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ADDENDUM

- **HDFC Arbitrage Fund**
An Open - ended Equity Fund
Investment Objective : To generate income through arbitrage opportunities between cash and derivative market and arbitrage opportunities within the derivative segment and by deployment of surplus cash in debt securities and money market instruments.
- **HDFC Balanced Fund**
An Open - ended Balanced Scheme
Investment Objective : To generate capital appreciation along with current income from a combined portfolio of equity & equity-related instruments and debt & money market instruments.
- **HDFC Capital Builder Fund**
An Open - ended Growth Scheme
Investment Objective : To achieve capital appreciation in the long term.
- **HDFC Cash Management Fund Savings Plan & Call Plan**
An Open - ended High Liquidity Income Scheme
Investment Objective : To generate optimal returns while maintaining safety and high liquidity.
Treasury Advantage Plan
An Open - ended Income Scheme
Investment Objective : To generate regular income through investment in debt securities and money market instruments.
- **HDFC Children's Gift Fund**
An Open - ended Balanced Scheme
Investment Objective of both the Plans : To generate long-term capital appreciation.
- **HDFC Core & Satellite Fund**
An Open - ended Growth Scheme
Investment Objective : To generate capital appreciation through equity investment in companies whose shares are quoting at prices below their true value.
- **HDFC Debt Fund For Cancer Cure**
A 3 Year Closed Ended Capital Protection Oriented Income Scheme
Investment Objective : To protect the capital and generate income through investments in high quality fixed income securities like Debt / Money Market Instruments and Government Securities maturing on or before the maturity date of the Scheme. However, there can be no assurance that the investment objective of the scheme will be realized.
- **HDFC Equity Fund**
An Open - ended Growth Scheme
Investment Objective : To achieve capital appreciation.
HDFC Fixed Maturity Plans - Series XII, a Close - ended Income Scheme
HDFC Fixed Maturity Plans - Series XV, a Close - ended Income Scheme
HDFC Fixed Maturity Plans - Series XVIII, a Close - ended Income Scheme
HDFC Fixed Maturity Plans - Series XIX, a Close - ended Income Scheme
HDFC Fixed Maturity Plans - Series XX, a Close - ended Income Scheme
HDFC Fixed Maturity Plans - Series XXI, a Close - ended Income Scheme
HDFC Fixed Maturity Plans - Series 22, a Close - ended Income Scheme
Investment Objective : To generate income through investments in Debt / Money Market Instruments and Government Securities maturing on or before the maturity date of the respective Plan(s).
- **HDFC Floating Rate Income Fund**
An Open - ended Income Scheme
Investment Objective : To generate regular income through investment in a portfolio comprising substantially of floating rate debt / money market instruments, fixed rate debt / money market instruments swapped for floating rate returns and fixed rate debt securities and money market instruments.
- **HDFC Gilt Fund**
An Open - ended Income Scheme
Investment Objective : To generate credit risk-free returns through investments in sovereign securities issued by the Central Government and/or a State Government.
- **HDFC Gold Exchange Traded Fund**
An Open - ended Exchange Traded Fund
Investment Objective : To generate returns that are in line with the performance of gold, subject to tracking errors.
- **HDFC Gold Fund**
Open-ended Fund of Fund Scheme Investing in HDFC Gold Exchange Traded Fund
Investment Objective : To seek capital appreciation by investing in units of HDFC Gold Exchange Traded Fund.
- **HDFC Growth Fund**
An Open - ended Growth Scheme
Investment Objective : To generate long-term capital appreciation from a portfolio that is invested predominantly in equity and equity-related instruments.
- **HDFC High Interest Fund**
An Open - ended Income Scheme
Investment Objective : To generate income by investing in a range of debt and money market instruments of various maturity dates with a view to maximise income while maintaining the optimum balance of yield, safety and liquidity.
- **HDFC Income Fund**
An Open - ended Income Scheme
Investment Objective : To optimise returns while maintaining a balance of safety, yield and liquidity.
- **HDFC Index Fund**
An Open - ended Index Linked Scheme
Investment Objective :
Nifty Plan (Face Value per Unit is ₹10.326) : To generate returns that are commensurate with the performance of the Nifty, subject to tracking errors. SENSEX Plan (Face Value per Unit is ₹32.161) : To generate returns that are commensurate with the performance of the SENSEX, subject to tracking errors. SENSEX Plus Plan (Face Value per Unit is ₹32.161) : To invest 80 to 90% of the net assets of the Plan in companies whose securities are included in SENSEX and between 10% & 20% of the net assets in companies whose securities are not included in the SENSEX.
- **HDFC Infrastructure Fund**
An Open - ended Equity Scheme
Investment Objective : To seek long-term capital appreciation by investing predominantly in equity and equity related securities of companies engaged in or expected to benefit from the growth and development of infrastructure.
- **HDFC Liquid Fund**
An Open - ended Liquid Income Scheme
Investment Objective : To enhance income consistent with a high level of liquidity, through a judicious portfolio mix comprising of money market and debt instruments.
- **HDFC Long Term Advantage Fund**
An Open - ended Equity Linked Savings Scheme with a lock-in period of 3 years
Investment Objective : To generate long term capital appreciation from a portfolio that is invested predominantly in equity and equity-related instruments.
- **HDFC Long Term Equity Fund**
An Open - ended Equity Scheme
Investment Objective : To achieve long term capital appreciation
- **HDFC Medium Term Opportunities Fund**
An Open - ended Income Scheme
Investment Objective : To generate regular income through investments in Debt/Money Market Instruments and Government Securities with maturities not exceeding 60 months.
- **HDFC MF Monthly Income Plan**
An Open - ended Income Scheme. Monthly Income is not assured and is subject to availability of distributable surplus.
Investment Objective : To generate regular returns through investment primarily in Debt and Money Market Instruments. The secondary objective of the Scheme is to generate long-term capital appreciation by investing a portion of the Scheme's assets in equity and equity related instruments. However, there can be no assurance that the investment objective of the Scheme will be achieved.
- **HDFC Mid-Cap Opportunities Fund**
An Open-ended Equity Scheme
Investment Objective : To generate long-term capital appreciation from a portfolio that is substantially constituted of equity and equity related securities of Small and Mid-Cap companies.
- **HDFC Multiple Yield Fund**
An Open - ended Income Scheme
Investment Objective : To generate positive returns over medium time frame with low risk of capital loss over medium time frame.
- **HDFC Multiple Yield Fund - Plan 2005**
An Open - ended Income Scheme
Investment Objective : To generate positive returns over medium time frame with low risk of capital loss over medium time frame.
- **HDFC Premier Multi-Cap Fund**
An Open - ended Growth Scheme
Investment Objective : To generate capital appreciation in the long term through equity investments by investing in a diversified portfolio of Mid Cap and Large Cap 'blue chip' companies.
- **HDFC Prudence Fund**
An Open - ended Balanced Scheme
Investment Objective : To provide periodic returns and capital appreciation over a long period of time from a judicious mix of equity and debt investments with an aim to prevent/minimise any capital erosion.
- **HDFC Quarterly Interval Fund**
An Interval Income Scheme
Investment Objective : To generate regular income through investments in Debt / Money Market Instruments and Government Securities.
- **HDFC Short Term Opportunities Fund**
An Open - ended Income Scheme
Investment Objective : To generate regular income through investments in Debt/Money Market Instruments and Government Securities with maturities not exceeding 30 months.
- **HDFC Short Term Plan**
An Open - ended Income Scheme
Investment Objective : To generate regular income through investment in debt securities and money market instruments.
- **HDFC TaxSaver**
An Open - ended Equity Linked Savings Scheme with a lock-in period of 3 years
Investment Objective : To achieve long term growth of capital.
- **HDFC Top 200 Fund**
An Open - ended Growth Scheme
Investment Objective : To generate long-term capital appreciation from a portfolio of equity and equity-linked instruments primarily drawn from the companies in BSE 200 index.

**CHANGES TO THE VARIOUS PROVISIONS UNDER THE SCHEME INFORMATION DOCUMENT /
KEY INFORMATION MEMORANDUM OF SCHEME(S) OF HDFC MUTUAL FUND**

In accordance with Securities and Exchange Board of India (SEBI) Circular no. CIR/IMD/DF/21/2012 dated September 13, 2012 and SEBI (Mutual Funds) (Second Amendment) Regulations, 2012 notified vide notification No. LAD-NRO/GN/2012-13/17/21502 dated September 26, 2012, HDFC Trustee Company Limited, the Trustee to HDFC Mutual Fund ("Fund"), has decided to carry out the following changes to Scheme Information Document(s) (SID) / Key Information Memorandum(s) (KIM) of Scheme(s), as applicable, of the Fund with effect from **October 1, 2012 ("Effective Date")**:

A. Fees and Expenses

As per the amended Regulation 52 of SEBI (Mutual Funds) Regulations, 1996 ("SEBI (MF) Regulations"), the following changes are being carried out under the Section "**Fees & Expenses**" of the SID of Scheme(s) from the Effective Date:

(1) Investment Management & Advisory Fee

Existing Provision	Revised Provision
<p>For All Schemes (except HDFC Index Fund, HDFC Gold Exchange Traded Fund, HDFC Gold Fund# and HDFC Debt Fund for Cancer Cure#): The AMC may charge the Mutual Fund with investment and advisory fee as prescribed in the SEBI (MF) Regulations from time to time. Presently, the SEBI (MF) Regulations permit fees as follows:</p> <p>i) 1.25% of the weekly average net assets outstanding in each accounting year for the Scheme concerned as long as the net assets do not exceed ₹ 100 crore, and</p> <p>ii) 1% of the excess amount over ₹ 100 crore, where net assets so calculated exceed ₹ 100 crore.</p>	<p>The AMC may charge the Scheme(s) with investment and advisory fees within the limits of total expenses prescribed under Regulation 52 of the SEBI (MF) Regulations.</p>
<p>For HDFC Index Fund: The investment and advisory fees shall not exceed 0.75% of the weekly average net assets.</p>	
<p>For HDFC Gold Exchange Traded Fund: The investment management and advisory fee together with recurring expenses shall not exceed 1.50% of the weekly average net assets as stated in Regulation 52(6) of SEBI (MF) Regulations.</p>	
<p>For All Schemes (except HDFC Gold Fund# and HDFC Debt Fund for Cancer Cure#): The AMC reserves the right to calculate investment management fees or recurring expenses on the basis of daily or weekly average net assets depending on the periodicity of publication of NAV.</p>	<p>The AMC would calculate investment management fees on the basis of daily net assets of the Scheme(s).</p>

No investment management and advisory fees are charged under HDFC Gold Fund and HDFC Debt Fund for Cancer Cure by the AMC.

(2) Brokerage and transaction costs

Brokerage and transaction costs incurred for execution of trades and included in the cost of investment shall be charged to the Scheme(s) in addition to the limits on total expenses prescribed under Regulation 52(6) of the SEBI (MF) Regulations. Currently, SEBI has prescribed that these expenses shall not exceed 0.12 per cent of the value of trades in case of cash market transactions and 0.05 per cent of the value of trades in case of derivatives transactions.

(3) Service Tax on Fees and Expenses

i. Investment and advisory fees

Service Tax on investment and advisory fees shall be charged to the Scheme(s) in addition to the limits on total expenses prescribed under Regulation 52(6) of SEBI (MF) Regulations.

ii. Other than investment and advisory fees

Service Tax on expenses other than investment and advisory fees, if any, (including on brokerage and transaction costs on execution of trades) shall be borne by the Scheme(s) within the limits of total expenses prescribed under Regulation 52(6) of SEBI (MF) Regulations.

(4) Additional expenses for geographical penetration

To improve the geographical reach of the Scheme(s) in smaller cities / towns as may be specified by SEBI from time to time, expenses not exceeding 0.30 per cent of daily net assets may be charged to the Scheme(s), in addition to the limits on total expenses prescribed under Regulation 52(6) of the SEBI (MF) Regulations, if the new inflows from such cities are at least (a) 30% of gross new inflows in the Scheme(s) or (b) 15% of the average assets under management (year to date) of the Scheme(s), whichever is higher.

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

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

Currently, SEBI has specified that the above additional expense may be charged for inflows from beyond 'Top 15 cities'. Top 15 cities shall mean top 15 cities based on Association of Mutual Funds in India (AMFI) data on 'AUM by Geography - Consolidated Data for Mutual Fund Industry' as at the end of the previous financial year.

- (5) In view of the modification of provisions under Regulation 52 of the SEBI (MF) Regulations, the following provisions appearing in the SID of Scheme(s) shall stand modified as under:

Scheme Name	Existing Provision	Revised Provision
For all Schemes (except HDFC Gold Exchange Traded Fund and HDFC Gold Fund)	The total expenses of the Scheme(s) including the investment management and advisory fee shall not exceed the limit stated in Regulation 52(6) of the SEBI (MF) Regulations.	The total expenses of the Scheme(s) including the investment management and advisory fee shall not exceed the limits as specified under Regulation 52 of SEBI (MF) Regulations.
HDFC Gold Exchange Traded Fund	The total expenses of the Scheme including the investment management and advisory fee shall not exceed one and one half percent i.e. 1.50% of the weekly average net assets as stated in Regulation 52(6) of SEBI (MF) Regulations.	
HDFC Gold Fund	The total expenses of the scheme including the expenses of the underlying scheme shall be capped at 1.50% p.a. of the weekly average net assets of the scheme, which is currently the cap on the expenses of underlying scheme. The total expenses of the Scheme including the investment management and advisory fee shall not exceed the limit stated in Regulation 52(6) of the SEBI (MF) Regulations.	The total expenses of the Scheme (including the expenses of the underlying scheme) shall not exceed the limits as specified under Regulation 52 of SEBI (MF) Regulations.

- (6) **Additional Expenses allowed under Regulation 52 (6A)(c)**

Additional expenses, not exceeding 0.20 per cent of daily net assets, may be charged to the Scheme(s) towards Investment Management and Advisory Fees and the various sub-heads of recurring expenses mentioned under Regulation 52 (2) and (4) respectively of the SEBI (MF) Regulations, in addition to the limits on total expenses prescribed under Regulation 52(6) of the SEBI (MF) Regulations.

- (7) **Investor Education and Awareness initiatives**

The AMC shall annually set apart at least 2 basis points (i.e. 0.02%) on daily net assets of the Scheme(s) within the limits of total expenses prescribed under Regulation 52 of SEBI (MF) Regulations for investor education and awareness initiatives undertaken by the Fund.

- (8) **Exit Load**

All exit loads (net of service tax) charged, if any, from the Effective Date, shall be credited to the Scheme(s).

B. Single plan structure for Scheme(s)

- (1) The following Scheme(s) offering multiple Plan(s) / Option(s) shall offer and accept fresh subscriptions only under a "Single Plan / Option" from the Effective Date:

Scheme(s)	Plan(s) / Option(s) offered for subscription until September 28, 2012*	Plan / Option offered for subscription w.e.f. October 1, 2012 ("Single Plan / Option") #
HDFC Arbitrage Fund	Retail Plan Wholesale Plan	Retail Plan
HDFC Liquid Fund	HDFC Liquid Fund HDFC Liquid Fund - Premium Plan HDFC Liquid Fund - Premium Plus Plan	HDFC Liquid Fund
HDFC Cash Management Fund - Treasury Advantage Plan	Retail Option Wholesale Option	Retail Option
HDFC Floating Rate Income Fund - Short Term Plan	Retail Option Wholesale Option	Wholesale Option
HDFC Quarterly Interval Fund - Plan A, Plan B and Plan C	Retail Plan Wholesale Plan	Retail Plan

* last business day for the month.

Various sub-options / facilities under the Single Plan / Option shall continue as mentioned in the SID / KIM

From the Effective Date, applications for fresh subscriptions, if any, received under HDFC Liquid Fund - Premium Plan and HDFC Liquid Fund - Premium Plus Plan shall automatically be processed for allotment under the corresponding or default sub-option (as applicable) under HDFC Liquid Fund.

Installment(s) under systematic investment facilities such as Systematic Investment Plans (SIP), Systematic Transfer Plans (STP), Flex STP, Swing STP, FLEXINDEX Plan, Dividend Re-investment facilities, registered prior to October 1, 2012 under 'Other than the Single Plan / Option' of the above-mentioned Scheme(s) @ shall cease to be processed after October 31, 2012. Investors may re-register for the systematic investment facilities under the Single Plan / Option.

@ These facilities are not available under HDFC Quarterly Interval Fund

Unit holders are required to note that effective from November 1, 2012:

- (i) Dividend, if any, will compulsorily be paid out to Unit holders who had opted for the re-investment facility under the various Dividend Options of Plan / Option 'Other than the Single Plan / Option' of the above-mentioned Scheme(s).
- (ii) Under Dividend Transfer Plan facility, the dividend, if any, to be transferred to 'Other than the Single Plan / Option' of the above-mentioned Scheme(s), would instead be reinvested in the Source Scheme(s).

A separate communication in regard to the above will be sent by the Fund to the concerned Unit holders.

(2) Discontinuation of sub-options offered under the Plan(s)

The following sub-option(s) will stand discontinued from immediate effect as currently there are no Unit holders thereunder:

- HDFC Quarterly Interval Fund - Plan A - Wholesale Plan - Growth and Dividend Re-investment Option
- HDFC Quarterly Interval Fund - Plan B - Wholesale Plan - Dividend Re-investment Option

C. Harmonizing Applicability of NAV across Schemes

From the Effective Date, under all Schemes (other than liquid schemes), in respect of applications for purchase / switch-in of units of an amount equal to or more than ₹ 2 lakh, the closing Net Asset Value (NAV) of the Business Day on which the funds are available for utilization shall be applicable provided that:

- (i) Application for purchase / switch-in is received before the applicable cut-off time.
- (ii) Funds for the entire amount of subscription / purchase / switch-in as per the application are credited to the bank account of the respective schemes before the cut-off time.
- (iii) The funds are available for utilization before the cut-off time without availing any credit facility whether intra-day or otherwise, by the respective scheme.

Where application is received after the cut-off time on a day but the funds are cleared on the same day, the closing NAV of the next Business Day shall be applicable.

All multiple applications for investment (at the first holder's PAN level) in a particular scheme (irrespective of the plan / option / sub-option) received on the same Business Day, will be aggregated to ascertain whether the total amount equals to ₹ 2 lakh or more and to determine the applicable NAV.

For investments of an amount equal to or more than ₹ 2 lakh through systematic investment routes such as Systematic Investment Plans (SIP), Systematic Transfer Plans (STP), Flex-STP, Swing STP, FLEXINDEX Plan, the units will be allotted as per the Closing NAV of the day on which the funds are available for utilization by the Target Scheme.

D. Cash investments in mutual funds

In order to help enhance the reach of mutual fund products amongst small investors, who may not be tax payers and may not have PAN / bank accounts, such as farmers, small traders / businessmen / workers, SEBI has permitted receipt of cash for fresh purchases / additional purchases to the extent of ₹ 20,000 per investor, per financial year shall be allowed subject to:

- i. compliance with Prevention of Money Laundering Act, 2002 and Rules framed there under; the SEBI Circular(s) on Anti Money Laundering (AML) and other applicable Anti Money Laundering Rules, Regulations and Guidelines; and
- ii. sufficient systems and procedures in place.

However, payment towards redemptions, dividend, etc. with respect to aforementioned investments shall be paid only through banking channel.

The Fund / AMC is in the process of setting up appropriate systems and procedures for the said purpose. Appropriate notice shall be displayed on its website viz. www.hdfcfund.com as well as at the Investor Service Centres, once the facility is made available to the investors.

E. Prudential limits and disclosures on portfolio concentration risk in debt-oriented schemes

As specified by SEBI, the total exposure in a particular sector (excluding investments in Bank CDs, CBLO, Government Securities, T-Bills and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) shall not exceed 30% of the net assets of debt scheme(s) of the Fund and this requirement shall be complied with on or before September 12, 2013.

F. Transaction Charges

Investors may note that going forward the distributors can opt to receive transaction charges (₹ 150 for a first time investor across mutual funds and ₹ 100 for other investors) based on 'type of the Scheme' instead of for all Schemes. Accordingly, the transaction charges would be deducted from the subscription amounts, as applicable.

AMFI is currently devising standard procedures to be adopted by AMC and the Distributors to facilitate the same.

G. Periodic Disclosures

(1) Monthly Portfolio Disclosures

The Fund shall disclose portfolio (along with ISIN) as on the last day of the month of all its Schemes on its website viz. www.hdfcfund.com on or before the tenth day of the succeeding month in the prescribed format.

(2) Half Yearly Financial Results

The Fund shall host half yearly disclosures of the Schemes' unaudited financial results in the prescribed format on its website viz. www.hdfcfund.com within one month from the close of each half year i.e. on 31st March and on 30th September and shall publish an advertisement in this regard in at least one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the Fund is situated.

All other terms & conditions of the Scheme(s) will remain unchanged.

This addendum shall form an integral part of the Scheme Information Document / Key Information Memorandum of the Scheme(s) as amended from time to time.

This Addendum is dated September 28, 2012

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