

Registered Office: HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020. Phone: 022 66316333 • Toll Free Nos: 1800-3010-6767 / 1800-419-7676 • Fax: 022 22821144 • e-mail: cliser@hdfcfund.com • Visit us at: www.hdfcfund.com

NOTICE

Addendum to the Scheme Information Document / Key Information Memorandum of Select Scheme(s) of HDFC Mutual Fund
Change in Fundamental Attributes and other changes to the Select Scheme(s) of HDFC Mutual Fund

Notice is hereby given that in accordance with SEBI circular no. SEBI/HO/IMD/DF3/CIR/P/2017/114 dated October 6, 2017 read with circular no. SEBI/HO/IMD/DF3/CIR/P/2017/126 dated December 04, 2017 on "Categorization and Rationalization of Mutual Fund Schemes", HDFC Trustee Company Limited ("the Trustee") to HDFC Mutual Fund ("the Fund"), has decided to categorize and rationalize the existing open ended equity oriented and hybrid scheme category by *inter alia* approving certain changes to the following Scheme(s) of the Fund. These proposed changes shall be carried by implementing changes in the fundamental attributes including other changes, if any, to the Equity Oriented and Hybrid Scheme(s) of the Fund.

I. The proposed changes to the Scheme(s) of the Fund ("Changes to the Schemes") are briefly detailed as follows:

Current Name and Type of Scheme	Type of Change	Proposed Name and Type of Scheme
HDFC Equity Fund (Open-ended Growth Fund)	<ul style="list-style-type: none"> Change in Fundamental Attributes and other changes Change in Type of Scheme 	HDFC Equity Fund (An open ended equity scheme investing across large cap, mid cap & small cap stocks)
HDFC Top 200 Fund (Open-ended Growth Fund)	<ul style="list-style-type: none"> Change in Fundamental Attributes and other changes Change in Scheme Name Change in Type of Scheme 	HDFC Top 100 Fund (An open ended equity scheme predominantly investing in large cap stocks)
HDFC Mid-Cap Opportunities Fund (Open-ended Equity Scheme)	<ul style="list-style-type: none"> Change in Fundamental Attributes and other changes Change in Type of Scheme 	HDFC Mid-Cap Opportunities Fund (An open ended equity scheme predominantly investing in mid cap stocks)
HDFC Small Cap Fund (Open-ended Equity Scheme)	<ul style="list-style-type: none"> Change in Fundamental Attributes and other changes Change in Type of Scheme 	HDFC Small Cap Fund (An open ended equity scheme predominantly investing in small cap stocks)
HDFC Capital Builder Fund (Open-ended growth Scheme)	<ul style="list-style-type: none"> Change in Fundamental Attributes and other changes Change in Scheme Name Change in Type of Scheme 	HDFC Capital Builder Value Fund (An open ended equity scheme following a value investment strategy)
HDFC Infrastructure Fund (Open-ended Equity Scheme)	<ul style="list-style-type: none"> Change in Fundamental Attributes and other changes Change in Type of Scheme 	HDFC Infrastructure Fund (An open-ended equity scheme following infrastructure theme)
HDFC TaxSaver (An Open-ended Equity Linked Savings Scheme with a lock-in period of 3 years)	<ul style="list-style-type: none"> Change in Fundamental Attributes and other changes Change in Type of Scheme 	HDFC TaxSaver (An Open-ended Equity Linked Savings Scheme with a statutory lock in of 3 years and tax benefit)
HDFC Large Cap Fund (Open-ended Equity Scheme)	<ul style="list-style-type: none"> Change in Fundamental Attributes and other changes Change in Scheme Name Change in Type of Scheme 	HDFC Growth Opportunities Fund (An open ended equity scheme investing in both large cap and mid cap stocks)
HDFC Core & Satellite Fund (Open-ended Growth Scheme)	<ul style="list-style-type: none"> Change in Fundamental Attributes and other changes Change in Scheme Name Change in Type of Scheme. 	HDFC Focused 30 Fund [An open ended equity scheme investing in maximum 30 stocks in large-cap, mid-cap and small-cap category (i.e. Multi-Cap)]
HDFC Index Fund - NIFTY Plan (Open-ended Index Linked Scheme)	<ul style="list-style-type: none"> Change in Fundamental Attributes and other changes Change in Scheme Name Change in Type of Scheme 	HDFC Index Fund-NIFTY 50 Plan (An open ended scheme replicating / tracking NIFTY 50 Index)
HDFC NIFTY ETF [An Open-ended Index Exchange Traded Fund (Rajiv Gandhi Equity Savings Scheme (RGESS) Qualified Scheme)]	<ul style="list-style-type: none"> Change in Fundamental Attributes and other changes Change in Scheme Name Change in Type of Scheme 	HDFC NIFTY 50 ETF (An open ended scheme replicating / tracking NIFTY 50 Index)
HDFC SENSEX ETF (An Open-ended Exchange Traded Fund)	<ul style="list-style-type: none"> Change in Fundamental Attributes and other changes Change in Type of Scheme 	HDFC SENSEX ETF (An open ended scheme replicating / tracking S&P BSE SENSEX Index)
HDFC Equity Savings Fund (Open-ended Equity Scheme)	<ul style="list-style-type: none"> Change in Fundamental Attributes and other changes Change in Type of Scheme 	HDFC Equity Savings Fund (An open ended scheme investing in equity, arbitrage and debt)
HDFC Children's Gift Fund (Open-ended Balanced Scheme)	<ul style="list-style-type: none"> Change in Fundamental Attributes and other changes Change in Type of Scheme 	HDFC Children's Gift Fund (An open ended fund for investment for children having a lock-in for at least 5 years or till the child attains age of majority (whichever is earlier))
HDFC Arbitrage Fund (Open-ended Equity Scheme)	<ul style="list-style-type: none"> Change in Fundamental Attributes and other changes Change in Type of the Scheme 	HDFC Arbitrage Fund (An open ended scheme investing in arbitrage opportunities)
HDFC Multiple Yield Fund - Plan 2005 (Open-ended Income Scheme)	<ul style="list-style-type: none"> Change in Fundamental Attributes and other changes Change in Scheme Name Change in Type of the Scheme 	HDFC Multi-Asset Fund (An open ended scheme investing in Equity and Equity related instruments, Debt & Money Market Instruments and Gold)

Effective Date for the above Changes: All the proposed Changes to the Schemes will come into effect on and from May 23, 2018 ("Effective Date").

II. Requisite Corporate and Regulatory Approvals

The Changes to the Fundamental Attributes of the Schemes including other changes have been approved by the respective Boards of Directors of the AMC and the Trustee to the Fund. The Securities and Exchange Board of India ("SEBI") has also vide its letter no. IMD/DF3/OW/P/2018/7224/1 dated March 7, 2018 and letter no. IMD/DF3/OW/P/2018/10089/1 dated April 2, 2018 conveyed it's no objection to the Changes to the Scheme(s).

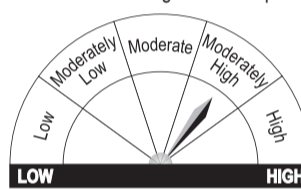
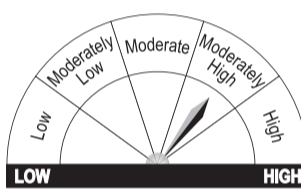
III. Details of changes in the fundamental attributes including other changes to the Scheme(s):

From the Effective Date, it is proposed to change the fundamental attributes including other changes to the Scheme(s) of the Fund details of which are mentioned below. The Unit holders are requested to note the following changes to the provisions of the Scheme(s) of the Fund.

Accordingly, the following changes are proposed to be made to the Scheme Information Document ("SID") and Key Information Memorandum ("KIM") of the respective Scheme(s):

(i) Changes in the fundamental attributes including other changes to HDFC Equity Fund ("the Scheme"):

Provisions	Existing Provisions	Revised Provisions (Proposed)																													
Name of the Scheme	HDFC Equity Fund	No change																													
Category of Scheme	Equity Scheme	Multi-Cap Fund																													
Type of the Scheme	Open-ended Growth Scheme	An open ended equity scheme investing across large cap, mid cap & small cap stocks.																													
Investment Objective	To achieve capital appreciation.	To generate capital appreciation / income from a portfolio, predominantly invested in equity & equity related instruments. There is no assurance that the investment objective of the Scheme will be realized.																													
Asset Allocation	Under normal circumstances the asset allocation will be as follows:	Under normal circumstances the asset allocation will be as follows:																													
	<table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Normal Allocation (% of Net Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity Related Instruments</td> <td>80-100</td> <td>Medium to High</td> </tr> <tr> <td>Debt and Money Market Instruments*</td> <td>0-20</td> <td>Low to Medium</td> </tr> </tbody> </table>	Type of Instruments	Normal Allocation (% of Net Assets)	Risk Profile	Equity and Equity Related Instruments	80-100	Medium to High	Debt and Money Market Instruments*	0-20	Low to Medium	<table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Minimum Allocation (% of Total Assets)</th> <th>Maximum Allocation (% of Total Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity Related Instruments</td> <td>65</td> <td>100</td> <td>High</td> </tr> <tr> <td>Debt Securities (including securitised debt) and money market instruments</td> <td>0</td> <td>35</td> <td>Low to Medium</td> </tr> <tr> <td>Units issued by REITs and InvITs</td> <td>0</td> <td>10</td> <td>Medium to High</td> </tr> <tr> <td>Non-convertible preference shares</td> <td>0</td> <td>10</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>The Scheme may invest in the schemes of Mutual Funds in accordance with the applicable extant SEBI (Mutual Funds) Regulations as amended from time to time.</p>	Type of Instruments	Minimum Allocation (% of Total Assets)	Maximum Allocation (% of Total Assets)	Risk Profile	Equity and Equity Related Instruments	65	100	High	Debt Securities (including securitised debt) and money market instruments	0	35	Low to Medium	Units issued by REITs and InvITs	0	10	Medium to High	Non-convertible preference shares	0	10	Low to Medium
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Investment in ADRs / GDRs and Foreign Securities	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 the provisions of SEBI Circular No. SEBI/IMD/ CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time. The Scheme will invest 40% of its net assets in foreign securities.	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 the provisions of SEBI Circular No. SEBI/IMD/ CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time. The Scheme may invest up to 35% of its net assets in foreign securities.																													
Investment in derivatives	The Scheme 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. 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. The Scheme intends to use derivatives mainly for the purpose of hedging and portfolio balancing. The Scheme will invest upto a maximum of 25% of its net assets in Derivatives.	The Scheme may invest upto 100% of its net assets in Derivatives. The Scheme may invest in derivatives 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. The Scheme may invest 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.																													

Provisions	Existing Provisions	Revised Provisions (Proposed)
Investment in derivatives		Derivative investments may be undertaken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. Hedging could be perfect or imperfect. In case the Scheme has investment in foreign securities, then the Scheme may hedge the exchange rate risk on all receivables on these instruments through various derivative products such as forwards, currency futures/options, etc.
Investment Strategy	In order to provide long term capital appreciation, the Scheme will invest predominantly in growth companies. Companies selected under this portfolio would as far as practicable consist of medium to large sized companies which: a) are likely to achieve above average growth than the industry; b) enjoy distinct competitive advantages, and c) have superior financial strengths. The aim will be to build a portfolio, which represents a cross section of the strong growth companies in the prevailing market. In order to reduce the risk of volatility, the Scheme will diversify across major industries and economic sectors. A part of the funds may be invested in debt and money market instruments. The Scheme will retain the flexibility to invest in the entire range of debt instruments and money market instruments. Investment in Debt securities (including securitised debt) 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. The Scheme may also invest upto 25% of net assets of the Scheme in derivatives such as Futures & Options and such other derivative instruments as may be introduced from time to time for the purpose of hedging and portfolio balancing and other uses as may be permitted under the Regulations. The Scheme may also invest a part of its corpus, not exceeding 40% of its net assets, in overseas markets in Global Depository Receipts (GDRs), ADRs, overseas equity, bonds and mutual funds and such other instruments as may be allowed under the Regulations from time to time. Subject to the Regulations and the applicable guidelines, the Scheme may, engage in Stock Lending activities. If the investment in equities and related instruments falls below 70% of the portfolio of the Scheme at any point in time, it would be endeavoured to review and rebalance the composition. Though every endeavor will be made to achieve the objective of the Scheme, the AMC/Sponsors/Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.	The investment objective of the scheme is to generate capital appreciation / income from a portfolio, predominantly of equity & equity related instruments. The Scheme would predominantly invest in companies spanning entire market capitalization that: a) are likely to achieve above average growth b) enjoy distinct competitive advantages, and c) have superior financial strength. The aim of the equity strategy will be to build a portfolio, representing a cross section of companies diversified across major industries, economic sectors and market capitalization that offer an acceptable risk reward balance. A part of the funds may be invested in debt and money market instruments. Investment in Debt securities (including securitised debt) 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. Investment in debt securities will be guided by credit quality, liquidity, interest rates and their outlook. The Scheme may also invest in the hybrid securities viz. units of REITs and InvITs for diversification and subject to necessary stipulations by SEBI from time to time. Subject to the Regulations and the applicable guidelines, the Scheme may, engage in Stock Lending activities. The Scheme may also invest in the schemes of Mutual Funds. Though every endeavour will be made to achieve the objective of the Scheme, the AMC/Sponsors/Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.
Product Labelling	<ul style="list-style-type: none"> capital appreciation over long term investment predominantly in equity and equity related instruments of medium to large sized companies  <p>Investors understand that their principal will be at Moderately High risk</p>	<ul style="list-style-type: none"> To generate long-term capital appreciation / income Investment predominantly in equity & equity related instruments  <p>Investors understand that their principal will be at Moderately High risk</p>

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them
The Scheme may undertake (i) repo / reverse repo transactions in Corporate Debt Securities; (ii) Credit Default Swaps, (iii) Short Selling and such other transactions in accordance with guidelines issued by SEBI from time to time.

Note: In terms of SEBI circular (SEBI/HO/IMD/DF3/CIR/P/2017/114) dated October 6, 2017, the universe of the Large cap, Mid cap and Small cap companies shall comprise the following:

- a. Large Cap: 1st - 100th company in terms of full market capitalization
- b. Mid Cap: 101st - 250th company in terms of full market capitalization
- c. Small Cap: 251st company onwards in terms of full market capitalization

The Scheme will be required to adhere the following:

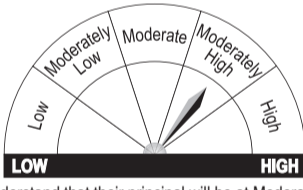
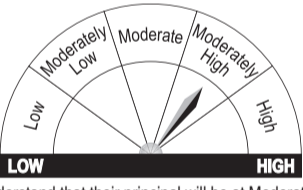
- The list of stocks prepared by AMFI in this regard will be adopted.
- The said list would be uploaded on the AMFI website and would be updated every six months based on the data as on the end of June and December of each year or periodically as specified by SEBI.
- Subsequent to any updation in the said list as uploaded by AMFI, the portfolio of the Scheme will be rebalanced within a period of one month.

Apart from above, all other features and terms & conditions of the Scheme shall remain unchanged.

(ii) Changes in the fundamental attributes including other changes of HDFC Top 200 Fund ("the Scheme"):

Provisions	Existing	Revised Provision (proposed)																																	
Name of the Scheme	HDFC Top 200 Fund	HDFC Top 100 Fund																																	
Category of Scheme	Equity Scheme	Large-Cap Fund																																	
Type of the Scheme	Open-ended Growth Scheme	An open ended equity scheme predominantly investing in large cap stocks																																	
Investment Objective	To generate long term capital appreciation from a portfolio of equity and equity linked instruments. The investment portfolio for equity and equity linked instruments will be primarily drawn from the companies in the S&P BSE 200 Index. Further, the Scheme may also invest in listed companies that would qualify to be in the top 200 by market capitalisation on the BSE even though they may not be listed on the BSE. This includes participation in large IPOs where in the market capitalisation of the company based on issue price would make the company a part of the top 200 companies listed on the BSE based on market capitalisation.	To provide long-term capital appreciation/income by investing predominantly in Large-Cap companies. There is no assurance that the investment objective of the Scheme will be realized.																																	
Asset Allocation	Under normal circumstances the asset allocation will be as follows:	Under normal circumstances the asset allocation will be as follows:																																	
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Non-convertible preference shares	0	10	Low to Medium																																
	* Investment in Securitised debt, if undertaken, would not exceed 20% of the net assets of the Scheme.																																		
Investment universe of "Large Cap":	<ul style="list-style-type: none"> The investment universe of "Large Cap" shall comprise companies as defined by SEBI from time to time. In terms of SEBI circular (SEBI/HO/IMD/DF3/CIR/P/2017/114) dated October 6, 2017, the universe of "Large Cap" shall consist of 1st to 100th company in terms of full market capitalization and that the Scheme will be required to adhere the following: <ul style="list-style-type: none"> - The list of stocks of Large Cap companies prepared by AMFI in this regard will be adopted. - The said list would be uploaded on the AMFI website and would be updated every six months based on the data as on the end of June and December of each year or periodically as specified by SEBI. - Subsequent to any updation in the said list as uploaded by AMFI, the portfolio of the Scheme will be rebalanced within a period of one month. 																																		

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Provisions	Existing	Revised Provision (proposed)
Asset Allocation		The Scheme may invest in the schemes of Mutual Funds in accordance with the applicable extant SEBI (Mutual Funds) Regulations as amended from time to time.
Investment in ADRs / GDRs and Foreign Securities	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 the provisions of SEBI Circular No. SEBI/IMD/ CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time. The Scheme will invest 40% of its net assets in foreign securities.	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 the provisions of SEBI Circular No. SEBI/IMD/ CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time. The Scheme may invest up to 35% of its net assets in foreign securities.
Investment in derivatives	The Scheme 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. 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. The Scheme intends to use derivatives mainly for the purpose of hedging and portfolio balancing. The Scheme will invest upto a maximum of 25% of its net assets in Derivatives.	The Scheme may invest upto 100% of its net assets in Derivatives. The Scheme may invest in derivatives 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. The Scheme may invest 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. Derivative investments may be undertaken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. Hedging could be perfect or imperfect. In case the Scheme has investment in foreign securities, then the Scheme may hedge the exchange rate risk on all receivables on these instruments through various derivative products such as forwards, currency futures/options, etc.
Investment Strategy	The investment strategy of primarily restricting the equity portfolio to the BSE 200 Index scrips is intended to reduce risks while maintaining steady growth. Stock specific risk will be minimised by investing only in those companies / industries that have been thoroughly researched by the investment manager's research team. Risk will also be reduced through a diversification of the portfolio. The Scheme may also invest up to 25% of net assets of the Scheme in derivatives such as Futures & Options and such other derivative instruments as may be introduced from time to time for the purpose of hedging and portfolio balancing and other uses as may be permitted under the regulations and guidelines. The Scheme may also invest a part of its net assets, not exceeding 40% of its net assets, in overseas markets in Global Depository Receipts (GDRs), ADRs, overseas equity, bonds and mutual funds and such other instruments as may be allowed under the Regulations from time to time. Subject to the Regulations and the applicable guidelines, the Scheme may, engage in Stock Lending activities. If the investment in equities and related instruments falls below 65% of the portfolio of the Scheme at any point in time, it would be endeavoured to review and rebalance the composition. The Trustee may from time to time at their absolute discretion review and modify the strategy, provided such modification is in accordance with the Regulations or in the event of a discontinuation of or change in the compilation or the constituents of the BSE 200 Index. The Scheme will retain the flexibility to invest in the entire range of debt instruments and money market instruments. Investment in Debt securities (including securitised debt) 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. Though every endeavor will be made to achieve the objective of the Scheme, the AMC/Sponsors/Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.	The investment objective of the Scheme is to provide long-term capital appreciation by investing predominantly in Large-Cap companies. The Scheme will maintain a minimum exposure of 80% to Large-Cap stocks. The Scheme may also invest up to 20% of AUM in debt and money market securities. The Scheme will remain diversified across key sectors and economic variables. The Scheme may also invest in the hybrid securities viz. units of REITs and InvITs for diversification and subject to necessary stipulations by SEBI from time to time. Subject to the Regulations and the applicable guidelines, the Scheme may, engage in Stock Lending activities. Investment in debt securities will be guided by credit quality, liquidity, interest rates and their outlook. The Scheme may also invest in the schemes of Mutual Funds. Though every endeavour will be made to achieve the objective of the Scheme, the AMC/Sponsors/Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.
Benchmark Index	S&P BSE 200 Index	NIFTY 100 Index
Product Labelling This product is suitable for investors who are seeking*:	<ul style="list-style-type: none"> capital appreciation over long term investment in equity and equity linked instruments including equity derivatives primarily drawn from the companies in the S&P BSE 200 Index  <p>Investors understand that their principal will be at Moderately High risk</p>	<ul style="list-style-type: none"> To generate long-term capital appreciation / income Investment predominantly in Large-Cap companies  <p>Investors understand that their principal will be at Moderately High risk</p>

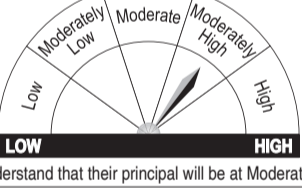
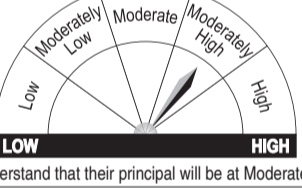
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

The Scheme may undertake (i) repo / reverse repo transactions in Corporate Debt Securities; (ii) Credit Default Swaps, (iii) Short Selling and such other transactions in accordance with guidelines issued by SEBI from time to time.

Apart from above, all other features and terms & conditions of the Scheme shall remain unchanged.

(iii) Changes in the fundamental attributes including other changes of HDFC Mid Cap Opportunities Fund ("the Scheme"):

Provisions	Existing	Revised Provision (proposed)																																																
Name of the Scheme	HDFC Mid-Cap Opportunities Fund	No change																																																
Category of Scheme	Equity Scheme	Mid Cap Fund																																																
Type of the Scheme	Open-ended Equity Scheme	An open ended equity scheme predominantly investing in mid cap stocks																																																
Investment Objective	To generate long-term capital appreciation from a portfolio that is substantially constituted of equity and equity related securities of Small and Mid-Cap companies.	To provide long-term capital appreciation/income by investing predominantly in Mid-Cap companies. There is no assurance that the investment objective of the Scheme will be realized.																																																
Asset Allocation	Under normal circumstances the asset allocation will be as follows:	Under normal circumstances the asset allocation will be as follows:																																																
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Provisions	Existing	Revised Provision (proposed)
Asset Allocation		- Subsequent to any update in the said list as uploaded by AMFI, the portfolio of the Scheme will be rebalanced within a period of one month. The Scheme may invest in the schemes of Mutual Funds in accordance with the applicable extant SEBI (Mutual Funds) Regulations as amended from time to time.
Investment in ADRs/ GDRs and Foreign Securities	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 the provisions of SEBI Circular No. SEBI/IMD/ CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time. The Scheme will invest 25% of its net assets in foreign securities.	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 the provisions of SEBI Circular No. SEBI/IMD/ CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time. The Scheme may invest up to 35% of its net assets in foreign securities.
Investment in derivatives	The Scheme may take derivative positions 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. The Fund has to comply with the prescribed disclosure requirements. These may be taken to hedge the portfolio, re-balance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. The Scheme will invest upto a maximum of 20% of its net assets in Derivatives	The Scheme may invest upto 100% of its net assets in Derivatives. The Scheme may invest in derivatives 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. The Scheme may invest 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. Derivative investments may be undertaken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. Hedging could be perfect or imperfect. In case the Scheme has investment in foreign securities, then the Scheme may hedge the exchange rate risk on all receivables on these instruments through various derivative products such as forwards, currency futures/options, etc.
Investment Strategy	The investment objective of the Scheme is to generate long term capital appreciation from a portfolio that is substantially constituted of equity and equity related securities of Small and Mid-Cap companies. The Investment Manager will also seek participation in other equity and equity related securities to achieve optimal portfolio construction. The Scheme may also invest a certain portion of its corpus in debt and money market securities. Small and Mid-Cap companies offer higher return potential than large cap companies on one hand but also carry higher risk than large cap companies, particularly over the short and medium term. The following are some of the reasons why Small / Mid cap companies offer higher return potential. <ol style="list-style-type: none"> Relatively less known by market participants / price discovery by market is not full. Better growth prospects due to presence in a new segment / area that is growing at a faster pace. Ability to gain share due to new technology, better product / service etc. Room for P/E multiples to expand if the company transitions from a small / mid cap to large cap, etc. To reduce risk, the Fund will maintain a well diversified portfolio. While the portfolio focuses primarily on a buy and hold strategy at most times, it will balance the same with a rational approach to selling when the valuations become too demanding even in the face of reasonable growth prospects in the long run. Though every endeavor will be made to achieve the objective of the Scheme, the AMC/Sponsors/Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.	The investment objective of the Scheme is to provide long-term capital appreciation/income by investing predominantly in Mid-Cap companies. The Scheme shall follow a predominantly Mid cap strategy with a minimum exposure of 65% to Mid-Cap stocks. The Scheme may also seek participation in other equity and equity related securities to achieve optimal portfolio construction. The aim of equity strategy will be to predominantly build a portfolio of mid-cap companies which have: <ol style="list-style-type: none"> reasonable growth prospects sound financial strength sustainable business models acceptable valuation that offer potential for capital appreciation The Scheme aims to maintain a reasonably diversified portfolio at all times. The Scheme may also invest a certain portion of its corpus in debt and money market securities. Investment in debt securities will be guided by credit quality, liquidity, interest rates and their outlook. The Scheme may also invest in the hybrid securities viz. units of REITs and InvITs for diversification and subject to necessary stipulations by SEBI from time to time. Subject to the Regulations and the applicable guidelines, the Scheme may, engage in Stock Lending activities. The Scheme may also invest in the schemes of Mutual Funds. Though every endeavor will be made to achieve the objective of the Scheme, the AMC/Sponsors/Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.
Product Labelling This product is suitable for investors who are seeking*:	<ul style="list-style-type: none"> capital appreciation over long term investment predominantly in equity and equity related instruments of Small and Mid Cap companies  <p>Investors understand that their principal will be at Moderately High risk</p>	<ul style="list-style-type: none"> to generate long-term capital appreciation / income investment predominantly in Mid-Cap companies  <p>Investors understand that their principal will be at Moderately High risk</p>

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

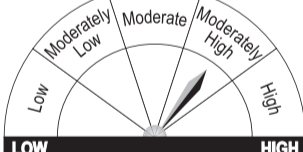
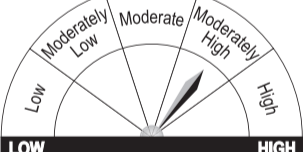
The Scheme may undertake (i) repo / reverse repo transactions in Corporate Debt Securities; (ii) Credit Default Swaps, (iii) Short Selling and such other transactions in accordance with guidelines issued by SEBI from time to time.

Apart from above, all other features and terms & conditions of the Scheme shall remain unchanged.

(iv) Changes in the fundamental attributes including other changes of HDFC Small Cap Fund ("the Scheme"):

Provisions	Existing	Revised Provision (proposed)																																																
Name of the Scheme	HDFC Small Cap Fund	No change																																																
Category of Scheme	Equity Scheme	Small Cap Fund																																																
Type of the Scheme	Open-ended Equity Scheme	An open ended equity scheme predominantly investing in small cap stocks																																																
Investment Objective	To provide long-term capital appreciation by investing predominantly in Small-Cap and Mid-Cap Companies. There is no assurance that the investment objective of the Scheme will be realized.	To provide long-term capital appreciation /income by investing predominantly in Small-Cap companies. There is no assurance that the investment objective of the Scheme will be realized.																																																
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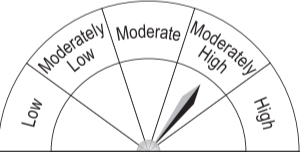
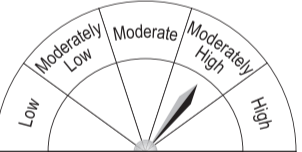
Registered Office: HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020. Phone: 022 66316333 • Toll Free Nos: 1800-3010-6767 / 1800-419-7676 • Fax: 022 22821144 • e-mail: cliser@hdfcfund.com • Visit us at: www.hdfcfund.com

Provisions	Existing	Revised Provision (proposed)
Asset Allocation		- Subject to any updation in the said list as uploaded by AMFI, the portfolio of the Scheme will be rebalanced within a period of one month. The Scheme may invest in the schemes of Mutual Funds in accordance with the applicable extant SEBI (Mutual Funds) Regulations as amended from time to time.
Investment in ADRs / GDRs and Foreign Securities	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 the provisions of SEBI Circular No. SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time. The Scheme will invest upto a maximum of 30% of its net assets in foreign securities and upto a maximum of 25% in foreign debt securities.	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 the provisions of SEBI Circular No. SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time. The Scheme may invest up to 35% of its net assets in foreign securities.
Investment in derivatives	The Scheme may take derivative positions 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. The Fund has to comply with the prescribed disclosure requirements. These may be taken to hedge the portfolio, re-balance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. The Scheme will invest upto a maximum of 50% of its net assets in Derivatives.	The Scheme may invest upto 100% of its net assets in Derivatives. The Scheme may invest in derivatives 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. The Scheme may invest 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. Derivative investments may be undertaken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. Hedging could be perfect or imperfect. In case the Scheme has investment in foreign securities, then the Scheme may hedge the exchange rate risk on all receivables on these instruments through various derivative products such as forwards, currency futures/options, etc.
Investment Strategy	The Scheme seeks to provide long-term capital appreciation by investing in Small-Cap and Mid-Cap companies. Small-Cap companies would be defined as those companies whose market cap is equal to or lower than that of the stock with the largest market cap in the NIFTY Smallcap 100 Index. Mid-Cap companies would be defined as companies having a market capitalization equal to or lower than that of the stock with the largest market cap in the NIFTY Midcap 100 Index. The Scheme shall follow predominantly a small cap strategy with a minimum exposure of 80% to Small-Cap stocks. The Scheme may also seek participation in other equity and equity related securities to achieve optimal portfolio construction. The Scheme may also invest a certain portion of its corpus in debt and money market securities. Small and Mid Cap companies offer higher return potential than large cap companies on one hand but also carry higher risk than large cap companies, particularly over the short and medium term. The following are some of the reasons why Small/ Mid Cap companies offer higher return potential. <ul style="list-style-type: none">Relatively less known by market participants / price discovery by market is not full.Better growth prospects due to presence in a new segment/ area that is growing at a faster pace.Ability to gain share due to new technology, better product/ service etc.Room for P/E multiples to expand if the company transitions from a small / mid cap to large cap, etc. To reduce risk, the Scheme will maintain a well diversified portfolio. While the portfolio focuses primarily on a buy and hold strategy at most times, it will balance the same with a rational approach to selling when the valuations become too demanding even in the face of reasonable growth prospects in the long run. Subject to the Regulations and the applicable guidelines, the Scheme may, engage in Stock Lending activities. Though every endeavour will be made to achieve the objective of the Scheme, the AMC/Sponsors/Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.	The investment objective of the Scheme is to provide long-term capital appreciation/income by investing predominantly in Small-Cap companies. The Scheme shall follow a predominantly small cap strategy with a minimum exposure of 65% to Small-Cap stocks. The Scheme may also seek participation in other equity and equity related securities to achieve optimal portfolio construction. The aim of equity strategy will be to predominantly build a portfolio of small-cap companies which have: a) reasonable growth prospects b) sound financial strength c) sustainable business models d) acceptable valuation that offer potential for capital appreciation The Scheme aims to maintain a reasonably diversified portfolio at all times. The Scheme may also invest a certain portion of its corpus in debt and money market securities. Investment in debt securities will be guided by credit quality, liquidity, interest rates and their outlook. The Scheme may also invest in the hybrid securities viz. units of REITs and InvITs for diversification and subject to necessary stipulations by SEBI from time to time. Subject to the Regulations and the applicable guidelines, the Scheme may, engage in Stock Lending activities. The Scheme may also invest in the schemes of Mutual Funds. Though every endeavour will be made to achieve the objective of the Scheme, the AMC/Sponsors/Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.
Product Labelling This product is suitable for investors who are seeking*:	<ul style="list-style-type: none">capital appreciation over long terminvestment predominantly in equity and equity related instruments of Small-Cap and Mid-Cap companies  <p>Investors understand that their principal will be at Moderately High risk</p>	<ul style="list-style-type: none">to generate long-term capital appreciation / incomeinvestment predominantly in Small-Cap companies  <p>Investors understand that their principal will be at Moderately High risk</p>

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.
The Scheme may undertake (i) repo / reverse repo transactions in Corporate Debt Securities (ii) Credit Default Swaps (iii) Short Selling and such other transactions in accordance with guidelines issued by SEBI from time to time.
Apart from above, all other features and terms & conditions of the Scheme shall remain unchanged.

(v) Changes in the fundamental attributes including other changes of HDFC Capital Builder Fund ("the Scheme"):

Provisions	Existing	Revised Provision (proposed)																													
Name of the Scheme	HDFC Capital Builder Fund	HDFC Capital Builder Value Fund																													
Category of Scheme	Equity Scheme	Value Fund																													
Type of the Scheme	Open-ended growth Scheme	An open ended equity scheme following a value investment strategy.																													
Investment Objective	To achieve capital appreciation in the long term.	To achieve capital appreciation/income in the long term by primarily investing in undervalued stocks. There is no assurance that the investment objective of the Scheme will be realized.																													
Asset Allocation	Under normal circumstances the asset allocation will be as follows: <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Normal Allocation (% of Net Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity Related Instruments</td> <td>Upto 100</td> <td>Medium to High</td> </tr> <tr> <td>Debt and Money market instruments*</td> <td>Not more than 20</td> <td>Low to Medium</td> </tr> </tbody> </table> * Investment in Securitised Debt will not normally exceed 20% of the net assets of the Scheme.	Type of Instruments	Normal Allocation (% of Net Assets)	Risk Profile	Equity and Equity Related Instruments	Upto 100	Medium to High	Debt and Money market instruments*	Not more than 20	Low to Medium	Under normal circumstances the asset allocation will be as follows: <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Minimum Allocation (% of Total Assets)</th> <th>Maximum Allocation (% of Total Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity Related Instruments</td> <td>65</td> <td>100</td> <td>High</td> </tr> <tr> <td>Debt Securities (including securitised debt) and money market instruments</td> <td>0</td> <td>35</td> <td>Low to Medium</td> </tr> <tr> <td>Units issued by REITs and InvITs</td> <td>0</td> <td>10</td> <td>Medium to High</td> </tr> <tr> <td>Non-convertible preference shares</td> <td>0</td> <td>10</td> <td>Low to Medium</td> </tr> </tbody> </table> The Scheme may invest in the schemes of Mutual Funds in accordance with the applicable extant SEBI (Mutual Funds) Regulations as amended from time to time.	Type of Instruments	Minimum Allocation (% of Total Assets)	Maximum Allocation (% of Total Assets)	Risk Profile	Equity and Equity Related Instruments	65	100	High	Debt Securities (including securitised debt) and money market instruments	0	35	Low to Medium	Units issued by REITs and InvITs	0	10	Medium to High	Non-convertible preference shares	0	10	Low to Medium
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Investment in ADRs / GDRs and Foreign Securities	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 the provisions of SEBI Circular No. SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time. The Scheme will invest upto a maximum of 30% of its net assets in foreign securities.	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 the provisions of SEBI Circular No. SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time. The Scheme may invest up to 35% of its net assets in foreign securities.																													

Provisions	Existing	Revised Provision (proposed)
Investment in derivatives	The Scheme 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. 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. The Scheme intend to use derivatives mainly for the purpose of hedging and portfolio balancing. The Scheme intend to use derivatives mainly for the purpose of hedging and portfolio balancing. The Scheme will invest upto a maximum of 25% of its net assets in Derivatives.	The Scheme may invest upto 100% of its net assets in Derivatives. The Scheme may invest in derivatives 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. The Scheme may invest 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. Derivative investments may be undertaken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. Hedging could be perfect or imperfect. In case the Scheme has investment in foreign securities, then the Scheme may hedge the exchange rate risk on all receivables on these instruments through various derivative products such as forwards, currency futures/options, etc.
Investment Strategy	This Scheme aims to achieve its objectives by investing in strong companies at prices which are below fair value in the opinion of the Fund Manager. The Scheme defines a "strong company" as one that has the following characteristics: <ul style="list-style-type: none">strong management, characterized by competence and integrity.strong position in its business (preferably market leadership)efficiency of operations, as evidenced by profit margins and asset turnover, compared to its peers in the industryworking capital efficiencyconsistent surplus cash generationhigh profitability indicators (returns on funds employed). In common parlance, such companies are also called 'Blue Chips'. The Scheme defines "reasonable prices" as: <ul style="list-style-type: none">a market price quote that is around 30% lower than its value, as determined by the discounted value of its estimated future cash flows.a P/E multiple that is lower than the company's sustainable return on funds employed.a P/E to growth ratio that is lower than those of the company's competitorsin case of companies in cyclical businesses, a market price quote that is around 50% lower than its estimated replacement cost. Note: The Scheme does not consider it essential for all companies in the portfolio to satisfy all these criteria. These are used as guidelines for assessing the valuation of companies. The Scheme may also invest upto 25% of net assets of the Scheme in derivatives such as Futures & Options and such other derivative instruments as may be introduced from time to time for the purpose of hedging and portfolio balancing and other uses as may be permitted under the Regulations and guidelines. The Scheme may also invest a part of its net assets, not exceeding 40% of its net assets, in overseas markets in Global Depository Receipts (GDRs), ADRs, overseas equity, bonds and mutual funds and such other instruments as may be allowed under the Regulations from time to time. Subject to the Regulations and the applicable guidelines, the Scheme may, engage in Stock Lending activities. If the investment in equities and related instruments falls below 70% of the portfolio of the Scheme at any point in time, it would be endeavoured to review and rebalance the composition. The Scheme will retain the flexibility to invest in the entire range of debt instruments and money market instruments. Investment in Debt securities (including securitised debt) 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. Though every endeavour will be made to achieve the objectives of the Scheme, the AMC/Sponsors/Trustee do not guarantee that the investment objectives of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.	The investment objective of the Scheme is to achieve capital appreciation/income in the long term by primarily investing in undervalued stocks. Undervalued stocks are generally those that are trading at prices below their intrinsic value as measured by potential earnings or asset values, and/or future cash flow growth. The Scheme will generally maintain a minimum of 50% of the equity portfolio in stocks where the trailing Price / Earnings ratio is lower than the corresponding median of the current stocks in the benchmark index (NSE500 Index) and / or the trailing Price / Book ratio is lower than the corresponding median of the current stocks in the benchmark index (NSE500 Index). The portfolio for this purpose shall be reviewed on a monthly frequency. The Scheme may also invest in the hybrid securities viz. units of REITs and InvITs for diversification and subject to necessary stipulations by SEBI from time to time. Subject to the Regulations and the applicable guidelines, the Scheme may, engage in Stock Lending activities. The Scheme may also invest in the schemes of Mutual Funds. Though every endeavour will be made to achieve the objectives of the Scheme, the AMC/Sponsors/Trustee do not guarantee that the investment objectives of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.
Product Labelling This product is suitable for investors who are seeking*:	<ul style="list-style-type: none">capital appreciation over long term.investment predominantly in equity and equity related instruments of strong companies  <p>Investors understand that their principal will be at Moderately High risk</p>	<ul style="list-style-type: none">to generate long-term capital appreciation / incomeinvestment primarily in undervalued stocks  <p>Investors understand that their principal will be at Moderately High risk</p>

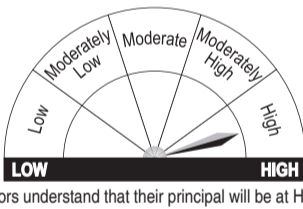
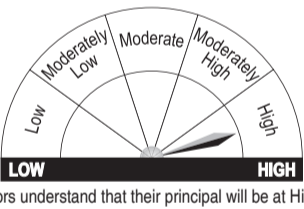
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.
The Scheme may undertake (i) repo / reverse repo transactions in Corporate Debt Securities; (ii) Credit Default Swaps, (iii) Short Selling and such other transactions in accordance with guidelines issued by SEBI from time to time.
Apart from above, all other features and terms & conditions of the Scheme shall remain unchanged.

(vi) Changes in the fundamental attributes including other changes of HDFC Infrastructure Fund ("the Scheme"):

Provisions	Existing	Revised Provision (proposed)																																								
Name of the Scheme	HDFC Infrastructure Fund	No change																																								
Category of Scheme	Equity Scheme	Thematic Fund																																								
Type of the Scheme	Open-ended Equity Scheme	An open-ended equity scheme following infrastructure theme.																																								
Investment Objective	To seek long-term capital appreciation by investing predominantly in equity and equity related securities of companies engaged in or expected to benefit from the growth and development of infrastructure.	To seek long-term capital appreciation/income by investing predominantly in equity and equity related securities of companies engaged in or expected to benefit from the growth and development of infrastructure. There is no assurance that the investment objective of the Scheme will be realized.																																								
Asset Allocation	Under normal circumstances the asset allocation will be as follows: <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Minimum Allocation (% of Net Assets)</th> <th>Maximum Allocation (% of Net Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equities & Equity related Instruments of infrastructure / infrastructure related companies</td> <td>65</td> <td>100</td> <td>Medium to High</td> </tr> <tr> <td>Equities & Equity related Instruments of companies other than mentioned above</td> <td>0</td> <td>35</td> <td>Medium to high</td> </tr> <tr> <td>Debt securities and money market instruments* and Fixed Income Derivatives</td> <td>0</td> <td>35</td> <td>Low to Medium</td> </tr> </tbody> </table> * Investments in securitised debt shall not normally exceed 30% of the net assets of the scheme.	Type of Instruments	Minimum Allocation (% of Net Assets)	Maximum Allocation (% of Net Assets)	Risk Profile	Equities & Equity related Instruments of infrastructure / infrastructure related companies	65	100	Medium to High	Equities & Equity related Instruments of companies other than mentioned above	0	35	Medium to high	Debt securities and money market instruments* and Fixed Income Derivatives	0	35	Low to Medium	Under normal circumstances the asset allocation will be as follows: <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Minimum Allocation (% of Total Assets)</th> <th>Maximum Allocation (% of Total Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equities & Equity related Instruments of infrastructure / infrastructure related companies</td> <td>80</td> <td>100</td> <td>High</td> </tr> <tr> <td>Equities & Equity related Instruments of companies other than mentioned above</td> <td>0</td> <td>20</td> <td>High</td> </tr> <tr> <td>Debt securities (including securitised debt) and money market instruments and Fixed Income Derivatives</td> <td>0</td> <td>20</td> <td>Low to Medium</td> </tr> <tr> <td>Units issued by REITs and InvITs</td> <td>0</td> <td>10</td> <td>Medium to High</td> </tr> <tr> <td>Non-convertible preference shares</td> <td>0</td> <td>10</td> <td>Low to Medium</td> </tr> </tbody> </table> The Scheme may invest in the schemes of Mutual Funds in accordance with the applicable extant SEBI (Mutual Funds) Regulations as amended from time to time.	Type of Instruments	Minimum Allocation (% of Total Assets)	Maximum Allocation (% of Total Assets)	Risk Profile	Equities & Equity related Instruments of infrastructure / infrastructure related companies	80	100	High	Equities & Equity related Instruments of companies other than mentioned above	0	20	High	Debt securities (including securitised debt) and money market instruments and Fixed Income Derivatives	0	20	Low to Medium	Units issued by REITs and InvITs	0	10	Medium to High	Non-convertible preference shares	0	10	Low to Medium
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Registered Office: HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020. Phone: 022 66316333 • Toll Free Nos: 1800-3010-6767 / 1800-419-7676 • Fax: 022 22821144 • e-mail: cliser@hdfcfund.com • Visit us at: www.hdfcfund.com

Provisions	Existing	Revised Provision (proposed)
Investment in ADRs / GDRs and Foreign Securities	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 the provisions of SEBI Circular No. SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time. The Scheme will invest 35% of its net assets in ADR/GDR/foreign securities.	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 the provisions of SEBI Circular No. SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time. The Scheme may invest up to 35% of its net assets in foreign securities.
Investment in derivatives	The Scheme 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. 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. The Scheme will invest upto a maximum of 20% of its net assets in Derivatives.	The Scheme may invest upto 100% of its net assets in Derivatives. The Scheme may invest in derivatives 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. The Scheme may invest 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. Derivative investments may be undertaken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. Hedging could be perfect or imperfect. In case the Scheme has investment in foreign securities, then the Scheme may hedge the exchange rate risk on all receivables on these instruments through various derivative products such as forwards, currency futures/options, etc.
Investment Strategy	The Scheme shall invest predominantly in equity and equity related securities of companies engaged in or expected to benefit from the growth and development of infrastructure. The Scheme shall invest in the following indicative list of sectors/industries: <ul style="list-style-type: none"> Airports Banking and Financial Services Cement and Cement Products Construction and related industries Electrical and Electronic Components Energy Engineering Metals/Mining/Minerals Housing and related industries Industrial Capital Goods Industrial Products Oil & Gas and allied industries Petroleum and related industries Ports Power and Power Equipment Telecom Urban Infrastructure including Transportation, Water, etc. The Scheme shall invest across the above mentioned sectors or other areas of infrastructure as identified by the Fund Manager. The Fund Manager may add such other sector/group of industries, which broadly satisfy the category of services, and infrastructure industries. The Scheme may also invest upto 35% of the fund in non infrastructure related companies. The Scheme shall invest across all market capitalization. The balance, if any, will be invested in Debt or Money Market Instruments and Fixed Income Derivative, including Securitised debt. Though every endeavor will be made to achieve the objective of the Scheme, the AMC/Sponsors/Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.	The Scheme shall invest predominantly in equity and equity related securities of companies engaged in or expected to benefit from the growth and development of infrastructure. The following is an indicative list of sectors covered under infrastructure/related areas: <ul style="list-style-type: none"> Airports Banking and Financial Services Cement and Cement Products Construction and related industries Electrical and Electronic Components Energy Engineering Metals/Mining/Minerals Housing and related industries Industrial Capital Goods Industrial Products Oil & Gas and allied industries Petroleum and related industries Ports Power and Power Equipment Telecom Urban Infrastructure including Transportation, Water, etc. The Scheme shall invest across the above mentioned sectors or other sectors related to infrastructure. The Scheme may also invest upto 20% of the total assets of the Scheme in non infrastructure related companies. The Scheme will invest in companies spanning entire market capitalization. The Scheme may also invest upto 20% of AUM in debt or money market Instruments and Fixed Income Derivative, including Securitised debt. Investment in debt securities will be guided by credit quality, liquidity, interest rates and their outlook. The Scheme may also invest in the hybrid securities viz. units of REITs and InvITs for diversification and subject to necessary stipulations by SEBI from time to time. Subject to the Regulations and the applicable guidelines, the Scheme may, engage in Stock Lending activities. The Scheme may also invest in the schemes of Mutual Funds. Though every endeavor will be made to achieve the objective of the Scheme, the AMC/Sponsors/Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.

Product Labelling This product is suitable for investors who are seeking*:	<ul style="list-style-type: none"> capital appreciation over long term investment predominantly in equity and equity related securities of companies engaged in or expected to benefit from the growth and development of infrastructure  <p>Investors understand that their principal will be at High risk</p>	<ul style="list-style-type: none"> to generate long-term capital appreciation / income investment predominantly in equity and equity related securities of companies engaged in or expected to benefit from the growth and development of infrastructure  <p>Investors understand that their principal will be at High risk</p>
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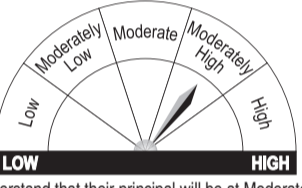
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

The Scheme may undertake (i) repo / reverse repo transactions in Corporate Debt Securities; (ii) Credit Default Swaps, (iii) Short Selling and such other transactions in accordance with guidelines issued by SEBI from time to time.

Apart from above, all other features and terms & conditions of the Scheme shall remain unchanged.

(vii) Changes in the fundamental attributes including other changes of HDFC TaxSaver ("the Scheme"):

Provisions	Existing	Revised Provision (proposed)																					
Name of the Scheme	HDFC TaxSaver	No change																					
Category of Scheme	ELSS	No change																					
Type of the Scheme	An Open-ended Equity Linked Savings Scheme with a lock-in period of 3 years.	An Open-ended Equity Linked Savings Scheme with a statutory lock in of 3 years and tax benefit.																					
Investment Objective	To achieve long term growth of capital.	To generate capital appreciation / income from a portfolio, comprising predominantly of equity & equity related instruments. There is no assurance that the investment objective of the Scheme will be realized.																					
Asset Allocation	Under normal circumstances the asset allocation will be as follows: <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Normal Allocation (% of Net Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity Related Instruments</td> <td>Minimum 80</td> <td>Medium to High</td> </tr> <tr> <td>Debt and Money Market Instruments*</td> <td>Maximum 20</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>* Investments in securitised debt shall not normally exceed 20% of the net assets of the scheme.</p>	Type of Instruments	Normal Allocation (% of Net Assets)	Risk Profile	Equity and Equity Related Instruments	Minimum 80	Medium to High	Debt and Money Market Instruments*	Maximum 20	Low to Medium	Under normal circumstances the asset allocation will be as follows: <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Minimum Allocation (% of Total Assets)</th> <th>Maximum Allocation (% of Total Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity Related Instruments</td> <td>80</td> <td>100</td> <td>High</td> </tr> <tr> <td>Debt Securities (including securitised debt) and money market instruments.</td> <td>0</td> <td>20</td> <td>Low to Medium</td> </tr> </tbody> </table> The Scheme may invest in the schemes of Mutual Funds in accordance with the applicable extant SEBI (Mutual Funds) Regulations as amended from time to time.	Type of Instruments	Minimum Allocation (% of Total Assets)	Maximum Allocation (% of Total Assets)	Risk Profile	Equity and Equity Related Instruments	80	100	High	Debt Securities (including securitised debt) and money market instruments.	0	20	Low to Medium
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Equity and Equity Related Instruments	80	100	High																				
Debt Securities (including securitised debt) and money market instruments.	0	20	Low to Medium																				
Investment in ADRs/ GDRs and Foreign Securities	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 the provisions of SEBI Circular No. SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time. The Scheme will invest 40% of its net assets in foreign securities.	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 the provisions of SEBI Circular No. SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time. The Scheme may invest up to 35% of its total assets in foreign securities.																					
Investment in derivatives	The Scheme 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. 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 intend to take position in derivative	The Scheme may invest upto 50% of its total assets in Derivatives. The Scheme may invest in derivatives 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. The Scheme may invest 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.																					

Provisions	Existing	Revised Provision (proposed)
Investment in derivatives	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 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. The Scheme will not assume any leveraged exposure to derivatives. The Scheme will invest upto a maximum of 25% of its net assets in Derivatives.	Derivative investments may be undertaken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. Hedging could be perfect or imperfect. In case the Scheme has investment in foreign securities, then the Scheme may hedge the exchange rate risk on all receivables on these instruments through various derivative products such as forwards, currency futures/options, etc.
Investment Strategy	The funds collected under the Scheme shall be invested in equities, cumulative convertible preference shares and fully convertible debentures and bonds of companies. Investment may be made in partly convertible debentures and bonds including those issued on a rights basis subject to the condition that, as far as possible, the non convertible portion of the debenture so acquired or subscribed shall be disinvested within a period of 12 months. Pending investment of funds of the Scheme in the required manner, the AMC may invest the funds of the Scheme in short term money market instruments or other liquid instruments or both. After 3 years from the date of allotment of the Units, the Mutual Fund may hold upto 20% of net assets of the Scheme in short-term money market instruments. The Scheme may also invest upto 25% of net assets of the Scheme in derivatives such as Futures & Options and such other derivative instruments as may be introduced from time to time for the purpose of hedging and portfolio balancing and other uses as may be permitted under the Regulations and guidelines. The Scheme may also invest a part of its net assets, not exceeding 40% of its net assets, in overseas markets in Global Depository Receipts (GDRs), ADRs, overseas equity, bonds and mutual funds and such other instruments as may be allowed under the Regulations from time to time. Subject to the Regulations and the applicable guidelines, the Scheme may, engage in Stock Lending activities. If the investment in equities and related instruments falls below 80% of the portfolio of the Scheme at any point in time, it would be endeavoured to review and rebalance the composition. The ELSS (Equity Linked Savings Scheme) guidelines, as applicable, would be adhered to in the management of this Scheme. The Scheme will retain the flexibility to invest in the entire range of debt instruments and money market instruments. Investment in Debt securities (including securitised debt) 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.	The investment objective of the scheme is to generate capital appreciation / income from a portfolio, predominantly of equity & equity related instruments. The aim of equity strategy will be to build a portfolio of companies diversified across major industries, economic sectors and market capitalization that offer an acceptable risk reward balance. 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. Investment in debt securities will be guided by credit quality, liquidity, interest rates and their outlook. Subject to the Regulations and the applicable guidelines, the Scheme may, engage in Stock lending activities. The Scheme may also invest in the schemes of Mutual Funds. The ELSS (Equity Linked Savings Scheme) guidelines, as applicable, would be adhered to in the management of this Scheme.
Product Labelling This product is suitable for investors who are seeking*:	<ul style="list-style-type: none"> growth of capital over long term investment predominantly in equity and equity related instruments  <p>Investors understand that their principal will be at Moderately High risk</p>	<ul style="list-style-type: none"> to generate long-term capital appreciation / income investment predominantly of equity & equity related instruments  <p>Investors understand that their principal will be at Moderately High risk</p>

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

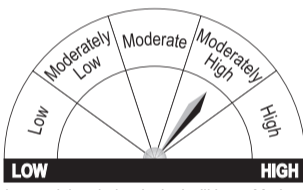
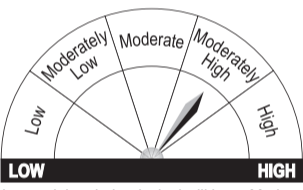
The Scheme may undertake (i) repo / reverse repo transactions in Corporate Debt Securities; (ii) Credit Default Swaps, (iii) Short Selling and such other transactions in accordance with guidelines issued by SEBI from time to time.

Apart from above, all other features and terms & conditions of the Scheme shall remain unchanged.

(viii) Changes in the fundamental attributes including other changes of HDFC Large Cap Fund ("the Scheme"):

Provisions	Existing	Revised Provision (proposed)																																												
Name of the Scheme	HDFC Large Cap Fund	HDFC Growth Opportunities Fund																																												
Category of Scheme	Equity Scheme	Large & Mid Cap Fund																																												
Type of the Scheme	Open-ended Equity Scheme	An open ended equity scheme investing in both large cap and mid cap stocks																																												
Investment Objective	To provide long-term capital appreciation by investing predominantly in large cap companies.	To generate long term capital appreciation/income from a portfolio, predominantly invested in equity and equity related instruments. There is no assurance that the investment objective of the Scheme will be realized.																																												
Asset Allocation	Under normal circumstances the asset allocation will be as follows: <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Minimum Allocation (% of Net Assets)</th> <th>Maximum Allocation (% of Net Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity Related Instruments of Large Cap Companies</td> <td>80</td> <td>100</td> <td>Medium to High</td> </tr> <tr> <td>Debt and money market instruments (including securitized debt*)</td> <td>0</td> <td>20</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>* Investment in Securitised debt, if undertaken, would not exceed 20% of the net assets of the Scheme.</p>	Type of Instruments	Minimum Allocation (% of Net Assets)	Maximum Allocation (% of Net Assets)	Risk Profile	Equity and Equity Related Instruments of Large Cap Companies	80	100	Medium to High	Debt and money market instruments (including securitized debt*)	0	20	Low to Medium	Under normal circumstances the asset allocation will be as follows: <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Minimum Allocation (% of Total Assets)</th> <th>Maximum Allocation (% of Total Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity Related Instruments of Large and Mid Cap companies of which:</td> <td>70</td> <td>100</td> <td>High</td> </tr> <tr> <td>Large Cap^ companies</td> <td>35</td> <td>65</td> <td>High</td> </tr> <tr> <td>Mid Cap^ companies</td> <td>35</td> <td>65</td> <td>High</td> </tr> <tr> <td>Small Cap^ Companies</td> <td>0</td> <td>30</td> <td>High</td> </tr> <tr> <td>Debt Securities (including securitised debt) and money market instruments</td> <td>0</td> <td>30</td> <td>Low to Medium</td> </tr> <tr> <td>Units issued by REITs and InvITs</td> <td>0</td> <td>10</td> <td>Medium to High</td> </tr> <tr> <td>Non-convertible preference shares</td> <td>0</td> <td>10</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>^Investment universe of "Large Cap", "Mid Cap" and "Small Cap": <ul style="list-style-type: none"> The investment universe of "Large Cap", "Mid Cap" and "Small Cap" shall comprise companies as defined by SEBI from time to time. In terms of SEBI circular SEBI / HO/IMD/DF3/CIR/P/2017/114 dated October 6, 2017- <ul style="list-style-type: none"> the universe of "Large Cap" shall consist of 1st to 100th company in terms of full market capitalization; the universe of "Mid Cap" shall consist of 101st to 250th company in terms of full market capitalization.; the universe of "Small Cap" shall consist of 251st company onwards in terms of full market capitalization; and that the Scheme will be required to adhere to the following: <ul style="list-style-type: none"> The list of stocks of "Large Cap", "Mid Cap" and "Small Cap" companies prepared by AMFI in this regard will be adopted. The said list would be uploaded on the AMFI website and would be updated every six months based on the data as on the end of June and December of each year or periodically as specified by SEBI. Subsequent to any updation in the said list as uploaded by AMFI, the portfolio of the Scheme will be rebalanced within a period of one month. The Scheme may invest in the schemes of Mutual Funds in accordance with the applicable extant SEBI (Mutual Funds) Regulations as amended from time to time.</p>	Type of Instruments	Minimum Allocation (% of Total Assets)	Maximum Allocation (% of Total Assets)	Risk Profile	Equity and Equity Related Instruments of Large and Mid Cap companies of which:	70	100	High	Large Cap^ companies	35	65	High	Mid Cap^ companies	35	65	High	Small Cap^ Companies	0	30	High	Debt Securities (including securitised debt) and money market instruments	0	30	Low to Medium	Units issued by REITs and InvITs	0	10	Medium to High	Non-convertible preference shares	0	10	Low to Medium
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Investment in ADRs/ GDRs and Foreign Securities	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 the provisions of SEBI Circular No. SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time. The Scheme will invest upto a maximum of 20% of its net assets in foreign debt securities.	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 the provisions of SEBI Circular No. SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time. The Scheme may invest up to 35% of its total assets in foreign securities.																																												

Registered Office: HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020. Phone: 022 66316333 • Toll Free Nos: 1800-3010-6767 / 1800-419-7676 • Fax: 022 22821144 • e-mail: cliser@hdfcfund.com • Visit us at: www.hdfcfund.com

Provisions	Existing	Revised Provision (proposed)
Investment Strategy	The Scheme will invest in Large Cap stocks. Large Cap stocks would be defined as Stocks having a market capitalization equal to or above that of the bottom 25 th percentile stock in the NIFTY 50 Index. Companies identified for selection in the portfolio will have demonstrated a potential to grow at a reasonable rate for the medium to long term. The aim will be to build a portfolio that adequately reflects a cross section of the growth areas of the economy from time to time. While the portfolio focuses predominantly on a buy and hold strategy, the strategy will also be to balance the same with a rational approach to selling upon anticipated price appreciation being achieved or due to a change in fundamental factors affecting the company or due to availability of alternative investment offering superior returns. The Scheme may also invest a part of its net assets, upto a maximum of 30% of its net assets in foreign securities and upto a maximum of 20% of the net assets in foreign debt securities as may be allowed under the Regulations from time to time. Subject to the Regulations and the applicable guidelines, the Scheme may, engage in Stock Lending activities. Though every endeavour will be made to achieve the objective of the Scheme, the AMC/Sponsors/Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.	The investment objective of the Scheme is to generate long term capital appreciation/income from a portfolio of equity and equity related securities of predominantly large cap and mid-cap companies. The Scheme would predominantly invest in companies spanning entire market capitalization which: a) are likely to achieve above average growth b) enjoy distinct competitive advantages c) have superior financial strength d) are trading at relatively attractive valuations, and e) have value unlocking potential The aim of the equity strategy will be to build a portfolio of strong companies in the prevailing market environment. The fund aims to maintain a reasonably diversified portfolio at all times. The Scheme can also invest upto 30% of AUM in debt instruments and money market instruments. 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. Investment in debt securities will be guided by credit quality, liquidity, interest rates and their outlook. The Scheme may also invest in the hybrid securities viz. units of REITs and InvITs for diversification and subject to necessary stipulations by SEBI from time to time. Subject to the Regulations and the applicable guidelines, the Scheme may engage in Stock Lending activities. The Scheme may also invest in the schemes of Mutual Funds. Though every endeavour will be made to achieve the objective of the Scheme, the AMC/Sponsors/Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.
Investment in derivatives	The Scheme 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. 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. The Scheme intends to use derivatives mainly for the purpose of hedging and portfolio balancing. The Scheme will invest upto a maximum of 50% of its net assets in Derivatives.	The Scheme may invest upto 100% of its total assets in Derivatives. The Scheme may invest in derivatives 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. The Scheme may invest 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. Derivative investments may be undertaken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. Hedging could be perfect or imperfect. In case the Scheme has investment in foreign securities, then the Scheme may hedge the exchange rate risk on all receivables on these instruments through various derivative products such as forwards, currency futures/options, etc.
Benchmark Index	NIFTY 50 Index	NIFTY Large Midcap 250 Index
Product Labelling This product is suitable for investors who are seeking*:	<ul style="list-style-type: none"> capital appreciation over long term investment in equity and equity related instruments of large cap companies  <p>Investors understand that their principal will be at Moderately High risk</p>	<ul style="list-style-type: none"> to generate long-term capital appreciation/income investment predominantly in Large Cap and Mid Cap companies  <p>Investors understand that their principal will be at Moderately High risk</p>

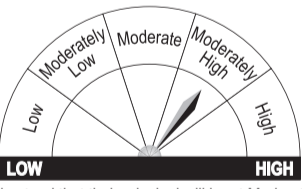
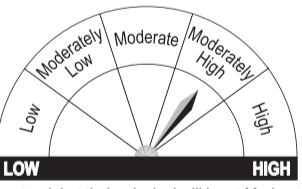
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

The Scheme may undertake (i) repo / reverse repo transactions in Corporate Debt Securities; (ii) Credit Default Swaps, (iii) Short Selling and such other transactions in accordance with guidelines issued by SEBI from time to time.

Apart from above, all other features and terms & conditions of the Scheme shall remain unchanged.

(ix) Changes in the fundamental attributes including other changes of HDFC Core & Satellite Fund ("the Scheme"):

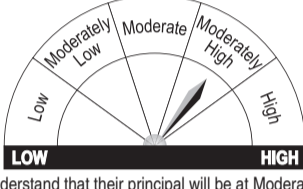
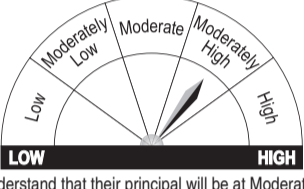
Provisions	Existing	Revised Provision (proposed)																																
Name of the Scheme	HDFC Core & Satellite Fund	HDFC Focused 30 Fund																																
Category of Scheme	Equity Scheme	Focused Fund																																
Type of the Scheme	Open-ended Growth Scheme	An open ended equity scheme investing in maximum 30 stocks in large-cap, mid-cap and small-cap category (i.e. Multi-Cap)																																
Investment Objective	To generate capital appreciation through equity investment in companies whose shares are quoting at prices below their true value.	To generate long term capital appreciation/income by investing in equity & equity related instruments of up to 30 companies. There is no assurance that the investment objective of the Scheme will be realized.																																
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Investment in ADRs/ GDRs and Foreign Securities	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 the provisions of SEBI Circular No. SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time. The Scheme will invest 25% of its net assets in foreign securities.	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 the provisions of SEBI Circular No. SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time. The Scheme may invest up to 35% of its total assets in foreign securities.																																
Investment Strategy	The net assets of the Scheme will be invested primarily in equity and equity related instruments in a portfolio comprising of 'Core' group of companies and 'Satellite' group of companies. The 'Core' group will comprise of well established and predominantly large cap companies whereas the 'Satellite' group will comprise of predominantly small-mid cap companies that offer higher potential returns but at the same time carry higher risk. The 'Satellite' group will complement the 'Core' group. The companies that will comprise the 'Core' group will have the following characteristics: 1. Companies with a long and successful track record. 2. Companies that enjoy leading positions in their markets (say No. 1/2/3) and have significant competitive advantages. 3. Companies that are available below their intrinsic value. Such companies typically will be large cap companies. Large cap companies are generally those companies with market	The Scheme seeks to generate long term capital appreciation/income by investing in equity & equity related instruments of up to 30 companies. The Scheme would have the flexibility to invest across market capitalization in stocks with high growth potential. 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. Investment in debt securities will be guided by credit quality, liquidity, interest rates and their outlook. The Scheme may also invest in the hybrid securities viz. units of REITs and InvITs for diversification and subject to necessary stipulations by SEBI from time to time. Subject to the Regulations and the applicable guidelines, the Scheme may engage in Stock Lending activities. The Scheme may also invest in the schemes of Mutual Funds.																																

Provisions	Existing	Revised Provision (proposed)												
Investment Strategy	capitalisation of more than Rs. 2,500 crore. The number of stocks in this category is expected to be in the range of 10-20 and the average exposure per company will thus be between 3-8% of the portfolio. The 'Core' portion is expected to be between 60-80% of the portfolio. The companies that will comprise the 'Satellite' group of companies will be predominantly small-mid cap companies that offer higher potential returns compared to the companies in the 'Core' group but at the same time will also carry higher risk. Small-mid cap companies are generally those companies with market capitalisation of less than Rs. 2,500 crore. The higher potential for returns will be on account for one or more of the following reasons: 1. Higher growth potential either because of presence in an emerging area or a new business model or because of smaller size. 2. New technology/research driven company without much commercial success till present. 3. A turnaround case. 4. An out-of-favour or an ignored company, i.e. a company facing a temporary setback as a result of which the stock price is depressed and / or the stock is not actively covered by analysts. 5. A company expected to benefit significantly on account of changes in the external environment e.g. commodity prices, exchange rates, etc. Such companies typically will be small to mid cap companies. The number of stocks in the category will be in the range of 10-20 and the average exposure per company will thus be between 1-4% of the portfolio. The intention behind keeping lower exposure to these individual stocks is to diversify the higher risk in these stocks and thus limit portfolio risk. The 'Satellite' portion is expected to be in 20-40% of the portfolio. The main rationale behind this portfolio structuring in the Scheme is given hereunder: The two portions of the portfolio viz., Core (60-80%) of well established low risk companies and the Satellite (20-40%) of higher return potential (and also higher risk) companies are complementary to each other. The composite characteristics of the two portions and therefore of the Scheme are expected to be as follows:	Though every endeavour will be made to achieve the objective of the Scheme, the AMC/Sponsors/Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme. Such companies typically will be small to mid cap companies. The number of stocks in the category will be in the range of 10-20 and the average exposure per company will thus be between 1-4% of the portfolio. The intention behind keeping lower exposure to these individual stocks is to diversify the higher risk in these stocks and thus limit portfolio risk. The 'Satellite' portion is expected to be in 20-40% of the portfolio. The main rationale behind this portfolio structuring in the Scheme is given hereunder: The two portions of the portfolio viz., Core (60-80%) of well established low risk companies and the Satellite (20-40%) of higher return potential (and also higher risk) companies are complementary to each other. The composite characteristics of the two portions and therefore of the Scheme are expected to be as follows:												
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	In other words, the 'Core' group will provide stability to the Scheme and the 'Satellite' group will provide the potential for higher returns. The satellite portion of the Scheme will be more diversified to reduce the higher risk in individual stocks in that portion of the Scheme. 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. The Scheme will retain the flexibility to invest in the entire range of debt instruments and money market instruments. Investment in Debt securities (including securitised debt) 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.	In other words, the 'Core' group will provide stability to the Scheme and the 'Satellite' group will provide the potential for higher returns. The satellite portion of the Scheme will be more diversified to reduce the higher risk in individual stocks in that portion of the Scheme. 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. The Scheme will retain the flexibility to invest in the entire range of debt instruments and money market instruments. Investment in Debt securities (including securitised debt) 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.												
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(x) Changes in the fundamental attributes including other changes to HDFC Index Fund - NIFTY Plan ("the Scheme"):

Provisions	Existing	Revised Provision (proposed)																		
Name of the Scheme	HDFC Index Fund-NIFTY Plan	HDFC Index Fund-NIFTY 50 Plan																		
Category of Scheme	Index Fund	No change																		
Type of the Scheme	Open-ended Index Linked Scheme	An open ended scheme replicating/tracking NIFTY 50 Index																		
Investment Objective	The objective of this Plan is to generate returns that are commensurate with the performance of the NIFTY, subject to tracking errors.	The investment objective of the Scheme is to generate returns that are commensurate with the performance of the NIFTY 50 Index, subject to tracking errors. There is no assurance that the investment objective of the Scheme will be realized.																		
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Debt securities and money market instruments but excluding subscription and redemption cash flow	0-5	Low to Medium																		

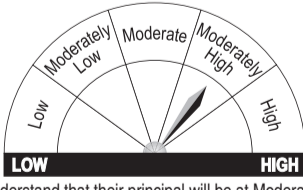
Registered Office: HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020. Phone: 022 66316333 • Toll Free Nos: 1800-3010-6767 / 1800-419-7676 • Fax: 022 22821144 • e-mail: cliser@hdfcfund.com • Visit us at: www.hdfcfund.com

Provisions	Existing	Revised Provision (proposed)
Asset Allocation	Subscription Cash Flow is the subscription money in transit before deployment and Redemption Cash Flow is the money kept aside for meeting redemptions. The Scheme will not invest in Foreign Securitised Debt.	Subscription cash flow is the subscription money in transit before deployment and redemption cash flow is the money kept aside for meeting redemptions. The Scheme will not make any investment in Debt Derivatives, ADR / GDR / Foreign Securities / Securitised Debt / Repo in Corporate Debt Securities. The Scheme may invest in the schemes of Mutual Funds in accordance with the applicable extant SEBI (Mutual Funds) Regulations as amended from time to time.
Investment Strategy	The NIFTY Plan will be managed passively with investments in stocks in a proportion that is as close as possible to the weightages of these stocks in the respective Index. The investment strategy would revolve around reducing the tracking error to the least possible through regular rebalancing of the portfolio, taking into account the change in weights of stocks in the Index as well as the incremental collections / redemptions from this plan. A small portion of the net assets will be invested in money market instruments permitted by SEBI/RBI including Collateralised Borrowing & Lending Obligations (CBLO) or in alternative investment for the Collateralised Borrowing & Lending Obligations (CBLO) as may be provided by the RBI, to meet the liquidity requirements of the Plan under the Scheme.	The NIFTY 50 Plan will be managed passively with investments in stocks in a proportion that is as close as possible to the weightages of these stocks in the respective Index. The investment strategy would revolve around reducing the tracking error to the least possible through regular rebalancing of the portfolio, taking into account the change in weights of stocks in the Index as well as the incremental collections/redemptions in the Scheme. A part of the funds may be invested in debt and money market instruments, to meet the liquidity requirements. Subject to the Regulations and the applicable guidelines, the Scheme may engage in Stock Lending activities. The Scheme may also invest in the schemes of Mutual Funds. Though every endeavor will be made to achieve the objective of the Scheme, the AMC/Sponsors/Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.
Investment in Derivatives	The Scheme will invest upto a maximum of 50% of net assets of its respective plans in Derivatives.	The Scheme may invest upto 100% of its net assets in Derivatives. The Scheme may invest in derivatives 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.
Product Labelling	<ul style="list-style-type: none"> returns that are commensurate with the performance of the NIFTY, subject to tracking errors over long term investment in equity securities covered by the NIFTY  <p>Investors understand that their principal will be at Moderately High risk</p>	<ul style="list-style-type: none"> returns that are commensurate with the performance of the NIFTY 50, subject to tracking errors over long term investment in equity securities covered by the NIFTY 50  <p>Investors understand that their principal will be at Moderately High risk</p>

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.
The Scheme may undertake (i) Credit Default Swaps, (ii) Short Selling and such other transactions in accordance with guidelines issued by SEBI from time to time.

Apart from above, all other features and terms & conditions of the Scheme shall remain unchanged.

(xi) Changes in the fundamental attributes including other changes of HDFC NIFTY ETF ("the Scheme"):

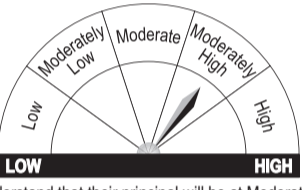
Provisions	Existing	Revised Provision (proposed)																		
Name of the Scheme	HDFC NIFTY ETF	HDFC NIFTY 50 ETF																		
Category of Scheme	Exchange Traded Fund	No change																		
Type of the Scheme	An Open Ended Index Exchange Traded Fund [Rajiv Gandhi Equity Savings Scheme (RGESS) Qualified Scheme]	An open ended scheme replicating/tracking NIFTY 50 Index																		
Investment Objective	The investment objective of HDFC NIFTY ETF is to provide investment returns that, before expenses, closely correspond to the total returns of the Securities as represented by the Nifty 50 Index subject to tracking errors.	The investment objective of HDFC NIFTY 50 ETF is to generate returns that are commensurate with the performance of the NIFTY 50 Index, subject to tracking error. There is no assurance that the investment objective of the scheme will be realized.																		
Asset Allocation	Under normal circumstances the asset allocation will be as follows: <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Normal Allocation (% of Net Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Securities covered by NIFTY 50 Index</td> <td>95-100</td> <td>High</td> </tr> <tr> <td>Debt and Money Market Instruments (with residual maturity not exceeding 91 days)</td> <td>0-5</td> <td>Low to Medium</td> </tr> </tbody> </table>	Type of Instruments	Normal Allocation (% of Net Assets)	Risk Profile	Securities covered by NIFTY 50 Index	95-100	High	Debt and Money Market Instruments (with residual maturity not exceeding 91 days)	0-5	Low to Medium	Under normal circumstances the asset allocation will be as follows: <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Normal Allocation (% of Total Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Securities covered by NIFTY 50 Index</td> <td>95-100</td> <td>High</td> </tr> <tr> <td>Debt securities and money market instruments but excluding subscription and redemption cash flow</td> <td>0-5</td> <td>Low to Medium</td> </tr> </tbody> </table>	Type of Instruments	Normal Allocation (% of Total Assets)	Risk Profile	Securities covered by NIFTY 50 Index	95-100	High	Debt securities and money market instruments but excluding subscription and redemption cash flow	0-5	Low to Medium
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Investment Strategy	The Fund would invest in stocks comprising the underlying Index and endeavour to track the benchmark Index. The Fund may also invest in debt & money market instruments, in compliance with regulations to meet liquidity and expense requirements. HNETF endeavours to invest in stocks forming part of the underlying in the same ratio as per the Index to the extent possible and to that extent follows a passive investment strategy, except to the extent of meeting liquidity and expense requirements. Since the scheme is an exchange traded fund, the scheme will only invest in the security constituting the underlying index. However, due to corporate action in companies comprising of the Index, the scheme may be allocated/allotted securities which are not part of the Index. Though every endeavor will be made to achieve the objectives of the Scheme, the AMC / Sponsors / Trustee do not guarantee that the investment objectives of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.	Subscription cash flow is the subscription money in transit before deployment and redemption cash flow is the money kept aside for meeting redemptions. The Scheme will not make any investment in Debt Derivatives, ADR / GDR / Foreign Securities / Securitised Debt/Repo in Corporate Debt Securities. The Scheme may invest in the schemes of Mutual Funds in accordance with the applicable extant SEBI (Mutual Funds) Regulations as amended from time to time. The NIFTY 50 ETF will be managed passively with investments in stocks in a proportion that is as close as possible to the weightages of these stocks in the respective Index. The investment strategy would revolve around reducing the tracking error to the least possible through regular rebalancing of the portfolio, taking into account the change in weights of stocks in the Index as well as the incremental collections/redemptions in the Scheme. A part of the funds may be invested in debt and money market instruments, to meet the liquidity requirements. Subject to the Regulations and the applicable guidelines, the Scheme may engage in Stock Lending activities. The Scheme may also invest in the schemes of Mutual Funds. Though every endeavor will be made to achieve the objective of the Scheme, the AMC/Sponsors/Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.																		
Investment in Derivatives	The scheme will not make any investment in Derivatives	The Scheme may invest upto 100% of its net assets in Derivatives. The Scheme may invest in derivatives 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.																		
Product Labelling	<ul style="list-style-type: none"> returns that are commensurate with the performance of the NIFTY 50, subject to tracking errors over long term investment in equity securities covered by the NIFTY 50  <p>Investors understand that their principal will be at Moderately High risk</p>	No change																		

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The Scheme may undertake (i) Credit Default Swaps, (ii) Short Selling and such other transactions in accordance with guidelines issued by SEBI from time to time.

Apart from above, all other features and terms & conditions of the Scheme shall remain unchanged.

(xii) Changes in the fundamental attributes including other changes of HDFC SENSEX ETF ("the Scheme"):

Provisions	Existing	Revised Provision (proposed)
Name of the Scheme	HDFC SENSEX ETF	No change
Category of Scheme	Exchange Traded Fund	No change
Type of the Scheme	An Open Ended Exchange Traded Fund	An open ended scheme replicating/tracking S&P BSE SENSEX Index
Investment Objective	The investment objective of HDFC SENSEX ETF is to provide investment returns that, before expenses, closely correspond to the total returns of the Securities as represented by the S&P BSE SENSEX Index subject to tracking errors.	The investment objective of HDFC SENSEX ETF is to generate returns that are commensurate with the performance of the S&P BSE SENSEX Index, subject to tracking errors. There is no assurance that the investment objective of the Scheme will be realized.

Provisions	Existing	Revised Provision (proposed)																		
Asset Allocation	Under normal circumstances the asset allocation will be as follows: <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Normal Allocation (% of Net Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Securities covered by S&P BSE SENSEX Index</td> <td>95-100</td> <td>High</td> </tr> <tr> <td>Debt and Money Market Instruments (with residual maturity not exceeding 91 days)</td> <td>0-5</td> <td>Low to Medium</td> </tr> </tbody> </table>	Type of Instruments	Normal Allocation (% of Net Assets)	Risk Profile	Securities covered by S&P BSE SENSEX Index	95-100	High	Debt and Money Market Instruments (with residual maturity not exceeding 91 days)	0-5	Low to Medium	Under normal circumstances the asset allocation will be as follows: <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Normal Allocation (% of Total Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Securities covered by S&P BSE SENSEX Index</td> <td>95-100</td> <td>High</td> </tr> <tr> <td>Debt securities and money market instruments but excluding subscription and redemption cash flow</td> <td>0-5</td> <td>Low to Medium</td> </tr> </tbody> </table>	Type of Instruments	Normal Allocation (% of Total Assets)	Risk Profile	Securities covered by S&P BSE SENSEX Index	95-100	High	Debt securities and money market instruments but excluding subscription and redemption cash flow	0-5	Low to Medium
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Investment in Derivatives	The scheme will not make any investment in Derivatives	The Scheme may invest upto 100% of its net assets in Derivatives. The Scheme may invest in derivatives 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.																		
Product Labelling	<ul style="list-style-type: none"> returns that are commensurate with the performance of the S&P BSE SENSEX, subject to tracking errors over long term investment in equity securities covered by the S&P BSE SENSEX  <p>Investors understand that their principal will be at Moderately High risk</p>	No change																		

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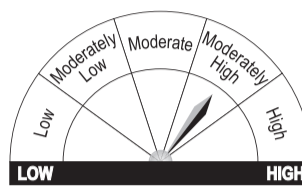
Apart from above, all other features and terms & conditions of the Scheme shall remain unchanged.

(xiii) Change in Fundamental Attributes including other changes to HDFC Equity Savings Fund ("the Scheme")

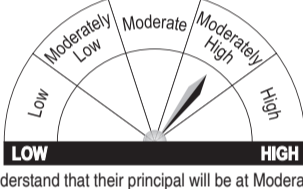
Particulars	Existing Provision	Revised Provision (proposed)																																																				
Name of the Scheme	HDFC Equity Savings Fund	No change																																																				
Category of Scheme	Equity Scheme	Equity Savings Fund																																																				
Type of the Scheme	Open-ended Equity Scheme	An open ended scheme investing in equity, arbitrage and debt																																																				
Investment Objective	To provide capital appreciation and income distribution to the investors using arbitrage opportunities, investment in equity / equity related instruments and debt / money market instruments. There is no assurance that the investment objective of the Scheme will be realized.	To provide capital appreciation by investing in Equity & equity related instruments, Arbitrage opportunities, and Debt & money market instruments. There is no assurance that the investment objective of the scheme will be realized.																																																				
Asset Allocation	Under normal circumstances the asset allocation will be as follows: <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Minimum Allocation (% of Net Assets)</th> <th>Maximum Allocation (% of Net Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity Related Instruments</td> <td>65</td> <td>90</td> <td>Medium to High</td> </tr> <tr> <td>Of which Net Long Equity*</td> <td>15</td> <td>40</td> <td>Medium to High</td> </tr> <tr> <td>Of which Derivatives including index futures, stock futures, index options, etc**</td> <td>25</td> <td>75</td> <td>Low to Medium</td> </tr> <tr> <td>Debt and Money Market Instruments †§</td> <td>10</td> <td>35</td> <td>Low to Medium</td> </tr> </tbody> </table>	Type of Instruments	Minimum Allocation (% of Net Assets)	Maximum Allocation (% of Net Assets)	Risk Profile	Equity and Equity Related Instruments	65	90	Medium to High	Of which Net Long Equity*	15	40	Medium to High	Of which Derivatives including index futures, stock futures, index options, etc**	25	75	Low to Medium	Debt and Money Market Instruments †§	10	35	Low to Medium	Under normal circumstances the asset allocation will be as follows: <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Minimum Allocation (% of Total Assets)</th> <th>Maximum Allocation (% of Total Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity and equity related instruments</td> <td>65</td> <td>90</td> <td>Medium to High</td> </tr> <tr> <td>Of which net long through equity and equity related instruments*</td> <td>15</td> <td>40</td> <td>High</td> </tr> <tr> <td>Of which derivatives including index futures, stock futures, index options and stock options, etc</td> <td>25</td> <td>75</td> <td>Medium to High</td> </tr> <tr> <td>Other derivative opportunities</td> <td>0</td> <td>20</td> <td>Medium to High</td> </tr> <tr> <td>Debt Securities (including securitised debt) and money market instruments</td> <td>10</td> <td>35</td> <td>Low to Medium</td> </tr> <tr> <td>Units issued by REITs and InvITs</td> <td>0</td> <td>10</td> <td>Medium to High</td> </tr> <tr> <td>Non-convertible preference shares</td> <td>0</td> <td>10</td> <td>Low to Medium</td> </tr> </tbody> </table>	Type of Instruments	Minimum Allocation (% of Total Assets)	Maximum Allocation (% of Total Assets)	Risk Profile	Equity and equity related instruments	65	90	Medium to High	Of which net long through equity and equity related instruments*	15	40	High	Of which derivatives including index futures, stock futures, index options and stock options, etc	25	75	Medium to High	Other derivative opportunities	0	20	Medium to High	Debt Securities (including securitised debt) and money market instruments	10	35	Low to Medium	Units issued by REITs and InvITs	0	10	Medium to High	Non-convertible preference shares	0	10	Low to Medium
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Registered Office: HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020. Phone: 022 66316333 • Toll Free Nos: 1800-3010-6767 / 1800-419-7676 • Fax: 022 22821144 • e-mail: cliser@hdfcfund.com • Visit us at: www.hdfcfund.com

Particulars	Existing Provision	Revised Provision (proposed)
Asset Allocation		* This net long equity exposure is aimed to gain from potential capital appreciation and thus is a directional equity exposure which will not be hedged. The Scheme may invest in the schemes of Mutual Funds in accordance with the applicable extant SEBI (Mutual Funds) Regulations as amended from time to time.
Investment in ADRs/ GDRs and Foreign Securities	The Scheme may seek investment opportunity in ADR/GDR and Foreign Securities, in accordance with guidelines stipulated in this regard by SEBI and RBI from time to time. Under normal circumstances, the Scheme shall not have an exposure of more than 50% of its assets in foreign ADR/GDR and Foreign Securities.	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 the provisions of SEBI Circular No. SEBI/ IMD/ CIR No. 7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/ RBI from time to time. The Scheme may invest up to 35% of its total assets in foreign securities. The Scheme may invest upto 100% of its total assets in Derivatives. The Scheme may invest in derivatives 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. The Scheme may invest 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. Derivative investments may be undertaken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. Hedging could be perfect or imperfect. In case the Scheme has investment in foreign securities, then the fund may hedge the exchange rate risk on all receivables on these instruments through various derivative products such as forwards, currency futures/options, etc.
Investment in derivatives	The Scheme 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. 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. Investments in debt derivatives shall not exceed 50% of the debt asset allocation. Exposure to Derivatives may be taken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time.	The Scheme may invest upto 100% of its total assets in Derivatives. The Scheme may invest in derivatives 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. The Scheme may invest 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. Derivative investments may be undertaken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. Hedging could be perfect or imperfect. In case the Scheme has investment in foreign securities, then the fund may hedge the exchange rate risk on all receivables on these instruments through various derivative products such as forwards, currency futures/options, etc.
Investment Strategy	The scheme will seek to achieve its investment objective primarily by employing various strategies which seek to exploit available arbitrage opportunities in markets along with pure equity investments and investments in debt and money market instruments. Arbitrage Opportunities The market provides opportunities to derive returns from the implied cost of carry between the underlying cash market and the derivatives market. This provides for opportunities to generate returns that are possibly higher than short term interest rates with minimal active price risk on equities. Implied cost of carry and spreads across the spot and futures markets can potentially lead to profitable arbitrage opportunities. Index Arbitrage: As the Nifty 50 Index derives its value from fifty underlying stocks, the underlying stocks can be used to create a synthetic index matching the Nifty 50 Index levels. Also, theoretically, the fair value of a stock/ index futures is equal to the spot price plus the cost of carry. Theoretically, therefore, the pricing of Nifty 50 Index futures should be equal to the pricing of the synthetic index created by futures on the underlying stocks. However, due to market imperfections, the index futures may not exactly correspond to the synthetic index futures. The Nifty 50 Index futures normally trades at a discount to the synthetic index due to large volumes of stock hedging being done using the Nifty 50 Index futures giving rise to arbitrage opportunities. The fund manager shall aim to capture such arbitrage opportunities by taking long positions in the Nifty 50 Index futures and short positions in the synthetic index. Cash Futures Arbitrage: The scheme would look for market opportunities between the spot and the futures market. The cash futures arbitrage strategy can be employed when the price of the futures exceeds the price of the underlying stock. The Scheme will first buy the stocks in cash market and then sell in the futures market to lock the spread known as arbitrage return. Buying the stock in cash market and selling the futures results into a hedge where the scheme has locked in a spread and is not affected by the price movement of cash market and futures market. The arbitrage position can be continued till expiry of the future contracts. The future contracts are settled based on the last half an hour's weighted average trade of the cash market. Thus there is a convergence between the cash market and the futures market on expiry. This convergence helps the scheme to generate the arbitrage return locked in earlier. However, the position could even be closed earlier in case the price differential is realized before expiry or better opportunities are available in other stocks. Also, in case the Scheme has to unwind the positions prior to the expiry on account of redemptions or any other reason, the returns would depend on the spread between the spot and futures price at which the position is unwound. ADR / GDR - Underlying Shares In two-way fungibility, depository receipts can be converted into underlying domestic shares and local shares can be reconverted into depository receipts. The depository receipts could either be Global Depository Receipts (GDRs) or American Depository Receipts (ADRs). GDRs are listed on the London or the Luxembourg Stock Exchange, while ADRs are listed on the US exchanges like the New York Stock Exchange (NYSE) or the NASDAQ. Since every GDR / ADR has a given number of underlying shares, the number of shares qualifying for re-conversion into GDRs / ADRs is limited to the number of shares, which were converted into local shares. Say for instance that the ADR / GDR price is at a discount to the price of the underlying share. Converting the ADR / GDRs into the underlying shares can now result in a gain. If the ADR/GDR price is at a premium to the price of the underlying shares, then it makes sense to re-convert the underlying shares into depository receipts. All this is subject to headroom or the availability of shares for re-conversion. Say for example a particular company has issued 10 million ADRs with one underlying share per ADR. Two million ADRs have been reconverted into local shares. Therefore two million local shares can be converted to ADRs. Here the intention is to capture the spread due to mis-pricing in ADR/GDR and the equivalent local shares, through simultaneous long or short positions. Corporate Action / Event Driven Strategies Any corporate action or event driven strategy where there is a potential opportunity for arbitrage in the cash and derivative markets such as: <ul style="list-style-type: none">Dividend Arbitrage: Around dividend declaration time, the stock futures / options market can provide a profitable opportunity. Generally, the stock price decline by the dividend amount when the stock goes ex-dividend.Buy-Back Arbitrage: When the Company announces the buy-back of its own shares, there could be opportunities due to price differential in buyback price and traded price.Merger: When the Company announces any merger, amalgamation, hive off, de-merger, etc., there could be opportunities due to price differential in the cash and the derivative market. Pure equity investments: In order to provide long term capital appreciation, the Scheme will invest predominantly in growth companies. Companies selected under this portfolio would be across market capitalizations. The aim will be to build a portfolio, which represents a cross section of the strong growth companies in the prevailing market. In order to reduce the risk of volatility, the Scheme will diversify across major industries and economic sectors.	The Scheme shall endeavour to provide capital appreciation and income distribution to the investors using arbitrage opportunities, investment in equity/equity related instruments and debt/money market instruments. Equity investments: The Scheme may aim to generate capital appreciation/income by investing in a cross section of companies diversified across major industries, economic sectors and market capitalization. Arbitrage Opportunities The Scheme may seek to generate income through arbitrage opportunities such as Index/Stock Spot vs Index/Stock Futures or Index Futures vs Stock Futures or Future of same stock with different expiry months or ADR/GDR vs underlying shares etc. The Scheme may also use corporate action or event driven strategy where there is a potential opportunity for arbitrage in cash or derivate market such as dividend arbitrage or buy-back arbitrage or merger etc. Debt/Money market instruments: Investment in Debt securities (including securitised debt) 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. Investment in debt securities will be guided by credit quality, liquidity, interest rates and their outlook. REITs/InvITs The Scheme may also invest in the hybrid securities viz. units of REITs and InvITs for diversification and subject to necessary stipulations by SEBI from time to time. Subject to the Regulations and the applicable guidelines, the Scheme may, engage in Stock Lending activities. The Scheme may also invest in the schemes of Mutual Funds. Though every endeavour will be made to achieve the objective of the Scheme, the AMC/ Sponsors/Trustee do not guarantee that the investment objective of the scheme will be achieved. No guaranteed returns are being offered under the Scheme.

Particulars	Existing Provision	Revised Provision (proposed)																																								
Investment Strategy	Debt/Money market instruments: 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. Though every endeavour will be made to achieve the objective of the Scheme, the AMC/ Sponsors/Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.																																									
Product Labelling This product is suitable for investors who are seeking*:	<ul style="list-style-type: none"> capital appreciation while generating income over medium to long term provide capital appreciation and income distribution to the investors by using equity and equity related instruments, arbitrage opportunities, and investments in debt and money market instruments  <p>Investors understand that their principal will be at Moderately High risk</p>	No change																																								
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	The Scheme may undertake (i) repo / reverse repo transactions in Corporate Debt Securities; (ii) Credit Default Swaps, (iii) Short Selling and such other transactions in accordance with guidelines issued by SEBI from time to time.																																									
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(xiv) Changes in the fundamental attributes including other changes of HDFC Children's Gift Fund ("the Scheme"):																																										
Provisions	Existing	Revised Provision (proposed)																																								
Name of the Scheme	HDFC Children's Gift Fund	No change																																								
Category of Scheme	Balanced Fund	Children's Fund																																								
Type of the Scheme	Open-ended Balanced Scheme	An open ended fund for investment for children having a lock-in for at least 5 years or till the child attains age of majority (whichever is earlier)																																								
Investment Objective	The primary objective of the Scheme is to generate long term capital appreciation.	To generate capital appreciation / income from a portfolio of equity & equity related instruments and debt and money market instruments. There is no assurance that the investment objective of the Scheme will be realized.																																								
Asset Allocation	Under normal circumstances the asset allocation will be as follows: <table border="1" data-bbox="1185 1220 1594 1526"> <thead> <tr> <th>Type of Instruments</th> <th>Minimum Allocation (% of Net Assets)</th> <th>Maximum Allocation (% of Net Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity linked Instruments</td> <td>40</td> <td>75</td> <td>High</td> </tr> <tr> <td>Debt Securities and Money Market Instruments*</td> <td>25</td> <td>60</td> <td>Low to Medium</td> </tr> <tr> <td>Units issued by REITs and InvITs</td> <td>0</td> <td>10</td> <td>Medium to High</td> </tr> </tbody> </table> * Investment in Securitised debt, if undertaken, would not exceed 20% of the net assets of the Scheme.	Type of Instruments	Minimum Allocation (% of Net Assets)	Maximum Allocation (% of Net Assets)	Risk Profile	Equity and Equity linked Instruments	40	75	High	Debt Securities and Money Market Instruments*	25	60	Low to Medium	Units issued by REITs and InvITs	0	10	Medium to High	Under normal circumstances the asset allocation will be as follows: <table border="1" data-bbox="1594 1220 2003 1526"> <thead> <tr> <th>Type of Instruments</th> <th>Minimum Allocation</th> <th>Maximum Allocation</th> <th>Risk Profile</th> </tr> <tr> <td></td> <td colspan="2">% of Total Assets</td> <td></td> </tr> </thead> <tbody> <tr> <td>Equity and Equity related Instruments</td> <td>65</td> <td>80</td> <td>High</td> </tr> <tr> <td>Debt Securities (including securitised debt) and money market instruments</td> <td>20</td> <td>35</td> <td>Low to Medium</td> </tr> <tr> <td>Units issued by REITs and InvITs</td> <td>0</td> <td>10</td> <td>Medium to High</td> </tr> <tr> <td>Non-convertible preference shares</td> <td>0</td> <td>10</td> <td>Low to Medium</td> </tr> </tbody> </table> The Scheme may invest in the schemes of Mutual Funds in accordance with the applicable extant SEBI (Mutual Funds) Regulations as amended from time to time.	Type of Instruments	Minimum Allocation	Maximum Allocation	Risk Profile		% of Total Assets			Equity and Equity related Instruments	65	80	High	Debt Securities (including securitised debt) and money market instruments	20	35	Low to Medium	Units issued by REITs and InvITs	0	10	Medium to High	Non-convertible preference shares	0	10	Low to Medium
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Non-convertible preference shares	0	10	Low to Medium																																							
Investment in ADRs / GDRs and Foreign Securities	The Scheme may seek investment opportunity in the Foreign Securities, in accordance with guidelines stipulated in this regard by SEBI and RBI from time to time. Under normal circumstances, the Scheme shall not have an exposure of more than 50% and 20% of its net assets in Foreign Debt Securities and in ADRs /GDRs / Foreign Equity Securities respectively subject to regulatory limits. However, the AMC with a view to protecting the interest of the investors may increase or decrease this exposure as deemed fit from time to time subject to regulatory limit.	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 the provisions of SEBI Circular No. SEBI/ IMD/ CIR No. 7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/ RBI from time to time. The Scheme may invest up to 35% of its total assets in foreign securities.																																								
Investment in derivatives	The Scheme may take derivatives position (both equity and fixed income) based on the opportunities available subject to the guidelines issued by SEBI from time to time and in line with the investment objective of the Scheme. These may be taken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. The maximum derivative position will be restricted to 20% of the Net Assets (i.e. Net Assets including cash) of the Scheme.	The Scheme may invest upto 100% of its total assets in Derivatives. The Scheme may invest in derivatives 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. The Scheme may invest 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. Derivative investments may be undertaken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. Hedging could be perfect or imperfect. In case the Scheme has investment in foreign securities, then the Scheme may hedge the exchange rate risk on all receivables on these instruments through various derivative products such as forwards, currency futures/options, etc.																																								
Investment Strategy	The net assets of the Scheme will be primarily invested in Equities and Equity related instruments. The AMC will also invest the net assets of the Scheme in Debt / Money market instruments with an objective of generating long term returns and maintaining risk under control. The real estate and the infrastructure sectors are deeply linked to the economic performance and hence likely to be major Beneficiaries in the expected Indian economic growth. Thus, the Scheme may also invest in the hybrid securities viz. units of REITs and InvITs for diversification and subject to necessary stipulations by SEBI from time to time. 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: <ul style="list-style-type: none">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:<ul style="list-style-type: none">The anticipated price appreciation has been achieved or is no longer probable; orAlternative investments offer superior total return prospects; orA 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.	The total assets of the Scheme will be invested in equities, equity related instruments, debt (including securitised debt) and money market instruments, with an objective of generating long term returns and maintaining risk under control. The aim of equity strategy will be to predominantly build a portfolio of companies across market capitalization which have: <ol style="list-style-type: none">reasonable growth prospectssound financial strengthsustainable business modelsacceptable valuation that offer potential for capital appreciation at all times. The Scheme aims to maintain a reasonably diversified portfolio at all times. Investment in Debt securities (including securitised debt) 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. Investment in debt securities will be guided by credit quality, liquidity, interest rates and their outlook. The Scheme may also invest in the hybrid securities viz. units of REITs and InvITs for diversification and subject to necessary stipulations by SEBI from time to time. Subject to the Regulations and the applicable guidelines, the Scheme may engage in Stock Lending activities. The Scheme may also invest in the schemes of Mutual Funds. Though every endeavour will be made to achieve the objective of the Scheme, the AMC/ Sponsors/ Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered by the Scheme.																																								

Registered Office: HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020. Phone: 022 66316333 • Toll Free Nos: 1800-3010-6767 / 1800-419-7676 • Fax: 022 22821144 • e-mail: cliser@hdfcfund.com • Visit us at: www.hdfcfund.com

Provisions	Existing	Revised Provision (proposed)
Investment Strategy	<p>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.</p> <p>Debt Investments :</p> <p>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.</p> <p>The details of such investments would be communicated by the AMC to the Trustee in their periodical reports. It would also be clearly mentioned in the reports, how the parameters have been complied with. However, in case any unrated debt security does not fall under the parameters, the prior approval of Board of AMC and Trustee shall be sought. Investment in debt instruments shall generally have a low risk profile and those in money market instruments shall have an even lower risk profile. The maturity profile of debt instruments will be selected in accordance with the Fund Managers view regarding current market conditions, interest rate outlook and the stability of ratings.</p> <p>Though every endeavour will be made to achieve the objective of the Scheme, the AMC /Sponsors/ Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered by the Scheme.</p>	<p>Existing investments by investors including SIP / STP registrations, etc (until May 22, 2018):</p> <p>Lock-in period (if opted), shall be later of</p> <ul style="list-style-type: none"> - 3 Years from the date of allotment - Until the Unit Holder (being the beneficiary child) attains the age of 18 years <p>Fresh investments by investors including SIP/ STP registrations, etc (effective May 23, 2018):</p> <p>Lock-in period will be compulsory. Lock-in period shall be earlier of</p> <ul style="list-style-type: none"> - 5 Years from the date of allotment; or - Until the Unit holder (being the beneficiary child) attains the age of majority (i.e. completion of 18 years)
Lock-in Period	<p>Lock-in period (If opted), shall be later of</p> <ul style="list-style-type: none"> - 3 Years from the date of allotment - Until the Unit Holder (being the beneficiary child) attains the age of 18 years 	<p>Existing investments by investors including SIP / STP registrations, etc (until May 22, 2018):</p> <p>Lock-in period (if opted), shall be later of</p> <ul style="list-style-type: none"> - 3 Years from the date of allotment - Until the Unit holder (being the beneficiary child) attains the age of 18 years <p>Fresh investments by investors including SIP/ STP registrations, etc (effective May 23, 2018):</p> <p>Lock-in period will be compulsory. Lock-in period shall be earlier of</p> <ul style="list-style-type: none"> - 5 Years from the date of allotment; or - Until the Unit holder (being the beneficiary child) attains the age of majority (i.e. completion of 18 years)
Product Labelling	<ul style="list-style-type: none"> capital appreciation over long term investment in equity and equity related instruments as well as debt and money market instruments  <p>Investors understand that their principal will be at Moderately High risk</p>	No change

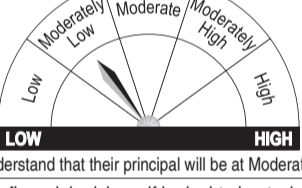
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

The Scheme may undertake (i) repo / reverse repo transactions in Corporate Debt Securities; (ii) Credit Default Swaps, (iii) Short Selling and such other transactions in accordance with guidelines issued by SEBI from time to time.

Apart from above, all other features and terms & conditions of the Scheme shall remain unchanged.

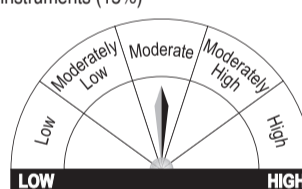
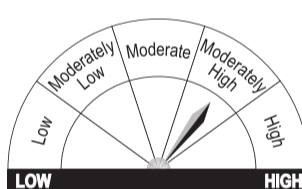
(xv) Change in Fundamental Attributes including other changes to HDFC Arbitrage Fund ("the Scheme"):

Particulars	Existing Provision	Revised Provision (proposed)																																																																																								
Name of the Scheme	HDFC Arbitrage Fund	No change																																																																																								
Category of Scheme	Equity Scheme	Arbitrage Fund																																																																																								
Type of the Scheme	Open-ended Equity Fund	An open ended scheme investing in arbitrage opportunities																																																																																								
Investment Objective	To generate income through arbitrage opportunities between cash and derivative market and arbitrage opportunities within the derivative segment and by deployment of surplus cash in debt securities and Money Market instruments.	To generate income through arbitrage opportunities and debt & money market instruments. There is no assurance that the investment objective of the Scheme will be realized.																																																																																								
Asset Allocation	<p>Under normal circumstances, the asset allocation (% of Net Assets) of the Scheme's portfolio will be as follows:</p> <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Minimum Allocation (% of Net Assets)</th> <th>Maximum Allocation (% of Net Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity Related Instruments</td> <td>65</td> <td>90</td> <td>Medium to High</td> </tr> <tr> <td>Derivative including index futures, stock futures, Index Options and Stock Options etc#</td> <td>65</td> <td>90</td> <td>Medium to High</td> </tr> <tr> <td>Debt Securities and Money Market Instruments* and Fixed Income Derivative</td> <td>10</td> <td>35</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>* Investments in securitised debt shall not normally exceed 35% of the net assets of the scheme.</p> <p>When adequate arbitrage opportunities are not available in the Derivative and equity markets, the asset allocation of the scheme's portfolio will be as follows:</p> <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Minimum Allocation (% of Net Assets)</th> <th>Maximum Allocation (% of Net Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity Related Instruments</td> <td>0</td> <td>65</td> <td>Medium to High</td> </tr> <tr> <td>Derivative including index futures, stock futures, Index Options and Stock Options etc#</td> <td>0</td> <td>65</td> <td>Medium to High</td> </tr> <tr> <td>Debt Securities and Money Market Instruments* and Fixed Income Derivative</td> <td>35</td> <td>100</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>*Investments in securitised debt shall not normally exceed 50% of the net assets of the scheme.</p> <p># The exposure to derivative shown in the above asset allocation table is exposure taken against the underlying equity investments and should not be considered for calculating the total asset allocation. The idea is not to take additional asset allocation with the use of derivative. The margin money deployed on these positions would be included in Money Market category.</p>	Type of Instruments	Minimum Allocation (% of Net Assets)	Maximum Allocation (% of Net Assets)	Risk Profile	Equity and Equity Related Instruments	65	90	Medium to High	Derivative including index futures, stock futures, Index Options and Stock Options etc#	65	90	Medium to High	Debt Securities and Money Market Instruments* and Fixed Income Derivative	10	35	Low to Medium	Type of Instruments	Minimum Allocation (% of Net Assets)	Maximum Allocation (% of Net Assets)	Risk Profile	Equity and Equity Related Instruments	0	65	Medium to High	Derivative including index futures, stock futures, Index Options and Stock Options etc#	0	65	Medium to High	Debt Securities and Money Market Instruments* and Fixed Income Derivative	35	100	Low to Medium	<p>Under normal circumstances the asset allocation will be as follows:</p> <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Minimum Allocation (% of Total Assets)</th> <th>Maximum Allocation (% of Total Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity and equity related instruments</td> <td>65</td> <td>90</td> <td>Medium to High</td> </tr> <tr> <td>Derivatives including index futures, stock futures, index options and stock options, etc</td> <td>65</td> <td>90</td> <td>Medium to High</td> </tr> <tr> <td>Other derivative opportunities</td> <td>0</td> <td>20</td> <td>Medium to High</td> </tr> <tr> <td>Debt Securities (including securitised debt) and money market instruments</td> <td>10</td> <td>35</td> <td>Low to Medium</td> </tr> <tr> <td>Units issued by REITs and InvITs</td> <td>0</td> <td>10</td> <td>Medium to High</td> </tr> <tr> <td>Non-convertible preference shares</td> <td>0</td> <td>10</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>In defensive circumstances the asset allocation will be as per the below table:</p> <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Minimum Allocation (% of Total Assets)</th> <th>Maximum Allocation (% of Total Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity and equity related instruments</td> <td>0</td> <td>65</td> <td>Medium to High</td> </tr> <tr> <td>Derivatives including index futures, stock futures, index options and stock options, etc</td> <td>0</td> <td>65</td> <td>Medium to High</td> </tr> <tr> <td>Other derivative opportunities</td> <td>0</td> <td>20</td> <td>Medium to High</td> </tr> <tr> <td>Debt Securities (including securitised debt) and money market instruments</td> <td>35</td> <td>100</td> <td>Low to Medium</td> </tr> <tr> <td>Units issued by REITs and InvITs</td> <td>0</td> <td>10</td> <td>Medium to High</td> </tr> <tr> <td>Non-convertible preference shares</td> <td>0</td> <td>10</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>The Scheme may invest in the schemes of Mutual Funds in accordance with the applicable extant SEBI (Mutual Funds) Regulations as amended from time to time.</p>	Type of Instruments	Minimum Allocation (% of Total Assets)	Maximum Allocation (% of Total Assets)	Risk Profile	Equity and equity related instruments	65	90	Medium to High	Derivatives including index futures, stock futures, index options and stock options, etc	65	90	Medium to High	Other derivative opportunities	0	20	Medium to High	Debt Securities (including securitised debt) and money market instruments	10	35	Low to Medium	Units issued by REITs and InvITs	0	10	Medium to High	Non-convertible preference shares	0	10	Low to Medium	Type of Instruments	Minimum Allocation (% of Total Assets)	Maximum Allocation (% of Total Assets)	Risk Profile	Equity and equity related instruments	0	65	Medium to High	Derivatives including index futures, stock futures, index options and stock options, etc	0	65	Medium to High	Other derivative opportunities	0	20	Medium to High	Debt Securities (including securitised debt) and money market instruments	35	100	Low to Medium	Units issued by REITs and InvITs	0	10	Medium to High	Non-convertible preference shares	0	10	Low to Medium
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Units issued by REITs and InvITs	0	10	Medium to High																																																																																							
Non-convertible preference shares	0	10	Low to Medium																																																																																							
Type of Instruments	Minimum Allocation (% of Total Assets)	Maximum Allocation (% of Total Assets)	Risk Profile																																																																																							
Equity and equity related instruments	0	65	Medium to High																																																																																							
Derivatives including index futures, stock futures, index options and stock options, etc	0	65	Medium to High																																																																																							
Other derivative opportunities	0	20	Medium to High																																																																																							
Debt Securities (including securitised debt) and money market instruments	35	100	Low to Medium																																																																																							
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Non-convertible preference shares	0	10	Low to Medium																																																																																							
Investment in ADRs/ GDRs and Foreign Securities	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 the provisions of SEBI Circular No. SEBI/IMD/ CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/ RBI from time to time.	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 the provisions of SEBI Circular No. SEBI/IMD/ CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/ RBI from time to time.																																																																																								

Particulars	Existing Provision	Revised Provision (proposed)																																				
Investment in derivatives	In pursuance of Investment Objective of the Scheme, the Scheme would use derivatives to generate income through arbitrage opportunities between cash and derivative market and arbitrage opportunities within the derivative segment subject to SEBI (MF) Regulations. The Scheme intends to take position in derivative instruments like Futures, Options, Interest Rate Swaps, ForwardRate Agreements, and such other derivative instruments as may be permitted by SEBI from time to time.	The Scheme may invest upto 100% of its total assets in Derivatives. The Scheme may invest in derivatives 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. The Scheme may invest 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. Derivative investments may be undertaken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. Hedging will be done to reduce risk. Hedging could be perfect or imperfect. In case the Scheme has investment in foreign securities, then the Scheme may hedge the exchange rate risk on all receivables on these instruments through various products such as forwards, currency futures/options, etc.																																				
Investment Strategy	<p>The equity derivative markets have experienced enormous growth during the last few years. The market provides ability to the investor to derive returns from the implied cost of carry between the underlying and the derivatives market. This provides an opportunity to provide returns, possibly higher than the short-term interest rate without taking the market risk. Implied cost of carry and mis-pricing across the spot, futures and options markets can lead to profitable arbitrage opportunities.</p> <p>The Scheme would carry out simple strategies, which would be to take offsetting positions on various markets simultaneously. The overall risk the Scheme would carry would be that of being market neutral i.e. no specific equity risk. However, when such opportunities are not available, the scheme may invest in short term debt or money market securities. The Scheme would not attempt to leverage or have short positions.</p> <p>The strategies, the Scheme may adopt could be as under. The list is not exhaustive and the Scheme could use similar strategies as available in the markets.</p> <ul style="list-style-type: none"> Index Arbitrage Cash Futures Arbitrage ADR / GDR - Underlying Shares Corporate Action / Event Driven Strategies <ul style="list-style-type: none"> Dividend Arbitrage Buy-Back Arbitrage Merger <p>The Scheme 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.</p> <p>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 end, the Mutual Fund may also appoint overseas investment advisors and other service providers, as and when permissible under the regulations.</p> <p>The Scheme will retain the flexibility to invest in the entire range of debt instruments and money market instruments. Investment in Debt securities (including securitised debt) 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.</p> <p>Though every endeavor will be made to achieve the objective of the Scheme, the AMC/Sponsors/Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.</p>	<p>The Scheme will seek to generate income through arbitrage opportunities such as Index/Stock Spot vs Index/Stock Futures or Index Futures vs Stock Futures or Future of same stock with different expiry months or ADR/GDR vs underlying shares etc.</p> <p>The Scheme may use corporate action or event driven strategy where there is a potential opportunity for arbitrage in cash or derivate market such as dividend arbitrage or buy-back arbitrage or merger etc.</p> <p>The Scheme would carry out simple strategies, which would be to take offsetting positions on various markets simultaneously across various asset classes. The overall risk the Scheme would carry would be that of being market neutral. The Scheme would not attempt to leverage or have short positions.</p> <p>Investment in Debt securities (including securitised debt) 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. Investment in debt securities will be guided by credit quality, liquidity, interest rates and their outlook.</p> <p>Subject to the Regulations and the applicable guidelines, the Scheme may, engage in Stock Lending activities.</p> <p>The Scheme may also invest in the hybrid securities viz. units of REITs and InvITs for diversification and subject to necessary stipulations by SEBI from time to time.</p> <p>The Scheme may also invest in the schemes of Mutual Funds.</p> <p>Though every endeavour will be made to achieve the objective of the Scheme, the AMC/ Sponsors/Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.</p>																																				
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Asset Allocation	<p>Under normal circumstances the asset allocation will be as follows:</p> <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Minimum Allocation (% of Net Assets)</th> <th>Maximum Allocation (% of Net Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Fixed Income Securities (including securitised debt of up to 25% of net assets & Money Market instruments)</td> <td>80</td> <td>95</td> <td>Low to Medium</td> </tr> <tr> <td>Equity & Equity related instruments</td> <td>5</td> <td>20</td> <td>High</td> </tr> </tbody> </table>	Type of Instruments	Minimum Allocation (% of Net Assets)	Maximum Allocation (% of Net Assets)	Risk Profile	Fixed Income Securities (including securitised debt of up to 25% of net assets & Money Market instruments)	80	95	Low to Medium	Equity & Equity related instruments	5	20	High	<p>Under normal circumstances the asset allocation will be as follows:</p> <table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Minimum Allocation (% of Total Assets)</th> <th>Maximum Allocation (% of Total Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity and equity related instruments</td> <td>10</td> <td>80</td> <td>High</td> </tr> <tr> <td>Debt Securities (including securitised debt and money market instruments)</td> <td>10</td> <td>80</td> <td>Low to Medium</td> </tr> <tr> <td>Gold *</td> <td>10</td> <td>80</td> <td>Medium to High</td> </tr> <tr> <td>Units issued by REITs and InvITs</td> <td>0</td> <td>10</td> <td>Medium to High</td> </tr> <tr> <td>Non-convertible preference shares</td> <td>0</td> <td>10</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>* includes physical Gold, Gold ETFs and other Gold related instruments^ which may be permitted by Regulator from time to time.</p> <p>^ The Scheme may invest in Gold Monetization Scheme of banks notified by RBI as per SEBI vide Circular No. CIR/IMD/ DF/11/2015 dated December 31, 2015 subject to the guidelines provided by SEBI, which may be amended from time to time.</p> <p>The Scheme may invest in the schemes of Mutual Funds in accordance with the applicable extant SEBI (Mutual Funds) Regulations as amended from time to time.</p>	Type of Instruments	Minimum Allocation (% of Total Assets)	Maximum Allocation (% of Total Assets)	Risk Profile	Equity and equity related instruments	10	80	High	Debt Securities (including securitised debt and money market instruments)	10	80	Low to Medium	Gold *	10	80	Medium to High	Units issued by REITs and InvITs	0	10	Medium to High	Non-convertible preference shares	0	10	Low to Medium
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Investment in ADRs/ GDRs and Foreign Securities	Up to a maximum of 25% of the net assets.	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 the provisions of SEBI Circular No. SEBI/IMD/ CIR No.7/104753/07 dated September 26, 2007 as may be amended from time to time and any other requirements as may be stipulated by SEBI/ RBI from time to time.																																				

Registered Office: HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020. Phone: 022 66316333 • Toll Free Nos: 1800-3010-6767 / 1800-419-7676 • Fax: 022 22821144 • e-mail: cliser@hdfcfund.com • Visit us at: www.hdfcfund.com

Particulars	Existing Provision	Revised Provision (proposed)																																										
Investment in derivatives	The Scheme 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. 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. The Scheme may invest upto 50% of its net assets in Derivatives.	The Scheme may invest upto 100% of its total assets in Derivatives. The Scheme may invest in derivatives 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. The Scheme may invest 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. Derivative investments may be undertaken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. Hedging could be perfect or imperfect. In case the Scheme has investment in foreign securities, then the Scheme may hedge the exchange rate risk on all receivables on these instruments through various derivative products such as forwards, currency futures/options, etc.																																										
Investment Strategy	The net assets of the Scheme will be invested primarily in fixed income securities and balance in equity and equity related instruments. The Scheme 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 aims to achieve this by adopting the following investment strategy: a. Invest around 85% of the net assets of the Scheme in fixed income securities of roughly 15 months maturity and adopt a predominantly buy and hold strategy. This will mean that over medium term irrespective of the interest rate movements, the Scheme 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 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.	The Scheme aims to provide diversification across Equity, Debt and Gold with an aim to provide optimal risk adjusted returns. Equity Investments The aim will be to invest in companies across market capitalization which have: a) reasonable growth prospects b) sound financial strength c) sustainable business models d) acceptable valuation that offer potential for capital appreciation. The Scheme aims to maintain a reasonably diversified portfolio at all times. Debt Investments Investment in Debt securities (including securitised debt) 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. Investment in debt securities will be guided by credit quality, liquidity, interest rates and their outlook. Gold The Scheme may invest in Gold, Gold ETFs and Gold related instruments (including derivatives, Sovereign Gold Bonds etc as and when SEBI/RBI permits). REITs & InvTs The Scheme may also invest in the hybrid securities viz. units of REITs and InvTs for diversification and subject to necessary stipulations by SEBI from time to time. Subject to the Regulations and the applicable guidelines, the Scheme may engage in Stock Lending activities. The Scheme may also invest in the schemes of Mutual Funds.																																										
Benchmark Index	CRISIL Hybrid 85+15 - Conservative Index (erstwhile CRISIL MIP Blended Index)	90% NIFTY 50 Hybrid Composite Debt 65:35 Index + 10% Domestic Price of Gold The Scheme intends to invest in a mix of equity and related instruments, debt securities and Gold & Gold ETF. NIFTY 50 TRI (Total Returns Index) seems to be appropriate for benchmarking un-hedged equity portion of the portfolio of the Scheme. NIFTY Composite Debt Index seems to be appropriate for benchmarking the income generated by the debt & money market instruments in the portfolio. Domestic price of physical gold seems appropriate benchmark for evaluating performance of Gold holding in the portfolio.																																										
Fund Manager	Mr Anil Bamboli (Debt Assets) Mr Chirag Setalvad (Equity Assets) Mr Rakesh Vyas (Fund Manager for Overseas Investments)	Mr Chirag Setalvad (Equity Assets) Mr Anil Bamboli (Debt Assets) Mr Krishan Kumar Daga (Gold) Mr Rakesh Vyas (Fund Manager for Overseas Investments)																																										
Taxation	Tax implications other than equity oriented fund <table border="1"> <thead> <tr> <th>Tax implications for "other than Equity Oriented Funds"</th> <th>Resident Investors^{^^}</th> <th>Mutual Fund^{^^}</th> </tr> </thead> <tbody> <tr> <td>Capital Gains:</td> <td></td> <td></td> </tr> <tr> <td>Long Term (Period of holding more than 36 months) – listed and unlisted**</td> <td>20% with indexation (plus applicable surcharge and education cess)</td> <td>Nil</td> </tr> <tr> <td>Short Term (Period of holding less than or equal to 36 months) – listed and unlisted</td> <td>Income tax rate applicable to the Unit holders as per their income slabs.</td> <td>Nil</td> </tr> </tbody> </table> **In case of Non Resident Indians (NRIs), on unlisted schemes, long term capital gain will be taxed at 10% without indexation and foreign currency fluctuation benefits (plus applicable surcharge and education cess). Note: 'Other than Equity Oriented Funds' are not liable to Securities Transaction Tax (STT). Accordingly, on redemption of 'other than equity oriented fund', STT will not be attracted. ^{^^} The information given herein is as per the prevailing tax laws. In view of the individual nature of the implications, each Unit holder is advised to consult his own tax advisor.	Tax implications for "other than Equity Oriented Funds"	Resident Investors ^{^^}	Mutual Fund ^{^^}	Capital Gains:			Long Term (Period of holding more than 36 months) – listed and unlisted**	20% with indexation (plus applicable surcharge and education cess)	Nil	Short Term (Period of holding less than or equal to 36 months) – listed and unlisted	Income tax rate applicable to the Unit holders as per their income slabs.	Nil	As per the provisions of the Income Tax Act, 1961, an "equity oriented fund" is a fund where the investible funds are invested by way of equity shares in domestic companies to the extent of more than 65% of the total proceeds of such fund. <table border="1"> <thead> <tr> <th>Tax implications for Equity Oriented Funds</th> <th>Resident Investors^{^^}</th> <th>Mutual Fund^{^^}</th> </tr> </thead> <tbody> <tr> <td>Tax on Dividend</td> <td>Nil</td> <td>Dividend Distribution Tax (DDT) :10%* (refer note 1 below)</td> </tr> <tr> <td>Capital Gains:</td> <td></td> <td></td> </tr> <tr> <td>Long Term (Period of holding more than 12 months)</td> <td>10% without indexation* + applicable Surcharge[^] + 4% Cess[§]</td> <td>Nil</td> </tr> <tr> <td>Short Term (Period of holding less than or equal to 12 months)</td> <td>15% + applicable Surcharge[^] + 4% Cess[§]</td> <td>Nil</td> </tr> </tbody> </table> Note: 1. Finance Act, 2018 has amended section 115R to provide that on income distributed to any person by an equity oriented fund shall be liable to pay additional income tax. For the purpose of determining the tax payable, the amount of distributed income be increased to such amount as would, after reduction of tax from such increased amount, be equal to the income distributed by the Mutual Fund. The impact of the same has not been reflected above. 2. Equity Oriented Funds also attract Securities Transaction Tax (STT) at applicable rates. [^] Finance Act, 2018 has withdrawn the exemption granted under section 10(38) to long term capital gains arising on transfer of units of equity oriented mutual funds by introduction of section 112A to provide that long term capital gains arising from transfer of a long term capital asset being a unit of an equity oriented fund shall be taxed at 10% without indexation and foreign currency fluctuation benefit of such capital gains exceeding one lakh rupees. The concessional rate of 10% shall be available only if securities transaction tax (STT) has been paid on transfer in case of units of equity-oriented mutual funds. Further, the amendment to section 55 of the Act provides for a grandfathering provision upto January 31, 2018. However, in the event the equity allocation falls below the threshold of 65% over a prolonged period, the Scheme may be regarded as an "other than equity oriented fund" and the following tax provisions shall be applicable to the unit holders of the Scheme: <table border="1"> <thead> <tr> <th>Tax implications for "other than Equity Oriented Funds"</th> <th>Resident Investors^{^^}</th> <th>Mutual Fund^{^^}</th> </tr> </thead> <tbody> <tr> <td>Tax on Dividend</td> <td>Nil</td> <td>Dividend Distribution Tax (DDT) Individual / HUF: 25%* Others: 30%* (Refer Note 1 below)</td> </tr> <tr> <td>Capital Gains:</td> <td></td> <td></td> </tr> <tr> <td>Long Term (Period of holding more than 36 months)**</td> <td>20% with indexation + applicable Surcharge[^] + 4% Cess[§]</td> <td>Nil</td> </tr> <tr> <td>Short Term (Period of holding less than or equal to 36 months)**</td> <td>Individual/HUF - Income tax rate applicable to the Unit holders as per their income slabs Domestic Company - 30% + Surcharge[^] as applicable + 4% Cess[§] 25%^{##} + Surcharge[^] as applicable + 4% Cess[§]</td> <td>Nil</td> </tr> </tbody> </table>	Tax implications for Equity Oriented Funds	Resident Investors ^{^^}	Mutual Fund ^{^^}	Tax on Dividend	Nil	Dividend Distribution Tax (DDT) :10%* (refer note 1 below)	Capital Gains:			Long Term (Period of holding more than 12 months)	10% without indexation* + applicable Surcharge [^] + 4% Cess [§]	Nil	Short Term (Period of holding less than or equal to 12 months)	15% + applicable Surcharge [^] + 4% Cess [§]	Nil	Tax implications for "other than Equity Oriented Funds"	Resident Investors ^{^^}	Mutual Fund ^{^^}	Tax on Dividend	Nil	Dividend Distribution Tax (DDT) Individual / HUF: 25%* Others: 30%* (Refer Note 1 below)	Capital Gains:			Long Term (Period of holding more than 36 months)**	20% with indexation + applicable Surcharge [^] + 4% Cess [§]	Nil	Short Term (Period of holding less than or equal to 36 months)**	Individual/HUF - Income tax rate applicable to the Unit holders as per their income slabs Domestic Company - 30% + Surcharge [^] as applicable + 4% Cess [§] 25% ^{##} + Surcharge [^] as applicable + 4% Cess [§]	Nil
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Particulars	Existing Provision	Revised Provision (proposed)
Taxation		**In case of Non Resident Indians (NRIs), on unlisted schemes, long term capital gain will be taxed at 10% without indexation and foreign currency fluctuation benefits (plus applicable surcharge [^] and education cess [§]). ## If total turnover or Gross receipts during the financial year 2016-17 does not exceed Rs.250 crores as provided by Finance Act, 2018. Note : 1. On income distribution, if any, made by the Mutual Fund, additional income tax is payable under section 115R of the Act. For the purpose of determining the tax payable, the amount of distributed income be increased to such amount as would, after reduction of tax from such increased amount, be equal to the income distributed by the Mutual Fund. The impact of the same has not been reflected above. [^] plus surcharge at the rate of 12% and 4% Cess [§] . [^] Surcharge rates are as under: - In case of Corporate Assesses: i. Where the taxable income exceeds Rs. 1 crore but less than Rs. 10 Crores- At the rate of 7% (Marginal Relief in Surcharge, if applicable) ii. Where the taxable income exceeds Rs. 10 crore - At the rate of 12% (Marginal Relief in Surcharge, if applicable) - In case of Non-Corporate Assesses: i. for individuals, HUF, association of persons, body of individuals and artificial juridical person, surcharge at 10% where income exceeds Rs. 50 lakhs but does not exceed Rs. 1 crore and surcharge at 15% where income exceeds Rs. 1 crore is applicable. ii. for firm, co-operative society and local authority, surcharge at 12% is applicable where income exceeds Rs. 1 crore. [§] Finance Act, 2018 has provided that the Health and Education Cess shall be applicable at 4% instead of "Education Cess at the rate of 2% and Secondary and Higher Education Cess at 1%" on aggregate of base tax and surcharge. ^{^^} The information given herein is as per the prevailing tax laws. For Further details on taxation, please refer to the Section on Taxation on investing in Mutual Funds in Statement of Additional Information (SAI). Investors should be aware that the fiscal rules/ tax laws may change and there can be no guarantee that the current tax position may continue indefinitely. In view of the individual nature of the implications, each Unit holder is advised to consult his own tax advisor.
Scheme Recurring Expenses	Maximum total expense ratio (TER) permissible under Regulation 52 (6): 2.25% Recurring Expenses: <ul style="list-style-type: none">On the first Rs. 100 crores of the daily net assets - 2.25% p.a.On the next Rs. 300 crores of the daily net assets - 2.00% p.a.On the next Rs. 300 crores of the daily net assets - 1.75% p.a.On the balance of the assets - 1.50% p.a.	Maximum total expense ratio (TER) permissible under Regulation 52 (6): 2.50% [^] Recurring Expenses: <ul style="list-style-type: none">On the first Rs. 100 crores of the daily total assets - 2.50% p.a.[^]On the next Rs. 300 crores of the daily total assets - 2.25% p.a.[^]On the next Rs. 300 crores of the daily total assets - 2.00% p.a.[^]On the balance of the assets - 1.75% p.a.[^] [^] In case the exposure to debt and money market instruments exceeds 65% of total assets, such recurring expenses shall be lesser by at least 0.25% p.a. of the daily total assets.
Product Labelling	<ul style="list-style-type: none">positive returns over medium term with low risk of capital loss over medium terminvestment in debt and money market instruments with maturity of 15 months (85%) as well as equity and equity related instruments (15%)  LOW HIGH	<ul style="list-style-type: none">To generate long-term capital appreciation/incomeInvestments in a diversified portfolio of equity & equity related instruments, debt & money market instruments and Gold  LOW HIGH

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

The Scheme may undertake (i) repo / reverse repo transactions in Corporate Debt Securities; (ii) Credit Default Swaps, (iii) Short Selling and such other transactions in accordance with guidelines issued by SEBI from time to time.

Apart from above, all other features and terms & conditions of the Scheme shall remain unchanged.

Further details with respect to (a) investment in REITs (Real Estate Investment Trusts) and InvTs (Infrastructure Investment Trusts) and (b) strategies for Investment in Derivatives as per derivative strategy of the above mentioned revised Scheme(s), as applicable are provided in the separate communication being sent to existing Unit holder(s) of the concerned Scheme(s) in this behalf.

IV. Exit option to the Unit holders:

Some of the proposed changes are changes in the fundamental attributes of the respective Scheme(s). As per Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996 ("MF Regulations"), changes in fundamental attributes can be carried out only after the Unit holders of the schemes concerned have been informed of the change via written communication and an option to exit the scheme(s) within a period of 30 days at the prevailing NAV without any exit load is provided to them.

Thus, in accordance with the MF Regulations, existing Unit holders of the respective Schemes i.e. those unit holders / investors whose valid applications have been received by the Fund till 3:00 p.m. on April 13, 2018, are provided with an option to exit at the prevailing NAV without any exit load, for a period of 30 (thirty) days from April 23, 2018 to May 22, 2018 (upto 3:00 p.m. on May 22, 2018) (both days inclusive) ("**Exit Option Period**"), if they do not wish to stay invested in the concerned Scheme(s) pursuant to changes to the Scheme ("**Exit Option**"). **However, Unit holder(s) of HDFC TaxSaver shall not be eligible to exercise exit option during the said Exit Option period for the units which are held under lock-in as per the ELSS Guidelines. Unit holder(s) of HDFC Children's Gift Fund, whose units are under lock-in as per the provisions of the Scheme, may also exercise the Exit Option through their Parent / Legal Guardian.**

The Exit Option can be exercised during the Exit Option Period by submitting redemption / switch-out request at the any Official Point of Acceptance of the Fund as indicated in the letter sent to each Unit holder ("**Exit Option Letter**"). For list of Official Points of Acceptance, please visit our website www.hdfcfund.com. In case any existing Unit holder has not received an Exit Option Letter, they are advised to contact any of the Investor Service Centres of HDFC Asset Management Company Limited ("**HDFC AMC**").

Unit holders should procure a release of their pledges/vacate the lien prior to applying for redemption/switch-out during the Exit Option Period. In case units have been frozen / locked pursuant to an order of a government authority or a court, such exit option can be executed only after the freeze / lock order is vacated / revoked within the period specified above.

Unit holders should ensure that any change in address or bank mandate are updated in the Fund's records before exercising the Exit Option. Whereas, Unit holders holding Units in dematerialized form may approach their Depository Participant for such changes.

The redemption proceeds (net of applicable taxes, if any) will be remitted/dispensed to the Unit holders within 10 (ten) working days from the date of receipt of the redemption request.

Securities Transaction Tax (STT) on redemption / switch-out of units, if any, exercised during the Exit Option Period shall be borne by HDFC AMC. Redemption / Switch-out by the Unit holders due to change in the fundamental attribute of the respective Schemes or due to any other reasons may entail tax consequences. **In view of the individual nature of financial and tax implications, each Unit holder is advised to consult his or her own tax advisors/financial advisors.**

Unit holders may note that no action is required in case they are in agreement with the aforesaid changes, which shall be deemed as consent being given by the Unit holders for the proposed changes. **This offer to exit is merely an option and not compulsory.** We would like the Unit holders to remain invested in the Scheme(s).

In case you require any further information / assistance please contact us by dialling the toll-free number 1800 3010 6767 / 1800419 7676 or visit the nearest Investor Service Centre (the details of which are available on the website, www.hdfcfund.com).

The updated SID & KIM of the said Scheme(s) containing the revised provisions shall be made available with our Investor Service Centres of the Fund and also displayed on the website www.hdfcfund.com immediately after completion of duration of exit option.

This addendum shall form an integral part of the SID/KIM of the aforesaid Scheme(s) and the Statement of Additional Information of the Fund as amended from time to time.

For HDFC Asset Management Company Limited

Place : Mumbai
Date : April 12, 2018

Sd/-
Chief Compliance Officer

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.