weekly or Monthly Dividend Option is not indicated.</li> <li>Dividend Reinvestment in case Payout or Reinvestment is not indicated.</li> </ul>
	<ul style="list-style-type: none"> <li>HDFC Cash Management Fund – Call Plan</li> </ul>	<ul style="list-style-type: none"> <li>Growth Option in case Daily Dividend Option or Growth Option is not indicated.</li> </ul>
	<ul style="list-style-type: none"> <li>HDFC High Interest Fund</li> </ul>	<ul style="list-style-type: none"> <li>Growth Option in case Dividend Option or Growth Option is not indicated.</li> <li>Quarterly Dividend Payout in case Quarterly Dividend Option, Half Yearly Dividend Option and Yearly Dividend Option is not indicated under the Dividend Plan.</li> <li>Dividend Payout in case Dividend Payout or Dividend Reinvestment is not indicated under the Dividend Option.</li> </ul>
	<ul style="list-style-type: none"> <li>HDFC High Interest Fund - Short Term Plan</li> </ul>	<ul style="list-style-type: none"> <li>Growth Option in case Dividend Option or Growth Option is not indicated.</li> <li>Dividend Payout in case Dividend Payout or Dividend Reinvestment is not indicated under the Dividend Option.</li> </ul>
	<ul style="list-style-type: none"> <li>HDFC Floating Rate Income Fund – Short Term Plan &amp; Long Term Plan</li> </ul>	<ul style="list-style-type: none"> <li>Short Term Plan in case Short Term or Long Term Plan is not indicated.</li> <li>Growth Option in case Growth or Dividend Option is not indicated for Long Term Plan.</li> </ul>
	<ul style="list-style-type: none"> <li>HDFC Floating Rate Income Fund – Short Term Plan – Retail Option &amp; Wholesale Option</li> </ul>	<ul style="list-style-type: none"> <li>Retail Option in case Retail Option or Wholesale Option is not indicated.</li> <li>Growth Option in case Dividend Option or Growth Option is not indicated.</li> <li>Daily Dividend Reinvestment in case Daily, Weekly or Monthly Dividend Option is not indicated.</li> <li>Dividend Reinvestment in case Payout or reinvestment is not indicated.</li> </ul>
	<ul style="list-style-type: none"> <li>HDFC MF Monthly Income Plan</li> </ul>	<ul style="list-style-type: none"> <li>Long Term Plan in case Long Term Plan or Short Term Plan is not indicated.</li> <li>Growth Option in case Growth Option or Dividend Option is not indicated.</li> <li>Quarterly Dividend Option in case Quarterly/ Monthly dividend is not indicated.</li> <li>Dividend Payout in case Dividend Payout or Dividend Re-investment is not indicated under Monthly Dividend Option or Quarterly Dividend Option.</li> </ul>
<p>The AMC reserves the right to introduce a new option/investment Plan at a later date, subject to the SEBI (MF) Regulations. The trustee reserves the right to revise the default plan / option at a later date on prospective basis.</p>		

<p><b>Dividend Policy</b></p>	<p>The Trustee reserves the right to declare dividends under the dividend option of the Scheme(s) depending on the availability of distributable profits under the Scheme(s). It must be distinctly understood that the actual declaration of dividend and the frequency thereof will inter-alia, depend on the availability of distributable profits as computed in accordance with SEBI (MF) Regulations and the decision of the Trustee in this regard shall be final. There is no assurance or guarantee to Unit holders as to the rate of dividend distribution nor that dividends will be paid regularly. In order to be a Unit holder, an investor has to be allotted Units against receipt of clear funds by the Scheme(s). On payment of dividends, the NAV will stand reduced by the amount of dividend and dividend tax (if applicable) paid. The AMC reserves the right to change the record date from time to time.</p> <p><b>Dividend Distribution Procedure</b></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"> <li>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.</li> <li>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.</li> <li>3. Record date shall be the date, which will be considered for the purpose of determining the eligibility of investors 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.</li> <li>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).</li> <li>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.</li> <li>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.</li> </ol> <p>The requirement of giving notice shall not be applicable for Dividend Options having frequency upto one month.</p>
<p><b>Allotment</b></p>	<p>The date of inception of the Scheme(s) is provided under the <b>Section 'New Fund Offer'</b> on <b>page 48</b>. The Units under the Scheme(s) have accordingly been allotted to the applicants at the time of NFO. Account Statements have been issued to the applicants reflecting their investments.</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 Option 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><b>Who Can Invest</b></p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.</p>	<p>The following persons (i.e. an indicative list of persons) are eligible and may apply for subscription to the Units of the Scheme(s) (subject to wherever relevant statutory regulations and their respective constitutions permit) :</p> <p><b>(i) For all Schemes (Except Premium Plan &amp; Premium Plus Plan under HDFC Liquid Fund)</b></p> <ol style="list-style-type: none"> <li>1. Indian Resident adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis;</li> </ol>

2. Karta of Hindu Undivided Family (HUF);
3. Minor (as the first and the sole holder only) through a natural guardian (i.e. father or mother, as the case may be) or a court appointed legal guardian. There shall not be any joint accounts with minor as the first or joint holder.
4. Partnership Firms & Limited Liability Partnerships (LLPs);
5. Companies, Bodies Corporate, Public Sector Undertakings, Association of Persons or bodies of individuals and societies registered under the Societies Registration Act, 1860;
6. Banks & Financial Institutions;
7. Mutual Funds registered with SEBI;
8. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and Private trusts authorised to invest in mutual fund schemes under their trust deeds;
9. Non-resident Indians (NRIs)/Persons of Indian Origin residing abroad (PIO) on repatriation basis or on non-repatriation basis;
10. Provident Funds, Pension Funds, Superannuation Funds and Gratuity Funds may apply for subscription to the Units of **HDFC Gilt Fund**.
11. Foreign Institutional Investors (FIIs) registered with SEBI on repatriation basis;
12. Army, Air Force, Navy and other paramilitary units and bodies created by such institutions;
13. Scientific and Industrial Research Organisations;
14. Multilateral Funding Agencies/Bodies Corporate incorporated outside India with the permission of Government of India/Reserve Bank of India;
15. Other schemes of HDFC Mutual Fund subject to the conditions and limits prescribed by SEBI (MF) Regulations;
16. Trustee, AMC, Sponsor and their associates may subscribe to Units under the Scheme(s);
17. Such other individuals/institutions/body corporate etc., as may be decided by the AMC from time to time, so long as wherever applicable they are in conformity with SEBI (MF) Regulations.

**(ii) FOR PREMIUM PLAN & PREMIUM PLUS PLAN under HDFC LIQUID FUND**

The following persons are eligible and may apply for subscription to the Units of the Plan (subject to, wherever relevant, purchase of units of mutual funds being permitted under relevant statutory regulations and their respective constitutions):

1. Companies, Bodies Corporate, Public Sector Undertakings, Association of Persons or bodies of individuals and societies registered under the Societies Registration Act, 1860;
2. Banks & Financial Institutions;
3. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and Private trusts authorised to invest in mutual fund schemes under their trust deeds;
4. Foreign Institutional Investors (FIIs), registered with SEBI on repatriation basis;

**Notes :**

1. Non Resident Indians (NRIs) and Persons of Indian Origin (PIOs) residing abroad / Foreign Institutional Investors (FIIs) have been granted a general permission by Reserve Bank of India Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 for investing in / redeeming units of the mutual funds subject to conditions set out in the aforesaid regulations.

	<ol style="list-style-type: none"> <li>2. The Government of Maharashtra has, vide its letter Nos. BPT 1100/168/(39) - XV dated September 28, 2000 and BPT 1100/168/(29) - XV dated January 19, 2001 has declared the Units of HDFC Income Fund as 'Public Securities' under the Bombay Public Trusts Act, 1950. In view of this, the public trusts registered in Maharashtra may invest in HDFC Income Fund. It may however be noted that the government / HDFC Mutual Fund does not offer any guarantee on the returns of HDFC Income Fund and the entire responsibility of the investment in the Units of HDFC Income Fund will rest with the trust and that the trustees of the trust shall invest entirely at their own risk.</li> <li>3. Units of HDFC Gilt Fund will also rank as an eligible form of investment to the extent provided under Rule 67(2) of the Income Tax Rules, 1962 for Recognized Provident Funds, Approved Superannuation Funds and Approved Gratuity Funds.</li> <li>4. In case of application under a Power of Attorney or by a limited company or a corporate body or an eligible institution or a registered society or a trust / fund, the original Power of Attorney or a certified true copy duly notarised or the relevant resolution or authority to make the application as the case may be, or duly notarised copy thereof, alongwith a certified copy of the Memorandum and Articles of Association and/or bye-laws and / or trust deed and / or partnership deed and Certificate of Registration should be submitted. The officials should sign the application under their official designation. A list of specimen signatures of the authorized officials, duly certified / attested should also be attached to the Application Form. In case of a Trust / Fund it shall submit a resolution from the Trustee(s) authorising such purchases and redemptions. <b>Applications not complying with the above are liable to be rejected.</b></li> <li>5. Returned cheques are liable not 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 liable to be debited to the investor.</li> <li>6. 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 this Scheme(s).</li> <li>7. Subject to the SEBI (MF) Regulations, any application for Units may be accepted or rejected in the sole and absolute discretion of the Trustee. The Trustee may inter-alia reject any application for the purchase of Units if the application is invalid or incomplete or if the Trustee for any other reason does not believe that it would be in the best interest of the Scheme(s) or its Unitholders to accept such an application.</li> </ol>
<p><b>How to Apply</b></p>	<p><b>Please refer to the SAI and Application form for the instructions.</b></p>
<p><b>Listing</b></p>	<p>Being open ended Scheme(s) under which Sale and Redemption of Units will be made on continuous basis by the Mutual Fund (subject to completion of lock-in period, if any), the Units of the Scheme(s) 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(s) on one or more stock exchange at a later date.</p>
<p><b>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.</b></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>
<p><b>Restrictions, if any, on the right to freely retain or dispose of units being offered.</b></p>	<p>The Units of the Scheme(s) are not transferable except Units of the Scheme(s) held in electronic (demat) mode. In view of</p>

the same, additions / deletions of names will not be allowed under any folio of the Scheme(s). 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 Scheme(s).

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.

#### **RIGHT TO LIMIT REDEMPTIONS**

The AMC, may in the general interest of the Unit holders in each Plan(s) / Option(s) of the Scheme(s), keeping in view the unforeseen circumstances / unsure conditions, limit the total number of Units which may be redeemed on any Business Day to 15% (in case of HCMF and HHIF) and 5% (in case of HIF, HSTP, HSTOF, HMTOF, HFRIF, HGILT, HMYF, HMYF'05, HMIP, and HLF) of the total number of Units then in issue under each Plan / Option of the Scheme(s) (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 ₹ 2 crores (in case of HIF, HSTP, HSTOF, HMTOF, HFRIF, HGILT, HMYF, HMYF'05, HMIP, and HLF) (₹ 5 crore in case of HLF) 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. 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(s) (including Plan / Option 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. However, the suspension of Sale / Redemption / Switching either temporarily or indefinitely will be with the approval of the Trustee. The Sale, Redemption and Switching of the Units may be temporarily suspended under the following conditions:

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.



	<ol style="list-style-type: none"> <li>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.</li> <li>5. In case of natural calamities, war, strikes, riots and bandhs.</li> <li>6. In the event of any force majeure or disaster that affects the normal functioning of the AMC or the ISC.</li> <li>7. During the period of Book Closure.</li> <li>8. If so directed by SEBI.</li> </ol> <p>The AMC reserves the right in its sole discretion to withdraw the facility of Sale and Switching Option of Units into and out of the Scheme(s) (including any one Plan / Option 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(s).</p> <p>Suspension or restriction of Redemption facility 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 giving details of circumstances and justification for the proposed action shall also be informed to SEBI in advance.</p>
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## B. ONGOING OFFER DETAILS

<p><b>Ongoing Offer Period</b></p> <p>This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period.</p>	<p>The Scheme(s) will offer for Sale / Switch-in and Redemption / Switch-out of Units on every Business Day. Units of the Scheme(s) would be available at Applicable NAV on any Business Day from any of the ISCs.</p> <p><b>SUBSCRIPTION OF UNITS</b></p> <p>Applications by Existing / New Investors under the Scheme(s) must be for the minimum amount(s) as mentioned on <b>Page 60-61</b>. The AMC reserves the right to change the minimum application amount from time to time.</p> <p>Subscriptions on an ongoing basis will 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 investor's ability to redeem Units.</p> <p><b>REDEMPTION OF UNITS</b></p> <p>The Units can be Redeemed (i.e. sold back to the Mutual Fund) or Switched-out on every Business Day at the Redemption Price. The Redemption / Switch-out request can be made by way of a written request, on a pre-printed form or by using the relevant tear off section of the Transaction Slip enclosed with the Account Statement, which should be submitted at / may be sent by mail to any of the ISCs.</p> <p>In case the Units are held in the names of more than one Unit holder, 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 to make Redemption 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 holder.</p> <p>Units of the respective Scheme(s) may, if decided by the AMC, be held with a Depository. 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>
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<p><b>Ongoing Price for subscription (purchase)/ switch-in (from other schemes/plans of the mutual fund) by investors.</b></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><b>Ongoing Price for redemption (sale)/ switch-outs (to other schemes/plans of the mutual fund) by investors.</b></p> <p>This is the price you will receive for redemptions / switch-outs</p>	<p>Redemption Price will be calculated on the basis of the loads for different Scheme(s). The Redemption Price per Unit 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 ₹10 and a 2% Exit Load is charged, the Redemption Price per Unit will be calculated as follows:</p> <p>= ₹ 10 * (1-0.02)</p> <p>= ₹ 10 * (0.98)</p> <p>= ₹ <b>9.80</b></p>
<p><b>Cut off timing for subscriptions/redemptions/switches</b></p> <p>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p>(i) <b>Applicable to Liquid Schemes / Plans viz. HDFC Liquid Fund, HDFC Liquid Fund - Premium Plan &amp; Premium Plus Plan and HDFC Cash Management Fund - Savings Plan and Call Plan</b></p> <p>1. For Purchases:</p> <p>i) In respect of valid application received upto 2.00 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 respective Liquid Schemes/Plans before the cut-off time i.e. available for utilization before the cut-off time - the closing NAV of the day immediately preceding the day of receipt of application shall be applicable;</p> <p>ii) In respect of valid application received after 2.00 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 respective Liquid Schemes/Plans on the same day i.e. available for utilization on the same day - the closing NAV of the day immediately preceding the next Business Day shall be applicable; and</p> <p>iii) Irrespective of the time of receipt of application at the official point(s) of acceptance, where the funds for the entire amount of subscription/purchase as per the application are not credited to the bank account of the respective Liquid Schemes/Plans before the cut-off time i.e. not available for utilization before the cut-off time - the closing NAV of the day immediately preceding the day on which the funds are available for utilization shall be applicable.</p> <p>2. For Switch-in to Liquid Schemes/Plans from other Schemes of HDFC Mutual Fund:</p> <p>i) Application for switch-in must be received before the applicable cut-off time.</p> <p>ii) Funds for the entire amount of subscription/purchase as per the switch-in request must be credited to the bank account of the respective switch-in liquid schemes before the cut-off time.</p> <p>iii) The funds must be available for utilization before the cut-off time, by the respective switch-in schemes.</p> <p>(ii) <b>Applicable to HDFC Income Fund, HDFC High Interest Fund, HDFC High Interest Fund - Short Term Plan, HDFC Short Term Plan, HDFC Short Term Opportunities Fund, HDFC Medium Term Opportunities Fund, HDFC Floating Rate Income Fund, HDFC Gilt Fund, HDFC Multiple Yield Fund,</b></p>

**HDFC Multiple Yield Fund - Plan 2005, HDFC MF Monthly Income Plan and HDFC Cash Management Fund - Treasury Advantage Plan:**

- **Applications for amount less than ₹ 1 crore**
  - (i) For Purchases including switch-ins:**
    - In respect of valid applications received upto 3.00 p.m. 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 3.00 p.m. 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 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 the cheque / demand draft is credited shall be applicable.
- **Applications for amount equal to or greater than ₹ 1 crore**
  - (i) For Purchases:**
    - (i) In respect of valid application received for an amount equal to or more than ₹ 1 crore upto 3.00 p.m. 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 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;
    - (ii) In respect of valid application received for an amount equal to or more than ₹ 1 crore after 3.00 p.m. 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 respective 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.
    - (iii) Irrespective of the time of receipt of application for an amount equal to or more than ₹ 1 crore 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 respective Plans 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.
  - (ii) For Switch-ins:**

For determining the applicable NAV, the following shall be ensured:

    - i) Application for switch-in is received before the applicable cut-off time.
    - ii) Funds for the entire amount of subscription/ purchase as per the switch-in request are credited to the bank account of the Scheme before the cut-off time.
    - iii) The funds are available for utilization before the cut-off time.

	<p><b>For Redemptions including switch-outs</b></p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul> <p>The AMC has the right to amend cut off timings subject to SEBI (MF) Regulations for the smooth and efficient functioning of the Scheme(s).</p>
<p><b>Where can the applications for purchase/ redemption / switches be submitted?</b></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 <b>page 88-91</b> of the SID.</p> <p>For details on updated list of ISCs / Official Points of Acceptance investors are requested to call 1800 233 6767 or contact the AMC branches or log on to our website <a href="http://www.hdfcfund.com">www.hdfcfund.com</a></p>
<p><b>Minimum amount for purchase/ redemption/switches</b></p>	<p><b>Minimum amount for Purchase (including Switch-in):</b></p> <p>(i) <b>HDFC Income Fund, HDFC High Interest Fund, HDFC High Interest Fund - Short Term Plan, HDFC Short Term Opportunities Fund, HDFC Medium Term Opportunities Fund, HDFC Short Term Plan*, HDFC Gilt Fund, HDFC Multiple Yield Fund and HDFC Multiple Yield Fund - Plan 2005 (under each Plan / Option)</b>  <b>Purchase :</b> ₹ 5,000 and any amount thereafter.  <b>Additional Purchase:</b> ₹ 1,000 and any amount thereafter.</p> <p>* In case of HDFC Short Term Plan, the maximum investment amount (including switch-in) under all options shall be ₹ 10 crore per investor (for all folios) in a calendar quarter.</p> <p>(ii) <b>HDFC Floating Rate Income Fund</b>  <b>Short Term Plan</b>  <b>Retail Option</b>  <b>Growth Option, Weekly Dividend Option and Monthly Dividend Option</b>  <b>Purchase :</b> ₹ 5,000 and any amount thereafter.  <b>Additional Purchase:</b> ₹ 1,000 and any amount thereafter.</p> <p><b>Daily Dividend Option</b>  <b>Purchase :</b> ₹ 1,00,000 and any amount thereafter.  <b>Additional Purchase:</b> ₹ 1,00,000 and any amount thereafter.</p> <p><b>Wholesale Option (Under each Option)</b>  <b>Purchase :</b> ₹ 10 lakhs and any amount thereafter.  <b>Additional Purchase:</b> ₹ 1 and any amount thereafter.</p> <p><b>Long Term Plan (Under each Option)</b>  <b>Purchase :</b> ₹ 5,000 and any amount thereafter.  <b>Additional Purchase:</b> ₹ 1,000 and any amount thereafter.</p> <p>(iii) <b>HDFC Liquid Fund</b>  <b>HLF - Growth Option</b>  <b>Purchase :</b> ₹ 10,000 and any amount thereafter.  <b>Additional Purchase:</b> ₹ 10,000 and any amount thereafter.</p> <p><b>HLF - Dividend Option</b>  <b>Purchase :</b> ₹ 1,00,000 and any amount thereafter.  <b>Additional Purchase:</b> ₹ 1,00,000 and any amount thereafter.</p> <p><b>HLF - Premium Plan - Purchase:</b> ₹ 5 crore and any amount thereafter.</p> <p><b>HLF - Premium Plus Plan - Purchase:</b> ₹ 20 crore and any amount thereafter.</p> <p><b>HLF - Premium Plan &amp; Premium Plus Plan - Additional Purchase:</b> ₹ 1 and any amount thereafter.</p>

**(iv) HDFC Cash Management Fund**

**Savings Plan**

**Growth Option**

**Purchase :** ₹ 10,000 and any amount thereafter.

**Additional Purchase:** ₹ 10,000 and any amount thereafter.

**Dividend Option**

**Purchase :** ₹ 1,00,000 and any amount thereafter.

**Additional Purchase:** ₹ 1,00,000 and any amount thereafter.

**Call Plan**

**Growth and Dividend Option**

**Purchase :** ₹ 1,00,000 and any amount thereafter.

**Additional Purchase:** ₹ 1,00,000 and any amount thereafter.

**Treasury Advantage Plan - Retail Option**

**Growth, Weekly and Monthly Dividend Option**

**Purchase :** ₹ 5,000 and any amount thereafter.

**Additional Purchase:** ₹ 1,000 and any amount thereafter.

**Daily Dividend Option**

**Purchase :** ₹ 1,00,000 and any amount thereafter.

**Additional Purchase:** ₹ 1,00,000 and any amount thereafter.

**Treasury Advantage Plan - Wholesale Option**

**(Under each option)**

**Purchase :** ₹ 1 crore and any amount thereafter.

**Additional Purchase:** ₹ 1 and any amount thereafter.

**(v) HDFC MF Monthly Income Plan**

**Short Term Plan**

**Growth & Quarterly Dividend Option**

**Purchase:** ₹ 5,000 and any amount thereafter under each Option.

**Additional Purchase:** ₹ 1,000 and any amount thereafter.

**Monthly Dividend Option**

**Purchase:** ₹ 25,000 and any amount thereafter.

**Additional Purchase:** ₹ 1,000 and any amount thereafter.

**Long Term Plan**

**Growth & Quarterly Dividend Option**

**Purchase:** ₹ 5,000 and any amount thereafter under each Option.

**Additional Purchase:** ₹ 1,000 and any amount thereafter.

**Monthly Dividend Option:**

**Purchase:** ₹ 25,000 and any amount thereafter.

**Additional Purchase:** ₹ 1,000 and any amount thereafter.

**Minimum Amount / Units For Redemption (including Switch-out):**

The Redemption / Switch-out would be permitted to the extent of credit balance in the Unit holder's account of the Plan(s) / Option(s) of the Scheme(s). The Redemption / Switch-out request can be made by specifying the rupee amount or by specifying the number of Units of the respective Plan(s) / Option(s) 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 Plan(s) / Option(s), 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 as mentioned in table below :		
<b>Particulars</b>	<b>HDFC Income Fund, HDFC High Interest Fund, HDFC High Interest Fund - Short Term Plan, HDFC Short Term Plan, HDFC Gilt Fund, HDFC Short Term Opportunities Fund, HDFC Medium Term Opportunities Fund, HDFC Multiple Yield Fund and HDFC Multiple Yield Fund - Plan 2005 (under each Plan / Option)</b>	<b>HDFC MF Monthly Income Plan (under each Plan / Option)</b>	<b>HDFC Floating Income Rate Fund</b>	
Redemption / Switch-out	₹ 500 or 50 Units	₹ 1,000 or 100 Units	<b>Short Term Plan:</b> Retail Option Growth Option, Weekly Dividend Option and Monthly Dividend Option ₹ 1,000 or 100 Units Daily Dividend Option ₹ 50,000 or 5,000 Units Wholesale Option (Under each Option) ₹ 50,000 or 5,000 Units <b>Long Term Plan:</b> (Under each Option) ₹ 500 or 50 Units	
<b>Particulars</b>	<b>HDFC Liquid Fund</b>		<b>HDFC Cash Management Fund</b>	
Redemption / Switch-out	Growth Option ₹ 5,000 or 500 Units Dividend Option ₹ 50,000 or 5,000 Units <b>Premium Plan -</b> Growth Option ₹ 5,000 or 500 Units <b>Premium Plan -</b> Dividend Option ₹ 50,000 or 5,000 Units <b>Premium Plus Plan -</b> Growth Option ₹ 5,000 or 500 Units <b>Premium Plus Plan -</b> Dividend Option ₹ 50,000 or 5,000 Units		<b>Savings Plan</b> Growth Option ₹ 5,000 or 500 Units Dividend Option ₹ 50,000 or 5,000 Units <b>Call Plan</b> Growth & Dividend Option ₹ 50,000 or 5,000 Units <b>Treasury Advantage Plan -</b> Retail Option Growth, Weekly and Monthly Dividend Option ₹ 1,000 or 100 Units Daily Dividend Option ₹ 50,000 or 5,000 Units <b>Treasury Advantage Plan - Wholesale Option (Under each Option)</b> ₹ 50,000 or 5,000 Units	
		The minimum amount of Redemption / Switch-out may be changed in future by the AMC.		
<b>Minimum balance to be maintained and consequences of non-maintenance.</b>		Investors may note that in case balance in the account of the Unit holder of the Plan(s) / Option(s) of the Scheme(s) 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.		

**Closure of Unit Holders' Account**

Investors may note that the AMC at its sole discretion may close a Unit holder's account under a Plan / Option of the Scheme(s) 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 minimum amount / units for Redemption as mentioned on **page 62** (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.

**Special Products available****SYSTEMATIC INVESTMENT PLAN (SIP)**

The Unit holders under the eligible Scheme(s) 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**.

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.

Presently, SIP offers investors two plans viz. 'Monthly Systematic Investment Plan (MSIP)' and 'Quarterly Systematic Investment Plan (QSIP)'. Minimum amount per SIP installment is ₹ 500 and in multiples of ₹ 100 thereafter under MSIP and ₹ 1,500 and in multiples of ₹ 100 thereafter under QSIP. Minimum amount for HDFC Long Term Advantage Fund\* and HDFC TaxSaver\* per SIP installment is ₹ 500 and in multiples of ₹ 500 thereafter under MSIP and ₹ 1,500 and in multiples of ₹ 500 thereafter under QSIP.

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 ₹ 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.

**An Illustration: How to calculate the SIP Top-up amount?**

SIP Period : 01-Jan-2011 to 01-Dec-2012 (2 Years)

Scheme Name : HDFC Income Fund

Monthly SIP Installment Amount : ₹ 2,000

SIP Date : 1st of every month (24 installments)

Top-up Amount: ₹ 1,000      Top-up Frequency: Half Yearly  
SIP Installments shall be as follows:

Installment No(s).	From Date	To Date	Monthly SIP Installment Amount in B	SIP Top-up Amount in B	Increased Monthly SIP Installment Amount in B
			(A)	(B)	(A + B)
1 to 6	1-Jan-11	1-Jun-11	2,000	N.A.	2,000
7 to 12	1-Jul-11	1-Dec-11	2,000	1,000	3,000
13 to 18	1-Jan-12	1-Jun-12	3,000	1,000	4,000
19 to 24	1-Jul-12	1-Dec-12	4,000	1,000	5,000

N.A. - Not Applicable

**Note:** Monthly SIP Installment Amount increases by Top-up amount ₹ 1,000 at half-yearly intervals.

- Minimum number of installments under MSIP :
  - ❖ For Schemes other than HDFC TaxSaver\* and HDFC Long Term Advantage Fund\*:
    - In respect of each SIP Installment less than ₹ 1,000/- in value: 12
    - In respect of each SIP Installment equal to or greater than ₹ 1,000/- in value: 6
  - ❖ For HDFC TaxSaver\* and HDFC Long Term Advantage Fund\* : 6
- Minimum number of installments under QSIP :
  - ❖ For Schemes other than HDFC TaxSaver\* and HDFC Long Term Advantage Fund\*:
    - In respect of each SIP Installment less than ₹ 3,000/- in value: 4
    - In respect of each SIP Installment equal to or greater than ₹ 3,000/- in value: 2
  - ❖ For HDFC TaxSaver\* and HDFC Long Term Advantage Fund\* : 2

*\*an open-ended equity linked savings scheme with a lock-in period of 3 years.*

There is no maximum duration for SIP enrolment. However, for SIP registration requests received on/after April 1, 2011, the Mutual Fund/AMC will register SIP 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 SIP facility will automatically stand terminated upon the Unit Holder attaining 18 years of age.

For SIPs registered prior to April 1, 2011, the AMC/Mutual Fund shall continue to process the existing SIP as registered beyond the date of the minor attaining major status till instruction from the major to terminate the SIP is received by the AMC/Mutual Fund along with the prescribed documents for change of account status from minor to major, if not submitted earlier.

For folios where the units are held on behalf of the minor, the account shall be frozen for operation by the guardian on the day the minor attains majority and no transactions shall be permitted till the requisite documents for changing the status of the account from 'minor' to 'major' are submitted.

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 respective Scheme(s) e.g. **"HDFC Income Fund A/c PAN" or "HDFC Income Fund A/c Investor Name"**; in case of **HDFC Index Fund** the name of specific Plan should also be mentioned 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. Please refer to section **'Fees and Expenses'** on **Page 83** for load structure for investment through SIP. 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.

An Account Statement will be issued by mail or by e-mail (if opted by the unit holder) to the unit holder within 10 Business Days for the first investment through SIP. The subsequent account statement will be despatched once every quarter ending March, June, September and December within 10 Business Days of the end of respective quarter. In case of specific request received from investors, Mutual Fund will provide the account statement to the investors within 5 Business Days from the receipt of such request without any charges. Further, soft copy of the account



statement shall be mailed to the investors under SIP to their e-mail address on a monthly basis, if so mandated.

Investors / Unit holders 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.

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 SIP Enrolment Form for terms & conditions before enrolment.**

#### **MICRO SYSTEMATIC INVESTMENT PLAN ("MICRO SIP")**

Investors may enroll with the Mutual Fund for Micro SIPs subject to adherence with the following:

Systematic Investment Plans (SIPs) where aggregate of installments in a rolling 12 month period or in a financial year i.e. April to March does not exceed ₹ 50,000 (hereinafter referred as "Micro SIP") shall be exempt from the requirement of PAN on submission of a photocopy of any one of the Photo Identification document.

This exemption will be applicable only to investments by individuals [including Joint Holders who are individuals, NRIs but not Person of Indian Origin (PIO)], Minors and Sole proprietary firms, who do not have a PAN. Hindu Undivided Family (HUF) and other categories will not be eligible for the exemption.

The investor will have to submit the Proof of Address alongwith the photo identification documents to enable AMCs/RTAs to carry out KYC of the investor.

Eligible Investors (including joint holders) should submit a photocopy of any one of the (current and valid) Photo Identification documents as proof of identification and the Proof of Address [self-attested by the investor / attested by the ARN Holder/AMFI registered Distributor mentioning the ARN number] along with Micro SIP applications. The list of acceptable Photo Identification documents and proof of address documents is given in the Micro SIP Enrolment Form.

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

All terms and conditions of Systematic Investment Plans (SIPs) (except SIP Top-up facility) shall apply to Micro SIPs.

The Trustee reserves the right to change/modify the terms and conditions of Micro SIPs at a later date on a prospective basis.

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

#### **GROUP SYSTEMATIC INVESTMENT PLAN (GSIP)**

GSIP means the Systematic Investment Plan for participation by the Employee of the Corporate to subscribe to the Units of the various Schemes launched from time to time.

GSIP offers investors Monthly Systematic Investment Plan (MSIP).

**There is no maximum duration for GSIP enrolment.**

Under GSIP Corporate can only select the GSIP date. All GSIP cheques must be dated 1st, 5th, 10th, 15th, 20th or 25th of a month. All GSIP cheques should be of the same date. The GSIP date selected from the abovementioned dates by the Corporate cannot be changed. The cheques should be drawn

in favour of "HDFC Mutual Fund-Corporate Name", and crossed "A/c Payee Only". The Corporate must write the 'Corporate Code Number ('CCN')' on the reverse of the cheque(s). For details Mode of Payment, please refer to Terms and Conditions of GSIP as mentioned in the Application cum Group Systematic Investment Plan (GSIP) Enrolment Form. Please refer to section '**Fees and Expenses**' on **Page 83** for details on load structure.

An Account Statement will be issued by mail or by e-mail (if opted by the unit holder) to the unit holder within 10 working days for the first investment through GSIP. The subsequent account statement will be despatched once every quarter ending March, June, September and December within 10 working days of the end of respective quarter. In case of specific request received from investors, Mutual Fund will provide the account statement to the investors within 5 working days from the receipt of such request without any charges. Further, soft copy of the account statement shall be mailed to the investors under GSIP to their e-mail address on a monthly basis, if so mandated.

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

**For further details on GSIP, please refer to Application cum GSIP Enrolment Form.**

#### **FACILITY TO PURCHASE / REDEEM UNITS OF THE SCHEME(S) THROUGH STOCK EXCHANGE(S).**

A Unitholder may purchase / redeem units of eligible schemes through the Stock Exchange infrastructure.

This facility i.e. purchase / redemption of units will be available to both existing and new investors. The investors will be eligible to only purchase / redeem units of the eligible schemes. The list of eligible schemes is subject to change from time to time. Switching of units is not permitted. Investors have an option to hold the units in physical or dematerialized form. In order to facilitate transactions in mutual fund units through the stock exchange infrastructure, BSE has introduced BSE StAR MF Platform and NSE has introduced Mutual Fund Service System (MFSS). All trading members of BSE & NSE who are registered with AMFI as Mutual Fund Advisors and who have signed up with HDFC Asset Management Company Limited and also registered with BSE & NSE as Participants ("AMFI certified stock exchange brokers" or "Brokers") will be eligible to offer this facility to investors. Additionally, the units of the Scheme are permitted to be transacted through Clearing Members of the registered Stock Exchanges. Further, the Depository Participants of registered Depositories are permitted to process only redemption request of units held in demat form.

The units of eligible Schemes are not listed on BSE & NSE and the same cannot be traded on the Stock Exchange. The window for purchase/redemption of units on BSE & NSE will be available between 9 a.m. and 3 p.m. or such other timings as may be decided. Investors who are interested in transacting in eligible scheme(s) should register themselves with Brokers/Clearing Members/Depository Participants.

The eligible AMFI certified stock exchange Brokers/Clearing Members/Depository Participants who have complied with the conditions stipulated in SEBI Circular No. SEBI /IMD / CIR No.11/183204/2009 dated November 13, 2009 for stock brokers viz. AMFI/NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund will be considered as Official Points of Acceptance (OPA) of the Mutual Fund.

Investors will be able to purchase/redeem units in eligible schemes in the following manner:

#### **i. Purchase of Units:**

##### **a. Physical Form**

- The investor who chooses the physical mode is required to submit all requisite documents along with the purchase application (subject to applicable limits prescribed by BSE/NSE) to the Brokers or Clearing Members.

- The Broker/Clearing member shall verify the application for mandatory details and KYC compliance.
- After completion of the verification, the purchase order will be entered in the Stock Exchange system and an order confirmation slip will be issued to investor.
- The investor will transfer the funds to the Brokers/Clearing Members.
- Allotment details will be provided by the Brokers/Clearing Members to the investor.

**b. Dematerialized Form**

- The investors who intend to deal in depository mode are required to have a demat account with CDSL/NSDL.
- The investor who chooses the depository mode is required to place an order for purchase of units (subject to applicable limits prescribed by BSE/NSE) with the Brokers or Clearing Members.
- The investor should provide their depository account details to the Brokers/ Clearing Members.
- The purchase order will be entered in the Stock Exchange system and an order confirmation slip will be issued to investor.
- The investor will transfer the funds to the Brokers/Clearing Members.
- Investors shall receive the units through Broker/Clearing Member's pool account. The AMC/ Mutual Fund shall credit the units into Broker/ Clearing Member's pool account and Broker/Clearing Member in turn shall credit the units to the respective investor's demat account.
- Such credit of units by the AMC/ Mutual Fund to the Broker / Clearing Member's pool account shall discharge AMC/ Mutual Fund of its obligation of allotment of units to the individual investor.
- Allotment details will be provided by the Brokers/Clearing Members to the investor.

**ii. Redemption of Units:**

**a. Physical Form**

▶ **Routed through Brokers/Clearing Members**

- The investor who chooses the physical mode is required to submit all requisite documents along with the redemption application (subject to applicable limits prescribed by BSE/NSE) to the Brokers or Clearing Members.
- The redemption order will be entered in the Stock Exchange system and an order confirmation slip will be issued to investor.
- The redemption proceeds will be credited to the bank account of the investor, as per the bank account details recorded with the Mutual Fund.

**b. Dematerialized Form**

▶ **Routed through Brokers/Clearing Members**

- The investors who intend to deal in Depository mode are required to have a demat account with CDSL/NSDL and units converted from physical mode to demat mode prior to placing of redemption order.
- The investor who chooses the depository mode is required to place an order for redemption (subject to applicable limits prescribed by BSE/NSE) with the Brokers or Clearing Members.
- The investors should provide their Depository Participant with Depository Instruction Slip with relevant units to be credited to Clearing Corporation pool account.
- The redemption order will be entered in the system and an order confirmation slip will be issued to investor.

- Investors shall receive redemption amount through Broker/Clearing Member's account. The AMC/ Mutual Fund shall pay proceeds to the Broker/Clearing Member and Broker/Clearing Member in turn to the respective investor's account.
- Such payment of redemption proceeds by the AMC/ Mutual Fund to the Broker / Clearing Member shall discharge the AMC/ Mutual Fund of its obligation of payment to the individual investor.
- ▶ **Routed Through Depository Participants**
- The investors who intend to deal in Depository mode are required to have units in the demat account maintained with CDSL/ NSDL prior to placing of redemption order with their Depository Participant.
- The investors should provide their Depository Participant with Depository Instruction Slip with relevant Scheme ISIN and units to be redeemed.
- The redemption proceeds will be credited to the bank account of the investor, as per the bank account details recorded with the Depository Participant.

Unitholders are requested to note that request for conversion of units held in Account Statement (non-demat) form into Demat (electronic) form or vice versa should be submitted alongwith a Demat/Remat Request Form to their Depository Participants.

Applications for purchase/redemption of units which are incomplete /invalid are liable to be rejected. Separate folios will be allotted for units held in physical and demat mode. The applicability of NAV will be subject to guidelines issued by SEBI on Uniform cut-off timings for applicability of NAV of Mutual Fund Scheme(s)/Plan(s). In case of non-financial requests/ applications such as change of address, change of bank details, etc. investors should approach Investor Service Centres (ISCs) of HDFC Mutual Fund if units are held in physical mode and the respective Depository Participant(s) if units are held in demat mode. An account statement will be issued by HDFC Mutual Fund to investors who purchase/ redeem their units under this facility in physical mode. In case of investors who intend to deal in units in depository mode, a demat statement will be sent by Depository Participant showing the credit/debit of units to their account.

Investors will have to comply with Know Your Customer (KYC) norms as prescribed by BSE/NSE/CDSL/ NSDL and the Mutual Fund to participate in this facility. Investors should contact the Investor Service Centres (ISCs) of HDFC Mutual Fund for further details.

The facility to transact units through the stock exchange infrastructure shall be in accordance with SEBI Circular No. SEBI /IMD / CIR No.11/183204/ 2009 dated November 13, 2009 and No. CIR/IMD/DF/17/2010 dated November 9, 2010 as amended from time to time as also in accordance with the procedures and guidelines issued by the respective Stock Exchanges and the Depositories from time to time.

The Trustee reserves the right to change/modify the features of this facility at a later date.

#### **SYSTEMATIC TRANSFER PLAN (STP)**

A Unit holder may enroll for the Systematic Transfer Plan and choose to Switch on a daily, weekly, monthly or quarterly basis from one HDFC Mutual Fund scheme to another scheme, which is available for investment at that time. The provision of "Minimum Redemption Amount" of the designated Transferor Scheme(s) and "Minimum Application Amount" of the designated Transferee Scheme(s) shall not be applicable to STP.

The amount thus switched shall be converted into Units on the scheduled date and such number of Units will be subtracted from the Unit balance of the Transferor Scheme. In case these dates fall on a Holiday or fall during a Book Closure period, the next Business Day will be considered for this purpose. The amount so switched shall be reinvested in the Transferee scheme / plan.

Presently STP offers investor two plans viz. Fixed Systematic Transfer Plan (FSTP) with daily, weekly, monthly and quarterly frequency and Capital Appreciation Systematic Transfer Plan (CASTP) with monthly and quarterly frequency.

The minimum number of installments under each Plan are as follows.

**Under Daily FSTP:**

- where installment amount is less than ₹ 1,000/- : 12
- where installment amount is equal to or greater than ₹ 1,000/- : 6

**Under Weekly FSTP, Monthly FSTP & Monthly CASTP:**

- Minimum 6 installments;

**Under Quarterly FSTP & Quarterly CASTP:**

- Minimum 2 installments

Further, the minimum balance in the Unit holders account or the minimum amount of application at the time of enrolment for STP in the Transferor Scheme should be ₹12,000.

There will be no maximum duration for STP enrolment. However, for STP registration requests received on/after April 1, 2011, the Mutual Fund/AMC will register STP 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 STP facility will automatically stand terminated upon the Unit Holder attaining 18 years of age.

For STPs registered prior to April 1, 2011, the AMC/Mutual Fund shall continue to process the existing STP as registered beyond the date of the minor attaining major status till instruction from the major to terminate the STP is received by the AMC/Mutual Fund along with the prescribed documents for change of account status from minor to major, if not submitted earlier.

For folios where the units are held on behalf of the minor, the account shall be frozen for operation by the guardian on the day the minor attains majority and no transactions shall be permitted till the requisite documents for changing the status of the account from 'minor' to 'major' are submitted.

The amount transferred under the STP from the Transferor Scheme to the Transferee Scheme shall be effected by redeeming units of Transferor Scheme at Applicable NAV, after payment of Exit Load, if any, and subscribing to the units of the Transferee Scheme at Applicable NAV in respect of each STP investment. Please refer to section '**Fees and Expenses**' on **Page 83** for load structure for investment through STP. In case the date falls on a Non-Business Day or falls during a book closure period, the immediate next Business Day will be considered for the purpose of determining the applicability of NAV.

An Account Statement will be issued by mail or by e-mail (if opted by the unit holder) to the unit holder within 10 Business Days for the first investment through STP. The subsequent account statement will be despatched once every quarter ending March, June, September and December within 10 Business Days of the end of respective quarter. In case of specific request received from investors, Mutual Fund will provide the account statement to the investors within 5 Business Days from the receipt of such request without any charges. Further, soft copy of the account statement shall be mailed to the investors under STP to their e-mail address on a monthly basis, if so mandated.

Unit holders may change the amount (but not below the specified minimum) by giving written notice to any of the Official Point(s) of Acceptance. Unit holders will have the right to discontinue the STP facility at any time by sending a written request to the Official Point(s) of Acceptance. Notice of such discontinuance should be received at least 10 days prior to the due date of the next transfer date. On receipt of such request, the STP facility will be terminated. STP will be terminated automatically if all the Units are liquidated or withdrawn from the Transferor Scheme or pledged or upon the Fund's receipt of notification of death or incapacity of the Unit holder.

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

**Please refer to the STP Enrolment Form for terms and conditions before enrolment.**

#### **HDFC FLEX SYSTEMATIC TRANSFER PLAN**

HDFC Flex Systematic Transfer Plan (Flex STP) is a facility wherein unit holder(s) of designated open-ended Scheme(s) of HDFC Mutual Fund can opt to transfer variable amount(s) linked to value of investments under Flex STP on the date of transfer at pre-determined intervals from designated open-ended Scheme(s) of HDFC Mutual Fund (hereinafter referred to as "**Transferor Scheme**") to the **growth option** of designated open-ended Scheme(s) of HDFC Mutual Fund (hereinafter referred to as "**Transferee Scheme**"). Flex STP offers transfer facility at daily, weekly, monthly and quarterly intervals. Unitholder is free to choose the frequency of such transfers. The amount to be transferred under Flex STP from Transferor Scheme to Transferee Scheme shall be calculated as follows:

{fixed amount to be transferred per installment or the amount as determined by the following **formula** [(fixed amount to be transferred per installment X number of installments including the current installment) - market value of the investments through Flex STP in the Transferee Scheme on the date of transfer] **whichever is higher**}.

There should be a minimum of 12 installments where installment amount is less than ₹ 1,000/- and a minimum of 6 installments where installment amount is equal to or greater than ₹ 1,000/- under Flex STP - Daily Interval. There should be a minimum of 6 installments for enrolment under Flex STP - Weekly & Monthly Interval and 2 installments under Flex STP - Quarterly Interval. Also, the minimum unit holder's account balance or a minimum amount of application at the time of Flex STP enrolment in the Transferor Scheme should be ₹ 12,000.

In case the amount to be transferred is not available in the Transferor Scheme in the unit holder's account, the residual amount will be transferred to the Transferee Scheme and Flex STP will be closed.

The total Flex STP amount invested in the Transferee Scheme shall not exceed the total enrollment amount i.e. amount per installment X number of installments.

Please refer to section '**Fees and Expenses**' on **Page 83** for load structure for investment through Flex STP. Unitholders who wish to enroll for this facility are required to fill HDFC Flex STP Enrolment Form available with the ISCs, distributors/agents and also displayed on the website [www.hdfcfund.com](http://www.hdfcfund.com).

The AMC / Trustee reserve the right to change / modify load structure and other terms and conditions under the HDFC Flex STP prospectively at a future date.

**Please refer to the HDFC Flex STP Enrolment Form for terms & conditions before enrolment.**

#### **DIVIDEND TRANSFER PLAN FACILITY**

Dividend Transfer Plan (DTP) is a facility wherein unit holder(s) of "Source Scheme(s)" of HDFC Mutual Fund can opt to automatically invest the dividend (as reduced by the amount of applicable statutory levy) declared by the eligible Source Scheme(s) into the "Target Scheme(s)" of HDFC Mutual Fund. DTP facility will be available to unit holder(s) only under the Dividend Option of the Source Scheme(s). However, the DTP facility will not be available to unit holder(s) under the Daily Dividend Option in the Source Scheme(s). Unit holder(s)' enrolment under the DTP facility will automatically override any previous instructions for 'Dividend Payout' or 'Dividend Reinvestment' facility in the Source Scheme. For updated list of eligible Source Scheme(s) and Target Scheme(s) the Unit holder is advised to contact nearest Investor Service Centre (ISC) of HDFC Mutual or the distributor or visit our website [www.hdfcfund.com](http://www.hdfcfund.com).

The dividend amount to be invested under the DTP from the Source Scheme to the Target Scheme shall automatically be invested by subscribing to the units of the Target Scheme on the immediate next Business Day after the Record Date at the applicable NAV of the Target Scheme, without payment of

entry/exit load. Please refer to section '**Fees and Expenses**' on **Page 83** for details on load structure.

The AMC / Trustee reserve the right to change/ modify the terms and conditions of the DTP on a prospective basis.

**Please refer to DTP Enrolment Form for terms and conditions before enrolment.**

#### **SYSTEMATIC WITHDRAWAL ADVANTAGE PLAN (SWAP)**

This facility, available to the Unit holders of the Scheme, 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. **Investors 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.**

For SWAP registration requests received on/after April 1, 2011, 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.

For SWAP registered prior to April 1, 2011, the AMC/Mutual Fund shall continue to process the existing SWAP as registered beyond the date of the minor attaining major status till instruction from the major to terminate the SWAP is received by the AMC/ Mutual Fund along with the prescribed documents for change of account status from minor to major, if not submitted earlier.

For folios where the units are held on behalf of the minor, the account shall be frozen for operation by the guardian on the day the minor attains majority and no transactions shall be permitted till the requisite documents for changing the status of the account from 'minor' to 'major' are submitted.

Investors can enroll themselves for the facility by submitting the duly completed SWAP Enrolment Form at any of the ISCs.

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.**

#### **AUTOMATIC TRIGGER FACILITY**

Under this facility, a Unit holder may opt for withdrawal and / or switch based on the Unit balance attaining a minimum capital appreciation / gains, events, dates etc (subject to deduction of tax at source, if any). The Units will be redeemed as and when the balance reaches a desired value or after certain period of time etc. In case of triggers linked with events / dates, on realisation of gains, a specified amount / full amount / gains / appreciation etc. would be redeemed and paid either on the investment attaining a particular value or after a particular period of time. Unit holders can enroll themselves for the facility by filling in the appropriate box in

the Application Form or by subsequently making a written request to the ISC.

**Please read the instructions on the Application Form for further details.**

#### **HDFC FLEXINDEX PLAN**

This facility is available to Unit holders of select debt/ liquid Schemes to automatically transfer the specified percentage of the amount registered in the Source schemes to select equity schemes on the trigger dates occurring during the period of 1 year from the date of registration. Any Unit holder can avail of this facility subject to terms and conditions contained in the HDFC FLEXINDEX PLAN form.

Presently, Unit holders under the Plan are offered twin enrolment options viz. Flexible Installment option and Fixed Installment option. The minimum Unit holder's account balance or a minimum amount of investment in the Source scheme at the time of enrolment under the Plan should be ₹20,000/- and in multiples of ₹1,000/- thereafter. However, the Unit holder has to comply with the provision of Minimum Application Amount in the Source Schemes. The Unit holders of the Source schemes have to set triggers based on the predetermined event. For the purpose of this Plan, Predetermined event means the reaching or crossing of closing Index (i.e. BSE SENSEX) levels as specified by the Unit holder.

Under Flexible Installment option the minimum percentage to be indicated against each Index level trigger is 10% and in multiples of 1% thereafter and under Fixed Installment option the percentage indicated against each Index level trigger is fixed at 25%. The cumulative percentage under each option will be equal to 100.

On the trigger date, the specified percentage of the amount registered will be transferred in the Target Scheme after payment of exit load, if any by creation of units in the Target Scheme at the closing NAV of the same day i.e. the trigger date. Once a transaction is processed, the same will not be reversed and it will be final and binding upon the Unit holder. The AMC will require atleast 7 calendar days from the date of submission of valid enrolment forms to register the Unit holder under the Plan.

For all predetermined events the amount registered under the Plan shall be computed based on the value of the unit balance in the Source scheme, prevailing on the respective trigger dates. The transactions will be processed by the Fund only after verifying that the registered amount on each trigger date is equal to or more than the percentage value of the flexible / fixed trigger options (as indicated by the Unit holders). In case the value of the unit balance in the Source scheme on the trigger date is less than the percentage value of the flexible/ fixed trigger options or the balance is nil, then the said trigger will not be processed.

In case the date of redemption request and the trigger date coincide i.e. the date of receipt of redemption request from the Unit holder in the Source scheme and the date of event trigger date happens to be the same date, then, the redemption transaction will always be processed first. In case in there is an all unit redemption and Unit balance in the Source scheme is reduced to Nil even then the Plan will continue for a period of 1 year from the date of registration.

On completion of 1 year from the date of registration, in case Nil Triggers or few Triggers are activated, then the balance of the amount registered under the Plan will be automatically transferred into the Target scheme in 6 equal monthly installments on 1st of every month (or immediately following business day, if that day is not a business day), provided the balance amount is not less than the minimum amount of transfer per installment under Systematic Transfer Plan (STP) of the respective Target schemes. Load Structure as prevailing under STP will be applicable and the transfers will be subject to STP terms and conditions. In case, the balance amount registered under the Plan falls below the minimum amount of transfer per installment under STP, the same shall continue to remain invested in the Source scheme.



The provision of 'Minimum Redemption Amount' as specified in the Scheme Information Document(s) of the Source schemes will not be applicable for HDFC FLEXINDEX PLAN. Whereas, the provision of 'Minimum Application Amount' specified in the Scheme Information Document(s) of the Target schemes will be applicable for HDFC FLEXINDEX PLAN.

Investors who wish to enroll for the Plan are required to fill the HDFC FLEXINDEX PLAN enrolment form available with the ISCs, distributors/agents and also displayed on the website www.hdfcfund.com. The Enrolment Form complete in all respects should be submitted at any of the Investor Service Centres (ISCs) of HDFC Mutual Fund. Please refer to section '**Fees and Expenses**' on **Page 83** for details on load structure.

An Account Statement will be issued by mail or by e-mail (if opted by the Unit holder) to the Unit holder within 10 Business Days of each investment through this Plan. In case of specific request received from investors, Mutual Fund will provide the account statement to the investors within 5 Business Days from the receipt of such request without any charges.

Unit holders will have the right to discontinue the Plan at any time by sending a written request to the ISC. Notice of such discontinuance shall be made effective within 7 calendar days from the date of receipt of the said request. Triggers, which may get activated until the effective date of discontinuation shall be processed in accordance with the terms, laid hereinabove.

The Trustee reserves the right to change the terms and conditions of the Plan at a later date on a prospective basis.

**Please refer to the HDFC Flexindex Plan Enrolment Form for terms and conditions before enrolment.**

#### **SWITCHING OPTIONS**

Unit holders under the Scheme(s) have the option to Switch part or all of their Unit holdings in the Scheme(s) to another scheme(s) established by the Mutual Fund, or within the Scheme(s) from one plan / option to another plan / option **(subject to completion of lock-in period, if any)** which is available for investment at that time. This Option will be useful to Unit holders who wish to alter the allocation of their investment among the scheme(s) / plan(s) / option(s) 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 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 (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 Scheme(s) will be based on the Redemption Price, and the proceeds will be invested in the other scheme / plan at the prevailing sale price for units in that scheme / plan. **No Loads shall be imposed for switching between Plans / Options within the Scheme (except HDFC Floating Rate Income Fund, HDFC Gilt Fund, HDFC MF Monthly Income Plan and HDFC Cash Management Fund).** No Loads shall be imposed for switching between the options within the respective Plans of HDFC Floating Rate Income Fund, HDFC Gilt Fund, HDFC MF Monthly Income Plan and HDFC Cash Management Fund.

The Switch request can be made on a pre-printed form or by using the relevant tear off section of the Transaction Slip enclosed with the Account Statement, which should be submitted at / may be sent by mail to any of the ISCs. An Account Statement reflecting the new holding will be despatched to the Unit holders within 5 Business Days of completion of Switch transaction. The AMC retains the right to charge different Loads on Switching of Units as compared to Sale / Redemption of Units as the case may be.

The AMC reserves the right to impose Loads for Switching between plans within the Scheme 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 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 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 investor 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 / ISC 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.

## **ELECTRONIC SERVICES**

The *eServices* facility includes **HDFCMFOnline**, **HDFCMFInvestOnline**, **HDFCMFMobile**, **eDocs**, **eAlerts** and **ePayouts**.

### **HDFCMFOnline**

This facility enables investors to transact online on [www.hdfcfund.com](http://www.hdfcfund.com) using **HDFCMFOnline**. On **HDFCMFOnline**, Unitholders can execute transactions online for purchase\*, redemption, switch and also register for Systematic Investment Plan (SIP) / Systematic Transfer Plan (STP) of units of schemes of HDFC Mutual Fund and other services as may be introduced by HDFC Mutual Fund from time to time. Unitholders can also view account details and portfolio valuation online, download account statements and request for documents via email, besides other options.

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

### **HDFCMFInvestOnline**

This facility enables existing Unitholders not having a HDFC Personal Identification Number (HPIN) to transact online on the Fund's website [www.hdfcfund.com](http://www.hdfcfund.com) using **HDFCMFInvestOnline**. Unitholders can execute purchase transactions or register for Systematic Investment Plan and avail such other services as may be introduced by the Fund from time to time.

Unitholders must possess a Folio Number (KYC validated), valid PAN, Bank Account Number registered in the folio and Net banking facility with any of the select banks to avail the **HDFCMFInvestOnline** facility.

### **HDFCMFMobile**

This facility enables investors to transact on their mobile handsets. On **HDFCMFMobile**, Unitholders can execute

transactions on their mobile phone for purchase\*, redemption or switching of units of schemes of HDFC Mutual Fund and other services as may be introduced by HDFC Mutual Fund from time to time. Unitholders can also view account details and portfolio valuation on their mobile phone, request for account statements, besides other options.

\* Payment arrangement for purchase of units is available at present with HDFC Bank only. Please visit our website from time to time for an updated list of banks. You also need to have opted for the mobile-banking facility with your Bank. As per RBI's operative guidelines on Mobile banking dated December 24, 2009, presently there is a restriction of ₹ 50,000 per customer per day for transactions.

#### **eDocs**

This facility enables the Unit holder to receive documents viz. account statements, etc. by email to the email address provided by the Unit holder in **HDFCMF eServices Request Form**.

#### **eAlerts**

This facility enables the Unit holder to receive SMS confirmation for purchase, redeem 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, please refer eServices booklet available to all Investor Service Centres (ISCs) as well as on our website on [www.hdfcfund.com](http://www.hdfcfund.com).

#### **SUBSCRIPTION OF UNITS THROUGH ELECTRONIC MODE**

Subject to the investor fulfilling certain terms and conditions as stipulated by AMC from time to time, the AMC, Mutual Fund, Registrar or any other agent or representative of the AMC, Mutual Fund, the Registrar ("Recipient") may accept transactions through any electronic mode ("fax/web/electronic transactions") as permitted by SEBI or other regulatory authorities.

The acceptance of the fax / web /electronic transactions will be solely at the risk of the transmitter of the fax / web / electronic transactions and the Recipient shall not in any way be liable or responsible for any loss, damage caused to the transmitter directly or indirectly, as a result of the transmitter sending or purporting to send such transactions including where a fax / web /electronic transactions sent / purported to be sent is not processed on account of the fact that it was not received by the Recipient.

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

The transmitter's request to the Recipient to act on any fax / web / electronic transmission 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 any fax / web / electronic transmission which the recipient believes in good faith to be given by the transmitter and the recipient shall be entitled to treat any such fax / web / electronic transaction as if the same was given to the recipient under the transmitter's original signature.

The transmitter agrees that security procedures adopted by the recipient may include signature verification, telephone call backs or a combination of the same, which 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 fax/web/ electronic transaction requests.

The transmitter accepts that the fax / web/electronic transactions shall not be considered until time stamped as a valid transaction request in the Scheme(s) in line with SEBI (MF) regulations.

	<p>In consideration of the Recipient from time to time accepting and at its sole discretion (including but not limited to the AMC extending / discontinuing such facilities from time to time) acting on any fax / web / electronic transaction request received / purporting to be received from the transmitter, the transmitter agrees to indemnify and keep indemnified the AMC, Directors, employees, agents, representatives of the AMC, Mutual Fund and Trustees 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 or in connection with or any way relating to the indemnified parties in good faith accepting and acting on fax / web / electronic transaction requests including relying upon such fax / electronic transaction requests purporting to come from the Transmitter even though it may not come from the Transmitter.</p> <p>The AMC reserves the right to modify the terms and conditions or to discontinue the facility at any point of time.</p>
<p><b>Account Statements</b></p>	<p><b>For normal transactions (other than SIP/STP) during ongoing sales and repurchase:</b></p> <ul style="list-style-type: none"> <li>• The AMC shall issue to the investor whose application (other than SIP/STP) has been accepted, an account statement specifying the number of units allotted (within 5 Business Days from the date of receipt of request from the Unit holder).</li> <li>• Account Statement to the Unit holder under Daily &amp; Weekly Dividend Reinvestment facility will be despatched to the Unit holders once every 3 weeks giving details of all transactions during the period. However, for Dividend Reinvestment facility other than Daily &amp; Weekly, the Mutual Fund shall, based on receipt of specific written request from the Unit holders despatch the account statement after every transaction of Dividend Reinvestment.</li> <li>• For those Unit holders who have provided an e-mail address, the AMC will send the account statement by e-mail. 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.</li> <li>• The Unit holder may request for a physical account statement by writing/calling the AMC/ISC/RTA. The Account Statement shall be despatched to the Unit holder within 5 Business Days from the date of receipt of request from the Unit holder.</li> </ul> <p><b>For SIP / STP transactions:</b></p> <ul style="list-style-type: none"> <li>• Account Statement for SIP and STP will be despatched once every quarter ending March, June, September and December within 10 Business Days of the end of the respective quarter.</li> <li>• A soft copy of the Account Statement shall be mailed to the investors under SIP/STP to their e-mail address on a monthly basis, if so mandated.</li> <li>• However, the first Account Statement under SIP/STP shall be issued within 10 Business Days of the initial investment / transfer.</li> <li>• In case of specific request received from investors, Mutual Fund will provide the account statement to the investors within 5 Business Days from the receipt of such request without any charges.</li> </ul> <p><b>Both for normal and SIP/STP transactions as stated above, in the event the account has more than one registered holder the first-named Unit holder shall receive the account statements.</b></p>

	<p><b>Annual Account Statement:</b></p> <ul style="list-style-type: none"> <li>• The Mutual Funds shall provide the Account Statement to the Unitholders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement.</li> <li>• The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme(s).</li> <li>• Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.</li> </ul>
<p><b>Dividend</b></p>	<ul style="list-style-type: none"> <li>• The dividend warrants shall be despatched to the Unit holders 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 cent per annum to the unit holders.</li> <li>• In case of Unit holders having a bank account with certain banks with whom the Mutual Fund would have an arrangement from time to time, the dividend proceeds shall be directly credited to their account.</li> <li>• The dividend will be paid by warrant and payments will be made 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).</li> <li>• Further, the dividend proceeds may be paid by way of ECS /EFT / NEFT / RTGS / any other manner through which the investor's bank account specified in the Registrar &amp; Transfer Agent's records is credited with the dividend proceeds as per the instructions of the Unit holders.</li> </ul>
<p><b>Redemption</b></p>	<p><b>Payment of Redemption Proceeds</b></p> <p>(a) For Unit holders having a bank account with HDFC Bank Limited or such other banks with whom the AMC would have an arrangement from time to time:</p> <p>In case of Unit holders having a bank account with certain banks with whom the Mutual Fund would have an arrangement from time to time, the redemption proceeds shall be directly credited to their account. As per SEBI (MF) Regulations, the Mutual Fund shall despatch Redemption proceeds within 10 Business Days of the date of Redemption. However, under normal circumstances, the Mutual Fund would endeavor to credit the first / sole Unit holder's account with the Redemption proceeds within 3-4 Business Days (1 Business Day in case of HDFC Cash Management Fund - Savings Plan and Call Plan and HDFC Liquid Fund) from the date of Redemption.</p> <p>(b) For other Unit holders not covered by (a) above and Unit holders covered by (a) but have given specific request for Cheque/Demand Draft :</p> <p>Redemption proceeds will be paid by cheque and payments will be made 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 (<b>please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI</b>). 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). All Redemption payments will be made in favour of the registered holder of the Units or, if there is more than one registered holder, only to the first registered holder.</p> <p>As per SEBI (MF) Regulations, the Mutual Fund shall despatch 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</p>

Redemption proceeds are not made within 10 Business Days (1 Business Day in case of HDFC Cash Management Fund - Savings Plan and Call Plan and HDFC Liquid Fund) of the Redemption Date.

However, under normal circumstances, the Mutual Fund would endeavor to despatch the Redemption 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 a Unit holder redeems Unit holder redeems Units soon after making purchases, the redemption cheque will not be despatched until sufficient time has elapsed to provide reasonable assurance that cheque(s) or draft(s) for Units purchased have been cleared.

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 despatched to the Unit holder.

Further, the redemption proceeds may be paid by way of ECS/ EFT / NEFT / RTGS / any other manner through which the investor's bank account specified in the Registrar & Transfer Agent's records is credited with the redemption proceeds as per the instructions of the Unit holders.

#### **REDEMPTION BY NRIs / FIIs**

Credit balances in the account of an NRI / FII Unit holder, may be redeemed by such Unit holder in accordance with the procedure described in SID and subject to any procedures laid down by the RBI, if any.

Payment to NRI / FII Unit holders will be subject to the relevant laws / guidelines of the RBI as are applicable from time to time (also subject to deduction of tax at source as applicable).

#### **In the case of NRIs**

Payment of redemption proceeds shall be:

- (i) Credited to the NRI 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 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.

#### **BANK DETAILS**

In order to protect the interest of Unit holders from fraudulent encashment of redemption / dividend cheques, SEBI has made it mandatory for investors to provide their bank details viz. name of bank, branch, address, account type and number, etc. to the Mutual Fund. Applications without complete bank details shall be rejected. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques / warrants and / or any delay / loss in transit.

#### **• Multiple Bank Accounts Registration**

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

Investors holding units in non-demat form 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](http://www.hdfcfund.com).

- **Change in Bank Account**

For investors holding units in demat mode, the procedure for change in bank details would be as determined by the depository participant.

For investors holding units in non-demat mode, the procedure as detailed below shall be applicable. Unit holders are free to change their bank details registered with the Mutual Fund subject to adherence with the following procedure:

1. Unit holders will be required to submit a valid request for a change in bank account details 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 copy of the bank pass book or a statement of bank account having the name and address of the account holder and account number.

**(In respect of (2) and (3) above, they should be certified by the bank manager with his / her full signature, name, employee code, bank seal and contact number)**

4. Unit holders may also bring a copy of any of the documents mentioned in (3) above along with the original documents to the ISCs/Official Points of Acceptance of HDFC Mutual Fund. The copy of such documents will be verified with the original documents to the satisfaction of HDFC Mutual Fund. The originals documents will be returned across the counter to the Unit holder after due verification.

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 1-4 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. Further, in the event of a request for redemption of units being received within seven days of a request for 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.

Unit holders are advised to provide their contact details like telephone numbers, mobile numbers and email IDs to HDFC Mutual Fund in writing.

The Trustee reserves the right to amend the aforesaid requirements.

**Payment to Alternate Payee**

The Mutual Fund may subject to compliance with such requirement as it deems fit and necessary may stipulate, arrange to issue redemption and / or any distribution cheques in favour of an alternate payee on Unit holder(s) specific request either at the time of investment and /or at the time of redemption or any distribution. Reasonable procedures will need to be followed to assure that instructions from Unit holders regarding payment to Alternate Payee are genuine. The Unit holder(s) would be

	liable for the loss resulting from a fraudulent encashment / payment to Alternate Payee, based on the Unit holders instructions, that the Mutual Fund reasonably believed as genuine. The Mutual Fund, reserves the right to require an indemnity or verification countersigned by a Bank Manager, Notary Public, Magistrate or any other party acceptable to it before accepting such instructions. 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 Unit holder. It may be noted that there is no commitment from the Mutual Fund that this facility will be available to the Unit holders.
<b>Delay in payment of redemption / repurchase proceeds</b>	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 / unitholders verification of identity or such other details relating to subscription for Units under any applicable law or as may be requested by a regulatory body or any government authority, which may result in delay in processing the application.

### C. PERIODIC DISCLOSURES

<p><b>Net Asset Value</b></p> <p>This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p>	<p>The AMC will calculate and disclose the NAV of the Scheme(s) at the close of every Business Day. In case of Liquid Scheme(s)/Plan(s) viz. HDFC Cash Management Fund - Savings Plan and Call Plan and HDFC Liquid Fund, the AMC will calculate the NAVs all year around. Information regarding NAV can be obtained by the Unit holders / Investors by calling or visiting the nearest ISC.</p> <p>The NAVs of the Scheme(s) shall be published atleast in two daily newspapers on a daily basis in accordance with SEBI (MF) Regulations, NAVs will also be displayed on the Website of the Mutual Fund on <a href="http://www.hdfcfund.com">www.hdfcfund.com</a>.</p> <p>AMC shall update the NAVs on the website of Association of Mutual Funds in India - AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) 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>The Sale and Redemption price of Units shall be published in two daily newspapers on a daily basis in accordance with SEBI (MF) Regulations.</p>
<p><b>Half yearly Disclosures: Portfolio / Financial Results</b></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>Before expiry of one month from the close of each half year that is on March 31 and September 30, the Mutual Fund will publish its half-yearly unaudited financial results in one national 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 as per the new format prescribed by SEBI vide their Circular No. MFD/CIR/1/200/2001 dated April 20, 2001. These results shall also be displayed on the website of the Mutual Fund and AMFI.</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 in their Circular No. MFD/CIR/9/120/2000 dated November 24, 2000. The statement of portfolio shall also be displayed on the website of the Mutual Fund.</p>



<b>Half Yearly Results</b>	The Mutual Fund and Asset Management Company shall before the expiry of one month from the close of each half year that is on 31st March and on 30th September, publish its unaudited financial results in one national English daily newspaper and in a regional newspaper published in the language of the region where the Head Office of the mutual fund is situated.		
<b>Annual Report</b>	The Scheme wise annual report or an abridged summary thereof shall be mailed (e-mailed if opted / requested) to all Unit holders not later than four months from the date of closure of the relevant accounting year (i.e. 31st March each year) and full annual report shall be available for inspection at the Head Office of the Mutual Fund and a copy shall be made available to the Unit holders on request on payment of nominal fees, if any. These results shall also be displayed on the website of the Mutual Fund and Association of Mutual Funds in India (AMFI).		
<b>Associate Transactions</b>	<b>Please refer to 'Statement of Additional Information ('SAI')'.</b>		
<b>Taxation</b>  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.		<b>Resident Investors</b> ^ ^	<b>Mutual Fund</b> ^ ^
	<b>Income Fund</b>		
	Tax on Dividend	<b>Nil</b>	<b>Dividend Distribution Tax (DDT)</b> <b>Individual / HUF</b> 13.519%* ^ <b>Others</b> 32.445%* ^ <b>(Refer Note 1 &amp; 2 below)</b>
	<b>Capital Gains:</b>		
Long Term	<b>10%*/20%* ^ ^</b>	<b>Nil</b>	
Short Term	<b>Income tax rate applicable to the Unit holders as per their income slabs. ^ ^</b>	<b>Nil</b>	
^ These rates are applicable w.e.f. June 1, 2011 <b>Note:</b> 1. 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 income tax in accordance with the provisions of Section 10(23D) of the Income-tax Act, 1961 (the Act). 2. On income distribution, if any, made by the Mutual Fund, additional income-tax is payable under section 115R of the Act, in the case of its Schemes (other than equity-oriented funds i.e. such 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). Upto May 31, 2011, the additional income-tax on distribution of income to an individual / Hindu Undivided Family (HUF) shall be payable by the mutual fund at the rate of 13.519%* and at the rate of 21.63%* on distribution of income to any other investor. The additional income-tax on distribution of income by a money market mutual fund or a liquid fund shall be payable at the rate of 27.038%*. With effect from June 1, 2011, the additional income-tax on distribution of income by a money market mutual fund or a liquid fund to an individual / HUF shall be payable by the mutual fund at the rate of 27.038%* and at the rate of 32.445%* on distribution of income to any other investor.			

	<p>The additional income-tax on distribution of income by any other fund to an individual/ HUF shall be payable at the rate of 13.519%* and at the rate of 32.445%* on distribution of income to any other investor.</p> <p>* including applicable surcharge, education cess and secondary and higher education cess</p> <p>^ ^ <b>For Further details on taxation please refer to the Section on 'Taxation on investing in Mutual Funds' in 'Statement of Additional Information ('SAI')'.</b></p>
<p><b>Investor services</b></p>	<p>Investors may contact any of the Investor Service Centres (ISCs) of the AMC for any queries / clarifications at telephone number 60006767 or 1800 233 6767 (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 'Customer Care' 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 Mistry Bhavan, 2nd Floor, 122, Dinshaw Vachha Road, 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 the Scheme(s) will be computed by dividing the net assets of the Scheme(s) by the number of Units outstanding under the Scheme 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.

NAV of Units of under each Scheme / Plan shall be calculated as shown below:

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

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

In case of HCMF - Savings Plan, Call Plan and HLF, the AMC will calculate the NAVs all year round.

Separate NAVs will be calculated and announced for each Plans / Options.

The NAV of the Scheme(s) will be calculated upto 4 decimals. Units will be allotted upto 3 decimals.

There are no specific SEBI guidelines on valuation of foreign securities at present. In the absence of any guidelines, the following policy will be followed:

The security issued outside India and listed on the stock exchanges outside India shall be valued at the closing price on the stock exchange at which it is listed. However in case a security is listed on more than one stock exchange, the AMC reserves the right to determine the stock exchange, the price of which would be used for the purpose of valuation of that security. Any subsequent change in the reference stock exchange used for valuation will be backed by reasons for such change being recorded in

writing by the AMC. Further in case of extreme volatility in the overseas markets, the securities listed in those markets may be valued on a fair value basis.

If a significant event has occurred after security prices were established for the computation of NAV of the Scheme, the AMC reserves the right to value the said securities on fair value basis.

When on a particular valuation day, a security has not been traded on the selected stock exchange; the security will be valued in accordance with SEBI guidelines applicable for security listed in India.

In case of investment in foreign debt securities, on the Valuation Day, the securities shall be valued in line with the valuation norms specified by SEBI for Indian debt securities. However, in case valuation for a specific debt security is not covered by SEBI (MF) Regulations, then the security will be valued on fair value basis.

Due to difference in time zones of different markets, closing price of overseas securities/ units of overseas mutual fund may be available only after the prescribed time limit for declaration of NAV in India. In such cases, the NAV of the Scheme for any Business Day (T day) will be available on the next Business Day (T+1 day) and the same shall be posted, on each Business Day, on the Fund's website and on the AMFI website - www.amfiindia.com on date of computation of NAV.

On the Valuation Day, all assets and liabilities denominated in foreign currency will be valued in Indian Rupees at the exchange rate available on Bloomberg / Reuters / RBI at the close of banking hours in India. The Trustees reserve the right to change the source for determining the exchange rate.

The exchange gain / loss resulting from the aforesaid conversion shall be recognized as unrealized exchange gain / loss in the books of the Scheme on the day of valuation.

Further, the exchange gain / loss resulting from the settlement of assets / liabilities denominated in foreign currency shall be recognized as realized exchange gain / loss in the books of the scheme on the settlement of such assets / liabilities.

## IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the Scheme(s). The information provided under this Section seeks to assist the investor in understanding the expense structure of the Scheme(s) and types of different fees / expenses and their percentage the investor is likely to incur on purchasing and selling the Units of the Scheme(s).

### A. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the Scheme(s). These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:

The AMC has estimated that upto 2.25% of the weekly average net assets of the Scheme(s) will be charged to the Scheme(s) as expenses. Please refer to the table below for details. For the actual current expenses being charged, the investor should refer to the website of the Mutual Fund viz. [www.hdfcfund.com](http://www.hdfcfund.com).

(% of net assets)

Expenses Head	HIF	HHIF	HHIF - Short Term Plan	HSTP	HSTOF	HMTOF	HFRIF		HGILT		HMYF	HMYF'05	HMIP		HCMF			HLF		
							Short Term Plan	Long Term Plan	Short Term Plan	Long Term Plan			Short Term Plan	Long Term Plan	Savings Plan	Treasury Advantage Plan	Call Plan			
Investment Management and Advisory Fees	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Trustee Fees	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Custodial Fees	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Audit Fees	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Registrar & Transfer Agent Fees including cost related to providing accounts statement, dividend/redemption cheques/warrants etc.	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Marketing and selling Expenses including Agents Commission and statutory Advertisement and Brokerage & Transaction Cost pertaining to the distribution of units	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60
Cost Related to investor communications and Cost of fund transfer from location to location	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15
Other expenses	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.68	0.58	0.68	0.68	0.68
<b>Total estimated recurring expenses</b>	<b>2.25</b>	<b>2.25</b>	<b>2.25</b>	<b>2.25</b>	<b>2.25</b>	<b>2.25</b>	<b>2.25</b>	<b>2.25</b>	<b>2.25</b>	<b>2.25</b>	<b>2.25</b>	<b>2.25</b>	<b>2.25</b>	<b>2.25</b>	<b>2.25</b>	<b>2.25</b>	<b>2.25</b>	<b>2.25</b>	<b>2.25</b>	<b>2.25</b>

The purpose of the above table is to assist the Investor in understanding the various costs and expenses that an Investor in the Scheme(s) will bear directly or indirectly.

These estimates have been made in good faith as per the information available to the Investment Manager based on past experience and are subject to change inter-se. The expenses under any head may be more or less than as specified in the table above, but the total recurring expenses that can be charged to the Scheme will be subject to limits prescribed from time to time under the SEBI (MF) Regulations. The figures in the table above are estimates and are subject to change as per actual expenses incurred subject to maximum limits prescribed under the SEBI (MF) Regulations

The AMC may charge the Mutual Fund with investment and advisory fee as prescribed in the SEBI (MF) Regulations from

time to time. Presently, the SEBI (MF) Regulations permit fees as follows:

- 1.25% of the weekly average net assets outstanding in each accounting year for the Scheme concerned as long as the net assets do not exceed ₹100 crore, and
- 1% of the excess amount over ₹100 crore, where net assets so calculated exceed ₹100 crore.

The recurring expenses of the Scheme(s) shall be as per the limits prescribed under the SEBI (MF) Regulations. These are as follows:

On the first ₹ 100 crores of the average weekly net assets

- 2.25%

On the next ₹ 300 crores of the average weekly net assets	- 2.00%
On the next ₹ 300 crores of the average weekly net assets	- 1.75%
On the balance of the assets	- 1.50%

The total expenses of the Scheme(s) including the investment management and advisory fee shall not exceed the limit stated in Regulation 52(6) of 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 AMC reserves the right to calculate investment management fees or recurring expenses on the basis of daily or weekly average net assets depending on the periodicity of publication of NAV.**

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

## B. LOAD STRUCTURE

Load is an amount, which is paid by the investor to subscribe to the units or to redeem the units from the scheme(s). This amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to

### Details of Load Structure

#### (On Ongoing basis)

##### A) Other than SIP / STP

(i) Particulars (as a % of Applicable NAV)	HDFC Income Fund	HDFC High Interest Fund & HDFC High Interest Fund-Short Term Plan	HDFC Short Term Plan
Entry / Sales Load	Not Applicable	Not Applicable	Not Applicable
Exit / Redemption Load	<ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of units, an Exit Load of 0.50% is payable if Units are redeemed / switched-out within 6 months from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 6 months from the date of allotment.</li> </ul>	<p><b>HHIF:</b></p> <ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of Units, an Exit Load of 0.50% is payable if Units are redeemed / switched-out within 3 months from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 3 months from the date of allotment.</li> </ul> <p><b>HHIF-STP:</b></p> <ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of Units, an Exit Load of 0.25% is payable if Units are redeemed / switched-out within 1 month from the date of allotment.</li> </ul>	<ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of Units, an Exit Load of 0.50% is payable if Units are redeemed / switched-out within 6 months from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 6 months from the date of allotment.</li> </ul>
Particulars (as a % of Applicable NAV)	HDFC Short Term Opportunities Fund	HDFC Medium Term Opportunities Fund	HDFC Floating Rate Income Fund
Entry / Sales Load	Not Applicable	Not Applicable	Not Applicable
Exit / Redemption Load	<ul style="list-style-type: none"> <li>In respect of each purchase/switch-in of units, an Exit load of 0.25% is payable if units are redeemed/switched-out within 1 month from the date of allotment.</li> <li>No Exit Load is payable if units are redeemed / switched-out after 1 month from the date of allotment.</li> </ul>	<ul style="list-style-type: none"> <li>In respect of each purchase/switch-in of units, an Exit load of 0.50% is payable if units are redeemed/switched-out within 3 months from the date of allotment.</li> <li>No Exit Load is payable if units are redeemed/ switched-out after 3 months from the date of allotment.</li> </ul>	<p><b>Short Term Plan :</b> Nil</p> <p><b>Long Term Plan:</b></p> <ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of Units, an Exit Load of 3.00% is payable if Units are redeemed / switched-out within 18 months from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 18 months from the date of allotment.</li> </ul>

time. For the current applicable structure, please refer to the website of the AMC (www.hdfcfund.com) or call at Toll Free No. 1800 233 6767 or your distributor.

- **Entry / Sales Load [For all Scheme(s)]:** 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.

Similarly, no entry load will be charged with respect to applications for registrations under Systematic Investment Plan (SIP)/ Systematic Transfer Plan (STP)/ HDFC FLEXINDEX Plan accepted by the Mutual Fund with effect from August 1, 2009.

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:**

Exit load up to 1% of the redemption value charged to the Unit holder by the Mutual Fund on redemption of units shall be retained by the Scheme in a separate account and will be utilized for payment of commissions to the ARN Holder and to meet other marketing and selling expenses.

Any amount in excess of 1% of the redemption value charged to the Unit holder as exit load shall be credited to the respective Scheme immediately.

Particulars (as a % of Applicable NAV)	HDFC Gilt Fund	HDFC Multiple Yield Fund	HDFC Multiple Yield Fund - Plan 2005
Entry / Sales Load	Not Applicable	Not Applicable	Not Applicable
Exit / Redemption Load	Short Term Plan : Nil Long Term Plan : <ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of Units, an Exit Load of 0.25% is payable if Units are redeemed / switched-out within 3 months from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 3 months from the date of allotment.</li> </ul>	<ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of units, an Exit Load of 1.00% is payable if Units are redeemed / switched-out within 1 year from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 1 year from the date of allotment.</li> </ul>	<ul style="list-style-type: none"> <li>In respect of <b>each</b> purchase / switch-in of units, an Exit Load of 1.00% is payable if Units are redeemed / switched-out within 15 months from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 15 months from the date of allotment.</li> </ul>

Particulars (as a % of Applicable NAV)	HDFC MF Monthly Income Plan	HDFC Cash Management Fund	HDFC Liquid Fund
Entry / Sales Load	Not Applicable	Not Applicable	Not Applicable
Exit / Redemption Load	<b>Short Term Plan &amp; Long Term Plan:</b> <ul style="list-style-type: none"> <li>In respect of each purchase / switch-in of units, an Exit Load of 1.00% is payable if Units are redeemed / switched-out within 1 year from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 1 year from the date of allotment.</li> </ul>	<b>Savings Plan, Treasury Advantage Plan and Call Plan:</b> Nil	Nil

- (ii) No Exit Load shall be imposed for switching between Plans / Options within the Scheme (**except HDFC Floating Rate Income Fund, HDFC Gilt Fund, HDFC MF Monthly Income Plan and HDFC Cash Management Fund**). No Exit Load shall be imposed for switching between the options within the respective Plans of HDFC Floating Rate Income Fund, HDFC Gilt Fund, HDFC MF Monthly Income Plan and HDFC Cash Management Fund.
- (iii) No Entry Load and Exit Load will be levied on the dividend reinvested.
- (iv) No Entry Load and Exit Load will be levied on the issue / redemption of bonus units.

**B) SIP / MICRO SIP / GROUP SYSTEMATIC INVESTMENT PLAN (GSIP) :**

Particulars (as a % of Applicable NAV)	HDFC MF Monthly Income Plan, HDFC Multiple Yield Fund, HDFC Income Fund, HDFC High Interest Fund (including HDFC High Interest Fund-Short Term Plan), HDFC Short Term Plan, HDFC Short Term Opportunities Fund, HDFC Medium Term Opportunities Fund, HDFC Cash Management Fund - Treasury Advantage Plan, HDFC Gilt Fund, HDFC Floating Rate Income Fund and HDFC Multiple Yield Fund - Plan 2005.
Entry / Sales Load	Not Applicable
Exit / Redemption Load	Applicable Exit Load, if any, in the Scheme / Plan / Option as on the date of enrolment will be levied.

**C) STP :**

**Load Structure for investment through STP:**

- Exit Load of the Transferor Scheme(s) (i.e. any Scheme offering STP facility) to the Transferee Scheme(s) and Entry Load in the Transferee Scheme(s) :**

The amount transferred under the STP from the Transferor Scheme to the Transferee Scheme shall be effected by redeeming units of Transferor Scheme at Applicable NAV, after payment of Exit Load, if any, and subscribing to the units of the Transferee Scheme at Applicable NAV.

- Exit Load of the following Transferee Scheme(s):**

- For HDFC Income Fund, HDFC High Interest Fund (including HDFC High Interest Fund-Short Term Plan), HDFC Short Term Plan, HDFC Short Term Opportunities Fund, HDFC Medium Term Opportunities Fund, HDFC Floating Rate Income Fund, HDFC Gilt Fund, HDFC Multiple Yield Fund, HDFC Multiple Yield Fund - Plan 2005, HDFC MF

Monthly Income Plan, HDFC Cash Management Fund and HDFC Liquid Fund:

Applicable Exit Load, if any, in the Scheme / Plan / Option as on the date of enrolment will be levied.

**D) FLEX STP :**

**Load Structure for investment through FLEX STP:**

- Exit Load of the Transferor Scheme(s) (i.e. any Scheme offering FLEX STP facility) to the Transferee Scheme(s) and Entry Load in the Transferee Scheme(s) :**

The amount transferred under the FLEX STP from the Transferor Scheme to the Transferee Scheme shall be effected by redeeming units of Transferor Scheme at Applicable NAV, after payment of Exit Load, if any, and subscribing to the units of the Transferee Scheme at Applicable NAV.

- Exit Load of the following Transferee Scheme(s):**
  - For HDFC Income Fund, HDFC High Interest

Fund (including HDFC High Interest Fund-Short Term Plan), HDFC Short Term Plan, HDFC Short Term Opportunities Fund, HDFC Medium Term Opportunities Fund, HDFC Floating Rate Income Fund, HDFC Gilt Fund, HDFC Multiple Yield Fund, HDFC Multiple Yield Fund - Plan 2005, HDFC MF Monthly Income Plan, HDFC Cash Management Fund and HDFC Liquid Fund:

Applicable Exit Load, if any, in the Scheme / Plan / Option as on the date of enrolment will be levied.

**E) HDFC FLEXINDEX Plan**

The amount transferred from the Source Scheme to the Target Scheme shall be effected by redeeming units of

Source Scheme at Applicable NAV, after payment of Exit Load, if any, and subscribing to the units of the Target Scheme at Applicable NAV.

● **Exit Load [For Target Scheme(s)] :**

Applicable Exit Load, if any, in the Scheme / Plan / Option as on the date of enrolment will be levied.

**F) DIVIDEND TRANSFER PLAN (DTP)**

The dividend amount to be invested under the DTP from the Source Scheme to the Target Scheme shall be invested by subscribing to the units of the Target Scheme at applicable NAV, subject to payment of Load of 'Target Scheme' as under:

**Entry Load:** Not Applicable

**Exit Load:** Nil.

Under the Scheme (s), 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 up to 1% of the redemption value charged to the Unit holder by the Mutual Fund on redemption of units shall be retained by the Scheme in a separate account and will be utilized for payment of commissions to the ARN Holder and to meet other marketing and selling expenses. Any amount in excess of 1% of the redemption value charged to the Unit holder as exit load shall be credited to the Scheme immediately. 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](http://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.

**C. 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.

3. Details of all enforcement 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 by its ad interim order no. WTM/KMA/IVD/267/06/2010 dated June 17, 2010, under Section 19 read with Sections 11(1), 11(4) and 11B of the SEBI Act, 1992 has prohibited Mr. Nilesh Kapadia, Dealer (Equities) and Key Employee of HDFC Asset Management Company Limited

from buying, selling or dealing in securities, or being associated with any intermediary or entity registered with SEBI, till further orders. SEBI states in its order that Mr. Nilesh Kapadia has violated Regulations 3(a) to 3(d) and Regulation 4(1) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003. In the said order, it has been directed that HDFC Asset Management Company Limited and Mr. Nilesh Kapadia will jointly deposit ₹ 238.40211 lakhs, estimated loss with the Trustees i.e. HDFC Trustee Company Limited.

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.

None.

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(s) under this Combined Scheme Information Document were approved by the Trustee in their Board Meeting held as follows :

HDFC Income Fund	June 26, 2000
HDFC Liquid Fund	September 04, 2000
HDFC Gilt Fund	April 17, 2001
HDFC Short Term Plan	January 15, 2002
HDFC Floating Rate Income Fund	April 24, 2002
HDFC MF Monthly Income Plan	July 25, 2003
HDFC Multiple Yield Fund	June 18, 2004
HDFC Multiple Yield Fund - Plan 2005	April 20, 2005
HDFC Short Term Opportunities Fund	June 26, 2009
HDFC Medium Term Opportunities Fund	June 26, 2009

The migration of HDFC Cash Management Fund and HDFC High Interest Fund (Scheme(s) of Zurich India Mutual Fund) to HDFC Mutual Fund was approved by the Trustee at their meeting held on June 20, 2003.

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 23, 2011

**MILIND BARVE**  
Managing Director

## CAMS – OFFICIAL POINTS OF ACCEPTANCE OF TRANSACTIONS

### (For ongoing Transactions)

- 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 Limited / 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 Liquid Schemes/ Plans viz. HDFC Liquid Fund, HDFC Liquid Fund - Premium Plan and Premium Plus Plan and HDFC Cash Management Fund - Savings Plan & Call Plan.

**ANDHRA PRADESH** : 208, II Floor, Jade Arcade, Paradise Circle, **Secunderabad - 500 003**. 47/ 9 / 17, 1st Floor, 3rd Lane , Dwaraka Nagar, **Visakhapatnam - 530 016**. • **BIHAR**: Kamalaye Shobha Plaza (1st Floor), Behind RBI, Near Ashiana Tower, Exhibition Road, **Patna - 800 001**. • **GOA**: No.108, 1st Floor, Gurudutta Bldg, Above Weekender, M.G. Road, **Panaji, Goa - 403 001**. • **GUJARAT**: 402-406, 4th Floor - Devpath Building, Off C G Road, Behind Lal Bungalow, Ellis Bridge, **Ahmedabad - 380 006**. 1st Floor, B Wing, Katira Complex, RTO Circle, **Bhuj - 370 001**. Office 207 - 210, Everest Building, Opp. Shastri 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**. • **JHARKAND** : Millennium Tower, S-4 Ground Floor, R- Road, Bistupur, **Jamshedpur - 831 001**. • **KARNATAKA** : Trade Centre, 1st Floor, 45, Dikensen Road (Next to Manipal Centre), **Bangalore - 560 042**. # 145, 1st Floor, 60 ft Road, 5th Block, Koramangala, **Bangalore - 560 034**. # 493, 1st Floor, 4th Cross, 2nd Main, Sampige Road, Malleshwaram, **Bangalore - 560 003**. G 4 & 5, Inland Monarch, Opp. Karnataka Bank, Kadri Main Road, Kadri, **Mangalore - 575 003**. • **KERALA** : 40 / 9633 D, Veekshanam Road, Near International Hotel, **Kochi - 682 035**. • **MAHARASHTRA** : Ground Floor, Rajabahadur Compound, Opp. Allahabad Bank, Behind ICICI Bank, 30, Mumbai Samachar Marg, Fort, **Mumbai - 400 023**. 145 Lendra Park, Behind Shabari, New Ramdaspath, **Nagpur - 440 010**. Nirmiti Eminence, Off No. 6, 1st Floor, Opp. Abhishek Hotel, Mehandale 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** : 304-305, III Floor, Kanchenjunga Building, 18, Barakhamba Road, **New Delhi - 110 001**. • **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 -160 017**. Shop no. 20-21 ( Ground Floor ), Prince Market, Near Traffic Lights, Sarabha Nagar Pulli, Pakhowal Road, P/O: Model Town, **Ludhiana - 141 002**. • **RAJASTHAN**: G-III, Park Saroj, Behind Ashok Nagar Police Station, R-7, Yudhisthir Marg, C-Scheme, **Jaipur - 302 001**. 1/5, Nirmal Tower, 1st Chopasani Road, **Jodhpur - 342 003**. • **TAMIL NADU** : 66, Lokmanya Street (West), Ground Floor, R. S. Puram, **Coimbatore - 641 002**. 178/10, Kodambakkam High Road, Opp. Hotel Palm Grove, Nungambakkam, **Chennai - 600 034**. • **UTTAR PRADESH**: 106 - 107 - 108, 1st Floor, IInd Phase, City Centre, 63/2, The Mall, **Kanpur - 208 001**. B-20, Sector -16, Near Metro Station, **Noida - 201 301**. Off# 4, 1st Floor, Centre Court, 5, Park Road, Hazratganj, **Lucknow - 226 001**. • **WEST BENGAL** : Lords Building, 7/1, Lord Sinha Road, Ground Floor, **Kolkata - 700 071**.

- 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 Limited / HDFC Asset Management Company Ltd. (Investor Service Centres for HDFC Mutual Fund)

**ANDHRA PRADESH** : 15-570-33, I Floor, Pallavi Towers, **Ananthapur - 515 001**. Door No.: 23 B - 4 - 73, Andhra Bank Lane, Opp. Srinivasa Theatre, Ramachandra Rao Peta, **Eluru - 534 002**. 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, Besides Bharathi Junior College, **Kadapa - 516 001**. No.33-1, 44 Sri Sathya Complex, Main Road, **Kakinada - 533 001**. H. No.7-1-257, Upstairs S.B.H, Mankamathota, **Karimnagar - 505 001**. Shop No: 11 - 2 - 31/3, 1st Floor, Philips Complex, Balajinagar, Wyra Road, Near Baburao Petrol Bunk, **Khammam - 507 001**. H. No. 43/8, Upstairs, Uppini Arcade, N R Peta, **Kurnool - 518 004**. House No : 6 - 2 - 1477, Samadhana Nagar, Besides HDFC Standard, Life Office Lane, Ramagiri, **Nalgonda - 508 001**. Shop No.: 62 & 63, Srinivasa Complex, Besides Ramakrishna Ply Wood, Srinivasa Nagar, **Nandyal - 518 501**. 9/756, 1st Floor, Immadisetty Towers, Ranganayakulapet Road, Santhapet, **Nellore - 524 001**. No. 5-6-209, Saraswathi Nagar, **Nizamabad - 503 001**. Shop No.1, ARN Complex, Kurnool Road, **Ongole - 523 001**. "Dwarakamayee", D. No. 8 / 239, Opp. Saraswathi Type Institute, Sreeramula Peta, **Proddatur - 516 360**. Prakasam District. Tel. No.( 08592) 322707/08D. No. 7-27-4, Krishna Complex, Baruvuri Street, T. Nagar, **Rajahmundry - 533 101**. Door No. 4 - 1 - 62, Adjacent to Idea Show Room, Palakonda Road, **Srikakulam - 532 001**. Shop No.14, Boligala Complex, 1st Floor, Door No. 18-8-41B, Near Leela Mahal Circle, Tirumala Bye Pass Road, **Tirupathi - 517 501**. 40-1-68, Rao & Ratnam Complex, Near Chennupati Petrol Pump, M. G. Road, Labbipet, **Vijayawada - 520 010**. F13, 1st Floor, BVSS Mayuri Complex, Opp. Public Garden, Lashkar Bazaar, Hanamkonda, **Warangal - 506 001**. • **ASSAM** : Old Post Office Lane, Bye Lane No 1, Rehabari, **Guwahati - 781 008**. Sanairan Lohia Road, 1st Floor, **Tinsukia - 786 125**. • **BIHAR** : Krishna, 1st Floor, Near Mahadev Cinema, Dr. R. P. Road, **Bhagalpur - 812 002**. Shahi Complex, 1st Floor, Near RB Memorial hospital, V.I. P. Road, Benta, Laheriasarai, **Darbhanga - 846 001**. Brahman Toil, Durga Asthan, Gola Road, **Muzaffarpur - 842 001**. • **CHHATTISGARH** : 209, Khichariya Complex, Near Nehru Nagar SQ, **Bhilai - 490 020**. Beside HDFC Bank, Link Road, **Bilaspur - 495 001**. Tel: (7752) 327 886 / 887. C-23, Sector 1, Devendra Nagar, **Raipur - 492 004**. • **GOA** : Virginkar Chambers, 1st floor, Near Kamat Milan Hotel, New Market, Near Lily Garments, Old. Station Road, **Margao - 403 601**. • **GUJARAT** : No. 101, A P Towers, B/H Sardar Gunj, Next to Nathwani Chambers, **Anand - 388 001**. 305-306, Sterling Point, Waghawadi, Opp. HDFC Bank, **Bhavnagar - 364 002**. Shop No - F -56, 1st Floor, Omkar Complex, Opp. Old Colony, Near Valia Char Rasta, GIDC, **Ankleshwar - 393002**. Office No. 17, 1st Floor, Municipal Bldg, Opp. Hotel Prince Station Road, **Bhuj - 370 001**. Grain Merchants Association Building, Office No. 70, 2nd Floor, Near Old Court, **Gandhidham - 370 201**. Kailash Complex, Wing-A, Office No. 52, Bus Stand Road, Near Gundala Gate, **Gondal - 360 311**. 217/218, Manek Centre, P. N. Marg, **Jamnagar - 361 001**. Circle Chowk, Near Choksi Bazar Kaman, **Junagadh - 362 001**. D-78 First Floor, New Durga Bazar, Near Railway Crossing, **Himmatnagar - 383 001**. 1st Floor, Subhadra Complex, Urban Bank Road, **Mehsana - 384 002**. 108, Galaxy Complex, Opp. K.K. Steel, Sanala Road, **Morbi - 363 641**. Dinesh Vasani & Associates, 103-Harekrishna Complex, Above IDBI Bank, Near Vasant Talkies, Chinnabai Road, **Navasari - 396 445**. Jyotindra Industries Compound, Near Vinayak Party Plot, Deesa Road, **Palanpur - 385 001**. 1st Floor, Silver Complex, S.T. Road, **Porbandar - 360 575**. 2 M I Park, Near Commerce College, Wadhwan City, **Surenranagar - 363 035**. Gita Nivas, 3rd Floor, Opp. Head Post Office, Halar Cross Lane, **Valsad - 396 001**. 215-216, Heena Arcade, Opp. Tirupati Tower, Near G.I.D.C. Char Rasta, **Vapi - 396 195**. Opp. to Lohan Mahajan Wadi, Satta Bazar, **Veraval - 362 265**, Junagadh District. • **HARYANA** : Opposite PEER, Bal Bhawan Road, **Ambala City - 134 003**. 24-25, 1st Floor, City Mall, Hansi Gate, **Bhiwani - 127 021**. 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**. Shop No. 5, PP Tower, Ground Floor, Opp. Income Tax Office, **Sonepat - 131 001**. Yamuna Nagar - 135 001. • **HIMACHAL PRADESH** : 1st Floor, Opp. Panchayat Bhawan Main Gate, Bus Stand, **Shimla - 171 001**. • **JAMMU & KASHMIR** : 660 - A, Near Digital Wares Lane, Opposite Dushara Ground, Front Gate Gandhi Nagar, **Jammu - 180 004**. • **JHARKHAND** : Mazzanine Floor, 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** : No. 6, Ground Floor, Pushpak Plaza, TP No.: 52, Ward No. 10, Next to Kumtagi Motors, Station Road, Near Basaveshwar Circle, **Bagalkot - 587 101**. 1st Floor, 221/2A/1B, Vaccine Depot Road, Near 2nd Railway gate, Tilakwadi, **Belgaum - 590 006**. No. 18A, 1st Floor, Opp. Ganesh Petrol Pump, Parvati Nagar Main Road, **Bellary - 583 101**. # 13, 1st Floor, Akkamahadevi Samaj Complex, Church Road, P J Extension, **Davangere - 577 002**. Pal Complex, 1st Floor, Opp. City Bus Stop, Super Market, **Gulbarga - 585 101**. No. 206 & 207, 'A' Block, 1st Floor, Kundagol Complex, Opp. Court, Club Road, **Hubli - 580 029**. Trade Centre, 2nd Floor, Syndicate Circle, Starting Point, **Manipal - 576 104**. No.3, 1st Floor, CH.26, 7th Main, 5th Cross (Above Trishakti Medicals) Saraswati Puram, **Mysore - 570 009**. # 12 - 10 - 51 / 3C, Maram Complex, Besides State Bank of Mysore, Basaveswara Road, **Raichur - 584 101**. Nethravathi, Near Gutti Nursing Home, Kuvempu Road, **Shimoga - 577 201**. • **KERALA** : Building No. VIII / 411, C C N B Road,



## CAMS – OFFICIAL POINTS OF ACCEPTANCE OF TRANSACTIONS (CONTD.)

Near Pagoda Resort, Chungom, **Alleppey - 688 001**. Room No. 14/435, Casa Marina Shopping Centre, Talap, **Kannur - 670 004**. Kochupilamoodu Junction, Near VLC, Beach Road, **Kollam - 691 001**. Building No.: KMC IX / 1331 A, Opp. Malayala Manorama, Railway Station Road, Thekkummoottil, **Kottayam - 686 001**. 29/97G, 2nd Floor, Gulf Air Building, Mavoor Road, **Kozhikode - 673 016**. 10 / 688, Sreedevi Residency, Mettupalayam Street, **Palakkad - 678 001**. Adam Bazar, Room No. 49, Ground Floor, Rice Bazar (East), **Thrissur - 680 001**. R. S. Complex, Opp. LIC Building, Pattom, P.O., **Trivandrum - 695 004**. Central Tower, Above Indian Bank, Cross Junction, **Thiruvalla - 689 101**. • **MADHYA PRADESH** : Office No. 1, Parasia Road, Near Mehta Colony, **Chhindwara - 480 001**. 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**. 1st Floor, Shiva Complex, Bharat Talkies Road, **Itarsi - 461 111**. 18, Ram Bagh, Near Scholar's School, **Ratlam - 457 001**. Opp. Somani Automobiles, Bhagwanganj, **Sagar - 470 002**. 1st Floor, Shri Ram Market, Besides Hotel Pankaj, Birla Road, **Satna - 485 001**. 123, 1st Floor, Siddhi Vinayaka Trade Centre, Saheed Park, **Ujjain - 456 010**. • **MAHARASHTRA** : 203-A, Mutha Chambers, Old Vasant Talkies, Market Yard Road, **Ahmednagar - 414 001**. 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**. Above Mustafa Décor, Hakim Plaza, Near Jethpura Gate, Near Bangalore Bakery, Kasturba Road, **Chandrapur - 422 402**. H. No. 1793 / A, J.B. Road, Near Tower Garden, **Dhule - 424 001**. Shri Talkies Road, **Gondia - 441 601**. 70, Navipeth, Opp. Old Bus Stand, **Jalgaon - 425 001**. Shop No: 11, 1st Floor, Ashok Plaza, Opp. Magistic Talkies, Subhash Road, **Jalna - 431 203**. AMD Sofex Office No.7, 3rd Floor, Ayodhya Towers, Station Road, **Kolhapur - 416 001**. Kore Complex, 2nd Cross Kapad Line, Near Shegav Patsanstha, **Latur - 413 512**. Shop No. 302, 1st Floor, Raj Mohd. Complex, Work Shop Road, Shrinagar, **Nanded - 431 605**. Raturang Bungalow, 2, Godavari Colony, Behind Big Bazar, Near Boys Town School, Off College Road, **Nasik - 422 005**. Mahavir Centre, Office No. 17, Plot No. 77, Sector - 17, Vashi, **Navi Mumbai - 400 703**. Kohinoor Complex, Near Natya Theatre, Nachane Road, **Ratnagiri - 415 639**. 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**. Opp. Raman Cycle Industries, Krishna Nagar, **Wardha - 442 001**. Pushpam, Tilakwadi, Opp. Dr. Shrotri Hospital, **Yavatmal - 445 001**. • **MEGHALAYA** : LDB Building, 1st Floor, G. S. Road, **Shillong - 793 001**. • **ORISSA** : Similipada, **Angul - 759 122**. B. C. Sen Road, **Balasore - 756 001**. Gandhi Nagar Main Road, 1st Floor, Upstairs of Aroon Printers, **Berhampur - 760 001**. Cantonment Road, **Cuttack - 753 001**. Room No- 1, First Floor, Sulaikha Complex, Chorda By pass, **Jaipur Road - 755 019**. 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** : 378-Majithia Complex, 1st Floor, M. M. Malviya Road, **Amritsar - 143 001**. 1st Floor, R. K. Marble House, Court Road, **Barnala - 148 101**. 2907 GH, GT Road, Near Zilla Parishad, **Bhatinda - 151 001**. Near Archies Gallery, Shimla Pahari Chowk, **Hoshiarpur - 146 001**. 367/8, Central Town, Opp. Gurudwara Diwan Asthan, **Jalandhar - 144 001**. Shop No 3, Bank of India Building, Guru Amar Dass Market, **Khanna - 141 401**. Ground Floor, Adjoining TATA Indicom Office, Dutta Road, **Moga - 142 001**. 13 - A, 1st Floor, Gurjeet Market, Dhangu Road, **Pathankot - 145 001**. 35, New Lal Bagh Colony, **Patiala - 147 001**. SCF 17, Zail Singh Nagar, **Ropar - 140 001**. • **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**. C/o. Kodwani & Associates, F-20-21 Apsara Complex, Azad Market, **Bhilwara-311 001**. F 4, 5, Bothra Complex, Modern Market, **Bikaner - 334 001**. 187 Rana Sanga Market, **Chittorgarh - 312 001**. 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, **Chennai - 600 097**. 16A/63A, Pidamaneri Road, Near Indoor Stadium, **Dharmapuri - 636 701**. 171-E, Sheshaiyer Complex, First Floor, Aghraharam Street, **Erode - 638 001**. Shop No. 8, J. D. Plaza, Opp. TNEB Office, Royakotta Road, **Hosur - 635 109**. 126 GVP Towers, Kovai Road, Basement of Axis Bank, **Karur - 639 002**. Jailani Complex, 47, Mutt Street, **Kumbakonam - 612 001**. 156A / 1, First Floor, Lakshmi Vilas Building, Opp. to District Registrar Office, Trichy Road, **Namakkal - 637 001**. 86/71-A, Tamil Sangam Road, **Madurai - 625 001**. No. 2, 1st Floor, Vivekanand Street, New Fairland, **Salem - 636 016**. 1112, West Main Street, **Tanjore - 613 009**. 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.54, 1st Floor, Pillaiyar Koil Street, Thottappalayam, **Vellore - 632 004**. 1-A/25, 1st Floor, Eagle Book Centre Complex, Chidambaram Nagar Main, Palayamkottai Road, **Tuticorin - 628 008**. D. No. 59A/1, Railway Feeder Road, (Near Railway Station), **Rajapalayam - 626 117**. • **TRIPURA** : Krishnanagar, Advisor Chowmuhani (Ground Floor), **Agartala - 799 001**. • **UTTAR PRADESH** : F-39/203, Sky 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**. Office No. 3, 1st Floor, Jamia Shopping Complex, Opposite Pandey School, Station Road, **Basti - 272 002**. 64, Cantonment, Near GPO, **Faizabad - 224 001**. Shop No. 19, 1st Floor, Above YO Bikes, Seth Vimal Chand Jain Market, Jain Nagar, Agra Gate, **Firozabad - 283 203**. 207/A - 14, 2nd Floor, Devika Chamber RDC Rajnagar, **Ghaziabad - 201 002**. Shop No. 3, 2nd Floor, Cross Road, A. D. Chowk Bank Road, **Gorakhpur - 273001**. 248, Fort Road, Near Amber Hotel, **Jaunpur-222 001**. Opp. SBI Credit Branch, Babu Lal Karkhana Compound, Gwalior Road, **Jhansi - 284 001**. 159 / 160, Vikas Bazar, **Mathura - 281 001**. B-612 'Sudhakar', Lajpat Nagar, **Moradabad - 244 001**. 108, 1st Floor, Shivam Plaza, Opposite Eves Cinema, Hapur Road, **Meerut - 250 002**. 17, Anand Nagar Complex, **Rae Bareilly - 229 001**. I Floor, Krishna Complex, Opp. Hathi Gate, Court Road, **Saharanpur - 247 001**. 967, Civil Lines, Near Pant Stadium, **Sultanpur - 228 001**. C 27/249 - 22A, Vivekanand Nagar Colony, Maldhaiya, **Varanasi - 221 002**. • **UTTARAKHAND** : 399/1 Judugar Road, 33 Civil Lines, **Roorkee - 247 667**. Durga City Centre, Nainital Road, **Haldwani - 263 139**. Arya Nagar, Near Arya Kanya School, **Sitapur - 261 001**. • **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**. 2nd Floor, New Market Complex, Durgachak Post Office, Purba Medinipur District, **Haldia - 721 602**. 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**. AA 101, Prafulla Kanan, Sreeparna Apartment, Ground Floor, Kestopur, **Kolkata - 700 101**. 33, C.R. Avenue, 2nd Floor, Room No. 13, **Kolkata - 700 012**. Daxhinapan Abasan, Opp Lane of Hotel Kalinga, SM Pally, **Malda - 732 101**. No. 8, Swamiji Sarani, Ground Floor, Hakimpara, **Siliguri - 734 401**.

- C. List of Collection Centres of Computer Age Management Services Pvt. Ltd. (CAMS), Registrar & Transfer Agents of HDFC Mutual Fund. These Collection Centres will be in addition to the existing points of acceptance at the offices of HDFC Limited / HDFC Asset Management Company Ltd. (Investor Service Centres for HDFC Mutual Fund). These Collection Centres will not accept purchase transactions vide high value cheques. These CCs will accept Applications from Monday to Friday between 12 p.m. to 3 p.m. only.

**GOA** : Office No. CF-8, 1st Floor, Business Point, Above Bicholim Urban Co-op Bank Ltd, Angod, **Mapusa - 403 507**. Tel No: 09326126122 • **GUJARAT** : F-108, Rangoli Complex, Station Road, **Bharuch - 392 001**. Tel No.: 9825304183. 8, Ravi Kiran Complex, Ground Floor, Nanakumbhnath Road, **Nadiad - 387 001**. Tel No: (02692) 325071/320704. 10/11, Maruti Complex, Opp. B R Marbles, Highway Road, **Unjha - 384 170**. Tel No: (02762) 323 985 / 117. • **HARYANA** : 7, 1st Floor, Kunjapura Road, Opp Bata Showroom, **Karnal - 132 001**. Tel. No.: 09813999809 • **MAHARASHTRA** : 3, Adelade Apartment, Christian Mohala, Behind Gulshan-E-Iran Hotel, Amardeep Talkies Road, **Bhusawal - 425 201**. Shop No.6, Ground Floor, Anand Plaza Complex, Bharat Nagar, Shivaji Putla Road, **Jalna - 431 203**. 12/178 Behind Congress Committee Office, Ichalkaranji, **Kolhapur District - 416 115**. 1, Skylark Ground Floor, Near Kamgar Kalyan Kendra & B.M.C. Office, Azad Road, Andheri (E), **Mumbai - 400 069**. Tel No.: (022) 25261431. Diwan Niketan, 313, Radhakrishna Vasahat, Opp. Hotel Suruchi, Near S.T. Stand, **Sangli - 416 416**. Tel No.: 09326016616. • **WEST BENGAL** : Gagananchal Shopping Complex, Shop No. 36 (Basement), 37, Dr. Abani Dutta Road, Salkia, **Howrah - 711 106**. Tel No.: 9331737444. 33, C.R Avenue, 2nd floor, Room No.13, **Kolkata - 700 012**. Tel No.: 09339746915.

**CAMS AS THE OFFICIAL POINT OF ACCEPTANCE FOR ELECTRONIC TRANSACTIONS** : CAMS, Registrar & Transfer Agents to HDFC Mutual Fund having its office at Rayala Tower, 158, Anna Salai, Chennai - 600 002, will be the official point of acceptance for electronic transactions received from specified banks, financial institutions, etc. (mobilized on behalf of their clients) with whom HDFC Asset Management Company Limited (AMC) has entered or may enter into specific arrangements for purchase / sale / switch of units. Additionally, secured internet sites operated by CAMS will also be official point of acceptance.

## HDFC ASSET MANAGEMENT COMPANY LIMITED (HDFC AMC LIMITED) – INVESTOR SERVICE CENTRES / OFFICIAL POINTS OF ACCEPTANCE FOR HDFC MUTUAL FUND

### (For ongoing Transactions)

**ANDHRA PRADESH** : HDFC AMC Limited, 6-3-883/7, IInd Floor, Sapphire Square, Somajiguda, **Hyderabad - 500 282**. Tel. : 040 - 23417401 / 02 / 03 / 04 / 05, Fax : 040 -23417407. HDFC AMC Limited, 18-2-299/B, 1st Floor, Leela Mahal Circle, Tirumala Bypass Road, **Tirupati - 517 507**. Tel. : (0877) 2222 871 / 872 / 873 / 874, Fax No.: (0877) 2222689. HDFC AMC Limited, 2nd Floor, Centurion Bank Complex, Near Benz Circle, M. G. Road, **Vijayawada- 520 010**. Tel. No: (0866)-3988029. HDFC AMC Limited, First Floor, Saigopal Arcade, Waltair Main Road, Siripuram, **Visakhapatnam - 530 003**. Tel. No.: (0891) 2769636, 6450306 / 9685 / 7584, Fax. No.: (0891) 2738728. HDFC AMC Limited, 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. **ASSAM** : HDFC AMC Limited, Premises- 1C, 1st Floor, Ganpati Enclave, G.S.Road, **Guwahati-781 007**. Tel No.: (0361)-2464759/60. Fax No.: (0361)-2464758. **BIHAR** : HDFC AMC Limited, Ishwari Complex, 1st Floor, Dr. Rajendra Prasad Road, **Bhagalpur - 812 002**. Tel No: (0641) 2300 390, Fax No: (0641) 2300391. HDFC AMC Limited, C/o Hera Enclave (Adjacent to Sahara Unique Showroom), Mezzanine Floor, New Dak Bunglow Road, **Patna - 800 001**. Tel: 0612 - 2230540/3201439, Telefax: 0612 - 2200747. **CHHATTISGARH** : Ground Floor, Chawla Complex, Devendra Nagar, Sai Nagar Road, Near Vanijya Bhawan, Near Indhira Gandhi Square, **Raipur - 492 001**. Tel: (0771) 4020 167 / 168. **DELHI** : HDFC AMC Limited, Ground Floor - 2 & 3 and First Floor, Prakashdeep Building, 7, Tolstoy Marg, Connaught Place, **New Delhi - 110 001**. Tel: (011) 6632 4000, Fax: (011) 23351317 /18. **GOA** : HDFC AMC Limited, Ground Floor, G3 & G4, Jivottam, Minguel Miranda Road, Off. Abade Faria Road, **Margao - 403 601**. Salcete. Tel : (0832) 2737410 / 11. Fax : (0832) 2736477. HDFC AMC Limited, S1, Second Floor, Above Axis Bank, Edcon Centre, Angod, **Mapusa - 403 507**, Bardez, Goa. Tel: (0832) 2253 460 / 461, Fax: (0832) 2253465. HDFC AMC Limited, A-3, First Floor, Krishna Building, Opp. Education Department, Behind Susheela Building, G. P. Road, **Panaji - 403 001**. Tel. : 0832 - 2425609, 2425610, Fax : 0832 - 2425614. HDFC AMC Limited, 6, Ground Floor, Pereira Chambers, Padre Jose Vaz Road, **Vasco - 403 802**, Mormugao. Tel No: (0832) 2513 402 / 406, Fax No: (0832) 2513448. **GUJARAT** : HDFC AMC Limited, 2nd Floor, Megha House, Besides GRUH House, Mithakhali Six Roads, **Ahmedabad - 380 009**. Tel. : 079 - 40050055 / 66, Fax : 079 - 40050506. HDFC AMC Limited, Maruti Sharanam, No.117, 1st Floor, Anand-Vidhyanagar Road, Opposite Nandbhumi Party Plot, **Anand - 388 001**. Tel. : (02692) - 398200, Fax : (02692) - 398222. HDFC AMC Limited, 3rd Floor, Shreemangalam Complex, Above IDBI Bank, Patel Society Road, Ward No. 1, Kasak Circle, **Bharuch - 392 012**. Tel : (0264) 2227205, Fax : (0264) 2227206. HDFC AMC Limited, 2nd Floor, Gangotri Plaza, Opposite Daxinamurty School, Waghawadi Road, **Bhavnagar - 364 001**. Tel : (0278) - 3988029, Fax : (0278) - 3984039. HDFC AMC Limited, 1st Floor, B Wing, Katira Complex, RTO Circle, **Bhuj - 370 001**. Tel No: (02832) 223 223, Fax No: (02832) 251. 946 HDFC AMC Limited, 2nd Floor, Keshav Complex, P N Marg, Opposite Dhanvantry, **Jamnagar - 361 001**. Tel : (0288) - 3988029, Fax : (0288) - 3982426. HDFC AMC Limited, 2nd Floor, Rajendra Estate, State Highway, **Mehsana - 384 002**. Tel: (02762) 302000. Fax: (02762) 302020. HDFC AMC Limited, 2nd Floor, Shiv Darshan, Dr. Radha Krishnan Road, 5, Jagnath, Plot Corner, **Rajkot - 360 001**. Tel. : 0281- 6624881 / 82, Fax : 0281 - 6624883. HDFC AMC Limited, U1 - U3, Jolly Plaza, Opp. Athwa Gate Police Station, Athwa Gate, **Surat - 395 001**. Tel. : 0261 - 2460082 / 83, Fax : 0261 - 2460091. HDFC AMC Limited, Upper Ground Floor, Gokulesh, R. C. Dutt Road, **Vadodara - 390 007**. Tel. : 0265 - 6621110 / 20, Fax : 0265 - 6621150. HDFC Asset Management Company Limited, 5-B, 2nd Floor, Sapphire Building, Daulatnagar, Chala-Vapi Road, **Vapi - 396 191**. Tel No: (0260) 3983900, Fax : (0260) 3983908 **HARYANA** : HDFC AMC Limited, TA - 12A, 15-18, Third Floor, Crown Plaza, Sector 15A, Mathura Road, **Faridabad - 121 001**. Tel. : (0124) 2221 338 / 339 / 341 / 342 / 343, Fax No.: (0129) 2221340. HDFC Asset Management Company Limited, Premises 102, 1st Floor, Vipul Agora, MG Road, **Gurgaon- 122 002**. Tel.No: (0124) 2560 450 - 54 Fax : (0124) 2560455 HDFC AMC Limited, 1175 B Royal 1, 1st Floor, Adjoining Gurudawara, G.T Road, **Panipat - 132 103**. Tel: (0180) 3985400/ 01, Fax: (0180) 3985403. **JAMMU & KASHMIR** : HDFC AMC Limited, Hall No-102 A/2, South Block, Bahu Plaza, Gandhi Nagar, **Jammu - 180 012**. Tel No.: (0191)-2477911/12/13 / (0191) 2474297/98/99. **JHARKHAND** : HDFC AMC Limited, Vardhan Complex, 1st Floor, Opp. Sreeleathers Showroom, Bank More, **Dhanbad- 826 001**. Tel No.: (0326) 3205352, 2301756. Fax No.: (0326) 2300552. HDFC AMC Limited, Gayatri Enclave, 2nd Floor, "K Road", Bistupur, **Jamshedpur - 831 001**. Telefax.: 0657 - 2426730 / 2435791. HDFC AMC Limited, Pradhan Towers, 1st Floor, 5, Main Road, **Ranchi- 834 001**. Tel No.: (0651) 6003358. Fax No.: (0651) 3242077. **KARNATAKA** : HDFC AMC Limited, No. 114, 1st Floor, Prestige Towers, 99 & 100, Residency Road, **Bangalore - 560 025**. Tel. : 080 - 66205300, Fax : 080 - 51125255. HDFC AMC Limited, Premises No. 4830 / B, First Floor, Dr. Ambedkar Road, Opp. Civil Medical College, **Belgaum - 590 002**. Tel No: (0831) 4206 915 / 916 / 918, Fax No: (0831) 4206919. HDFC AMC Limited, # 63, Upper Ground Floor, Opposite Bellary Gas Agency, Anantapura Cross Road, **Bellary - 583 103**. Tel: (08392) 276576, Fax: (08392) 276580. HDFC Asset Management Company Limited, 190/3, 1st Floor, S.V.C. Plaza, Opposite Mothi Talkies, Gandhi Circle, **Davangere - 577 002**. Tel No: (08192) 250 240 / 241 / 242, Fax No: (08192) 250243. HDFC Asset Management Company Limited, Plot # 8 & 73, 3rd Floor, Rajesh Building, Super Market, Main Road, **Gulbarga - 585 101**. Tel: (08472) 399910 Fax: (08472) 271041. HDFC AMC Limited, No. 1, First Floor, Revankar Comforts, Vivekanand Road, Court Circle, **Hubli - 580 029**. Tel No.: (0836) 4252 294 / 95. Fax No: (0836) 4252 290 HDFC AMC Limited, UG-II, 6 & 7, Upper Ground Floor, Maximus Commercial Complex, Light House Hill Road, Opp. KMC, **Mangalore - 575 001**. Tel. 0824 - 4285337 / 33, Fax : 0824 - 4285336. No. 2918, CH 51 / 1 B, 1st Floor, Patel Mansion, Kantharaj Urs Road, Saraswathipuram, **Mysore - 570 009**. Tel No.: (0821) 4000 530 Fax No: (0821) 4000 535. **KERALA** : HDFC AMC Limited, 3rd Floor, City Mall, Opposite YMCA, Kannur Road, **Calicut - 673 001**. Tel: (0495) - 4099222 / 333, 3982310, Fax: (0495) - 3982330. HDFC Asset Management Company Limited Second Floor, Down Town Complex, Near Koyili Hospital, **Kannur - 670 004**. Tel: (0497) 645 0489 / 276 2044 / 2045 Fax: (0497) 2762046. HDFC AMC Limited, Ground Floor, Cinema cum Commercial Complex, Behind Ravipuram Bus Stop, M. G. Road, **Kochi - 682 016**. Tel. : 0484 - 2357707 / 8, 3243058 / 59, Fax : 0484 - 2358462. HDFC AMC Limited, Sofia Complex, Near Andamukkam Bus Stand, Beach Road, **Kollam - 691 001**. Tel No: (0474) 2752 070 / 071/ 072 / 074, Fax No: (0474) 2752073. HDFC AMC Limited, 14/868, Ground Floor, Sri Krishna Complex, Coimbatore Road, **Palghat - 678 001**. Tel No.: (0491) 2548 302 / 6452 185 / 186 / 188, Fax No: (0491) 2548303. HDFC AMC Limited, 2nd Floor, E-Town Shopping, College Road, East Fort, **Thrissur - 680 005**. Tel: (0487) 2441976. Fax: (0487) 2441976. HDFC AMC Limited, 1st Floor, Kaniamparambil Arcade, G S Junction, Shastri Road, **Kottayam - 686 001**. Tel No: (0481) 2309 759 / 760 / 761. Fax No: (0481) 3018397. HDFC AMC Limited, Ground Floor, Bhadra Tower, Cotton Hill Road, Vazhuthacaud, Thycaud P.O., **Trivandrum - 695 014**. Tel No.: (0471) 3983 730 / 731 / 732 Fax No.: (0471) 3983738. **MADHYA PRADESH** : HDFC AMC Limited, 1st Floor, Ranjeet Tower, 8, Zone-II, M. P. Nagar, **Bhopal - 462 011**. Tel. : 0755 - 4285385, 4246995, Fax : 0755 - 4058890. HDFC AMC Limited, M1, M2 & M3, Mezzanine Floor, Sterling Arcade, 15 / 3, Race Course Road, **Indore - 452 001**. Tel No.: 0731 - 4022241 / 42. Fax No.: 0731 - 4245436. HDFC Asset Management Company Limited, First Floor, Muthye Udyog Bhawan, 1039, Wright Town, Opp. Telephone Exchange, **Jabalpur - 482 002**. Tel No.: (0761) - 4049800, 3988029 Fax No.: (0761) - 4068814 HDFC Asset Management Company Limited, First Floor, Alakhnanda Towers, Shrimant Madhav Rao Scindia Marg, City Centre, **Gwalior - 474 001**. Tel No.: (0751) - 4066060, 3988029 Fax No.: (0751) - 3982803 **MAHARASHTRA** : HDFC AMC Limited, 1st Floor, Amar Arcade - 2, Opp. Raja peth Police Station, Raja Peth, **Amravati - 444 601**. Tel No: (0721) 2562 112 / 113 Fax No: (0721) 2564115 HDFC AMC Limited, 2nd Floor, Renuka Commercial Complex, Samarth Nagar, Nirala Bazar, Nageshwar Wadi Road, **Aurangabad - 431 001**. Tel: (0240) - 3988029, Fax: (0240) - 3982068. HDFC AMC Limited, 138, Ground Floor, Kavay Ratnavali Chowk, Omkareshwar Road, **Jalgaon - 425 002**. Tel. No.: (0257) 3982100/ 01. Fax : (0257) 3982114. HDFC AMC Limited, Royal Prestige, C1/C9, 1st Floor, E - Ward, Sykes Extension, Rajarampuri Road, **Kolhapur - 416 008**. Tel : (0231) - 3988029, Fax : (0231) - 3982060. HDFC AMC Limited\*\*, Shop No. 3, Ground Floor, Abhishek Building, Irla Bridge, S.V. Road, Andheri (W), **Mumbai - 400 058**. Tel No.: (022) 32157352 / 34. Fax: (022) 26241131.

## HDFC ASSET MANAGEMENT COMPANY LIMITED (HDFC AMC LIMITED) – INVESTOR SERVICE CENTRES / OFFICIAL POINTS OF ACCEPTANCE FOR HDFC MUTUAL FUND (CONTD.)

HDFC Asset Management Company Limited\*\* Shop # 7, Abhilasha Building, Punjabi Lane, Borivali (W), **Mumbai - 400 092** Tel: (022) 32157268 / 342, Fax: (022) 32719222. HDFC AMC Limited,\* Ramon House, 3rd Floor, H. T. Parekh Marg, 169, Backbay Reclamation, Churchgate, **Mumbai - 400 020**. Tel: 022 - 66316333, Fax: 022 - 66580200. HDFC AMC Limited, Mistry Bhavan, 2nd Floor, 122, Backbay Reclamation, Dinsha Vachha Road, Churchgate, **Mumbai - 400 020**. Tel: 022 - 60006767, Fax: 022 - 66580211. HDFC Asset Management Company Limited\*\*, Shop No. 1 & 2, Ground Floor, Atlantic Tower, R B Mehta Road, Near Railway Station, Ghatkopar (East), **Mumbai - 400 077**. Tel: (022) 65253409/08/06/21, Fax: (022) 25116805. HDFC AMC Limited\*\*, Unit No. 101, First Floor, Landmark Building, 136 Hill Road, Opp. St. Peters Church, Bandra (West), **Mumbai - 400 050**. Tel: (022) 26434 760 / 762 / 763 / 764, Fax: (022) 26434768. HDFC Asset Management Company Limited\*\*, Shop No. 21/22, Ground Floor, Rajdeep CHS, Near Malhar Cinema, Gokhale Road, **Thane (West) - 400 602**. Tel: (022) 67124172/73/74/75/76, Fax: (022) 67124177. HDFC AMC Limited, 106-110, 2nd Floor, Shriram Shyam Towers, Near NIT Building, Kingsway, Sadar, **Nagpur - 440 001**. Tel: 0712 - 6630301/02/04, Fax: 0712 - 6630206. HDFC AMC Ltd. G- 1 & G-2, "Suyojit Heights", Opp. Rajiv Gandhi Bhavan, Sharanpur Road, **Nashik - 422 002**. Tel. No.: 0253 - 6611831 / 32. Fax No.: 0253 - 6611836. HDFC AMC Limited, HDFC House, 2nd Floor, Shivaji Nagar, University Road, **Pune - 411 005**. Tel: 020 - 25521680 / 81, Fax: 020 - 25521683. HDFC AMC Limited\*\*, BSE 1, Tech Building, 109, A Wing, 1st Floor, Opposite Vashi railway station, Sector 30, **Vashi - 400 703**. Tel: (022) - 39880299. HDFC Asset Management Company Limited\*\*, 1st Floor, Anant Kuti (Bibikar Bldg.), Manpada Road, Opp. Municipal Corporation Bldg., **Dombivli (East)**, Mumbai - 421 201. Tel: (0251) 2860 648 / 649 / 645 / 656 Fax: (0251) 2863953, **ORISSA** : HDFC AMC Limited, Sri Jagannath Complex, 1st Floor, Opposite Hari - Omm Bhawan, **Barbil - 758 035**. Tel No: 09238106515 / 09238106525, Fax No: (06767) 277565. HDFC AMC Limited, Vinayak, 2nd Floor, 96, Janpath, **Bhubaneswar - 751 001**. Tel: 0674 - 6450502/1502, Fax: 0674 - 2531483. HDFC AMC Limited, 1st Floor, Plot No. 2690 (P), Bajrakabati Road, Ranihat, **Cuttack - 753 001**. Tel: (0671) 2323724/ 725, Fax: (0671) 2324741. HDFC AMC Limited, Praful Tower, 1st Floor, Panposh Road, **Rourkela - 769 004**. Tel No.: (0661) - 3988029, 3982060/ 70. Fax No.: (0661) -3982068. HDFC AMC Limited, Kadambari Complex, 1st Floor, Unit - 4, Nayapara, Golbazar, **Sambalpur - 768 001**. Tel No: (0663) 2400 323 / 339, Fax No: (0663) 2400324. **PONDICHERY** : HDFC AMC Limited, No.17, I Floor, Sree Velayudham Complex, Near Indhira Gandhi Square, Natesan Nagar, **Pondicherry - 605 005**. Tel: (0413) 3043 293 / 500 / 600. Fax: (0413) 2206776. **PUNJAB** : HDFC AMC Limited, SCO-28, 1st Floor, Taneja Towers, District Shopping Complex, Ranjit Avenue, **Amritsar-143 001**. Tel: (0183) 3988028 / 2570, Fax: (0183) 3982599. HDFC AMC Limited, SCO 375-376, Ground Floor, Sector 35-B, **Chandigarh - 160 022**. Tel: 0172 - 2623397, 2624497 Telfax: 0172 - 3013839. HDFC AMC Limited, 2nd Floor, Above ING Vysya Bank, Adjacent to Sekhon Grand Hotel, Namdev Chowk, G T Road, **Jalandhar City - 144 001**. Tel: (0181) 3988029 / 970, Fax: (0181) 3982966. HDFC AMC Limited, SCO 122, Feroze Gandhi Market, **Ludhiana - 141 001**. Tel.: 0161 - 2774321 / 5014321. Fax: 0161 - 3013838. **RAJASTHAN** : HDFC AMC Limited, 4th Floor, K.C. Complex, Opp. Daulat Bagh, **Ajmer - 305 001**. Tel: (0145) 3099000. Fax: (0145) 3099001. Indraparshtha Tower, Shop Nos. 209 - 213, Second Floor, Shyam Ki Sabji Mandi, Near Mukharji Garden, **Bhilwara - 311 001**. HDFC AMC Limited, "Moondhra Bhavan", 3-Ajmer Road, **Jaipur - 302 001**. Tel: 0141 - 5111125, 2374968, Fax: 0141 - 5111126. Gulab Singh Bhavan, 11, Chopasni Road, **Jodhpur - 342 003**. Tel.: 0291 - 5101927, 5101937, Fax : 0291 - 5105919. HDFC Asset Management Company Limited, 1st Floor, Gowardhan Plaza, 25, Trench Colony, Opposite Lok Kalamandal, **Udaipur - 313 001**. Tel: (0294) 3988029, Fax: (0294) 3982000. **TAMIL NADU** : HDFC AMC Limited, ITC Centre, First Floor, 760, Anna Salai, **Chennai - 600 002**. Tel: 044 - 43979797 / 43979716, Fax: 044 - 28415855. HDFC AMC Limited, 1371A, Ground Floor, Nadar Building, Trichy Road, **Coimbatore - 641 018**. Tel: 0422 - 4391861/62/63. Fax: 0422 - 4391714. HDFC AMC Limited, 127 C/3 East Veli Street, **Madurai - 625 001**. Telefax: (0452) - 3988029. HDFC AMC Limited, 1st Floor, No1 Bhimsena Garden Street, Royapettah High Road, **Mylapore, Chennai - 600 004**. Tel: (044) 30913060, Fax: (044) 30913082. HDFC AMC Limited, First Floor, Ram Complex, No. 454/3, Meyanoor Main Road, **Salem - 636 009**. Tel: (0427) 3982680/700. Fax: (0427) 2333617. HDFC AMC Limited, No. 60, Sri Krishna Arcade, First Floor, Tennur High Road, Tennur, **Trichy - 620 017**. Tel: (0431) 3982830, Fax: (0431) 3982835. **UTTARAKHAND** : HDFC AMC Limited, 76, Rajpur Road, Near RTO, **Dehradun - 248 001**. Tel: (0135) 3988029/ 7434, Fax: (0135) 3987444. **UTTAR PRADESH** : HDFC AMC Limited, B2, 1st Floor, 9/4, Shankar Point, Sanjay Place, **Agra- 282 002**. Tel: (0562) 3984761-73, Fax: (0562) 3984777. HDFC AMC Limited, 3/260-A, Arena Complex, Laxmibai Marg, Marris Road, **Aligarh - 202 001**. Tel No: (0571) 2740 770 / 771 / 772 / 773, 2743 970 / 971, Fax No: (0571) 2740772. HDFC AMC Limited, 3rd Floor, Agarwal Arcade, Hyundai Motors Showroom, 4 Sardar Patel Marg, Civil Lines, **Allahabad - 211 001**. Tel No: (0532) 2561 035/ 036/038/041/042/043, Fax No: (0532) 2561035. HDFC AMC Limited, 146 Civil Lines, 1st Floor, Gupta Complex, Near Circuit House Chouraha, **Bareilly - 243 001**. Tel: (0581) 2510 749 / 759, Fax: (0581) 2510709. HDFC Asset Management Company Limited, D-2, 1st Floor, Raj Nagar District Centre, Raj Nagar, **Gaziabad - 201 010**. Tel: (0120) 301 0635 Fax: (0120) 3010636. HDFC AMC Limited, 1st Floor, 16/80 D, Behind SBI Main, Civil Lines, **Kanpur - 208 001**. Tel.: 0512 - 2331484-87, Fax: 0512 - 2331487. HDFC AMC Limited, 4 Shahnajaf Road, **Lucknow - 226 001**. Tel: 0522 -2207591, 2200163, Fax: 0522 - 2230408. HDFC AMC Limited, 143/145/1, Ganpati Plaza, Ground Floor, Magal Pandey Nagar, **Meerut - 250 005**. Tel No: (0121) 2602 380 / 2601 964 / 965, Fax No: (0121) 2602380. HDFC AMC Limited, Parsvnath Plaza-II, UGF Hall No.4, Delhi Road, **Moradabad - 244 001**. Tel No.: (0591) 3988029 / 3982131. Fax No.: (0591) 3982137. HDFC AMC Limited, K-24/25, Premises No. 36 & 37, Pearl Plaza, Sector-18, **Noida - 201 301**. Tel No.: (0120) 3988029. Fax No.: (0120) 3980610. HDFC AMC Limited, D-64/127, 4th Floor, Arihant Complex, Sigra, **Varanasi - 221 010**. Tel.: 9935177068, 9935147068. **WEST BENGAL** : HDFC AMC Limited, City Plaza, City Centre, 1st Floor, **Durgapur - 713 216**. Tel: (0343) 3982150, Fax: (0343) 3982153. HDFC AMC Limited, MS Towers, 2nd Floor, O.T. Road, Inda, **Kharagpur - 721 305**. Tel No: (03222) 227 627 / 657. Fax No: (03222) 227683. HDFC AMC Limited, Menaka Estate, 1st Floor, 3 Red Cross Place, **Kolkata - 700 001**. Tel.: 033 - 22427849 / 53 / 56 / 59, Fax: 033 - 22439582. Gitanjali Complex, 2nd Floor, Above Corporation Bank, Sevoke Road, **Siliguri - 734 001**. Tel No.: (0353) - 6453474. Fax No.: (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.

\*\*Official points of acceptance of transactions for schemes of HDFC Mutual Fund except purchase transactions of Liquid Schemes / Plans viz. HDFC Liquid Fund, HDFC Liquid Fund - Premium Plan and Premium Plus Plan and HDFC Cash Management Fund - Savings Plan & Call Plan.

### AMFI CERTIFIED STOCK EXCHANGE BROKERS/ CLEARING MEMBERS /DEPOSITORY PARTICIPANTS# AS OFFICIAL POINTS OF ACCEPTANCE FOR TRANSACTIONS (PURCHASE/ REDEMPTION) OF UNITS OF HDFC MUTUAL FUND SCHEMES THROUGH THE STOCK EXCHANGE(S) INFRASTRUCTURE.

# For Processing only Redemption Request of Units Held in Demat Form.

The eligible AMFI certified stock exchange Brokers/Clearing Members/Depository Participants who have complied with the conditions stipulated in SEBI Circular No. SEBI /IMD / CIR No.11/183204/2009 dated November 13, 2009 for stock brokers viz. AMFI /NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund will be considered as Official Points of Acceptance (OPA) of the Mutual Fund.



**HDFC ASSET MANAGEMENT COMPANY LIMITED**  
A Joint Venture with Standard Life Investments Limited

**Registered Office :**

Ramon House, 3rd Floor, H.T. Parekh Marg,  
169, Backbay Reclamation, Churchgate, Mumbai 400 020  
Tel.: 022-66316333 • Toll Free no. 1800 233 6767 • Fax : 022-22821144  
e-mail for Investors: [cliser@hdfcfund.com](mailto:cliser@hdfcfund.com)  
e-mail for Distributors: [broser@hdfcfund.com](mailto:broser@hdfcfund.com)

**website : [www.hdfcfund.com](http://www.hdfcfund.com)**