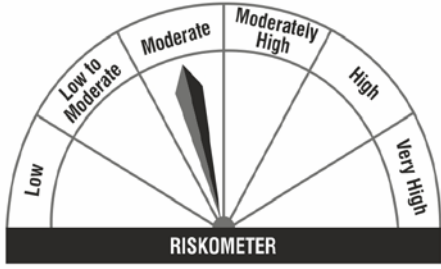
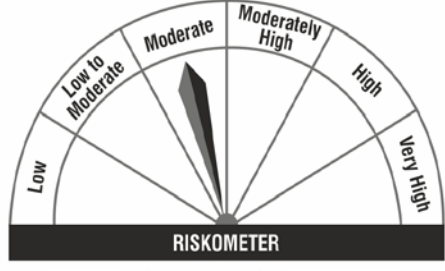


## SCHEME INFORMATION DOCUMENT

**HDFC Nifty G-Sec July 2031 Index Fund**  
An open ended target maturity scheme replicating/tracking Nifty G-Sec July 2031 Index. A Relatively High Interest Rate Risk and Relatively Low Credit Risk.

This product is suitable for investors who are seeking*:	Scheme Riskometer#	Benchmark Riskometer#
<ul style="list-style-type: none"> <li>Returns that are commensurate (before fees and expenses) with the performance of the Nifty G-Sec July 2031 Index, subject to tracking difference over long term.</li> <li>Investment in Government Securities/SDL, TREPS on Government Securities/Treasury bills</li> </ul>	 <p style="text-align: center; font-size: small;">RISKOMETER Investors understand that their principal will be at moderate risk</p>	<p>Nifty G-Sec July 2031 Index</p>  <p style="text-align: center; font-size: small;">RISKOMETER</p>

\*Investors should consult their financial advisers, if in doubt about whether the product is suitable for them.  
#As on May 31, 2024. For latest riskometer, investors may refer to the Monthly Portfolios disclosed on the website of the Fund viz. [www.hdfcfund.com](http://www.hdfcfund.com)

### Potential Risk Class (Maximum risk the Scheme can take):

Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	<b>A-III</b>		
<b>A-III - A Scheme with Relatively High Interest Rate Risk and Relatively Low Credit Risk.</b>			

### Continuous Offer of Units at NAV based prices

Name of Mutual Fund (Fund): <b>HDFC Mutual Fund</b> Name of Asset Management Company (AMC): <b>HDFC Asset Management Company Limited</b> Name of Trustee Company: <b>HDFC Trustee Company Limited</b> Address of the entities:	
<b>Asset Management Company (AMC):</b> HDFC Asset Management Company Limited	<b>Trustee Company:</b> HDFC Trustee Company Limited

Registered Office: HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020. CIN No: L65991MH1999PLC123027	Registered Office: HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020. CIN No. U65991MH1999PLC123026
Website of the entities: <a href="http://www.hdfcfund.com">www.hdfcfund.com</a>	

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

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

**The investors are advised to refer to the Statement of Additional Information (SAI) for details of HDFC Mutual Fund, Standard Risk Factors, Special Considerations, Tax and Legal issues and general information on [www.hdfcfund.com](http://www.hdfcfund.com)**

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

**The Scheme Information Document (Section I and II) should be read in conjunction with the SAI and not in isolation.**

This Scheme Information Document is dated June 28, 2024.

## Table of Contents

SECTION I .....	4
Part I. HIGHLIGHTS / SUMMARY OF THE SCHEME .....	4
Part II. INFORMATION ABOUT THE SCHEME .....	10
A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS? .....	10
B. WHERE WILL THE SCHEME INVEST? .....	12
C. WHAT ARE THE INVESTMENT STRATEGIES? .....	13
D. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE? .....	14
E. WHO MANAGES THE SCHEME? .....	15
F. HOW IS THE SCHEME DIFFERENT FROM EXISTING SCHEMES OF THE MUTUAL FUND? .....	16
G. HOW HAS THE SCHEME PERFORMED? .....	16
H. ADDITIONAL SCHEME RELATED DISCLOSURES .....	17
Part III. OTHER DETAILS .....	18
A. COMPUTATION OF NAV .....	18
B. ANNUAL SCHEME RECURRING EXPENSES .....	20
C. LOAD STRUCTURE .....	23
SECTION II .....	25
I. INTRODUCTION .....	25
A. DEFINITIONS/INTERPRETATION .....	25
B. RISK FACTORS .....	25
C. RISK MITIGATION STRATEGIES .....	29
II. INFORMATION ABOUT THE SCHEME: .....	30
A. WHERE WILL THE SCHEME INVEST? .....	30
B. WHAT ARE THE INVESTMENT RESTRICTIONS? .....	31
C. FUNDAMENTAL ATTRIBUTES .....	33
D. INDEX METHODOLOGY .....	34
D. OTHER SCHEME SPECIFIC DISCLOSURES: .....	36
III. OTHER DETAILS .....	46
A. PERIODIC DISCLOSURES .....	46
B. TRANSPARENCY/NAV DISCLOSURE .....	49
C. TRANSACTION CHARGES AND STAMP DUTY .....	50
D. ASSOCIATE TRANSACTIONS .....	50
E. TAXATION .....	50
F. RIGHTS OF UNITHOLDERS .....	53
G. LIST OF OFFICIAL POINTS OF ACCEPTANCE: .....	53
H. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY .....	54

## SECTION I

### Part I. HIGHLIGHTS / SUMMARY OF THE SCHEME

Sr. No.	Title	Description
I.	<b>Name of the Scheme</b>	<b>HDFC Nifty G-Sec July 2031 Index Fund</b>
II.	<b>Category of the Scheme</b>	Index Fund
III.	<b>Scheme Type</b>	An open ended target maturity scheme replicating/tracking Nifty G-Sec July 2031 Index. A Relatively High Interest Rate Risk and Relatively Low Credit Risk.
IV.	<b>Scheme Code</b>	HDFC/O/D/DIN/22/10/0104
V.	<b>Investment Objective</b>	To generate returns that are commensurate (before fees and expenses) with the performance of the Nifty G-Sec July 2031 Index (Underlying Index), subject to tracking difference..  <b>There is no assurance that the investment objective of the Scheme will be achieved.</b>
VI.	<b>Liquidity</b>	Units of the scheme can be redeemed/switched out on any Business day at NAV based prices.
VII.	<b>Benchmark</b>	Nifty G-Sec July 2031 Index. The benchmark is also referred to as “Underlying Index” in this document.  The above Index has been chosen as the benchmark since the Scheme will invest in stocks which are constituents of Nifty G-Sec July 2031 Index. Thus, the aforesaid benchmark is such that it is most suited for comparing the performance of the Scheme.
VIII.	<b>NAV Disclosure</b>	By 11.00 p.m. on every Business day on the website(s) of AMC and AMFI.  For further details refer Section II.
IX.	<b>Applicable Timelines</b>	<b>Redemption Proceeds:</b> Will be transferred within 3 working days from the receipt of the redemption request or as per timelines prescribed by AMFI in case of exceptional circumstances.
X.	<b>Plans and Options</b>	<b>Plans:</b> Regular & Direct  Each Plan offers Growth Option Only.  The Plans under the Scheme will have common portfolio.  The AMC reserves the right to introduce further Options as and when deemed fit.

		<p>Regular Plan is for investors who wish to route their investment through any distributor. Direct Plan is for investors who wish to invest directly without routing the investment through any distributor.</p> <p><b>Growth Option</b> All Income earned and realized profit in respect of a unit issued under that will continue to remain invested until repurchase and shall be deemed to have remained invested in the option itself which will be reflected in the NAV.</p> <p><b>Default Plan/Option</b> Each Plan offers Growth Option only.</p> <p>For detailed disclosure on default plans and options, kindly refer SAI.</p>
XI.	<b>Load Structure</b>	<p><b>Exit Load:</b> NIL</p> <p>In respect of Systematic Transactions such as SIP, STPs etc., Exit Load, if any, prevailing on the date of registration / enrolment shall be levied.</p>
XII.	<b>Minimum Application Amount/ Switch In</b>	Rs.100/- and any amount thereafter
XIII.	<b>Minimum Additional Purchase Amount</b>	Rs.100/- and any amount thereafter.
XIV.	<b>Minimum Redemption Amount/ Switch Out Amount</b>	<p>Rs.100/- and multiples of Re. 1/- thereafter.</p> <p>For further details, refer Section II Clause D - Other Scheme Specific Disclosures - Minimum amount for purchase/ redemption/switches/ subscription/ redemption with AMC.</p>
XV.	<b>Segregated Portfolio</b>	Currently, the scheme does not have a segregated portfolio. However, the Scheme has enabling provisions to create a segregated portfolio(s) under certain circumstances. For Details, kindly refer SAI.
XVI.	<b>Stock Lending/Short Selling</b>	The Scheme will not engage in Stock Lending.
XVII.	<b>How to Apply and other details</b>	<p>Investors can apply for their transaction requests either offline or electronically using the relevant application / transaction request forms available on our website or at any of our Official Points of Acceptance.</p> <p>The application form/transaction slip for subscription/ redemption/ switches can be submitted at our Official Points of Acceptances whose addresses are available on the website of the AMC. These include:</p>

		<ol style="list-style-type: none"> <li>1. AMC / RTA's branches i.e. Investor Services Centres*</li> <li>2. HDFC MFOnline Investors through website and App</li> <li>3. MFSS/BSE StAR MF/NMF II platforms of the Stock Exchanges(s)</li> <li>4. Authorized Points of Service of MF Utilities India Private Limited (MFUI)</li> <li>5. Channel partners/ Distributors/ RIAs/ Execution Only Platforms (EOPs) / Portfolio Managers who have tied up with the AMC</li> <li>6. MF Central</li> </ol> <p>* Note: Business Centres i.e. Sales offices of HDFC AMC are not Official Points of Acceptance of transactions.</p> <p>The above list is indicative. For further details, including cut-off timing and applicability of NAV, refer Section II.</p>
<b>XVIII.</b>	<b>Investor Services</b>	<p>Contact details for general service requests:</p> <ul style="list-style-type: none"> <li>• call at 1800 3010 6767/1800 419 7676 (toll free), or</li> <li>• e-mail: <a href="mailto:hello@hdfcfund.com">hello@hdfcfund.com</a> or</li> <li>• Investors may contact / visit any of the Investor Service Centres (ISCs) of the AMC; or</li> <li>• post their feedback/suggestions on our website <a href="http://www.hdfcfund.com">www.hdfcfund.com</a> under the section 'Contact Us'</li> </ul> <p>Contact details for complaints resolution:</p> <ul style="list-style-type: none"> <li>• call at 1800 3010 6767/1800 419 7676 (toll free)</li> <li>• e-mail: <a href="mailto:hello@hdfcfund.com">hello@hdfcfund.com</a></li> <li>• For any grievances with respect to transactions through NSE/BSE, the investors/Unit Holders should approach the investor grievance cell of the respective stock exchange.</li> </ul>
<b>XIX.</b>	<b>Duration of the Scheme</b>	<p><b>The Scheme is a 8-year Target Maturity Fund with index maturity in July 2031 (July 31, 2031).</b></p> <p>As a function of the underlying investments of the Scheme, the maturity date of the Scheme shall be 2 days after the maturity of the index or the immediately succeeding business day, if that day is a non-business day ( "Maturity Date"). Upon the Maturity Date, the Units of the Scheme will be automatically redeemed at the NAV applicable on the Maturity Date. The Redemption proceeds will be paid to the Unit holders whose names appear on the register of Unit holders on the Maturity Date. Redemption proceeds shall be paid to investors not later than 3 working days from the date of maturity of the scheme.</p>

XX.	Special Product available on Ongoing basis	<p><b>SYSTEMATIC INVESTMENT PLAN (SIP)</b></p> <p>The Unit holders under the eligible Scheme(s) can benefit by investing specified Rupee amounts at regular intervals for a continuous period. Under the SIP, Investors can invest a fixed amount of Rupees at regular intervals for purchasing additional Units of the Scheme(s) at Applicable NAV.</p> <p><b>SIP TOP UP FACILITY</b></p> <p>Investors may avail SIP Top-up facility where they have options to increase the SIP Installment at pre-defined intervals. This will enhance the flexibility of the investor to invest higher amounts during the tenure of the SIP.</p> <p><b>MICRO SYSTEMATIC INVESTMENT PLAN ("MICRO SIP")/ PAN EXEMPT INVESTMENTS</b></p> <p>Investor i.e. either all joint holders or the first holder who do not hold PAN or are PAN exempt investors may invest (via lumpsum/SIP) up to Rs. 50,000 per year per investor. Such PAN exempt SIPs are referred to as Micro SIP.</p> <p><b>SIP PAUSE FACILITY</b></p> <p>The Fund offers Systematic Investment Plan ("SIP") Pause facility for investors who wish to temporarily pause their SIP in the Schemes of the Fund.</p> <p><b>OTM - ONE TIME MANDATE ('FACILITY'):</b></p> <p>OTM is a simple and convenient facility that enables the Unit holders to transact in the Schemes of the Fund by submitting OTM - One Time Mandate registration form to the Fund. Through OTM, investor authorizes the bank to debit their account upto a certain specified limit per transaction, on request received from the Fund, as and when the transaction is to be undertaken by the Unit holder, without the need of submitting cheque or fund transfer letter with every transaction thereafter.</p> <p><b>SYSTEMATIC TRANSFER PLAN (STP)</b></p> <p>A Unit holder holding units in non-demat form may enroll for the Systematic Transfer Plan and choose to Switch on a daily, weekly, monthly or quarterly basis from one HDFC Mutual Fund scheme to another scheme, which is available for investment at that time.</p> <p><b>HDFC FLEX SYSTEMATIC TRANSFER PLAN</b></p> <p>HDFC Flex Systematic Transfer Plan (Flex STP) is a facility wherein unit holder(s) holding units in non-demat form can opt to transfer variable amount(s) linked to value of investments under Flex STP on the date of transfer at pre-determined intervals from designated open-ended Scheme(s) of HDFC Mutual Fund i.e. <b>Transferor Scheme</b> to the <b>Growth Option</b></p>
-----	--------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



		<p>of designated open-ended Scheme(s) of HDFC Mutual Fund i.e. <b>Transferee Scheme</b>.</p> <p><b>HDFC SWING SYSTEMATIC TRANSFER PLAN</b></p> <p>HDFC Swing Systematic Transfer Plan (Swing STP) is a facility wherein unit holder(s) holding units in non-demat form can opt to transfer an amount at regular intervals from designated open-ended Scheme(s) of HDFC Mutual Fund i.e. <b>Transferor Scheme</b> to the <b>Growth Option</b> of designated open-ended Scheme(s) of HDFC Mutual Fund i.e. <b>Transferee Scheme</b> including a feature of Reverse Transfer from Transferee Scheme into the Transferor Scheme, in order to achieve the Target Market Value on each transfer date in the Transferee Scheme.</p> <p><b>TRANSFER OF INCOME DISTRIBUTION CUM CAPITAL WITHDRAWAL (IDCW) PLAN FACILITY: - "TIP FACILITY"</b></p> <p>Transfer of IDCW Plan (TIP) is a facility wherein unit holder(s) of "Source Scheme" of HDFC Mutual Fund can opt to automatically invest the IDCW (as reduced by the amount of applicable statutory levy) declared by the eligible Source Scheme into the "Target Scheme" of HDFC Mutual Fund.</p> <p>Open ended schemes which Offer IDCW option, can act as Source and / or Target Schemes. However, Schemes which do not offer IDCW Option, can act as only Target Schemes.</p> <p><b>SYSTEMATIC WITHDRAWAL ADVANTAGE PLAN (SWAP)</b></p> <p>This facility, available to the Unit holders of the Scheme holding units in non-demat form, enables them to withdraw (subject to deduction of tax at source, if any) fixed sum (Fixed Plan) or a variable amount (Variable Plan) from their Unit balance at periodic intervals (<b>subject to completion of lock-in period, if any</b>). Fixed Plan is available for Growth as well as IDCW Option and Variable Plan is available for Growth Option only for eligible Scheme(s)/Plan(s) under SWAP facility.</p> <p><b>AUTOMATIC TRIGGER FACILITY</b></p> <p>Under this facility, a Unit holder holding units in non-demat form may opt for withdrawal and / or switch based on the Unit balance attaining a minimum capital appreciation / gains, events, dates etc (subject to deduction of tax at source, if any). The Units will be redeemed as and when the balance reaches a desired value or after certain period of time etc.</p> <p><b>SWITCHING OPTIONS</b></p> <p>Unit holders under the Scheme holding units in non-demat form have the option to Switch part or all of their Unit holdings in the Scheme to another scheme established by the Mutual Fund, or within the Scheme from one Plan / Option to another Plan / Option (<b>subject to completion of lock-in period, if</b></p>
--	--	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



		<p><b>any)</b> which is available for investment at that time, subject to applicable exit load. This Option will be useful to Unit holders who wish to alter the allocation of their investment among the Scheme(s) / Plan(s) / Option(s) of the Mutual Fund in order to meet their changed investment needs.</p> <p>The Switch will be effected by way of a Redemption of Units [On a First In First Out (FIFO) basis] from the Scheme / Plan and a reinvestment of the Redemption proceeds in the other Scheme / Plan and accordingly, to be effective, the Switch must comply with the Redemption rules of the Scheme and the issue rules of the other scheme (e.g. as to the minimum number of Units that may be redeemed or issued, Exit / Entry Load etc).</p> <p><b>For further details on above special products / facilities, kindly refer SAI.</b></p>
<b>XXI.</b>	<b>Weblink</b>	<p>Click here for Total Expense Ratio (TER) - <a href="https://www.hdfcfund.com/statutory-disclosure/total-expense-ratio-of-mutual-fund-schemes/reports">https://www.hdfcfund.com/statutory-disclosure/total-expense-ratio-of-mutual-fund-schemes/reports</a></p> <p>Click here for factsheet – <a href="https://www.hdfcfund.com/investor-services/factsheets">https://www.hdfcfund.com/investor-services/factsheets</a></p>

**DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**

It is confirmed that:

- (i) The Scheme Information Document submitted to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- (ii) All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- (iii) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the Scheme.
- (iv) The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.
- (v) The contents of the Scheme Information Document including figures, data, yields etc. have been checked and are factually correct.
- (vi) The AMC has complied with the compliance checklist applicable for Scheme Information Documents and there are no deviations from the regulations.
- (vii) Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.
- (viii) The Trustees have ensured that the HDFC Nifty G-Sec July 2031 Index Fund approved by them is a new product offered by HDFC Mutual Fund and is not a minor modification of any existing scheme/fund/product.

**Date:** June 28, 2024

**Place:** Mumbai

**Name:** Supriya Sapre

**Designation:** Chief Compliance Officer

## Part II. INFORMATION ABOUT THE SCHEME

### **A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?**

Instruments	Indicative allocations (% of total assets)	
	Minimum	Maximum
Government Securities/SDL, TREPS on Government Securities/Treasury bills	95	100
Money Market Instruments and Units of liquid and debt mutual fund schemes	0	5

During normal circumstances, the Scheme's exposure to money market instruments will be in line with the asset allocation table. However, in case of maturity of securities in the Scheme portfolio, the reinvestment will be in line with the index methodology.

The cumulative gross exposure through Government Securities/SDL, TREPS in Government Securities and Treasury bills, money market instruments, repos, such other securities/assets as may be permitted by SEBI from time to time subject to approval, shall not exceed 100% of the net assets of the Scheme except to the extent of deployment of Subscription cash flow subject to clause 12.24 of Master Circular.

The Scheme may invest in Tri-Party Repos, Repo in Government Securities, Reverse Repos and any other similar overnight instruments as may be provided by RBI and approved by SEBI.

Pending deployment of funds of the Scheme in securities in terms of the investment objective of the Scheme, the AMC may invest the funds of the Scheme in the liquid & debt schemes (including overnight fund) and / or short term deposits in conformity with the investment objective and prevailing Regulations.

#### **Indicative Table (Actual instrument/percentages may vary subject to applicable SEBI circulars)**

Sr. no.	Type of Instrument	Percentage of exposure	Circular references
1.	Mutual Fund Units (as per asset allocation table above)	Upto 5% of the net assets of the Mutual Fund (i.e. across all the schemes of the Fund)	Clause 4 of Seventh Schedule of SEBI (MF) Regulations
2.	Short Term Deposits	Pending Deployment - As per regulatory limits	Clause 8 of Seventh Schedule of SEBI (MF) Regulations and Clause 12.16 of Master Circular

**The Scheme will not make any investment in-**

<b>SR. No</b>	<b>Types of Instruments</b>
1.	Derivatives;
2.	ADR /GDR /Foreign Securities;
3.	Securitized Debt;
4.	Credit Default Swaps
5.	Unrated instruments including BRDS (except TREPS/ Government Securities/ T-Bills / Repo and Reverse Repo in Government Securities and any other securities exempted by SEBI from time to time);
6.	Short Selling / stock lending
7.	Repo / Reverse Repo in corporate debt securities;
8.	Debt instruments having special features viz. subordination to equity (absorbs losses before equity capital) and /or convertible to equity upon trigger of a pre-specified event for loss absorption;
9.	Structured obligations (SO rating) and/ or credit enhanced debt (CE rating); and
10.	Units of Real Estate Investment Trusts (REITs) and / or Infrastructure Investment Trusts (InvITs).

**Changes in asset allocation pattern/ Portfolio Rebalancing**

**Short Term Defensive Considerations:**

As the above mentioned investment pattern is indicative and subject to the SEBI (MF) Regulations, the asset allocation pattern indicated above may vary from time to time, on account of receipt of maturity proceeds, interest and/or receipt of subscription. As per clause 1.14.1.2.b of Master Circular, the Fund Manager, may deviate from the above investment pattern for short term period on defensive considerations. The same will be rebalanced within 7 Business Days and further action may be taken as specified under SEBI Circulars/ AMFI guidelines issued from time to time.

**Portfolio Replication norms:**

As per clause 3.5.4.3 of Master Circular, portfolio with residual maturity of greater than 5 years shall be considered to be replicating the index if, the deviation in duration is either +/- 6 months or +/- 10% of duration, whichever is higher. However, at no point of time, the residual maturity of the security forming part of the portfolio shall be beyond the target maturity date of the Scheme.

Post any transactions undertaken in the scheme portfolio, in order to meet the redemption and subscription obligations, it shall be ensured that replication of the portfolio with the index is maintained at all points of time, subject to permissible deviations.

### **Tracking Error and Tracking Difference Risk:**

1. The Fund Manager would not be able to invest the entire corpus exactly in the same proportion as in the Underlying Index due to certain factors such as the fees and expenses of the Scheme, changes to the Underlying Index and regulatory policies which may affect AMC's ability to achieve close correlation with the Underlying Index of the Scheme.
2. Tracking error is the standard deviation of the difference in daily returns between the Scheme and the underlying index annualized over 1 year period.  
Tracking Difference is the annualized difference of daily returns between the index and the NAV of the Scheme.
3. Further, the AMC would monitor that the annualized tracking difference averaged over one year period does not exceed 1.25%. In case the average annualized tracking difference over one year period for the Scheme is higher than 1.25%, the same shall be brought to the notice of trustees with corrective actions taken by the AMC, if any.

### **Maturity of the Scheme:**

As a function of the underlying investments of the Scheme, the maturity date of the Scheme shall be 2 days after the maturity of the index or the immediately succeeding business day, if that day is a non-business day ("Maturity Date"). However, at no point of time, the residual maturity of any security forming part of the portfolio shall be beyond the target maturity date of the Scheme.

Upon the Maturity Date, the Units of the Scheme will be automatically redeemed at the NAV applicable on the Maturity Date. The Redemption proceeds will be paid to the Unit holders whose names appear on the register of Unit holders on the Maturity Date. Redemption proceeds shall be paid to investors not later than 3 working days from the date of maturity of the scheme.

### **B. WHERE WILL THE SCHEME INVEST?**

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

The Scheme will invest in Securities stated under the Asset Allocation Pattern:

- Government Securities
- State Development Loan,
- Money Market Instruments including but not limited to:
  1. Commercial papers
  2. Commercial bills
  3. Treasury bills
  4. Government securities having an unexpired maturity upto one year
  5. Tri-party Repos on Government securities or treasury bills (TREPS)
  6. Certificate of deposit
  7. Usance bills
  8. Permitted securities under a repo / reverse repo agreement.
- Short Term Deposits

- Units of mutual funds
- Any other instruments as may be permitted by RBI / SEBI from time to time, subject to necessary regulatory approvals.

For detailed disclosures, kindly refer Section II.

### **C. WHAT ARE THE INVESTMENT STRATEGIES?**

The Scheme is Target Maturity Date Index Fund. The Scheme will be passively managed which will employ an investment approach designed to track the performance of the underlying index, subject to tracking difference.

The strategy shall be in compliance with Norms for Circular on Development of Passive Funds under clause 3.6 of Master Circular as amended from time to time.

Generally, the Scheme will follow Buy and Hold investment strategy in which existing government securities will be held till maturity unless sold for meeting redemptions requirement or to rebalance the portfolio.

During normal circumstances, the Scheme's exposure to money market instruments will be in line with the asset allocation table. However, in case of maturity of securities in the Scheme portfolio, the reinvestment will be in line with the index methodology.

As per clause 3.5.4.3 of Master Circular as amended from time to time, portfolio with residual maturity of greater than 5 years shall be considered to be replicating the index if, the deviation in duration is either +/- 6 months or +/- 10% of duration, whichever is higher. However, at no point of time, the residual maturity of the security forming part of the portfolio shall be beyond the target maturity date of the Scheme.

The annualized tracking difference averaged over one year period shall not exceed 1.25% upon completion of 1 year.

Tracking error /Tracking Difference could be the result of a variety of factors including but not limited to:

- Delay in the purchase or non- availability of securities which are part of the Index. Due to timing of transactions either on RFQ platforms or in open market
- Due to investment in out of index constituents or where available funds may not be invested at all times as the Scheme may keep a portion of the funds in cash to meet Redemptions, or corporate actions or otherwise.
- Expenditure incurred by the Fund.
- Due to over-weight / under-weight investment in issuances which are part of the Index
- Due to mismatch in the weight of the issuers forming part of the Index and the Scheme throughout life of the Scheme.
- As permitted under the Asset Allocation pattern upto 5% of the Total Assets may be invested in money market instruments.
- Difference in valuation of underlying securities by the Index Provider and AMC's valuation providers.
- Due to lack of availability of commensurate quantity /trading volumes of the securities qualifying for the underlying index, the fund may face higher impact cost while deploying inflows /generating cashflows.

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

## **RISK CONTROL**

The Scheme aims to track the Underlying Index. The index will be tracked on a regular basis and changes to the constituents or their weights, if any, will be replicated in the underlying portfolio, subject to permissible deviations and with the purpose of minimizing tracking difference.

Based on the availability of issuances, it is expected that the portfolio allocation could be different than that of underlying index allocation and could result in Tracking difference.

The Scheme's exposure to money market instruments will be in line with the asset allocation table. This allocation will be monitored periodically and it shall be ensured that investments are made in accordance with the Scheme objective and within the regulatory and internal investment restrictions prescribed from time to time.

### **Credit Evaluation Policy**

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

In line with clause 12.12 of Master Circular, the AMC may constitute committee(s) to approve proposals for investments in unrated instruments, if any. The AMC Board and the Trustee shall approve the detailed parameters for such investments. The details of such investments would be communicated by the AMC to the Trustee in their periodical reports. It would also be clearly mentioned in the reports, how the parameters have been complied with. However, in case any security does not fall under the parameters, the prior approval of Board of AMC and Trustee shall be sought.

## **PORTFOLIO TURNOVER**

The Scheme is an open-ended Scheme. This Fund will follow a passive investment strategy, the endeavour will be to minimize portfolio turnover subject to the exigencies and needs of the Scheme. Generally, turnover will be confined to rebalancing of portfolio on account of new subscriptions, redemptions and change in the composition of the Underlying Index and corporate actions of securities included in the Underlying Index. A higher portfolio turnover results in higher brokerage and transaction cost.

### **D. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?**

Nifty G-Sec July 2031 Index.

The Scheme will invest in the constituents of the Underlying Index as per allocation table and as permitted by SEBI from time to time. Thus, the said benchmark is most suited for comparing the performance of the Scheme.

The Trustee reserves right to change the benchmark for performance of the scheme in conformity with the investment objectives and appropriateness of the benchmark subject to SEBI (MF) Regulations, and other prevailing guidelines, if any by suitable notification to the investors to this effect.

In accordance with the investment objective and tracking error definition, the Scheme performance will be compared with the total returns of Nifty G-Sec July 2031 Index.

#### E. WHO MANAGES THE SCHEME?

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

Name, Age & tenure <sup>^</sup>	Educational Qualifications	Experience (last 10 years)	Other Fund(s) Managed*
<b>Vikash Agarwal</b> 42 Years <b>Tenure for managing the Scheme:</b> 1 Year 6 Months	<ul style="list-style-type: none"> <li>• Chartered Accountant</li> <li>• MS (Finance) - ICFAI,</li> <li>• B.Com. (Hons.)</li> </ul>	Collectively over 18 years experience in Fund Management, Fixed income dealing, Forex dealing and research <b>• September 21, 2007 till Date:</b> HDFC Asset Management Company Limited	<ol style="list-style-type: none"> <li>1. HDFC Fixed Maturity Plan – Series 46</li> <li>2. HDFC Fixed Maturity Plan - Series 47</li> <li>3. HDFC Floating Rate Debt Fund (co-managed Scheme)</li> <li>4. HDFC Money Market Fund</li> <li>5. HDFC Nifty G-Sec Dec 2026 Index Fund</li> <li>6. HDFC Nifty G-sec June 2027 Index Fund</li> <li>7. HDFC Nifty G-Sec Sep 2032 Index Fund</li> <li>8. HDFC Ultra Short Term Fund (co-managed Scheme)</li> <li>9. HDFC NIFTY 1D Rate Liquid ETF</li> <li>10. HDFC Nifty G-Sec Apr 2029 Index Fund</li> <li>11. HDFC Nifty G-Sec Jun 2036 Index Fund</li> <li>12. HDFC Nifty SDL Oct 2026 Index Fund</li> </ol>



			13. HDFC NIFTY SDL Plus G-Sec Jun 2027 40:60 Index Fund
--	--	--	---------------------------------------------------------

\* excluding Overseas investments if any.

^Cut-off date considered for calculation of tenure is May 31, 2024.

## F. HOW IS THE SCHEME DIFFERENT FROM EXISTING SCHEMES OF THE MUTUAL FUND?

The following list consists of existing passively managed open ended debt Index schemes of HDFC Mutual Fund:

Sr. No.	Scheme Name
1.	HDFC Nifty G-Sec July 2031 Index Fund
2.	HDFC Nifty G-Sec Dec 2026 Index Fund
3.	HDFC Nifty G-Sec June 2027 Index Fund
4.	HDFC Nifty G-Sec Sep 2032 Index Fund
5.	HDFC NIFTY SDL Plus G-Sec Jun 2027 40:60 Index Fund
6.	HDFC Nifty G-Sec Apr 2029 Index Fund
7.	HDFC Nifty G- Sec Jun 2036 Index Fund
8.	HDFC Nifty SDL Oct 2026 Index Fund

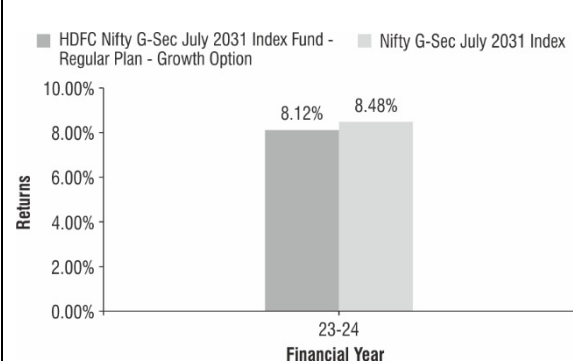
For comparison between various schemes of HDFC Mutual Fund

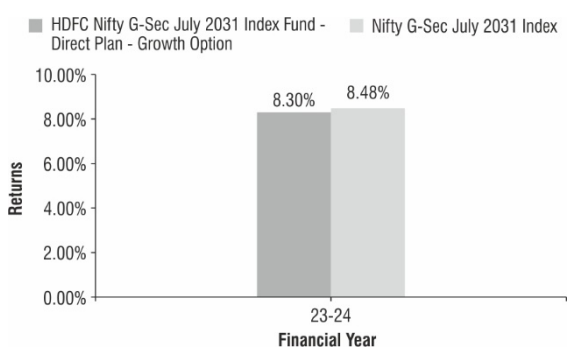
Click here: [Product Differentiation](#) OR

Visit: <https://www.hdfcfund.com/statutory-disclosure/offer-document-disclosures>

## G. HOW HAS THE SCHEME PERFORMED?

Performance of the Scheme (as at May 31, 2024)

HDFC Nifty G-Sec July 2031 Index Fund - Regular Plan - Growth Option	Absolute returns for each financial year for last 1 years <sup>^</sup>															
<table border="1"> <thead> <tr> <th>Period</th> <th>Returns (%)<sup>^</sup></th> <th>Benchmark Returns (%)<sup>#</sup></th> </tr> </thead> <tbody> <tr> <td>Last 1 Year</td> <td>6.57</td> <td>6.91</td> </tr> <tr> <td>Since Inception*</td> <td>8.12</td> <td>8.52</td> </tr> </tbody> </table> <p><sup>^</sup> Past performance may or may not be sustained in the future Returns greater than one year are compounded annualized (CAGR). * Inception Date: November 10, 2022    # Nifty G-Sec July 2031 Index</p>	Period	Returns (%) <sup>^</sup>	Benchmark Returns (%) <sup>#</sup>	Last 1 Year	6.57	6.91	Since Inception*	8.12	8.52	 <table border="1"> <thead> <tr> <th>Financial Year</th> <th>HDFC Nifty G-Sec July 2031 Index Fund - Regular Plan - Growth Option</th> <th>Nifty G-Sec July 2031 Index</th> </tr> </thead> <tbody> <tr> <td>23-24</td> <td>8.12%</td> <td>8.48%</td> </tr> </tbody> </table>	Financial Year	HDFC Nifty G-Sec July 2031 Index Fund - Regular Plan - Growth Option	Nifty G-Sec July 2031 Index	23-24	8.12%	8.48%
Period	Returns (%) <sup>^</sup>	Benchmark Returns (%) <sup>#</sup>														
Last 1 Year	6.57	6.91														
Since Inception*	8.12	8.52														
Financial Year	HDFC Nifty G-Sec July 2031 Index Fund - Regular Plan - Growth Option	Nifty G-Sec July 2031 Index														
23-24	8.12%	8.48%														

Since inception returns are calculated on Rs. 10 (allotment price).												
<b>HDFC Nifty G-Sec July 2031 Index Fund - Direct Plan - Growth Option</b>			<b>Absolute returns for each financial year for last 1 years<sup>^</sup></b>									
<table border="1"> <thead> <tr> <th>Period</th> <th>Returns (%)<sup>^</sup></th> <th>Benchmark Returns (%)<sup>#</sup></th> </tr> </thead> <tbody> <tr> <td>Last 1 Year</td> <td>6.75</td> <td>6.91</td> </tr> <tr> <td>Since Inception*</td> <td>8.30</td> <td>8.52</td> </tr> </tbody> </table>	Period	Returns (%) <sup>^</sup>	Benchmark Returns (%) <sup>#</sup>	Last 1 Year	6.75	6.91	Since Inception*	8.30	8.52			
Period	Returns (%) <sup>^</sup>	Benchmark Returns (%) <sup>#</sup>										
Last 1 Year	6.75	6.91										
Since Inception*	8.30	8.52										
<p><b><sup>^</sup> Past performance may or may not be sustained in the future</b>  Returns greater than one year are compounded annualized (CAGR).  *Inception Date: November 10, 2022  <sup>#</sup> Nifty G-Sec July 2031 Index  Since inception returns are calculated on Rs. 10 (allotment price)</p>												

For Riskometer of Scheme and Benchmark, kindly refer cover page.

#### H. ADDITIONAL SCHEME RELATED DISCLOSURES

- **Scheme's portfolio holdings-** <https://www.hdfcfund.com/statutory-disclosure/portfolio/monthly-portfolio>
- **Exposure to Top 7 issuers, stocks, groups and sectors (wherever applicable):** In monthly Portfolio above or in Factsheet. To view scheme factsheets – <https://www.hdfcfund.com/investor-services/factsheets>
- **Portfolio Disclosure –**  
Monthly - <https://www.hdfcfund.com/statutory-disclosure/portfolio/monthly-portfolio>.  
Fortnightly - <https://www.hdfcfund.com/statutory-disclosure/portfolio/fortnightly-portfolio>  
Half yearly - <https://www.hdfcfund.com/statutory-disclosure/scheme-financials>
- **Portfolio Turnover Ratio for equity schemes - Last 1 year:** N.A.
- **Aggregate investment in the Scheme by:**

Sr.No.	Category of Persons Fund Manager(s)	Net Value		Market Value (in Rs.)
		Units	NAV per unit	
1	Vikash Agarwal (Direct Plan- Growth Option)	-	-	-

For any other disclosure with respect to investments by key personnel and AMC directors, kindly refer SAI.

## INVESTMENT BY THE AMC IN THE SCHEME

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

For details of existing mandatory investments by AMC in various schemes, visit - <https://www.hdfcfund.com/statutory-disclosure/mandatory-investment-amc>

## Part III. OTHER DETAILS

### A. COMPUTATION OF NAV

#### **Methodology for Computation of NAV:**

The Net Asset Value (NAV) per Unit of the Scheme will be computed by dividing the net assets of the Scheme by the number of Units outstanding under the Scheme on the valuation date. The AMC will value its investments according to the valuation norms, as specified in Schedule VIII of the SEBI (MF) Regulations, or such norms as may be specified by SEBI from time to time and as stipulated in the Valuation Policy and Procedures of the Fund, provided in SAI available on website.

In case of any conflict between the Principles of Fair Valuation and valuation guidelines specified by SEBI, the Principles of Fair Valuation shall prevail.

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

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

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

The NAV of the Scheme will be calculated upto 4 decimals.

#### **Illustration for Computation of NAV:**

NAV for the Scheme shall be calculated as shown below:

Particulars	Amount (In INR)
Assets	
<b>Investments (at Market Value)</b>	10,000
<b>Current Assets</b>	

Interest receivable	1,000
Dividend Receivables	550
Trades Receivables	1,500
<b>Total Assets (A)</b>	<b>13,050</b>
<b>Current Liabilities</b>	
Trade Payables	1,500
Expense Payable	25
Dividend payable	25
<b>Total Liabilities (B)</b>	<b>1,550</b>
<b>Net Assets (C) (A – B)</b>	<b>11,500</b>
<b>Units Outstanding (D)</b>	<b>1,000</b>
<b>NAV per unit (C/D)</b>	<b>₹ 11.50</b>

#### **METHODOLOGY FOR CALCULATION OF SALE AND REPURCHASE PRICE**

- **Ongoing Price for subscription (purchase)/ switch-in (from other schemes/ plans of the mutual fund) by investors. (This is the price you need to pay for purchase/ switch-in):**

The Sale Price for a valid purchase will be the Applicable NAV.

i.e. Sale Price = Applicable NAV

For a valid purchase request of Rs. 10,000 where the applicable NAV is Rs. 11.1234, the units allotted will be:

$$= \frac{10,000 \text{ (i.e. purchase amount)}}{11.1234 \text{ (i.e. applicable NAV)}}$$

$$= 899.006 \text{ units (rounded to three decimals)}$$

**Transaction charges and other charges/expenses, if any, borne by the investors have not been considered in the above illustration.**

- **Ongoing Price for redemption (sale)/ switch-outs (to other schemes/plans of the mutual fund) by investors. (This is the price you will receive for redemptions/ switch-outs):**

The Repurchase Price for a valid repurchase will be the applicable NAV reduced by any exit load (say 1%). i.e. applicable NAV - (applicable NAV X applicable exit load).

For a valid repurchase request where the applicable NAV is Rs. 12.1234, the repurchase price will be:

$$= 12.1234 - (12.1234 \times 1.00\%)$$

$$= 12.1234 - 0.1212$$

= Rs. 12.0022

Therefore, for a repurchase of 899.006 units, the proceeds received by the investor will be -

= 899.006 (units) \* 12.0022 (Repurchase price)

= Rs. 10,790.02 (rounded to two decimals)

**Transaction charges and other charges/expenses, if any, borne by the investors have not been considered in the above illustration.**

While determining the price of the units, the mutual fund shall ensure that the repurchase price of an open ended scheme is not lower than 95 per cent of the Net Asset Value.

For other details such as policies with respect to computation of NAV, rounding off, investment in foreign securities, procedure in case of delay in disclosure of NAV etc. refer to SAI.

## B. ANNUAL SCHEME RECURRING EXPENSES

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

The AMC has estimated that upto 1.00% of the daily net assets of the scheme will be charged to the scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of the AMC [www.hdfcfund.com](http://www.hdfcfund.com).

Expense Head	% of daily net assets* (estimated) (p.a.)
Investment Management and Advisory Fees <sup>3 4</sup>	Upto 1.00%
Trustee Fees & Expenses <sup>1</sup>	
Audit Fees & Expenses	
Custodian Fees & Expenses	
RTA Fees & Expenses	
Marketing & Selling expenses including agent commission and Statutory Advertisements	
Cost related to Investor Communication	
Cost of fund transfer from location to location	
Cost of providing account statements and redemption cheques and warrants	
Cost towards investor education & awareness (0.01% p.a.) <sup>2</sup>	
Brokerage & Transaction cost on value of trades <sup>5</sup>	
GST on expenses other than Investment Management and Advisory Fees <sup>3</sup>	
GST on brokerage and transaction cost <sup>3</sup>	
Other Expenses	
<b>Maximum total expense ratio (TER) permissible under Regulation 52 (6)<sup>4 5</sup></b>	Upto 1.00%
Additional expenses under Regulation 52 (6A) (c) <sup>4 5#</sup>	0.05%
Additional expenses for gross new inflows from specified cities under Regulation 52 (6A) (b) <sup>5</sup>	Upto 0.30%

\* The TER of the Direct Plan will be lower to the extent of the above mentioned distribution expenses/ commission which is charged in the Regular Plan.

# In terms of clause 10.1.7 of Master Circular, in case exit load is not levied / not applicable, the AMC shall not charge the said additional expenses.

**Notes:**

**<sup>1</sup> Trustee Fees and Expenses**

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

**<sup>2</sup> Investor Education and Awareness initiatives**

As per clause 10.1.16 of Master Circular, the AMC shall annually set apart 1 basis points p.a. (i.e. 0.01% p.a.) on daily net assets of the Scheme within the limits of total expenses prescribed under Regulation 52 of SEBI (MF) Regulations for investor education and awareness initiatives undertaken.

**<sup>3</sup> GST**

As per clause 10.3 of Master Circular, GST shall be charged as follows:

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

<sup>4</sup> There shall be no internal sub-limits within the expense ratio for expense heads mentioned under Regulation 52 (2) and (4) viz. Investment Management and Advisory Fees and various sub-heads of recurring expenses respectively.

All scheme related expenses including commission paid to distributors, if any, by whatever name it may be called and in whatever manner it may be paid, shall necessarily be paid from the scheme only within the regulatory limits and not from the books of AMC, its associate, sponsor, trustees or any other entity through any route in terms of SEBI circulars, subject to the clarifications provided by SEBI to AMFI vide letter dated February 21, 2019 as amended from time to time on implementation of clause 10.1.12 of Master Circular on Total Expense Ratio (TER) and performance disclosure for Mutual Fund.

**<sup>5</sup> Additional Expenses under Regulation 52 (6A):**

- (i) Brokerage and transaction cost incurred for the purpose of execution of trade shall be charged to the schemes as provided under Regulation 52 (6A) (a) upto 12 bps and 5 bps for cash market

transactions and derivatives transactions (if permitted under the scheme) respectively. Any payment towards brokerage and transaction costs, over and above the said 12 bps and 5 bps may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under Regulation 52.

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

In case inflows from retail investors from such cities are less than the higher of (a) or (b) above, such expenses on daily net assets of the Scheme shall be charged in accordance with clause 10.1.3 of Master Circular.

The amount so charged shall be utilised for distribution expenses incurred for bringing inflows from retail investors from such cities. However, the amount incurred as expense on account of inflows from retail investors from such cities shall be credited back to the Scheme in case the said inflows are redeemed within a period of one year from the date of investment.

Currently, SEBI has specified that the above additional expense may be charged for inflows from retail investors from beyond 'Top 30 cities'. Top 30 cities shall mean top 30 cities based on Association of Mutual Funds in India (AMFI) data on 'AUM by Geography - Consolidated Data for Mutual Fund Industry' as at the end of the previous financial year. Inflows from "retail investors" shall mean inflows of amount upto Rs 2 lakhs per day, from individual investors.

Note: SEBI vide its letter no. SEBI/HO/IMD-SEC-3/P/OW/2023/5823/1 dated February 24, 2023 and AMFI letter dated No. 35P/ MEM-COR/ 85-a/ 2022-23 dated March 02, 2023 has directed AMCs to keep B-30 incentive structure in abeyance with effect from March 01, 2023 till further notice. Accordingly, the B-30 incentive structure shall be implemented as per SEBI / AMFI directions from time to time.

- (iii) Expenses not exceeding 0.05% p.a. of daily net assets towards Investment Management and Advisory Fees and the various sub-heads of recurring expenses mentioned under Regulation 52 (2) and (4) respectively of SEBI (MF) Regulations. Provided that such additional expenses shall not be charged to the schemes where the exit load is not levied or applicable.

The total expenses charged to the Scheme shall not exceed the limits stated in Regulation 52 of the SEBI (MF) Regulations and as permitted under SEBI Circulars issued from time to time. Any expenditure in excess of the SEBI regulatory limits shall be borne by the AMC or by the Trustee or the Sponsor.

The mutual fund would update the current expense ratios on the website ([www.hdfcfund.com](http://www.hdfcfund.com)) at least three working days prior to the effective date of the change and update the TER under the Section titled "Statutory Disclosures" under sub-section titled "Total Expense Ratio of Mutual Fund Schemes".

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

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



To further illustrate the above in rupees terms, for the Scheme under reference, suppose an Investor invested Rs. 10,000/- (after deduction of stamp duty and transaction charges, if any) the impact of expenses charged will be as under:

Particulars	Regular Plan	Direct Plan
Amount invested at the beginning of the year (Rs.)	10,000	10,000
Returns before expenses (Rs.)	1,500	1,500
Expenses other than Distribution expenses (Rs.)	150	150
Distribution expenses (Rs.)	50	-
<b>Returns after expenses at the end of the year (Rs.)</b>	<b>1300</b>	<b>1350</b>
<b>Returns (in %)</b>	<b>13%</b>	<b>13.5%</b>

**Note(s):**

- The purpose of the above illustration is purely to explain the impact of expense ratio charged under the Scheme and should not be construed as providing any kind of investment advice or guarantee of returns on investments.
- It is assumed that the expenses charged are evenly distributed throughout the year.
- The expenses of the Direct Plan under the Scheme will be lower to the extent of the distribution expenses/commission
- Any tax impact has not been considered in the above example, in view of the individual nature of the tax implications. Each investor is advised to seek appropriate advice.

**C. LOAD STRUCTURE**

Exit Load is an amount which is paid by the investor to redeem the units from the scheme. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC ([www.hdfcfund.com](http://www.hdfcfund.com)) or you may call at 1800 3010 6767/1800 419 7676 or your distributor.

Type of Load	Load chargeable (as % of NAV)
Exit Load	NIL

No Entry Load will be charged.

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

- (iv) No Exit load will be levied on bonus units and on units allotted on Re-investment of Income Distribution cum Capital Withdrawal.
- (v) No Exit load will be levied on Units allotted in the Target Scheme under the Transfer of Income Distribution cum Capital Withdrawal (IDCW) Plan Facility (TIP Facility).
- (vi) In case of Systematic Transactions such as Systematic Investment Plan (SIP), Systematic Transfer Plan (STP), HDFC Flex Systematic Transfer Plan (Flex STP), HDFC Swing Systematic Transfer Plan (Swing STP), etc., Exit Load, if any, prevailing on the date of registration / enrolment shall be levied.**

The AMC/ Trustee if it so deems fit in the interest of smooth and efficient functioning of the Mutual Fund reserves the right to introduce/modify the Load Structure depending upon the circumstances prevailing at that time subject to maximum limits as prescribed under the SEBI (MF) Regulations. While determining the price of the units, the mutual fund shall ensure that the repurchase price of an open ended scheme is not lower than 95 per cent of the Net Asset Value. Exit load (net of GST) charged, if any, shall be credited to the Scheme. The investor is requested to check the prevailing load structure of the Scheme before investing.

## SECTION II

### **I. INTRODUCTION**

#### **A. DEFINITIONS/INTERPRETATION**

Click here to view: [Definitions, Interpretations and Abbreviations](#)

OR Visit: <https://www.hdfcfund.com/statutory-disclosure/offer-document-disclosures>

#### **B. RISK FACTORS**

##### **• Scheme Specific Risk Factors**

The Scheme is subject to the specific risks that may adversely affect the Scheme's NAV, return and / or ability to meet its investment objective.

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

##### **(i) Risks associated with Passive Investments:**

The Scheme being an Index Fund, will not be actively managed.

Performance of the Underlying Index will have a direct bearing on the performance of the Scheme.

##### **Tracking Error and Tracking Difference Risk:**

Tracking error is the standard deviation of the difference in daily returns between the Scheme and the underlying index annualized over 1 year period.

Tracking Difference is the annualized difference of daily returns between the index and the NAV of the Scheme.

The Fund Manager would not be able to invest the entire corpus exactly in the same proportion as in the Underlying Index due to certain factors such as the fees and expenses of the Scheme, changes to the Underlying Index and regulatory policies which may affect AMC's ability to achieve close correlation with the Underlying Index of the Scheme. The Scheme's returns may therefore deviate from those of its Underlying Index. Tracking Error/Tracking Difference may arise including but not limited to the following reasons: -

- Delay in the purchase or non- availability of securities which are part of the Index
- Due to timing of transactions either on RFQ platforms or in open market
- Due to investment in out of index constituents or where available funds may not be invested at all times as the Scheme may keep a portion of the funds in cash to meet Redemptions, or corporate actions or otherwise.
- Expenditure incurred by the Fund.
- Due to over-weight / under-weight investment in issuances which are part of the Index
- Due to mismatch in the weight of the issuers forming part of the Index and the Scheme throughout life of the Scheme. As permitted under the Asset Allocation pattern upto 5% of the Total Assets may be invested in money market instruments.
- Difference in valuation of underlying securities by the Index Provider and AMC's valuation providers.

- Due to lack of availability of commensurate quantity /trading volumes of the securities qualifying for the underlying index, the fund may face higher impact cost while deploying inflows /generating cashflows.

The AMC would monitor the tracking difference of the Scheme on an ongoing basis and would seek to minimize tracking difference to the maximum extent possible. The annualized tracking difference averaged over one year period shall not exceed 1.25%.

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

The Scheme will invest not less than 95% of its corpus in the security representing the Underlying Index as this Scheme endeavors to earn returns that correspond to the total returns represented by the Underlying Index subject to tracking difference.

- The Net Asset Value (NAV) of the Scheme, to the extent invested in Debt and Money Market instruments, will be affected by changes in the general level of interest rates. The NAV of the Scheme is expected to increase from a fall in interest rates while it would be adversely affected by an increase in the level of interest rates.
- Money market instruments, while fairly liquid, lack a well developed secondary market, which may restrict the selling ability of the Scheme and may lead to the Scheme incurring losses till the security is finally sold.
- Investments in money market instruments involve credit risk commensurate with short term rating of the issuers.
- **Prepayment Risk:** Certain fixed income securities give an issuer the right to call back its securities before their maturity date, in periods of declining interest rates. The possibility of such prepayment may force the Scheme to reinvest the proceeds of such investments in securities offering lower yields, resulting in lower interest income for the Scheme.
- **Reinvestment Risk:** This risk refers to the interest rate levels at which cash flows received from the securities in the Scheme are reinvested. The additional income from reinvestment is the “interest on interest” component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.
- **Settlement risk:** Different segments of Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. Delays or other problems in settlement of transactions could result in temporary periods when the assets of the Scheme are uninvested, and no return is earned thereon. The inability of the Scheme to make intended securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme’s portfolio, due to the absence of a well developed and liquid secondary market for debt securities, may result at times in potential losses to the Scheme in the event of a subsequent decline in the value of securities held in the Scheme's portfolio.
- Government securities where a fixed return is offered run price-risk like any other fixed income security. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates.

The new level of interest rate is determined by the rates at which government raises new money and/or the price levels at which the market is already dealing in existing securities. The price-risk is not unique to Government Securities. It exists for all fixed income securities. However, Government Securities are unique in the sense that their credit risk generally remains zero. Therefore, their prices are influenced only by movement in interest rates in the financial system.

- As zero coupon securities do not provide periodic interest payments to the holder of the security, these securities are more sensitive to changes in interest rates and are subject to issuer default risk. Therefore, the interest rate risk of zero coupon securities is higher. The AMC may choose to invest in zero coupon securities that offer attractive yields. This may increase the risk of the portfolio. Zero coupon or deep discount bonds are debt obligations that do not entitle the holder to any periodic payment of interest prior to maturity or a specified date when the securities begin paying current interest and therefore, are generally issued and traded at a discount to their face values. The discount depends on the time remaining until maturity or the date when securities begin paying current interest. It also varies depending on the prevailing interest rates, liquidity of the security and the perceived credit risk of the Issuer. The market prices of zero coupon securities are generally more volatile than the market prices of securities that pay interest periodically.

### **(iii) Risk factors associated with investment in Tri-Party Repo**

The Mutual Fund is a member of securities segment and Triparty Repo trade settlement of the Clearing Corporation of India (CCIL). All transactions of the mutual fund in government securities and in Tri-party Repo trades are settled centrally through the infrastructure and settlement systems provided by CCIL; thus, reducing the settlement and counterparty risks considerably for transactions in the said segments. The members are required to contribute an amount as communicated by CCIL from time to time to the default fund maintained by CCIL as a part of the default waterfall (a loss mitigating measure of CCIL in case of default by any member in settling transactions routed through CCIL).

As per the waterfall mechanism, after the defaulter's margins and the defaulter's contribution to the default fund have been appropriated, CCIL's contribution is used to meet the losses. Post utilization of CCIL's contribution if there is a residual loss, it is appropriated from the default fund contributions of the non-defaulting members. Thus, the Scheme is subject to risk of the initial margin and default fund contribution being invoked in the event of failure of any settlement obligations. In addition, the fund contribution is allowed to be used to meet the residual loss in case of default by the other clearing member (the defaulting member).

CCIL shall maintain two separate Default Funds in respect of its Securities Segment, one with a view to meet losses arising out of any default by its members from outright and repo trades and the other for meeting losses arising out of any default by its members from Triparty Repo trades. The mutual fund is exposed to the extent of its contribution to the default fund of CCIL, in the event that the contribution of the mutual fund is called upon to absorb settlement/ default losses of another member by CCIL, as a result the Scheme may lose an amount equivalent to its contribution to the default fund.

#### **(iv) Risk factors associated for investments in Mutual Fund Schemes**

1. Movements in the Net Asset Value (NAV) of these Schemes may impact the performance. Any change in the investment policies or fundamental attributes of these Schemes will affect the performance of the Scheme to the extent of investment in such schemes.
2. Redemptions by in these Schemes would be subject to applicable exit loads.

#### **(v) General Risk Factors**

- Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Scheme. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances leading to delays in receipt of proceeds from sale of securities. The NAV of the Units of the Scheme can go up or down because of various factors that affect the capital markets in general.
- As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for redemption of Units may be significant in the event of an inordinately large number of redemption requests or restructuring of the Scheme. In view of the above, the Trustee has the right, in its sole discretion, to limit redemptions (including suspending redemptions) under certain circumstances, as described under '**Right to Restrict Redemptions**' in Section '**Restrictions, if any, on the right to freely retain or dispose of units being offered**'.
- At times, due to the forces and factors affecting the capital market, the Scheme may not be able to invest in securities falling within its investment objective resulting in holding the monies collected by it in cash or cash equivalent or invest the same in other permissible securities / investments amounting to substantial reduction in the earning capability of the Scheme. The Scheme may retain certain investments in cash or cash equivalents for its day-to-day liquidity requirements.
- Performance of the Scheme may be affected by political, social, and economic developments, which may include changes in government policies, diplomatic conditions, and taxation policies.
- The Scheme at times may receive large number of redemption requests, leading to an asset-liability mismatch and therefore, requiring the investment manager to make a distress sale of the securities leading to realignment of the portfolio and consequently resulting in investment in lower yield instruments.

#### **(vi) Disclaimer of indices**

Nifty G-Sec July 2031 Index:

The Scheme of HDFC Mutual Fund ('the Product') is not sponsored, endorsed, sold or promoted by NSE INDICES LIMITED (formerly known as India Index Services & Products Limited ("IISL")). NSE INDICES LIMITED does not make any representation or warranty, express or implied, to the owners of the Product(s) or any member of the public regarding the advisability of investing in securities generally or in the Product(s) particularly or the ability of the Nifty G-Sec July 2031 Index to track general stock market performance in India. The

relationship of NSE INDICES LIMITED to the Issuer is only in respect of the licensing of the Indices and certain trademarks and trade names associated with such Indices which is determined, composed and calculated by NSE INDICES LIMITED without regard to the Issuer or the Product(s). NSE INDICES LIMITED does not have any obligation to take the needs of the Issuer or the owners of the Product(s) into consideration in determining, composing or calculating the Nifty G-Sec July 2031 Index. NSE INDICES LIMITED is not responsible for or has participated in the determination of the timing of, prices at, or quantities of the Product(s) to be issued or in the determination or calculation of the equation by which the Product(s) is to be converted into cash. NSE INDICES LIMITED has no obligation or liability in connection with the administration, marketing or trading of the Product(s).

NSE INDICES LIMITED do not guarantee the accuracy and/or the completeness of the Nifty G-Sec July 2031 Index or any data included therein and NSE INDICES LIMITED shall have not have any responsibility or liability for any errors, omissions, or interruptions therein. NSE INDICES LIMITED does not make any warranty, express or implied, as to results to be obtained by the Issuer, owners of the product(s), or any other person or entity from the use of the Nifty G-Sec July 2031 Index or any data included therein. NSE INDICES LIMITED makes no express or implied warranties, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the index or any data included therein. Without limiting any of the foregoing, NSE INDICES LIMITED expressly disclaim any and all liability for any claims, damages or losses arising out of or related to the Products, including any and all direct, special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

An investor, by subscribing or purchasing an interest in the Product(s), will be regarded as having acknowledged, understood and accepted the disclaimer referred to in Clauses above and will be bound by it.

### **C. RISK MITIGATION STRATEGIES**

- **Market/Volatility Risk**

(Risk arising due to price fluctuations and volatility, having material impact on the overall returns of the Scheme.)

The Scheme, being a Target Maturity Date index fund structure, is expected to follow a Buy and Hold investment strategy in a passive manner. Based on that, we expect to mitigate intermittent price volatility in the underlying assets. Investors who remain invested until the maturity of the Scheme are expected to mitigate market / volatility risk to large extent.

- **Credit risk**

(Risk associated with repayment of investment)

The Scheme intends to invest in Government Securities as permitted under the Asset Allocation Pattern. Thus, this risk is mitigated.

- **Liquidity risk**

(Risk arising due to inefficient Asset Liability Management, resulting in high impact costs)

The Scheme intends to invest in Government Securities as permitted under the Asset Allocation Pattern. In general, Government Securities enjoy higher level of secondary market liquidity.



- **Interest rate risk**

(Price volatility due to movement in interest rates)

The Scheme being passively managed and a Target Maturity Date index fund structure, is expected to follow a Buy and Hold investment strategy in a passive manner. All investments are within the maturity date of the Scheme and the Underlying Index. This should help mitigate the interest rate risk.

- **Event risk**

(Price risk due to company or sector specific event)

The Scheme intends to invest in Government Securities as permitted under the Asset Allocation Pattern. Government securities are sovereign instruments and have no default risk.

- **Performance risk**

(Risk arising due to change in factors affecting the market)

The scheme will be passively managed and in accordance with the norms stipulated by SEBI. While these measures are expected to mitigate the above risks to a large extent, there can be no assurance that these risks would be completely eliminated.

## **II. INFORMATION ABOUT THE SCHEME:**

### **A. WHERE WILL THE SCHEME INVEST?**

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

- Government Securities
- State Development Loan

Money Market Instruments include:

1. Commercial papers
2. Commercial bills
3. Treasury bills
4. Government securities having an unexpired maturity upto one year
5. Tri-party Repos on Government securities or treasury bills (TREPS)
6. Certificate of deposit
7. Usance bills
8. Permitted securities under a repo / reverse repo agreement.

Any other instruments as may be permitted by RBI / SEBI from time to time, subject to necessary regulatory approvals.

- Pending deployment of funds of the Scheme in securities in terms of the investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of scheduled commercial banks, subject to clause 12.16 of Master Circular. The AMC shall not charge investment management and advisory fees on such investments. Short Term Deposits placed as margin will be included in exposure to money market instruments.
- Where the monies are parked in short term deposits of Scheduled Commercial Banks pending deployment, the Scheme shall abide by the following guidelines as per clause 12.16 of the Master Circular, as may be amended from time to time:

- 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.

## **B. WHAT ARE THE INVESTMENT RESTRICTIONS?**

As per the Regulations, the following investment restrictions are currently applicable to the Scheme:

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

Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard.

- The Mutual Funds having an aggregate of securities worth Rs.10 crore or more as on the latest balance-sheet date, shall subject to such instructions as may be issued from time to time by SEBI, settle their transactions only through dematerialised securities. The Mutual Fund shall enter into transactions relating to Government Securities only in dematerialised form.
- The mutual fund shall get the securities purchased or transferred in the name of the mutual fund on account of the Scheme, wherever investments are intended to be of long-term nature.
- Save as otherwise expressly provided under SEBI (MF) Regulations, the Mutual Fund shall not advance any loans for any purpose.
- The mutual fund shall not borrow except to meet temporary liquidity needs of the mutual funds for the purpose of repurchase, redemption of units or payment of interest or IDCW to the unitholders.

Provided that the mutual fund shall not borrow more than 20 per cent of the net asset of the scheme and the duration of such a borrowing shall not exceed a period of six months.

- The Scheme shall not make any investment in:
  - Any unlisted security of an associate or group company of the Sponsor; or
  - Any security issued by way of private placement by an associate or group company of the Sponsor; or
  - The listed securities of group companies of the Sponsor, which is in excess of 25% of the net assets of the Scheme of the Fund.
  - any fund of funds Scheme.
- The cumulative gross exposure through, Government Securities/SDL, TREPS on Government Securities/Treasury bills, money market instruments, Units of liquid and debt mutual fund schemes and such other securities/assets as may be permitted by SEBI from time to time subject to approval, shall not exceed 100% of the net assets of the Scheme except to the extent of deployment of Subscription cash flow subject to clause 12.24 of Master Circular, as amended from time to time.

- The Scheme shall not invest in unlisted debt instruments including commercial papers, except Government Securities and other money market instruments.
- Transfer of investments from one Scheme to another Scheme in the same mutual fund, shall be allowed only if:
  - a) such transfers are made at the prevailing market price for quoted Securities on spot basis.  
Explanation: spot basis shall have the same meaning as specified by Stock exchange for spot transactions.  
Provided that inter scheme transfer of money market or debt security (irrespective of maturity) shall take place based on prices made available by valuation agencies as prescribed by SEBI from time to time.
  - b) the securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfer has been made.
  - c) Inter Scheme Transfers are effected in accordance with the guidelines specified by clause 12.30 of the Master Circular.
- The Scheme may invest in other scheme(s) under the same AMC or any other mutual fund without charging any fees, provided that aggregate inter-scheme investment made by all Schemes under the same AMC or in Schemes under the management of any other asset management shall not exceed 5% of the net asset value of the Mutual Fund. Further, the Scheme shall not invest in any fund of funds scheme.
- Pending deployment of funds of the Scheme in securities in terms of the investment objectives of the Scheme, the Fund may invest the funds of the Scheme in short term deposits of scheduled commercial banks subject to the following guidelines as specified by SEBI.
  - Short Term” for parking of funds shall be treated as a period not exceeding 91 days.
  - Short Term deposits shall be held in the name of the Scheme.
  - The Scheme(s) shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustee.
  - Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
  - The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
  - The Scheme shall not park funds in short-term deposit of a bank, which has invested in the Scheme.
  - Trustees/AMC shall also take steps to ensure that a bank in which the Scheme has short term deposit does not invest in the Scheme until the Scheme has short term deposit with such bank.
  - No investment management and advisory fees will be charged for such investments in the Scheme.
  - Short Term Deposits placed as margin will be included in exposure to money market instruments.

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

The AMC / Trustee may alter these above stated restrictions from time to time to the extent the SEBI (MF) Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its respective investment objective. The AMC/Trustee may from time to time alter these restrictions in conformity with the SEBI (MF) Regulations. Further, apart from the investment restrictions prescribed under SEBI (MF) Regulations, the Fund may follow any internal norms vis-à-vis restricting / limiting exposure to a particular scrip or sector, etc.

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

### C. FUNDAMENTAL ATTRIBUTES

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

#### (i) Type of a Scheme

- An open ended scheme replicating/tracking Nifty G-Sec July 2031 Index
- Index Fund

#### (ii) Investment objective

- **Main Objective** - Please refer to section 'Investment Objective' under **Section I, Part I – Highlights/Summary Of The Scheme**
- **Investment pattern** - Please refer to section 'How will the Scheme Allocate its Assets?' under **Section I, Part II, Clause A**

#### (iii) Terms of Issue

- Liquidity provisions such as listing, repurchase, redemption.** For further details, please refer to section "Other Scheme Specific Disclosures" under **Section II, Part I, Clause E**
- Aggregate Fees and expenses charged to the Scheme.** For further details, please refer to section "Annual Scheme Recurring Expenses" under **Section I, Part III, Clause B**
- Any safety net or guarantee provided.** This Scheme does not provide any guaranteed or assured return.

### Changes in Fundamental Attributes

In accordance with Regulation 18 (15A) and Regulation 25(26) of the SEBI (MF) Regulations, read with clause 1.14.1.4 and 17.10 of Master Circular, the Trustee and AMC shall ensure that no change in the fundamental attributes of the Scheme and the Plan(s)/Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme and Plan(s)/Option(s) thereunder affect the interest of Unit holders is carried out by the AMC unless:

- SEBI has reviewed and provided its comments on the proposal
- A written communication about the proposed change is sent to each Unit holder and an advertisement is given in one English daily newspaper having nationwide circulation as well as

in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and

- The Unit holders are given an option for a period of atleast 30 calendar days to exit at the prevailing Net Asset Value without any exit Load.

## **D. INDEX METHODOLOGY**

### **ABOUT THE UNDERLYING INDEX**

**Nifty G-Sec Jul 2031** Index seeks to measure the performance of portfolio of Government securities (G-Secs) maturing during the twelve month period ending July 31, 2031.

The index is computed using the total return methodology including price return and coupon return.

The index has a base date of MMM DD, YYYY and a base value of 1000.

#### **Methodology**

##### **Introduction**

Nifty G-Sec Jul 2031 Index seeks to measure the performance of portfolio of Government securities (G-Secs) maturing during the twelve month period ending July 31, 2031.

The index is computed using the total return methodology including price return and coupon return.

The index has a base date of MMM DD, YYYY and a base value of 1000.

##### **Methodology**

The methodology is in compliance with the Norms for Debt Exchange Traded Funds (ETFs)/Index Funds announced by SEBI vide clause 3.5 of Master Circular.

##### **Eligibility Norms**

G-Sec should not be a special security, floating rate security, inflation linked security

##### **Security Selection**

- From the eligible universe, three most liquid G-Sec maturing during the twelve month period ending July 31, 2031 based on the composite liquidity score calculated based on trades available during the three month period prior to June 15, 2022 and having a minimum outstanding amount of Rs. 25,000 crores as on June 15, 2022 are selected to be part of the index.
- The composite liquidity score is calculated by allocating 80% weight to aggregate trading value, 10% weight to number of days traded and 10% weight to number of trades of the G-Secs during the three month period prior to June 15, 2022

##### **Weight Assignment**

- As on the base date of the index, each G-Sec is given weight based on a composite score calculated on the basis of liquidity score and outstanding amount score as on June 15, 2022. The composite score is calculated by allocating 80% weight to liquidity score and 20% weight to outstanding amount score. The liquidity score is calculated by allocating 80% weight to aggregate trading value, 10% weight to number of days traded and 10% weight to number of trades of the G-Secs during the three month period prior to June 15, 2022.

- Subsequently, the weights may drift due to price movement and will not get reset
- Any coupon amount received is assumed to be reinvested in the portfolio on the same date, in the proportion of the existing weights

### Index Rebalancing/Reconstitution

- On a semi-annual basis, index will be screened for compliance with the Norms for Debt Exchange Traded Funds (ETFs)/Index Funds announced by SEBI vide clause 3.5 of Master Circular.. In case of non-compliance, suitable corrective measures will be taken to ensure compliance with the norms
- As the index includes securities that shall mature during the twelve month period ending on the final maturity date of the index, any proceeds from the security redemption prior to the final maturity date of the index shall be re-invested using the following waterfall approach:
  - The proceeds from security redemption will be reinvested in the longest maturity outstanding security issued by the same issuer (G-Sec/T-Bill in case of government securities) and maturing on or just before the index maturity date with the same weightage. This will be subject to single issuer limit in compliance with the Norms for Debt Exchange Traded Funds (ETFs)/Index Funds announced by SEBI vide clause 3.5 of Master Circular. In case a replacement in the form of outstanding security of the same issuer cannot be found for reinvestment then the proceeds from such redemption shall be reinvested in the remaining portfolio on the same date in the proportion of the existing weights. This will be subject to single issuer limit in compliance with the Norms for Debt Exchange Traded Funds (ETFs)/Index Funds announced by SEBI vide clause 3.5 of Master Circular.
  - In case due to any reason, it is not possible to meet any norms as prescribed by SEBI vide clause 3.5 of Master Circular, then the proceeds from such redemption shall be reinvested in a T-Bill maturing on or just before the index maturity date
  - If the last outstanding security (including T-Bill) in the index matures before the final index maturity date, all redemption proceeds shall be re-invested in The Clearing Corporation of India Ltd.'s (CCIL) TREPS overnight rate tracked by Nifty 1D Rate Index for any subsequent days till the maturity of the index.

### Index Termination

The index shall mature on July 31, 2031.

### Portfolio prepared using the data cut-off date of June 15, 2022:

Sr. No.	ISIN	Nomenclature	Coupon	Issue Date	Maturity Date	Outstanding Amount (Rs. Crs.)	Weights as on 31/05/2024	YTM (as on 31/05/2024)
1	IN0020210095	6.10% GS 2031	6.10%	12/07/2021	12/7/2031	150229.64	82.56%	7.18%
2	IN0020200153	5.77% GS 2030	5.77%	03/08/2020	3/8/2030	123000.00	9.47%	7.18%
3	IN0020110055	8.97% GS 2030	8.97%	05/12/2011	5/12/2030	93709.82	7.97%	7.23%
		<b>Total</b>				366939.46	100.00%	7.18%



#### D. OTHER SCHEME SPECIFIC DISCLOSURES:

<p><b>Listing and transfer of units</b></p>	<p>Being an open ended Scheme under which Sale and Redemption of Units will be made on continuous basis by the Mutual Fund (subject to completion of lock-in period, if any), the Units of the Scheme are not proposed to be listed on any stock exchange. However, the Mutual Fund may at its sole discretion list the Units under the Scheme on one or more stock exchange at a later date.</p>
<p><b>Dematerialization of units</b></p>	<p>The Unit holders would have an option to hold the Units in demat form or account statement (non-demat) form. Units held in Demat Form are freely transferable. The Applicant intending to hold Units in demat form will be required to have a beneficiary account with a Depository Participant (DP) of the NSDL/CDSL and will be required to mention in the application form DP's Name, DP ID No. and Beneficiary Account No. with the DP at the time of purchasing Units.</p>
<p><b>Dividend Policy (IDCW)</b></p>	<p>Not Applicable as Scheme currently does not offer IDCW Option.</p>
<p><b>Allotment</b></p>	<p>All Applicants whose monies towards purchase of Units have been realised by the Fund will be allotted units within 5 working days, provided the applications are complete in all respects and are found to be in order. Units will be allotted in dematerialized form if so requested by the unit holder in the application form. In all other cases, statement of account showing the number of units allotted will be issued. Any application for subscription of units may be rejected if found invalid, incomplete or due to unavailability of underlying securities, etc.</p> <p>The AMC shall issue units in dematerialized form to a unit holder in a scheme within two working days of the receipt of request from the unit holder to convert his units in demat form.</p> <p>All Units will rank pari passu, among Units within the same Option in the Scheme concerned as to assets, earnings and the receipt of IDCW distributions, if any, as may be declared by the Trustee.</p> <p>Units will be allotted upto 3 decimals.</p> <p>Face Value per unit of all Plans/ Options under the Scheme is Rs.10.</p>
<p><b>Who can invest</b></p> <p>This is an indicative list and investors shall consult their financial advisor to ascertain whether the scheme is suitable to their risk profile.</p>	<p>The following persons (i.e. an indicative list of persons) are eligible and may apply for subscription to the Units of the Scheme provided they are not prohibited by any law/Constitutive documents governing them:</p> <ol style="list-style-type: none"> <li>1. Resident adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis;</li> <li>2. Karta of Hindu Undivided Family (HUF);</li> <li>3. Minor (as the first and the sole holder only) through a natural guardian (i.e. father or mother, as the case may be) or a court appointed legal guardian. There shall not be any joint holding in a</li> </ol>



	<p>minor's folio. Payment for investment shall be accepted from the bank account of the minor, parent or legal guardian of the minor or from a joint account of the minor with the parent or legal guardian.</p> <ol style="list-style-type: none"> <li>4. Partnership Firms &amp; Limited Liability Partnerships (LLPs);</li> <li>5. Companies, Bodies Corporate, Public Sector Undertakings, Association of Persons or bodies of individuals and societies registered under the Societies Registration Act, 1860, Co-Operative Societies registered under the Co-Operative Societies Act, 1912, One Person Company;</li> <li>6. Banks &amp; Financial Institutions;</li> <li>7. Mutual Funds/Alternative Investment Funds registered with SEBI;</li> <li>8. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and Private trusts authorised to invest in mutual fund schemes under their trust deeds;</li> <li>9. Non-resident Indians (NRIs)/Persons of Indian Origin residing abroad (PIO)/Overseas Citizen of India (OCI) on repatriation basis or on non-repatriation basis;</li> <li>10. Foreign Portfolio Investors (FPI) registered with SEBI in accordance with applicable laws;</li> <li>11. Army, Air Force, Navy and other paramilitary units and bodies created by such institutions;</li> <li>12. Council of Scientific and Industrial Research, India;</li> <li>13. Multilateral Financial Institutions/Bilateral Development Corporation Agencies/Bodies Corporate incorporated outside India with the permission of Government of India/Reserve Bank of India;</li> <li>14. Other Schemes of HDFC Mutual Fund subject to the conditions and limits prescribed by SEBI (MF) Regulations;</li> <li>15. Trustee, AMC, Sponsor and their associates may subscribe to Units under the Scheme;</li> <li>16. Such other category of investors as may be decided by the AMC/Trustee from time to time provided their investment is in conformity with the applicable laws and SEBI (MF) Regulations.</li> </ol> <p><b>Note:</b></p> <ol style="list-style-type: none"> <li>1. Non Resident Indians (NRIs) and Persons of Indian Origin (PIOs) residing abroad/Overseas Citizens of India (OCI)/Foreign Portfolio Investors (FPIs) have been granted a general permission by</li> </ol>
--	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

	<p>Reserve Bank of India under Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 for investing in/redeeming units of the mutual funds subject to conditions set out in the aforesaid regulations.</p> <p>2. In case of application(s) made by Individual Investors under a Power of Attorney, the original Power of Attorney or a certified true copy duly notarised should be submitted. In case of applications made by Non-Individual Investors, the authorized signatories/officials of Non-Individual investors should sign the application under their official designation and as per the authority granted to them under their Constitutive Documents/Board resolutions, etc. A list of specimen signatures of the authorized officials, duly certified/attested should also be attached to the Application Form. The Fund/AMC/Trustees shall deem that the investments made by the Investors are not prohibited by any law/Constitutive documents governing them and they possess the necessary authority to invest/transact.</p> <p>3. Investors desiring to invest/transact in mutual fund schemes are required to mandatorily furnish PAN (PAN of the guardian in case minor does not have a PAN) and comply with the KYC norms applicable from time to time. Under the KYC norms, Investors are required to provide prescribed documents for establishing their identity and address including in case of non-individuals copy of the Memorandum and Articles of Association/bye-laws/trust deed/partnership deed/Certificate of Registration along with the proof of authorization to invest, as applicable, to the KYC Registration Agency (KRA) registered with SEBI. The Fund/AMC/Trustees/other intermediaries will rely on the declarations/affirmations provided by the Investor(s) in the Application/Transaction Form(s) and the documents furnished to the KRA that the Investor(s) is permitted/authorised by the Constitution document/their Board of Directors etc. to make the investment/transact. Further, the Investor shall be liable to indemnify the Fund/AMC/Trustee/other intermediaries in case of any dispute regarding the eligibility, validity and authorization of the transactions and/or the applicant who has applied on behalf of the Investors. The Fund/AMC/Trustee reserves the right to call for such other information and documents as may be required by it in connection with the investments made by the investor. Where the</p>
--	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

	<p>Units are held by a Unit holder in breach of any Regulations, AMC/the Fund may effect compulsory redemption of such units.</p> <ol style="list-style-type: none"> <li>4. Returned cheques are liable not to be presented again for collection, and the accompanying application forms are liable to be rejected by the AMC. In case the returned cheques are presented again, the necessary charges are liable to be debited to the investor.</li> <li>5. The Trustee reserves the right to recover from an investor any loss caused to the Scheme on account of dishonour of cheques issued by the investor for purchase of Units of this Scheme.</li> <li>6. Subject to the SEBI (MF) Regulations, the Trustee may inter-alia reject any application for the purchase of Units if the application is invalid or incomplete or non-permissible under law or if the AMC/Trustee for any other reason to believe that it would not be in the best interest of the Scheme or its Unitholders to accept such an application.</li> </ol>
<p><b>Who cannot invest</b></p>	<p>The persons/entities as specified under section “<b>Who Can Invest?</b>” shall not be eligible to invest in the Scheme, if such persons/entities are:</p> <ol style="list-style-type: none"> <li>1. United States Person (U.S. person*) as defined under the extant laws of the United States of America, except the following: <ol style="list-style-type: none"> <li>a. NRIs/PIOs may invest/transact, in the Scheme, when present in India, as lump sum subscription, redemption and/or switch transaction, including registration of systematic transactions only through physical form and upon submission of such additional documents/undertakings, etc., as may be stipulated by AMC/Trustee from time to time and subject to compliance with all applicable laws and regulations prior to investing in the Scheme.</li> <li>b. FPIs may invest in the Scheme as lump sum subscription and/or switch transaction (other than systematic transactions) through submission of physical form in India, subject to compliance with all applicable laws and regulations and the terms, conditions, and documentation requirements stipulated by the AMC/Trustee from time to time, prior to investing in the Scheme.</li> </ol> </li> </ol> <p>The Trustee/AMC reserves the right to put the transaction requests received from such U.S. person on hold/reject the transaction request/redeem the units, if allotted, as the case may be, as and when identified by the AMC that the same is not in compliance with the applicable laws and/or the terms and conditions stipulated by</p>

	<p>Trustee/AMC from time to time. Such redemptions will be subject to applicable taxes and exit load, if any.</p> <p>The physical application form(s) for transactions (in non-demat mode) from such U.S. person will be accepted ONLY at the Investor Service Centres (ISCs) of HDFC Asset Management Company Limited (HDFC AMC). Additionally, such transactions in physical application form(s) will also be accepted through Distributors and other platforms subject to receipt of such additional documents/undertakings, etc., as may be stipulated by AMC/Trustee from time to time from the Distributors/Investors.</p> <p>2. Residents of Canada;</p> <p>3. Investor residing in any Financial Action Task Force (FATF) designated High Risk jurisdiction.</p> <p>*The term “U.S. person” means any person that is a U.S. person within the meaning of Regulations under the Securities Act of 1933 of U.S. or as defined by the U.S. Commodity Futures Trading Commission or as per such further amended definitions, interpretations, legislations, rules etc, as may be in force from time to time.</p>
<p><b>How to Apply and other details</b></p>	<p>The Applications Forms are available at Investor Service Centres (ISCs)/Official Points of Acceptance (OPAs) of Mutual Fund and/or may be downloaded from the website of AMC.</p> <p>The application forms should be submitted at ISCs /OPAs. OPAs include various Distributors, Registered Investment Advisers (RIAs), Portfolio Managers, Execution only Platforms (EOPs), Stock Exchange Platforms and other transaction platforms with whom AMC has entered into tie up to accept transactions from their customers.</p> <p>Refer back cover page for contact details of Registrar and Transfer Agent (CAMS), brief details various official points of acceptance, collecting bankers during NFO (if any), etc.</p> <p>The list of the ISCs/ OPAs, of the Mutual Fund is provided on the website of the AMC. i.e. <a href="http://www.hdfcfund.com">www.hdfcfund.com</a>.</p> <p>For further details, please refer to the SAI and Application form available on the website for the instructions.</p> <p>It is mandatory to mention bank account numbers in their applications/requests for redemption.</p>
<p><b>The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the</b></p>	<p>Presently, the AMC does not intend to reissue the repurchased units. However, the Trustee reserves the right to reissue the repurchased units at a later date after issuing adequate public notices and taking approvals, if any, from SEBI.</p>

<p><b>AMC) involved in the same.</b></p>	
<p><b>Restrictions, if any, on the right to freely retain or dispose of units being offered.</b></p>	<p><b>RIGHT TO RESTRICT REDEMPTION AND / OR SUSPEND REDEMPTION OF THE UNITS</b> (as per clause 1.12 of Master Circular):</p> <p>The Fund at its sole discretion reserves the right to restrict Redemption (including switch-out) of the Units (including Plan /Option) of the Scheme of the Fund upon occurrence of the below mentioned events for a period not exceeding ten (10) working days in any ninety (90) days period subject to approval of the Board of Directors of the AMC and the Trustee. The restriction on Redemption (including switch-out) shall be applicable where the Redemption (including switch-out) request is for a value above Rs. 2,00,000/- (Rupees Two Lakhs). Further, no restriction shall be applicable to the Redemption / switch-out request upto Rs. 2,00,000/- (Rupees Two Lakhs). It is further clarified that, in case of redemption request beyond Rs. 2,00,000/- (Rupees Two Lakhs), no restriction shall be applicable on first Rs. 2,00,000/- (Rupees Two Lakhs).</p> <p>The Trustee / AMC reserves the right to restrict Redemption or suspend Redemption of the Units in the Scheme of the Fund on account of circumstances leading to a systemic crisis or event(s) that severely constrict market liquidity or the efficient functioning of the markets. A list of such circumstances under which the restriction on Redemption or suspension of Redemption of the Units in the Scheme of the Fund may be imposed are as follows:</p> <ol style="list-style-type: none"> <li>1. Liquidity issues- when market at large becomes illiquid affecting almost all securities rather than any issuer specific security; or</li> <li>2. Market failures / Exchange closures; or</li> <li>3. Operational issues; or</li> <li>4. If so directed by SEBI.</li> </ol> <p>It is clarified that since the occurrence of the abovementioned eventualities have the ability to impact the overall market and liquidity situation, the same may result in exceptionally large number of Redemption requests being made and in such a situation the indicative timelines, if any mentioned by the Fund in the scheme offering documents, for processing of requests for Redemption may not be applicable.</p> <p>Any restriction on Redemption or suspension of Redemption of the Units in the Scheme(s) of the Mutual Fund shall be made applicable only after specific approval of the Board of Directors of the AMC and Trustee Company and thereafter, immediately informing the same to SEBI.</p> <p>The AMC / Trustee reserves the right to change / modify the provisions of right to restrict Redemption and / or suspend Redemption of the Units in the Scheme of the Fund.</p>

<p><b>Cut off timing for subscriptions/ redemptions/ switches</b> This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p>The below cut-off timings and applicability of NAV shall be applicable in respect of valid applications received at the Official Point(s) of Acceptance on a Business Day:</p> <p><b>A] For Purchase (including switch-in) of any amount:</b></p> <ul style="list-style-type: none"> <li>• In respect of valid applications received upto 3.00 p.m. and where the funds for the entire amount are available for utilization before the cut-off time i.e. credited to the bank account of the Scheme before the cut-off time - the closing NAV of the day shall be applicable.</li> <li>• In respect of valid applications received after 3.00 p.m. and where the funds for the entire amount are credited to the bank account of the Scheme either at any time on the same day or before the cut-off time of the next Business Day i.e. available for utilization before the cut-off time of the next Business Day - the closing NAV of the next Business Day shall be applicable.</li> <li>• Irrespective of the time of receipt of application, where the funds for the entire amount are credited to the bank account of the Scheme before the cut-off time on any subsequent Business Day i.e. available for utilization before the cut-off time on any subsequent Business Day - the closing NAV of such subsequent Business Day shall be applicable.</li> </ul> <p><b>B] For Switch-ins of any amount:</b> For determining the applicable NAV, the following shall be ensured:</p> <ul style="list-style-type: none"> <li>• Application for switch-in is received before the applicable cut-off time.</li> <li>• Funds for the entire amount of subscription/purchase as per the switch-in request are credited to the bank account of the Scheme before the cut-off time.</li> <li>• The funds are available for utilization before the cut-off time.</li> <li>• In case of 'switch' transactions from one scheme to another, the allocation shall be in line with redemption payouts.</li> </ul> <p>In case of switches, the request should be received on a day which is a Business Day for the Switch-out scheme. Redemption for switch-out shall be processed at the applicable NAV as per cut-off timing. Switch-in will be processed at the Applicable NAV (on a Business Day) based on realization of funds as per the redemption pay-out cycle for the switch-out scheme.</p> <p>For investments through systematic investment routes such as Systematic Investment Plans (SIP), Systematic Transfer Plans (STP), Flex-STP, Swing STP, Transfer of Income Distribution cum Capital Withdrawal (IDCW) Plan facility (TIP), etc. the units will be allotted as per the closing NAV of the day on which the funds are available for utilization within applicable cut-off time by the Target Scheme irrespective of the installment date of the SIP, STP or record date of IDCW etc.</p> <p>While the AMC will endeavour to deposit the payment instruments accompanying investment application submitted to it with its bank expeditiously, it shall not be liable for delay in realization of funds on</p>
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



	<p>account of factors beyond its control such as clearing / settlement cycles of the banks.</p> <p>Since different payment modes have different settlement cycles including electronic transactions (as per arrangements with Payment Aggregators / Banks / Exchanges etc), it may happen that the investor's account is debited, but the money is not credited within cut-off time on the same date to the Scheme's bank account, leading to a gap / delay in Unit allotment. Investors are therefore urged to use the most efficient electronic payment modes to avoid delays in realization of funds and consequently in Unit allotment.</p> <p><b>C] For Redemption (including switch-out) applications</b></p> <ul style="list-style-type: none"> <li>• In respect of valid applications received upto 3 p.m. on a Business Day by the Fund, same day's closing NAV shall be applicable.</li> <li>• In respect of valid applications received after 3 p.m. on a Business Day by the Fund, the closing NAV of the next Business Day shall be applicable.</li> </ul> <p><b>Transactions through online facilities / electronic modes:</b></p> <p>The time of transaction done through various online facilities / electronic modes offered by the AMC, for the purpose of determining the applicability of NAV, would be the time when the request for purchase / sale / switch of units is received in the servers of AMC/RTA. The AMC has the right to amend cut off timings subject to SEBI (MF) Regulations for the smooth and efficient functioning of the Scheme.</p>
<p><b>Minimum amount for purchase/redemption/switches/ subscription/redemption with AMC.</b></p>	<p><b>Minimum amount for Purchase/ Redemption (including Switch-in/Out):</b></p> <p>For details refer section '<b>Highlights / Summary of the Scheme</b>'.</p> <p>The request for minimum amount /units for redemption / switch-out of Units under each plan / option would be Rs. 100/- and multiples of Rs. 1/- thereafter.</p> <p>There will be no minimum redemption criterion for Unit based redemption.</p> <p>The Redemption / Switch-out would be permitted to the extent of credit balance in the Unit holder's account of the Plan(s) / Option(s) of the Scheme (subject to completion of Lock-in period or release of pledge / lien or other encumbrances).</p> <p>The Redemption / Switch-out request can be made by specifying the rupee amount or by specifying the number of Units of the respective Plan(s) / Option(s) to be redeemed. In case a Redemption / Switch-out request received is for both, a specified rupee amount and a specified number of Units of the respective Plan(s)/ Option(s), the specified number of Units will be considered the definitive request.</p> <p>In case the value / number of available units held in the Unit holder's folio / account under the Plan / Option of the Scheme is less than the amount / number of units specified in the redemption / switchout request, then the transaction shall be treated as an 'all units'</p>



	<p>redemption and the entire balance of available Units in the folio / account of the Unit holder under the stated Plan / Option of the Scheme shall be redeemed.</p>
<b>Accounts Statements</b>	<p>The AMC shall send an allotment confirmation specifying the units allotted by way of email and/or SMS within 5 working days of receipt of valid application/transaction to the Unit holders registered e-mail address and/ or mobile number (whether units are held in demat mode or in account statement form).</p> <p>A Consolidated Account Statement (CAS) detailing all the transactions across all mutual funds (including transaction charges paid to the distributor) and holding at the end of the month shall be sent to the Unit holders in whose folio(s) transaction(s) have taken place during the month by mail or email on or before 15th of the succeeding month.</p> <p>Half-yearly CAS shall be issued at the end of every six months (i.e. September/ March) on or before 21st day of succeeding month, to all investors providing the prescribed details across all schemes of mutual funds and securities held in dematerialized form across demat accounts, if applicable.</p> <p>For further details, refer SAI.</p>
<b>Dividend/ IDCW</b>	<p>Not Applicable as the Scheme currently does not offer IDCW Option.</p>
<b>Redemption</b>	<p>The redemption or repurchase proceeds shall be dispatched to the unitholders within three working days from the date of redemption or repurchase or such other timelines as may be specified by SEBI / AMFI from time to time in case of exceptional circumstances or otherwise.</p> <p>For details refer para 14.1.3 of Master Circular.</p>
<b>Bank Mandate</b>	<p><b>BANK DETAILS</b></p> <p>In order to protect the interest of Unit holders from fraudulent encashment of redemption / IDCW cheques, SEBI has made it mandatory for investors to provide their bank details viz. name of bank, branch, address, account type and number, etc. to the Mutual Fund. Payment will be made only in the Bank Account registered with the Mutual Fund. The bank account registered in the folio of a minor should be that of the minor or should be a joint account of the minor with the guardian. Applications without complete bank details shall be rejected. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques/ warrants and/ or any delay/ loss in transit.</p> <ul style="list-style-type: none"> <li>• <b>Multiple Bank Accounts Registration</b></li> </ul> <p>The AMC/ Mutual Fund provides a facility to the investors to register multiple bank accounts (currently upto 5 for Individuals and 10 for Non - Individuals) for receiving redemption/ IDCW proceeds etc. by providing necessary documents. Investors must specify any one account as the "Default Bank Account".</p>

	<ul style="list-style-type: none"> <li>● <b>Change in Bank Account</b></li> </ul> <p>For investors holding units in demat mode, the procedure for change in bank details would be as determined by the depository participant.</p> <p>For investors holding units in non-demat mode, the Unit holders may change their bank details registered with the Mutual Fund by submitting 'Multiple Bank Account Registration Form' or a standalone separate Change of Bank Details Form.</p>
<b>Delay in payment of redemption /repurchase proceeds/dividend</b>	<p>The AMC shall be liable to pay interest to the Unit holders at 15% or such other rate as may be prescribed by SEBI from time to time, in case the redemption/ repurchase/ IDCW proceeds are not transferred within the prescribed timeline. However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC / Trustee is required to obtain from the investor / unit holders verification of identity or such other details relating to subscription for Units under any applicable law or as may be required by a regulatory body or any government authority, which results in delay in processing the application.</p>
<b>Unclaimed Redemption and Income Distribution cum Capital Withdrawal Amount</b>	<p>The unclaimed Redemption and IDCW amounts (the funds) are currently deployed by the Mutual Fund only in TREPS. However, the same may be deployed in other permissible instruments such as call money market or money market instruments or in a separate plan specifically launched under Overnight/Liquid/ Money Market Mutual Fund schemes to deploy unclaimed Redemption and IDCW amounts. Investors who claim the unclaimed amounts during a period of three years from the due date shall be paid initial unclaimed amount along-with the income earned on its deployment. Investors, who claim these amounts after 3 years, shall be paid initial unclaimed amount along-with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education. The AMC will make a continuous effort to remind the investors through letters to take their unclaimed amounts. The details of such unclaimed redemption/IDCW amounts are made available to investors upon them providing proper credentials, on website of the Mutual Fund and AMFI along with the information on the process of claiming the unclaimed amount and the necessary forms/documents required for the same.</p> <p>Further, the information on unclaimed amount along-with its prevailing value (based on income earned on deployment of such unclaimed amount), will be separately disclosed to investors through the periodic statement of accounts/Consolidated Account Statement sent to the investors. Further, the investment management fee charged by the AMC for managing the said unclaimed amounts shall not exceed 50 basis points.</p>
<b>Disclosure with respect to investment by minors</b>	<p>Investments (including through existing SIP registrations) in the name of minors shall be permitted only from bank account of the minor,</p>

	<p>parent or legal guardian of the minor or from a joint account of the minor with the parent or legal guardian.</p> <p>It is reiterated that the redemption/ Income Distribution cum Capital Withdrawal (IDCW) proceeds for investments held in the name of Minor shall continue to be transferred to the verified bank account of the minor (i.e. of the minor or joint account of minor with parent/ legal guardian) only. Therefore, investors must ensure to update the folios with minor's bank account details as the 'Pay-out Bank account' by providing necessary documents before tendering redemption requests / for receiving IDCW distributions.</p>
<b>Potential Risk Class (PRC)</b>	<p>Please refer to PRC matrix disclosed on the cover page. The PRC reflects the maximum risks (i.e., interest rate risk and credit risk) that the Scheme can take. Positioning of an ETF/ Index Fund in the Potential Risk Class (PRC) matrix shall be in the same cell as that of positioning of the index in the PRC matrix. However, movement to a lower risk cell in the PRC matrix shall be permitted on account of investment into higher rated securities and exposure to cash within the permitted range of portfolio replication norms.</p> <p>However, the PRC value of a Scheme could change temporarily due to price movements, rating changes, investment actions, etc. Any such temporary change in the PRC cell of a scheme to a higher risk scale for either credit risk or duration risk beyond the maximum risk specified for the chosen PRC cell shall be subject to rebalancing in terms of provisions specified in the SID.</p>

### III. OTHER DETAILS

#### A. PERIODIC DISCLOSURES

Sr. No	Name of the Disclosure	Frequency	Timelines	Disclosed on	Link
1.	<b>Half Yearly Results (Unaudited)</b>	Half yearly	within one month from the close of each half year i.e. on 31 <sup>st</sup> March and on 30 <sup>th</sup> September.	AMC website  AMFI website	<a href="https://www.hdfcfund.com/statutory-disclosure/scheme-financials">https://www.hdfcfund.com/statutory-disclosure/scheme-financials</a>  <a href="https://www.amfiindia.com/research-information/other-data/accounts-data">https://www.amfiindia.com/research-information/other-data/accounts-data</a>
2.	<b>Annual Report</b>	Annually	not later than four months from the date of closure of the relevant account's year (i.e. 31 <sup>st</sup>	AMC website  AMFI website	<a href="https://www.hdfcfund.com/statutory-disclosure/annual-reports">https://www.hdfcfund.com/statutory-disclosure/annual-reports</a>  <a href="https://www.amfiindia.com/research-information/other-data/accounts-data">https://www.amfiindia.com/research-information/other-data/accounts-data</a>

			March each year).		
3.	<b>Daily Performance Disclosure (after scheme completes six months of existence)</b>	Daily	-	AMFI website	<a href="http://amfiindia.com/research-information/other-data/mf-scheme-performance-details">amfiindia.com/research-information/other-data/mf-scheme-performance-details</a>
4.	Portfolio Disclosure	Monthly/Fortnightly/Half yearly	<b>Monthly/half yearly</b> - within 10 days from the close of each month/half-year respectively. <b>Fortnightly</b> - within 5 days from the end of fortnight	AMC website AMFI website	<a href="https://www.hdfcfund.com/statutory-disclosure/portfolio/monthly-portfolio">https://www.hdfcfund.com/statutory-disclosure/portfolio/monthly-portfolio</a> <a href="https://www.hdfcfund.com/statutory-disclosure/portfolio/fortnightly-portfolio">https://www.hdfcfund.com/statutory-disclosure/portfolio/fortnightly-portfolio</a> <a href="https://www.hdfcfund.com/statutory-disclosure/scheme-financials">https://www.hdfcfund.com/statutory-disclosure/scheme-financials</a> <a href="https://www.amfiindia.com/research-information/other-data/accounts-data">https://www.amfiindia.com/research-information/other-data/accounts-data</a>
5.	<b>Monthly Average Asset under Management (Monthly AAUM) Disclosure</b>	Monthly	within 7 working days from the end of the month.	AMC website	<a href="https://www.hdfcfund.com/statutory-disclosure/aum">https://www.hdfcfund.com/statutory-disclosure/aum</a>
6.	<b>Scheme and Benchmark Riskometer</b>	Monthly	within 10 days from the close of each month.	AMC website AMFI website	<a href="https://www.hdfcfund.com/statutory-disclosure/portfolio">https://www.hdfcfund.com/statutory-disclosure/portfolio</a> <a href="https://www.amfiindia.com/research-information/other-data/accounts-data">https://www.amfiindia.com/research-information/other-data/accounts-data</a>
7.	<b>Tracking Error</b>	Daily	Daily basis	AMC website AMFI website	<a href="https://www.hdfcfund.com/statutory-disclosure/tracking-error">https://www.hdfcfund.com/statutory-disclosure/tracking-error</a> <a href="https://www.amfiindia.com/research-information/other-data/tracking_errordata">https://www.amfiindia.com/research-information/other-data/tracking_errordata</a>
8.	<b>Tracking Difference (Upon completion of 1 year of the</b>	Monthly	within 10 days from the close of each month.	AMC website AMFI website	<a href="https://www.hdfcfund.com/statutory-disclosure/tracking-error">https://www.hdfcfund.com/statutory-disclosure/tracking-error</a>

	<b>Scheme, tracking difference shall be disclosed on the website of the AMC and AMFI, on a monthly basis)</b>				<a href="https://www.amfiindia.com/research-information/other-data/tracking_errordata">https://www.amfiindia.com/research-information/other-data/tracking_errordata</a>
9	<b>Change in constituents of the index, if any</b>	As and when it is changed	Immediately	AMC website	Refer respective product pages on our website i.e. <a href="http://www.hdfcfund.com">www.hdfcfund.com</a>
10	<b>For Debt and Equity ETFs / Index Funds</b>  <ul style="list-style-type: none"> <li>• Name and exposure to top 7 issuers and stocks respectively as a percentage of NAV of the scheme</li> <li>• Name and exposure to top 7 groups as a percentage of NAV of the scheme.</li> <li>• Name and exposure to top 4 sectors as a percentage of NAV of the scheme.</li> </ul>	Monthly basis	-	Monthly factsheet or in Monthly Portfolio – AMC website	<a href="https://www.hdfcfund.com/investor-services/factsheets">https://www.hdfcfund.com/investor-services/factsheets</a>  <a href="https://www.hdfcfund.com/statutory-disclosure/portfolio/monthly-portfolio">https://www.hdfcfund.com/statutory-disclosure/portfolio/monthly-portfolio</a>
<b>Other Disclosures</b>					

11	<b>Scheme Summary Documents</b>	Monthly	within 15 days from the close of each month or on changes in any of the specified fields, whichever is earlier.	AMC website  AMFI website  BSE website  NSE website	<a href="https://www.hdfcfund.com/investor-services/fund-documents/scheme-summary">https://www.hdfcfund.com/investor-services/fund-documents/scheme-summary</a>  <a href="https://www.amfiindia.com/research-information/other-data/scheme-details">https://www.amfiindia.com/research-information/other-data/scheme-details</a>  <a href="https://www.bseindia.com/Static/Markets/MutualFunds/listOfAmc.aspx">https://www.bseindia.com/Static/Markets/MutualFunds/listOfAmc.aspx</a>  <a href="https://www.nseindia.com/">https://www.nseindia.com/</a>
12	<b>Investor Charter</b>	-	As and when updated	AMC website	<a href="https://files.hdfcfund.com/s3fs-public/2024-05/Investor%20Charter%20-%20MF_05/Investor%20Charter%20-%20MF.pdf?_gl=1*1jtk2cr*_qcl_au*MTMzMDQ3NzExNS4xNzE1MjMwMzlw">https://files.hdfcfund.com/s3fs-public/2024-05/Investor%20Charter%20-%20MF.pdf?_gl=1*1jtk2cr*_qcl_au*MTMzMDQ3NzExNS4xNzE1MjMwMzlw</a>

## B. TRANSPARENCY/NAV DISCLOSURE

<p><b>Net Asset Value</b></p> <p>This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p>	<p>The AMC will calculate and disclose NAVs at the close of every Business Day. As required by SEBI, the NAVs shall be disclosed in the following manner:</p> <ol style="list-style-type: none"> <li>i) Displayed on the website of the Mutual Fund (www.hdfcfund.com)</li> <li>ii) Displayed on the website of Association of Mutual Funds in India (AMFI) (www.amfiindia.com).</li> <li>iii) Any other manner as may be specified by SEBI from time to time.</li> </ol> <p>AMC shall update the NAVs on the website of the Fund and AMFI by 11.00 p.m. every Business day. In case of any delay in uploading on AMFI website, the reasons for such delay would be explained to AMFI and SEBI in writing. If the NAVs are not available before commencement of business hours on the following day due to any reason, Mutual Fund shall issue a press release providing reasons and explaining when the Mutual Fund would be able to publish the NAVs.</p> <p>Mutual Fund / AMC will provide facility of sending latest available NAVs to unitholders through SMS, upon receiving a specific request in this regard.</p>
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

### C. TRANSACTION CHARGES AND STAMP DUTY

<b>Transaction Charges</b>	<p>In accordance with clause 10.5 of Master Circular,</p> <p><b>(i) For First Time Mutual Fund Investor (across Mutual Funds):</b> Transaction Charge of <b>Rs. 150/-</b>; and</p> <p><b>(ii) For other Investors:</b> Transaction Charge of <b>Rs. 100/-</b>.</p> <p>will be deducted from the purchase/subscription amount for payment to the distributor (who has opted-in to receive the same), and the balance shall be invested.</p> <p>For details refer SAI.</p>
<b>Stamp Duty on Allotment/Transfer Of Units</b>	<p>Mutual fund units issued against Purchase transactions (whether through lump-sum investments or SIP or STP or switch-ins or reinvestment under IDCW Option) would be subject to levy of stamp duty @ 0.005% of the amount invested.</p> <p>Transfer of mutual fund units (such as transfers between demat accounts) are subject to payment of stamp duty @ 0.015%.</p> <p>Stamp duty is charged pursuant to Notification No. S.O. 4419(E) dated December 10, 2019 issued by Department of Revenue, Ministry of Finance, Government of India, read with Part I of Chapter IV of Notification dated February 21, 2019 issued by Legislative Department, Ministry of Law and Justice, Government of India on the Finance Act, 2019, and subsequent Notification dated March 30, 2020 issued by Department of Revenue, Ministry of Finance, Government of India. The rate and levy of stamp duty may vary as amended from time to time.</p> <p>For further details, refer SAI.</p>

### D. ASSOCIATE TRANSACTIONS

Please Refer to Statement of Additional Information (SAI).

### E. TAXATION

For details on taxation please refer to the clause on Taxation in the SAI apart from the following:

#### Debt oriented Funds<sup>1</sup>

Tax implications on distributed income (hereinafter referred to as either 'dividend' or 'capital gains') by Mutual Funds:

Particulars	Resident Investors^^	Non-Resident Investors^^	Mutual Fund^^
<b>Dividend:</b>			



Particulars	Resident Investors <sup>^^</sup>	Non-Resident Investors <sup>^^</sup>	Mutual Fund <sup>^^</sup>
<b>TDS*</b>	10% (if dividend income exceeds INR 5,000 in a financial year)	20% <sup>1</sup> + applicable Surcharge + 4% Cess <sup>2</sup>	Nil (Refer Notes below)
<b>Tax rates</b>	<p><b>Individual/HUF:</b> Income tax rate applicable to the Unitholders as per their income slabs</p> <p><b>Domestic Company:</b> 30% + Surcharge as applicable + 4% Cess<sup>2</sup></p> <p>25%<sup>3</sup> + Surcharge as applicable + 4% Cess<sup>2</sup></p> <p>22%<sup>4</sup> + 10% Surcharge<sup>4</sup> + 4% Cess<sup>2</sup></p> <p>15%<sup>4</sup> + 10% Surcharge<sup>4</sup> + 4% Cess<sup>2</sup></p>	20%+ applicable Surcharge + 4% Cess <sup>2</sup>	Nil (Refer Notes below)
<b>Capital Gains<sup>1 5 7:</sup></b>			
<b>Long Term (Period of holding more than 36 months)<sup>6</sup></b>	20% with indexation + applicable Surcharge + 4% Cess <sup>2</sup>	20% with indexation + applicable Surcharge + 4% Cess <sup>2</sup>	Nil
<b>Short Term (Period of holding less than or equal to 36 months)</b>	<p><b>Individual/HUF:</b> Income tax rate applicable to the Unitholders as per their income slabs</p> <p><b>Domestic Company:</b> 30% + Surcharge as applicable + 4% Cess<sup>2</sup></p> <p>25%<sup>3</sup> + Surcharge as applicable + 4% Cess<sup>2</sup></p> <p>22%<sup>4</sup> + 10% Surcharge<sup>4</sup> + 4% Cess<sup>2</sup></p> <p>15%<sup>4</sup> + 10% Surcharge<sup>4</sup> + 4% Cess<sup>2</sup></p>	<p><b>Non-resident (other than Foreign Company):</b> Income tax rate applicable to the Unitholders as per their income slabs</p> <p><b>Foreign Company:</b> 40% + Surcharge as applicable + 4% Cess<sup>2</sup></p>	Nil

**Notes:**

The levy of tax on distributed income payable by mutual funds has been abolished w.e.f. April 1, 2020 and instead tax on income from mutual fund units in the hands of the unit holders at their applicable rates has been adopted.

<sup>1</sup> The withholding tax would be lower of 20% (plus applicable surcharge and cess) or the rate provided under the relevant tax treaty, whichever is lower, subject to eligibility and compliance with applicable conditions.

As per the provisions of section 196D of the Act which is specifically applicable in case of FPI/FII, the withholding tax rate of 20% (plus applicable surcharge and cess) on any income in respect of securities referred to in section 115AD(1)(a) credited / paid to FII shall apply. The proviso to section 196D(1) of the Act provides for claiming the tax treaty benefits at the time of withholding tax on income with respect to securities of FPIs, subject to furnishing of tax residency certificate and such other documents as may be required. As per section 196D(2) of the Act, no TDS shall be made in respect of income by way of capital gain arising from the transfer of securities referred to in section 115AD of the Act.

<sup>2</sup> Health and Education Cess shall be applicable at 4% on aggregate of base tax and surcharge.

<sup>3</sup> The Finance Act, 2024 provides that in case of domestic company, the rate of income-tax shall be 25% subject to satisfaction of condition relating to turnover or gross receipts.

<sup>4</sup> The corporate tax rates for domestic companies (not claiming specified incentives and deductions) at the rate of 22% under section 115BAA and domestic manufacturing companies (not claiming specified incentives and deductions) set-up and registered on or after 1 October 2019 at the rate of 15% under section 115BAB. The tax computed in case of domestic companies whose income is chargeable to tax under section 115BAA or section 115BAB shall be increased by a surcharge at the rate of 10%.

<sup>5</sup> Short term/ long term capital gain tax will be deducted at the time of redemption of units in case of non-resident investors only. However, as per section 196A of the Act, withholding tax would be lower of the rate of 20% (plus applicable surcharge and cess) or rates provided in the tax treaty on any income in respect of units of mutual fund in case of non-residents as per section 196A of the Act. The non-resident unitholders have to provide the required documents for claiming the benefit of tax treaty.

<sup>6</sup> In case of a Non-Resident, on unlisted schemes, long term capital gain will be taxed at 10% without indexation and foreign currency fluctuation benefits (plus applicable surcharge and cess).

Further, the maximum surcharge is restricted to 15% on capital gains (including on debt-oriented funds) earned by the individual assessee.

<sup>7</sup> As per section 50AA of the Act, the gains from transfer or redemption or maturity of unit of a Specified Mutual Fund or a Market Linked Debenture acquired on or after 1 April 2023, will be taxed as deemed short-term capital gains at appropriate applicable rates.

Specified Mutual Fund means a Mutual Fund, where not more than thirty five percent of its total proceeds is invested in the equity shares of domestic companies. Provided that the percentage of equity shareholding held in respect of the Specified Mutual Fund shall be computed with reference to the annual average of the daily closing figures.

Market Linked Debenture means a security by whatever name called, which has an underlying principal component in the form of a debt security and where the returns are linked to market returns on other underlying securities or indices and include any security classified or regulated as a market linked debenture by the Securities and Exchange Board of India.

\* Section 206AB would apply on any sum or income or amount paid, or payable or credited, by a person (herein referred to as deductee) to a specified person, as defined. This section shall not apply where the tax is required to be deducted under sections 192, 192A, 194B, 194BA, 194BB, 194-IA, 194-IB, 194LBC, 194M or 194N of the Act. The TDS rate in this section is higher of the followings rates:

- twice the rate specified in the relevant provision of the Act; or
- twice the rate or rates in force; or
- the rate of five per cent.

It is also provided that if the provision of section 206AA of the Act is applicable to a specified person, in addition to the provision of this section, the tax shall be deducted at higher of the two rates provided in this section and in section 206AA of the Act. Specified person' means a person (excluding non-residents who do not have a permanent establishment in India or person not required to file income-tax return and notified by Central Government) who has not filed income-tax return under section 139(1) for the preceding year and aggregate of TDS and TCS in his case is INR 50,000 or more in the said year.

**^^ 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 tax implications, investors are advised to consult their professional tax advisor with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.**

## **F. RIGHTS OF UNITHOLDERS**

Please refer to SAI for details.

## **G. LIST OF OFFICIAL POINTS OF ACCEPTANCE:**

AMC/ RTA offices - <https://www.hdfcfund.com/contact-us/visit-us>

Other OPAs - [Details of OPAs / https://www.hdfcfund.com/statutory-disclosure/offer-document-disclosures](https://www.hdfcfund.com/statutory-disclosure/offer-document-disclosures)

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

Click here: [Pending Litigation, etc Disclosures](#)

OR

Visit: <https://www.hdfcfund.com/statutory-disclosure/offer-document-disclosures>

**Notes:**

1. Any amendments / replacement / re-enactment of SEBI (MF) Regulations subsequent to the date of the Scheme Information Document shall prevail over those specified in this Scheme Information Document.
2. The Scheme under this Scheme Information Document was approved by the Trustee vide its resolution dated March 29, 2022.
3. The Scheme Information Document is an updated version of the same in line with the current laws/ regulations and other developments.
4. **Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and circulars and the guidelines there under shall be applicable.**

For and on behalf of the Board of Directors of <b>HDFC Asset Management Company Limited</b>	
Place: Mumbai Date: June 28, 2024	<b>NAVNEET MUNOT</b> Managing Director and Chief Executive Officer

## **DETAILS OF OFFICIAL POINTS OF ACCEPTANCE (OPA) FOR HDFC MUTUAL FUND**

### **FOR TRANSACTIONS THROUGH THE STOCK EXCHANGE(S) INFRASTRUCTURE**

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

Units of the scheme shall be available for purchase / redemption / switch through stock exchange platform(s) as may be made available from time to time by NSE and/or BSE. Accordingly, investors may approach their stock brokers / registered investment advisers / mutual fund distributors / Depository Participant, etc. for their transactions through the applicable platforms. The eligible AMFI certified stock exchange Brokers/ Clearing Members/ Depository Participants who have complied with the conditions stipulated in clause 16.2.4.8 of Master Circular for stock brokers viz. AMFI/ NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund or the stock exchange platform (for transactions from RIAs, MFDs who are not stock brokers and Investors directly accessing stock exchange platform) will be eligible to be considered as Official Points of Acceptance (OPA).

### **FOR TRANSACTIONS THROUGH MF UTILITIES INDIA PRIVATE LIMITED ('MFU')**

Both financial and non-financial transactions pertaining to scheme(s) of HDFC Mutual Fund can be done through MFU at the authorized Points of Service ("POS") of MFU. The details of POS published on MFU website at [www.mfuindia.com](http://www.mfuindia.com) will be considered as Official Point of Acceptance (OPA) for transactions in the Scheme.

### **FOR TRANSACTIONS THROUGH MF CENTRAL**

As per clause 16.6 of Master Circular, Kfin Technologies Private Limited ("KFintech") and Computer Age Management Services Limited ("CAMS") have jointly developed MF Central - A digital platform for transactions/ service requests by Mutual Fund investors. Accordingly, MF Central will be considered as an Official Point of Acceptance (OPA) for transactions in the Scheme.

### **TRANSACTIONS THROUGH "CHANNEL PARTNERS"**

Investors may enter into an agreement with certain distributors/ Registered Investment Advisers (RIAs) / Portfolio Managers / Execution Only Platforms (EOPs) (with whom AMC also has a tie up) singly and collectively referred to as "Channel Partners" who provide the facility to investors to transact in units of mutual funds through various modes such as their website / other electronic means or through Power of Attorney/agreement/ any such arrangement in favour of the Channel Partners, as the case may be.

Under such arrangement, the Channel Partners will forward the details of transactions (viz. subscriptions/redemptions/switches) of investors electronically to the AMC / RTA for processing on daily basis as per the cut-off timings applicable to the relevant schemes and in accordance with applicable SEBI / AMFI circulars issued from time to time.

### **FOR TRANSACTIONS IN ELECTRONIC FORM**

Eligible investors can undertake any transaction, including purchase / redemption / switch and avail of any services as may be provided by HDFC Asset Management Company Limited (AMC) from time to time through the online/electronic modes (including email) via various sources like its official website - [www.hdfcfund.com](http://www.hdfcfund.com), mobile handsets, designated email-id(s), etc. Additionally, this will also cover transactions submitted in electronic mode by specified banks, financial institutions,

distributors viz. Channel Partners, etc. on behalf of investors, with whom AMC has entered or may enter into specific arrangements or directly by investors through secured internet sites operated by CAMS. The servers including email servers (maintained at various locations) of AMC and CAMS will be the official point of acceptance for all such online / electronic transaction facilities offered by the AMC to eligible investors.

### **TRANSACTIONS ON CALL**

Transact On call (“**the Facility**”) enables Investors to undertake Eligible Transaction(s) on phone / Interactive Voice Response (IVR) as may decided from time to time by the Fund, through its Authorized Call Centre(s), in relation to the Eligible Scheme(s) of the Fund. Accordingly, the Authorized Call Centre(s) of the Fund shall act as Official Point(s) of Acceptance of transactions under the Facility.

The detailed Terms and Conditions which govern the use of the Facility from time to time shall be made available on the website of the Fund viz. [www.hdfcfund.com](http://www.hdfcfund.com). The Investors should carefully read the Terms and conditions before placing / confirming any transaction requests on phone.

### **TRANSACTIONS AT AMC AND RTA OFFICES**

Offices of AMC (excluding Business Centres) and RTA i.e. Investor Service Centres (ISCs) and CAMS Transaction Points (TPs) and Limited Transaction Points (LTPs) shall act as the OPAs to accept transactions in schemes of HDFC Mutual Fund. For their addresses, visit:

<https://www.hdfcfund.com/contact-us/visit-us>



**HDFC ASSET MANAGEMENT COMPANY LIMITED**

**Registered Office :**

HDFC House, 2nd Floor, H.T. Parekh Marg,  
165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020  
Tel.: 022-66316333 • Toll Free no. 1800 3010 6767/1800 419 7676  
e-mail for Investors: [hello@hdfcfund.com](mailto:hello@hdfcfund.com)  
e-mail for Distributors: [partners@hdfcfund.com](mailto:partners@hdfcfund.com)

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

**Registrar and Transfer Agent - Computer Age Management Services Limited (CAMS)**

(Unit: HDFC Mutual Fund)

Rayala Towers, 6th Floor, Tower 1,  
158, Anna Salai, Chennai - 600002.

Telephone No: 044-30212816

Email: [eng\\_h@camsonline.com](mailto:eng_h@camsonline.com)

Website: