

ABRIDGED ANNUAL REPORT FOR F.Y. 2024-2025



HDFC MUTUAL FUND

HDFC House, 2nd Floor, H. T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020.
TEL: (022) 6631 6333 • Toll Free Nos: 1800-3010-6767/1800-419-7676 • e-mail: hello@hdfcfund.com • WEBSITE: www.hdfcfund.com

SPONSORS

HDFC Bank

Registered Office:
HDFC Bank House, Senapati Bapat Marg,
Lower Parel (West), Mumbai - 400 013.

CUSTODIAN

SBI-SG Global Securities Services

Private Limited,
"B Wing", Jeevan Seva Annex Bldg.,
Ground Floor, S.V. Road,
Santacruz (West), Mumbai - 400 054.

BOARD OF DIRECTORS

(As at March 31, 2025)

HDFC Trustee Company Limited

Mr. Vimal Bhandari - Chairman
Mr. Bhavesh Zaveri
Mr. Annaswamy Vaidheesh
Mr. Dindayal Jalan

TRUSTEE

HDFC Trustee Company Limited

Registered Office:
HDFC House, 2nd Floor, H. T. Parekh Marg,
165-166, Backbay Reclamation, Churchgate,
Mumbai - 400 020.
CIN : U65991MH1999PLC123026

STATUTORY AUDITORS

S.R.Batliboi & Co. LLP

Chartered Accountants
The Ruby, 12th Floor,
29, Senapati Bapat Marg, Dadar (W),
Mumbai - 400 028, Maharashtra, India.

BOARD OF DIRECTORS

(As at March 31, 2025)

HDFC Asset Management Company Limited

Mr. Deepak S. Parekh - Chairman
Mr. V Srinivasa Rangan
Ms. Renu S. Karnad
Mr. Sanjay Bhandarkar
Mr. Jairaj Purandare
Mr. Parag Shah
Ms. Roshni Nadar Malhotra
Mr. Dhruv Subodh Kaji
Mr. Navneet Munot - Managing Director and
Chief Executive Officer

ASSET MANAGEMENT COMPANY

HDFC Asset Management Company Limited

Registered Office:
HDFC House, 2nd Floor, H. T. Parekh Marg,
165-166, Backbay Reclamation, Churchgate,
Mumbai - 400 020.
CIN : L65991MH1999PLC123027

REGISTRAR AND TRANSFER AGENT

Computer Age Management Services Limited

Rayala Towers, 6th Floor,
Tower 1, 158, Anna Salai,
Chennai - 600 002.

HDFC NIFTY NEXT 50 INDEX FUND

AN OPEN ENDED SCHEME REPLICATING/TRACKING NIFTY NEXT 50 INDEX

TRUSTEE REPORT

HDFC Trustee Company Limited (the "Trustee") is pleased to present its 25th report and the audited financial statements of the Schemes of HDFC Mutual Fund (the "Fund"), for the year ended March 31, 2025.

The Fund continues to be one of the largest Mutual Fund in India by Assets under Management (AUM). The AUM (including domestic FOF) as at March 31, 2025 was Rs. 765,961.22 crores (audited) as against Rs. 6,14,751.64 crores as at March 31, 2024 (audited), representing an increase of 24.60%. The equity schemes' assets constitute 68.27% of the total assets under management of the Fund as at March 31, 2025.

During the year, the Fund launched 1 new Thematic Scheme, and 6 new passive schemes (Equity Index Funds).

The Fund aims to continue to offer need-based and customer-centric products that address the core needs of our diversified customer base.

As at March 31, 2025, the Fund offered 105 schemes (portfolios) across asset classes to meet the varying investment needs of investors.

1. SCHEME PERFORMANCE, FUTURE OUTLOOK AND OPERATIONS

A. SCHEME PERFORMANCE AND OPERATIONS

The Fund continues its focus on delivering long-term returns. Scheme specific comments on performance are provided in **Annexure 1** below.

B. FUTURE OUTLOOK

Overview of Global and Indian Economy

Global Economy

FY25 was a year that witnessed divergence in growth across major economies amidst heightened global uncertainties. The US exceptionalism continued as growth beat consensus estimates driven by strong consumer spending, private investments, robust services sector and a tight labour market. But the policy

shocks introduced by the new US administration have led to slowdown of growth in Q1CY25. While Europe avoided recession in CY24, outlook is cautious as geo-political instability and resultant energy price volatility continues to put pressure on European manufacturing competitiveness and cost of living. Germany indicated tolerance for higher spending by relaxing laws around limits on annual borrowings. China saw subdued economic growth in the last one year as the country continues to struggle with sluggish domestic demand and subdued property sector.

Indian economy

Growth: India's GDP growth decelerated to 6.5% YoY in FY25 (FY24: 9.2%) as Government expenditure and investments spending slowed down. However, private consumption demand improved on the back of improving rural demand. GVA growth also decelerated (FY25: 6.4%, FY24: 8.6%) driven by moderation in manufacturing as well as services activities. Agriculture sector growth accelerated to 4.6% YoY in FY25 (FY24: 2.7%).

Fiscal: Central government fiscal deficit narrowed to 4.8% in FY25 (FY24: 5.5%). On the revenue front, gross tax collections growth slowed down to 11.2% in FY25 (FY24: 13.5%) driven by slowdown across segments. However, growth in personal income tax collections was robust at 19% YoY (FY24: 25%). Overall expenditure was contained at 6% YoY in FY25 (FY24: 6%). Within this, while revenue expenditure grew by 5.8% YoY in FY25 (FY24: 1.2%) capital expenditure growth slowed down to 7.3% (FY24: 28.3%).

Inflation: The average Consumer Price Index (CPI) eased in FY25 to 4.6% (FY24: 5.4%) driven by deceleration in fuel and core segments. Food inflation remained elevated at 7.3% driven by higher vegetable prices.

External sector: India's Current Account Deficit (CAD) is likely to be contained under 1% of GDP in FY25 (FY24: 0.7%), driven by sustained growth in services exports although merchandise trade deficit increased to 7.3% of GDP (FY24: 6.7%). Higher merchandise trade deficit was driven by higher net oil and gold imports. On capital flows, heightened global uncertainties and increased

outflows resulted in a sharp decline in both FDI and FPI flows. While gross FDI flows were healthy, surge in repatriations (due to IPO exits) and India's outward FDI led to net FDI falling to multi-year low. FPI flows were weighed down by outflows from equity markets even as inflows into debt market remained healthy.

Outlook:

Global growth is likely to decelerate in CY25 to 2.8% (Source: IMF, CY24: 3.3%) due to tariff-related trade and geo-political disruptions. India's growth decelerated in FY25 but it still remained the fastest growing major economy in the world. Despite global uncertainties, India is expected to maintain similar growth rate of 6.5% in FY26 as well (source: RBI). This optimism is driven by sustained rural demand and prospects of revival in urban demand on the back of income tax cut and RBI's monetary easing. While the external sector faces elevated uncertainty due to tariff related and geo-political disruptions, India is safeguarded by ample foreign exchange reserves and a manageable current account. Key risks include further flare up in geopolitical tensions, global trade uncertainty and weather-related disruptions.

Equity markets

With a market capitalization of USD ~4.8 trillion as of end-FY25, India remained the 5th largest equity market globally. NIFTY/BSE Sensex ended the year higher by ~5.3%/5.1% respectively, which was significantly lower than FY24 when the indices registered gains of 28.6%/24.9%. Gains in Midcap and Smallcap indices also moderated significantly in FY25. Within sectors while Healthcare, Banks, Metals and Capital goods outperformed, Power, Auto and Oil and Gas underperformed. Globally most equity indices ended the year with strong gains with the exception of French, Korean and Japanese markets which ended the year with decline.

The moderation in return in India in FY25 was driven by selling from Foreign Portfolio Investors (FPIs) even as buying from Domestic Institutional Investors (DIIs) remained strong. In FY25, FPIs sold equity worth USD 15.7 billion (FY24: Net buy of USD 25.2 billion). Further, DIIs purchased equities worth USD 71.7 billion in FY25 (FY24: USD 25.3 billion). Retail participation in the equity markets – directly or through mutual funds – rose in FY25. Systematic Investment Plan (SIP) flows, a proxy of retail participation in mutual funds, has grown 2.6x since FY21 (gross inflows of USD 34 billion in FY25 vs USD 13 billion in FY21) and kept the DII buying strong.

Outlook: As on March 31, 2025, NIFTY 50 Index was trading at ~19x FY26E price to earnings multiple. The gap between 10Y G-sec yield and 1Y-Forward NIFTY 50 Index earnings yield narrowed during the year [$\text{Earnings yield} = 1/(\text{one year forward } P/E)$]. Recent rally has pushed valuations at premium to historical averages. Given the global uncertainties and valuation being higher than the historical average, the importance of stock selection increases even more.

Over the medium to long term, structurally robust domestic growth outlook, healthy corporate profitability, strong macroeconomic fundamentals and supportive pro-growth policies are anticipated to bode well for Indian equities. However, near-term risks include global trade uncertainties and resultant moderation in global growth, cyclical moderation in corporate earnings etc.

Fixed Income markets

Major central banks undertook synchronised rate cuts (except Japan which undertook rate hike) in FY25. The US exhibited exceptionalism with falling inflation and strong growth. It provided the Fed with the opportunity to cut policy rate by 100bps during the year. In Europe, Germany announced plans to loosen its constitutionally enshrined limit on annual borrowings. By the end of the year, 10-year Government bond yields were lower by just 10bps in the US and 48bps in China. It was higher by 44bps in EU and by 75bps in Japan.

10-year benchmark Government bond yield in India fell by 48bps during the year ending at 6.58% as inflation started to fall in line in 2HFY25 and RBI initiated rate cut cycle with its first rate cut in February 2025. RBI's liquidity enhancing measures towards the end of the year also helped cool yields. 10-year AAA corporate bond yields also witnessed decline of 23bps during the year and the spread between 10 year AAA and 10 year Gsec widened by ~25bps. FPIs flows in debt market remained robust in FY25 as well and they ended the year with net buying of USD 18.2 billion (FY24 net buy: USD 13.2 billion). The FPI inflows in debt was also supported by India's inclusion in the JP Morgan global bond index.

Outlook: Fixed income markets is favourably placed for FY26 given (1) low inflation, (2) ample liquidity provision by RBI, (3) comfortable external sector in view of steady growth in services exports and (4) Government sticking to

fiscal consolidation path. Key risks to this outlook include geopolitical and weather-related disruptions.

Glossary

CPI	Consumer Price Index
CRR	Cash Reserve Ratio
DII	Domestic Institutional Investors
ECB	External Commercial Borrowing
FDI	Foreign Direct Investment
FII	Foreign Institutional Investor
FPI	Foreign Portfolio Investment
FY	Fiscal Year
GDP	Gross Domestic Product
GVA	Gross Value Added
IMF	International Monetary Fund
IPO	Initial Public Offering
M-o-M	Month-on-Month
NONG	Non-Oil Non-Gold
PMI	Purchasing Managers' Index
PSUs	Public Sector Undertakings
PV	Passenger Vehicle
RBI	Reserve Bank of India
SIP	Systematic Investment Plan
US	United States
USD	United States Dollars

2. BRIEF BACKGROUND OF SPONSORS, TRUST, TRUSTEE COMPANY AND ASSET MANAGEMENT COMPANY

a. SPONSORS

HDFC BANK

HDFC Mutual Fund is sponsored by HDFC Bank Limited. The Sponsor is the Settlor of the Mutual Fund Trust. The Sponsor has entrusted a sum of Rs. one lakh to the Trustee as the initial contribution towards the corpus of the Mutual Fund.

b. HDFC MUTUAL FUND

HDFC Mutual Fund (the "Fund") has been constituted as a trust in accordance with the provisions of the Indian Trusts Act, 1882, as per the terms of the trust deed dated June 8, 2000 and deeds of variation dated June 11, 2003 and June 19, 2003 respectively ("Trust Deed"). The Trust Deed has been registered under the Indian Registration Act, 1908. The Trustee has entered into an Investment Management Agreement dated June 8, 2000 with HDFC Asset Management Company Ltd. to function as the Investment Manager for all the Schemes of the Fund. The Fund was registered with SEBI on June 30, 2000.

c. HDFC TRUSTEE COMPANY LIMITED

HDFC Trustee Company Limited (the "Trustee") is the exclusive owner of the Trust Fund and holds the same in trust for the benefit of the Unit holders. The Trustee has been discharging its duties and carrying out the responsibilities as provided in the SEBI (Mutual Funds) Regulations, 1996 (the "Regulations") and the Trust Deed. The Trustee seeks to ensure that the Fund and the Schemes floated thereunder are managed by HDFC Asset Management Company Limited in accordance with the Trust Deed, the Regulations, directions and guidelines issued by the SEBI, the Stock Exchanges, the Association of Mutual Funds in India and other regulatory agencies.

d. HDFC ASSET MANAGEMENT COMPANY LIMITED

HDFC Asset Management Company Limited is a public limited company incorporated under the Companies Act, 1956 on December 10, 1999, existing under the Companies Act, 2013 and subsequently the equity shares of the Company were listed on National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE') on August 06, 2018 having its Registered

Office at HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020. HDFC AMC has been appointed as the Asset Management Company of HDFC Mutual Fund by the Trustee vide Investment Management Agreement (“IMA”) dated June 8, 2000, and executed between HDFC Trustee Company Limited and HDFC AMC. HDFC AMC was approved to act as an Asset Management Company for HDFC Mutual Fund by SEBI vide its letter dated July 3, 2000. HDFC AMC is also registered with SEBI as a Portfolio Manager. Further, HDFC AMC is also registered to act as investment manager for HDFC AMC AIF - II (“AIF Fund”), a Category II Alternative Investment Fund.

Further, HDFC AMC offers management and/or advisory services to permitted category of foreign portfolio investors (“**Business Activity**”) subject to such conditions as may be specified by SEBI from time to time, through fund manager(s) managing the schemes of the Fund under Regulation 24(b) of the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time (“**the Regulations**”). The services provided by HDFC AMC for the said Business Activity *inter-alia* includes provision of India focused research, statistical and analytical information, investment management and non-binding investment advice.

Shareholding Pattern

During the year under review, there has been a change in the equity shareholding pattern of HDFC AMC. The equity shareholding pattern as at March 31, 2025 of HDFC AMC is as follows:

Name of the Equity Shareholders	% of the paid-up equity capital
HDFC Bank Limited	52.47
Other Shareholders	47.53

3. INVESTMENT OBJECTIVE OF THE SCHEME (AS AT MARCH 31, 2025)

Name of the Scheme	Investment Objective
HDFC Nifty Next 50 Index Fund	To generate returns that are commensurate (before fees and expenses) with the performance of the NIFTY Next 50 Index TRI (underlying Index), subject to tracking errors.

There is no assurance that the investment objective of the above mentioned Scheme will be achieved.

4. SIGNIFICANT ACCOUNTING POLICIES

The Significant Accounting Policies form part of the Notes to the Accounts annexed to the Balance Sheet of the Schemes in the Full Annual Report. The Accounting Policies are in accordance with Securities Exchange Board of India (Mutual Funds) Regulations, 1996.

5. UNCLAIMED INCOME DISTRIBUTION CUM CAPITAL WITHDRAWAL (IDCW) & REDEMPTIONS

Summary of No. of Investors & Corresponding unclaimed amounts as at March 31, 2025:

Name of the Scheme	Unclaimed Redemptions		Unclaimed IDCW	
	Amount (₹)	No. of Investors	Amount (₹)	No. of Investors
HDFC Nifty Next 50 Index Fund	2,30,763	51	-	-

6. ROLE OF MUTUAL FUNDS IN CORPORATE GOVERNANCE OF PUBLIC LISTED COMPANIES

In terms of applicable clause(s) of SEBI Master Circular for Mutual Funds dated June 27, 2024, the Fund has framed a general voting policy and procedures for exercising the voting rights in respect of shares held by its Schemes (“Voting Policy”). The Board of Directors of HDFC Trustee Company Limited has adopted the Voting Policy.

The quarterly reports during the financial year 2024-25 containing the details of votes cast, Scrutinizer’s certification thereon, summary of voting, as well as the Voting Policy are disclosed by the AMC on the website, <https://www.hdfcfund.com/statutory-disclosure/voting>.

7. DETAILS OF INVESTOR COMPLAINTS

For details refer **Annexure 2**.

8. DISCLOSURE OF CHANGES IN RISK-O-METERS DURING THE YEAR/PERIOD

In terms clause 17.4 of Master Circular for Mutual Funds dated June 27, 2024, the table of scheme wise changes in Risk-o-meter as at March 31, 2025 is given below. The Annual Disclosure of Risk-o-meters is also disclosed by the AMC on the website, <https://www.hdfcfund.com/statutory-disclosure/riskometers>

Name of the Scheme	Risk-o-meter level at the Start of the Financial Year i.e. March 31, 2024/at the time of NFO	Risk-o-meter level at the end of the Financial Year i.e. March 31, 2025/last available before maturity	Number of Changes in Risk-o-meter during the Financial Year/Period (April 2024 to March 2025)
HDFC Nifty Next 50 Index Fund	Very High	Very High	0

9. STEWARDSHIP CODE

In terms of applicable clause(s) of SEBI Master Circular for Mutual Funds dated June 27, 2024, the report on implementation of every principle of Stewardship Code is given below:

Principle 1 - Formulation of Policy, its Disclosure and Review: Status - Complied

HDFC Mutual Fund (HDFC MF) has formulated Stewardship Code (the Code) in accordance with the provision of the SEBI Circular. This has been approved by the Board of Directors of HDFC Asset Management Company Limited (HDFC AMC or “Company”) and the HDFC Trustee Company Limited and was effective from July 1, 2020. The Code has been disclosed on the Company’s website. The Committee authorized under the Code undertakes annual review and/or whenever any changes are to be incorporated in the Code.

Principle 2 - Managing Conflict of Interest: Status - Complied

The Stewardship Code also covers conflict of interests in fulfilling stewardship responsibilities. Voting decisions are also guided by voting policy and conflict of interest policy. In all cases the voting decisions of HDFC MF have been based on the overall best interests of the Unit holders. The voting policy has also been disclosed on the website of HDFC Mutual Fund.

Principle 3 - Monitoring of Investee Companies: Status - Complied

In accordance with the Stewardship Code, the investee companies were monitored through various activities like financial performance analysis, management evaluation, business outlook, corporate governance, capital structure, industry level changes, and other key risk areas. Monitoring of areas like remuneration, risk related to social and environmental issues, shareholder rights and grievances was done on a best effort basis.

Principle 4 - Policy on Intervention in the Investee Company and collaboration with other Institutional Investors: Status - Complied

The Stewardship Code includes guiding principle for intervention in investee companies and on collaboration with other institutional investors. All the interventions were done with the objective to play a constructive role in enhancing the value of the investment in the equity of the investee companies to benefit the unit holders of schemes.

Principle 5 - Voting Policy and disclosure of voting activity: Status - Complied

HDFC MF has formulated the Voting policy approved by the Board of directors of HDFC AMC and Trustee Company. The Policy lays down the rules related to voting on the issues related to the investee companies. The Policy has been disclosed on HFDC Mutual Fund’s website. The Company has also uploaded its voting activities on the website on quarterly basis as per the guidelines issued by SEBI and Board approved Stewardship Code and Voting policy. The summary of votes cast during the financial year 2024-25 is disclosed on HDFC MF’s website (<https://www.hdfcfund.com/statutory-disclosure/voting>).

Principle 6 - Reporting of Stewardship Activities: Status – Complied

HDFC Mutual Fund has reported its stewardship activities as per the guidelines issued by SEBI and as per the Stewardship Code and Voting Policy.

10. DISCLOSURES PERTAINING TO NAV ADJUSTED FOR SWING FACTOR ALONG WITH THE PERFORMANCE IMPACT (APPLICABLE TO OPEN ENDED DEBT SCHEMES):

Sr No.	Period of applicability of swing pricing	Scheme name	Unswung NAV	Swing factor applied	Whether optional or Mandatory
Not Applicable					

11. DIGITAL PLATFORMS – UPDATES DURING THE YEAR

Our mission of creating wealth for every Indian will be possible at scale by increasing accessibility and security of our digital channels. Every internet-connected phone in the country is an opportunity for us to serve the wealth needs of that investor. To this end, we prioritised four pillars to align and amplify our digital efforts:

1. Seamless digital journeys

Deep diving into all our critical user journeys, we optimised each of them to make them simplified and frictionless. We revamped SIP, purchase, and payment journeys across mobile and web, and integrated e-Cart functionality and UPI AutoPay. The WhatsApp “Tap2Pay” platform went live with SIP and Purchase transactions, offering users an app-like experience on WhatsApp—bringing mutual funds to where the user already is. We also launched mobile based login, which removes the need to remember a username, and enables easy user registration.

We upgraded our website with a newly designed homepage, dark mode and faster load speeds. Content depth was expanded with MF Insights, a Book Review and Poetry section, and SIP Saheli—our learning management platform.

2. Scaling digital distribution

To empower our MFD partners, we enabled SIP Top-up with first instalment and implemented 2-Factor Authentication at login for enhanced security. The partner app has been refreshed with a new UI/UX and a new pre-login section. Our Connckt tool (co-marketing platform for partners) was further enhanced, enabling single-click campaigns, lead tracking, and personalized outreach. Our prime focus for Partners includes streamlining transaction flows to help accelerate time-to-conversion and boosting partner productivity on WhatsApp through Account statements, new SIP registrations, Lumpsum transactions, SIP renewals, and a complete overhaul of the Partner One click asset for enhancing their mobility and reach.

3. Security and regulatory prudence

In line with regulatory and security goals, we launched digital platform updates on unclaimed dividends and redemptions, weekly/monthly debt disclosures, modified TER formats, visual accessibility enhancements, and new statutory sections like Public Caution Notices, MOA & AOA. We implemented new security tools for advanced observability, Runtime application self-protection (RASP) solution, Risk-based authentication, and secured development practices, in line with the CSCRF requirements. Our ‘far DR-BCP’ site setup has been tested and is now live and operational.

4. Step-changing digital experience with AI

FY25 was a year of many new AI experiments and launches. We went live with our very own self-hosted AI open-source model, which was then used to launch an internal knowledge management system (KMS) across multiple functions such as client services, compliance etc. This KMS,

through its chat-based frontend, now serves internal users across the country with quick answers to tricky but critical questions based on a guard railed content database. We are also using LLMs to automate processes and thus saving hundreds of person-hours across regulation checking, automatic dashboarding, generating factsheets etc. Our AI content engine is now creating hundreds of blogs and articles, posters, NFO creatives and even videos for social posts and moment marketing.

We see AI becoming a bigger enabler across our efforts on digital enablement, process automation and content creation in the coming year.

12. LIABILITY AND RESPONSIBILITY OF TRUSTEE AND SPONSORS

The main responsibility of the Trustee is to safeguard the interest of the Unitholders and inter-alia ensure that HDFC Asset Management Company Limited (HDFC AMC) functions in the interest of investors and in accordance with the Regulations, the provisions of the Trust Deed and the Statement of Additional Information, Scheme Information Document/Offer Document of the respective Schemes. From the information provided to the Trustee and the reviews the Trustee has undertaken, the Trustee believes HDFC AMC has operated in the interests of the Unitholders.

The Co-Sponsors are not responsible or liable for any loss or shortfall resulting from the operation of the Schemes beyond the initial contribution of Rs.1 lakh each made by them towards setting up of the Fund.

13. STATUTORY INFORMATION

- HDFC Bank Ltd. is not responsible or liable for any loss resulting from the operation of the Schemes of the Fund beyond their initial contribution of Rs.1 lakh each for setting up the Fund, and such other accretions/additions to the same.
- The price and redemption value of the Units, and income from them, can go up as well as down with fluctuations in the market value of its underlying investments.
- Full Annual Report shall be disclosed on website of the fund (<https://www.hdfcfund.com/statutory-disclosure/annual-reports>) and shall be available for inspection at the Head Office of HDFC Mutual Fund. On written request, present and prospective unitholders/investors can obtain a physical copy of the trust deed, the annual report and scheme related documents at a nominal price.
- Annual Report of the AMC is disclosed on website of the fund (<https://www.hdfcfund.com/about-us/financial-information/annual-reports>). Upon request of any unitholder, annual report of the AMC shall be provided to them.

14. ACKNOWLEDGEMENTS

The Trustees take this opportunity to thank SEBI, AMFI, Exchange(s), Depositories, the investors, Investor Service Centres, distributors, key partners, service providers, HDFC AMC and its employees for their commitment and look forward to their continued support.

**For and on behalf of the Board of Directors
HDFC Trustee Company Limited**

Place: Mumbai
Date: June 16, 2025

sd/-
Vimal Bhandari
Director

Annexure 1
SCHEME PERFORMANCE

HDFC Nifty Next 50 Index Fund - An open ended scheme replicating/tracking NIFTY Next 50 Index.

HDFC Nifty Next 50 Index Fund aims to generate returns that are commensurate (before fees and expenses) with the performance of the NIFTY Next 50 Index TRI (underlying Index), subject to tracking errors. There is no assurance that the investment objective of the Scheme will be achieved.

The performance of HDFC Nifty Next 50 Index Fund - Regular Plan - Growth Option as at March 31, 2025 is presented below:

Period	Returns (%) ^	Benchmark Returns (%) #
Last 1 year	3.49	4.76
Last 3 Years	14.94	16.18
Since Inception@	11.68	12.95

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

Returns greater than one year are compounded annualized (CAGR).

@ Date of Inception/Allotment: November 03, 2021.

Benchmark Index: NIFTY Next 50 (Total Returns Index).

Since Inception returns are calculated on Rs.10 (allotment price per Unit).

The performance of HDFC Nifty Next 50 Index Fund - Direct Plan - Growth Option as at March 31, 2025 is presented below:

Period	Returns (%) ^	Benchmark Returns (%) #
Last 1 year	3.87	4.76
Last 3 Years	15.41	16.18
Since Inception@	12.18	12.95

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

Returns greater than one year are compounded annualized (CAGR).

@ Date of Inception/Allotment: November 03, 2021.

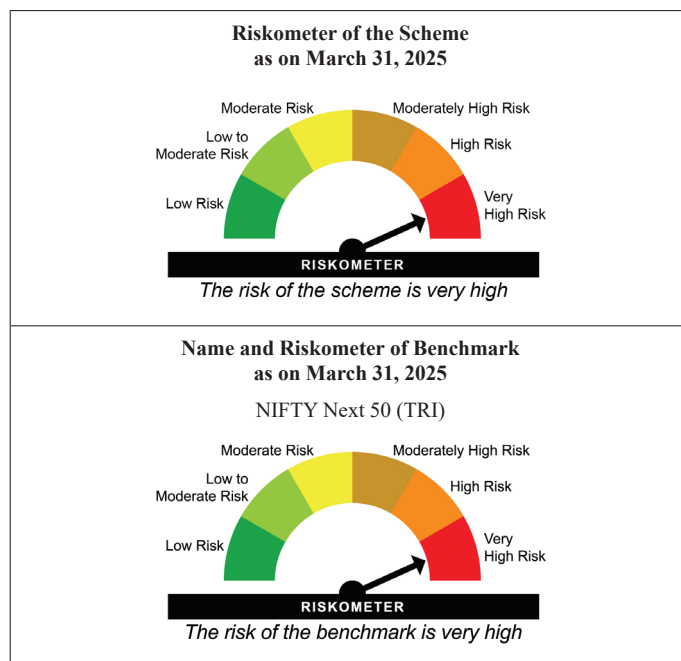
Benchmark Index: NIFTY Next 50 (Total Returns Index).

Since Inception returns are calculated on Rs.10 (allotment price per Unit).

HDFC Nifty Next 50 Index Fund (passively managed open-ended scheme) has underperformed the benchmark in FY 2024-25 and since inception. 1 year tracking error of scheme is 0.26%. The underperformance to benchmark is due to a) various fund cost e.g. Security Transaction Tax and Brokerage cost on buying/selling of underlying stocks in Index during inflow/redemption, re-balancing, deploying dividend received on underlying stocks of Index, b) although the Scheme mirrors the benchmark, the returns would be lower also to the extent of permissible expenses charged to the Scheme and c) stock price variation from ex-dividend date to dividend deployment date.

The net assets of the Scheme amounted to Rs. 1,758.37 crore as at March 31, 2025 as against Rs. 529.71 crore as at March 31, 2024.

As at March 31, 2025, the Scheme had 99.95% of its total assets invested in constituents of the underlying Index and 0.05% in other current assets (including Fixed Deposits/Reverse Repos/TREPS).



Annexure 2

REDRESSAL OF COMPLAINTS RECEIVED DURING THE PERIOD: 01/4/2024 TO 31/3/2025

Name of the Mutual Fund: HDFC Mutual Fund													
Total Number of Folios: 23263902													
Total complaints report (including complaints received through SCORES)													
Complaint Code	Type of complaint #	(a) No. of complaints pending at the beginning of the period	(b) No. of complaints received during the period	Action on (a) and (b)									
				Resolved					Non Action-able*	Pending			
				Within 30 days	30-60 days	60-180 days	Beyond 180 days	Average time taken ^ (in days)		0-3 months	3-6 months	6-12 months	Beyond 12 months
I A	Non receipt of amount declared under Income Distribution cum Capital Withdrawal option	0	12	12	0	0	0	8	0	0	0	0	0
I B	Interest on delayed payment of amount declared under Income Distribution cum Capital Withdrawal option	0	0	0	0	0	0	0	0	0	0	0	0
I C	Non receipt of Redemption Proceeds	0	20	20	0	0	0	3	0	0	0	0	0
I D	Interest on delayed payment of Redemption	0	1	1	0	0	0	0	0	0	0	0	0
II A	Non receipt of Statement of Account/ Unit Certificate	0	2	2	0	0	0	1	0	0	0	0	0
II B	Discrepancy in Statement of Account	2	237	239	0	0	0	4	0	0	0	0	0
II C	Data corrections in Investor details	1	1,021	1,018	0	0	0	2	0	4	0	0	0
II D	Non receipt of Annual Report/Abridged Summary	0	0	0	0	0	0	0	0	0	0	0	0
III A	Wrong switch between Schemes	0	6	6	0	0	0	6	0	0	0	0	0
III B	Unauthorized switch between Schemes	0	1	1	0	0	0	0	0	0	0	0	0
III C	Deviation from Scheme attributes	0	1	1	0	0	0	0	0	0	0	0	0
III D	Wrong or excess charges/load	0	0	0	0	0	0	0	0	0	0	0	0
III E	Non updation of changes viz. address, PAN, bank details, nomination, etc	2	359	356	0	0	0	2	0	5	0	0	0
III F	Delay in allotment of Units	0	12	12	0	0	0	9	0	0	0	0	0
III G	Unauthorized Redemption	0	0	0	0	0	0	0	0	0	0	0	0
IV	Others	1	369	369	1	0	0	3	0	0	0	0	0
	TOTAL	6	2,041	2,037	1	0	0	2	0	9	0	0	0

including against its authorized persons/ distributors/ employees. etc.

*Non actionable means the complaint that are incomplete / outside the scope of the mutual fund

^Average Resolution time is the sum total of time taken to resolve each complaint in days, in the current month divided by total number of complaints resolved in the current month

INDEPENDENT AUDITOR'S REPORT

To the Trustees of
HDFC Mutual Fund – HDFC NIFTY Next 50 Index Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of HDFC NIFTY Next 50 Index Fund (“the Scheme”), which comprise the Balance Sheet as at March 31, 2025, the Revenue Account, the Cash Flow Statement and the Statement of changes in net asset attributable to unit holders of scheme for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements of the Scheme give a true and fair view in conformity with the accounting principles generally accepted in India, including the accounting policies and standards specified in the Ninth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended (“the SEBI Regulations”):

- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 31, 2025;
- (b) in the case of the Revenue Account, of the deficit for the year ended on that date;
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date; and
- (d) in the case of Statement of changes in Net assets, of the changes in net assets attributable to the unit holders of the respective schemes for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (“the ICAI”). Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Financial Statements’ section of our report. We are independent of the Scheme in accordance with the ‘Code of Ethics’ issued by the ICAI together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor’s Report Thereon

The Board of Directors of HDFC Asset Management Company Limited (the “AMC”) and HDFC Trustee Company Limited (the “Trustees”) are responsible for the other information. The other information comprises the information included in the Trustee report, but does not include the financial statements and our auditor’s report thereon. The Trustee report is expected to be made available to us after the date of this auditor’s report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the trustee report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to comply with the relevant applicable requirements of the standards on auditing for auditor’s responsibility in relation to other information in documents containing audited financial statements. We have nothing to report in this regard.

Responsibilities of management and Those Charged With Governance for the Financial Statements

The Board of Directors of the AMC and the Trustees are responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in net assets attributable to unitholders of the Scheme in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS), read with the SEBI Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the SEBI regulations for safeguarding of the assets of the Scheme and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent, the design, implementation and maintenance of adequate internal controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Scheme’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Scheme or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are also responsible for overseeing the Scheme’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.

INDEPENDENT AUDITOR'S REPORT (contd...)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide to the management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Regulation 55(4) and clause 5(ii)(2) of the Eleventh Schedule of the SEBI Regulations, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, the balance sheet and revenue account dealt with by this report have been prepared in conformity with the accounting policies and standards specified in the Ninth Schedule to the Regulations; and
 - c. The balance sheet, the revenue account, the cash flow statement and Statement of changes in net asset attributable to unit holders of scheme dealt with by this report are in agreement with the books of account of the Scheme.
2. On the basis of information and explanations given to us, the scheme does not have any non-traded securities as at March 31, 2025 and hence reporting requirement of Eighth Schedule of the SEBI Regulations is not applicable.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Rutushtra Patell

Partner

Membership Number: 123596

UDIN: 25123596BMIZUV6455

Place: Mumbai

Date: June 16, 2025

**ABRIDGED BALANCE SHEET
AS AT MARCH 31, 2025**

**ABRIDGED REVENUE ACCOUNT
FOR THE PERIOD APRIL 1, 2024 TO MARCH 31, 2025**

	₹ in Lakhs	
	As at March 31, 2025	As at March 31, 2024
LIABILITIES		
1 Unit Capital	119,233.68	37,368.19
2 Reserves & Surplus		
2.1 Unit Premium Reserves	48,435.74	672.02
2.2 Unrealised Appreciation Reserve	-	13,990.37
2.3 Other Reserves	8,168.02	940.06
3 Loans & Borrowings	-	-
4 Current Liabilities & Provisions		
4.1 Provision for doubtful Income/Deposits	-	-
4.2 Other Current Liabilities & Provisions	1,231.73	453.59
TOTAL	177,069.16	53,424.23
ASSETS		
1 Investments		
Gold	-	-
Silver	-	-
1.1 Listed Securities		
1.1.1 Equity Shares	175,752.64	52,946.95
1.1.2 Preference Shares	-	-
1.1.3 Other Debentures & Bonds	-	-
1.1.4 Securitised Debt securities	-	-
1.1.5 Units of REITs/InvITs	-	-
1.1.6 Equity Linked Debentures	-	-
1.1.7 Alternative Investment Fund	-	-
1.2 Awaited Listing Securities		
1.2.1 Equity Shares	-	-
1.2.2 Preference Shares	-	-
1.2.3 Other Debentures & Bonds	-	-
1.2.4 Securitised Debt securities	-	-
1.2.5 Units of REITs/InvITs	-	-
1.2.6 Equity Linked Debentures	-	-
1.2.7 Alternative Investment Fund	-	-
1.3 Unlisted Securities		
1.3.1 Equity Shares	-	-
1.3.2 Preference Shares	-	-
1.3.3 Other Debentures & Bonds	-	-
1.3.4 Securitised Debt securities	-	-
1.3.5 Units of REITs/InvITs	-	-
1.3.6 Equity Linked Debentures	-	-
1.3.7 Alternative Investment Fund	-	-
1.4 Government Securities	-	-
1.5 Treasury Bills	-	-
1.6 Commercial Paper	-	-
1.7 Certificate of Deposits	-	-
1.8 Units of Domestic Mutual Fund	-	-
1.9 Bill Rediscounting	-	-
1.10 Foreign Securities	-	-
Total Investments	175,752.64	52,946.95
2 Deposits	-	-
3 Other Current Assets		
3.1 Cash & Bank Balance	144.47	102.35
3.2 TREPS/Reverse Repo Lending	1,100.90	350.68
3.3 Others	71.15	24.25
4 Deferred Revenue Expenditure (to the extent not written off)	-	-
TOTAL	177,069.16	53,424.23

	₹ in Lakhs	
	Current Year	Previous Year
1 INCOME		
1.1 Dividend	1,990.98	635.94
1.2 Interest	46.97	9.92
1.3 Realised Gain/(Loss) on Foreign Exchange Transactions	-	-
1.4 Realised Gains/(Losses) on Interscheme sale of investments	-	-
1.5 Realised Gains/(Losses) on External sale/redemption of investments	9,044.67	1,357.73
1.6 Realised Gains/(Losses) on Derivative Transactions	-	-
1.7 Other Income (Refer Note 5)	52.37	7.24
(A)	11,134.99	2,010.83
2 EXPENSES		
2.1 Management fees	285.79	73.22
2.2 GST on Management fees	51.39	13.18
2.3 Transfer agents fees and expenses	45.48	15.61
2.4 Custodian fees	1.68	0.62
2.5 Trusteeship fees	0.60	0.22
2.6 Commission to Agents	115.44	67.16
2.7 Marketing & Distribution expenses	11.21	2.21
2.8 Audit fees	0.24	0.08
2.9 Interest on Borrowings	-	-
2.10 Transaction costs (Refer Note 7)	76.37	8.50
2.11 Investor Education and Awareness expenses	15.53	4.02
2.12 Other operating expenses	424.17	55.67
(B)	1,027.90	240.51
3 NET REALISED GAINS/(LOSSES) FOR THE YEAR/PERIOD (A-B=C)	10,107.09	1,770.33
4 Change in Unrealised Depreciation in value of investments (D)	17,719.73	-
5 NET GAINS/(LOSSES) FOR THE YEAR/PERIOD (E=(C-D))	(7,612.64)	1,770.33
6 Change in unrealised appreciation in the value of investments (F)	-	17,711.10
7 NET SURPLUS/(DEFICIT) FOR THE YEAR/PERIOD (E+F=G)	(7,612.64)	19,481.42
7.1 Add: Balance transfer from Unrealised Appreciation Reserve **	13,990.37	-
7.2 Less: Balance transfer to Unrealised Appreciation Reserve	-	(13,990.37)
7.3 Add/(Less): Equalisation	850.24	(12.14)
8 Total	7,227.97	5,478.91
9 Dividend appropriation		
9.1 Income Distributed during the year/period	-	-
9.2 Tax on income distributed during the year/period	-	-
10 Retained Surplus/(Deficit) carried forward to Balance sheet	7,227.97	5,478.91

** Amount transferred from Revenue Reserve.

NOTES TO ACCOUNTS

Annexure I to the Abridged Balance Sheet and Revenue Account for the Year ended March 31, 2025

1 Investments:-

- 1.1. All investments of the scheme except Government Securities and Treasury Bills are registered in the name of the Trustees for the benefits of the Schemes Unitholders. All investments in Government Securities and Treasury Bills are held in an Subsidiary General Ledger account in the name of "HDFC Mutual Fund".
- 1.2. Open Position of derivatives as at March 31, 2025 is ₹ Nil (as at March 31, 2024 was ₹ Nil).
- 1.3. Investments in Associates and Group Companies.
Refer Annexure III
- 1.4. Details of securities lent by the scheme as at March 31, 2025 and as at March 31, 2024:

Security name	Quantity	
	March 31,2025	March 31,2024
Avenue Supermarts Ltd.	10,000.00	-
Cholamandalam Investment and Finance Company Ltd.	28,000.00	-
Lodha Developers Limited	897.00	-

- 1.5. Securities classified as below investment grade or default as at March 31, 2025 is ₹ Nil (as at March 31, 2024 was ₹ Nil).
- 1.6. The Aggregate Unrealised Gain/(Loss) as at March 31, 2025 is ₹ -3,729.36 Lakhs (as at March 31, 2024 was ₹ 13,990.37 Lakhs) and as a percentage of net assets of the scheme as at March 31, 2025 is -2.12% (as at March 31, 2024 was 26.41%).
- 1.7. The Aggregate value of investments purchased and sold (including matured) during the financial year and as a percentage of average daily net assets are as under:

	Purchase Value (₹ in Lakhs)	%	Sales Value (₹ in Lakhs)	%
Current Year	256,970.96	169.66	125,032.02	82.55
Previous Year	20,981.19	52.19	21,477.35	53.42

- 2 Disclosure Under Regulation 25(8) of the SEBI Regulations and other applicable Regulations.

Refer Annexure IV

- 3 There are no Unit Holders holding over 25% of the Net Asset Value of the Scheme as at March 31, 2025 and as at March 31, 2024.
- 4 Unit Capital movement during the year ended March 31, 2025.

Refer Annexure II

- 5 Other Income, if any includes load credited to scheme, compensation and expense reimbursed by AMC.
- 6 Expenses other than management fee are inclusive of GST wherever applicable.
- 7 Transaction costs represent, costs incurred from November 01, 2012 which are charged to the scheme and not considered for computation of the total expense ratio as per SEBI Notification dated September 26, 2012.
- 8 Prior year figures have been regrouped and reclassified wherever necessary.
- 9 Contingent Liability as at March 31, 2025 is ₹ Nil (as at March 31, 2024 was ₹ Nil).

Annexure II - Unit Capital Movement

(Figures in Lakhs)

Particulars	March 31, 2025		March 31, 2024	
	Units	₹	Units	₹
(A) Growth Option				
At the beginning of the year	1,559.686	15,596.86	2,112.533	21,125.33
Issued during the year	1,434.470	14,344.70	623.506	6,235.06
	2,994.156	29,941.56	2,736.039	27,360.39
Repurchased during the year	-426.866	-4,268.66	-1,176.353	-11,763.53
At the end of the year (A)	2,567.290	25,672.90	1,559.686	15,596.86
(B) Direct Plan - Growth Option				
At the beginning of the year	2,177.133	21,771.33	1,793.652	17,936.52
Issued during the year	9,226.496	92,264.96	1,112.350	11,123.50
	11,403.629	114,036.29	2,906.002	29,060.02
Repurchased during the year	-2,047.551	-20,475.51	-728.869	-7,288.69
At the end of the year (B)	9,356.078	93,560.78	2,177.133	21,771.33
(A) + (B)	11,923.368	119,233.68	3,736.819	37,368.19

Face Value of units is ₹ 10/-.

Annexure III

Investment in Associates and Group Companies

Current Year

(₹ in Lakhs)

Nature of instruments	Equity Shares		NCD/Bonds	
Name of the Issuer #	Investment by the Scheme	Aggregate investment by all the Schemes	Investment by the Scheme	Aggregate investment by all the Schemes
CIE Automotive India Ltd.	-	132,905.01	-	-
EIH Ltd.	-	884.04	-	-
GlaxoSmithkline Pharmaceuticals Ltd.	-	239.68	-	-
HCL Technologies Ltd.	-	538,970.37	-	-
HDB Financial Services Ltd.	-	-	-	695,740.13
HDFC Asset Management Company Ltd.	-	947.90	-	-
HDFC Bank Ltd.	-	1,327,825.69	-	680,931.93
HDFC ERGO General Insurance Co. Ltd.	-	-	-	2,447.29
HDFC Life Insurance Company Ltd.	-	106,147.76	-	-
Indegene Ltd.	-	526.41	-	-
Network 18 Media & Investments Ltd.	-	79.46	-	-
Piramal Pharma Ltd.	-	74,865.83	-	-
Siemens Ltd.	7,168.71	92,568.57	-	-
TV18 Broadcast Ltd.	-	113.99	-	-
Total	7,168.71	2,276,074.68	-	1,379,119.34

Previous Year

(₹ in Lakhs)

Nature of instruments	Commercial Paper		Deep Discount Bonds		Equity Shares		NCD/Bonds	
Name of the Issuer #	Investment by the Scheme	Aggregate investment by all the Schemes	Investment by the Scheme	Aggregate investment by all the Schemes	Investment by the Scheme	Aggregate investment by all the Schemes	Investment by the Scheme	Aggregate investment by all the Schemes
CIE Automotive India Ltd	-	-	-	-	-	38,403.13	-	-
EIH Ltd.	-	-	-	-	-	17,204.24	-	-
GlaxoSmithkline Pharmaceuticals Ltd	-	-	-	-	-	38.65	-	-
HCL Technologies Ltd.	-	-	-	-	-	172,827.08	-	-
HDB Financial Services Ltd.	-	-	-	33,139.05	-	-	-	513,154.09
HDFC Asset Management Company Ltd.	-	-	-	-	744.28	1,109.90	-	-
HDFC Bank Ltd.	-	15,433.27	-	-	-	1,244,985.58	-	273,583.08
HDFC Life Insurance Company Ltd.	-	-	-	-	-	52,920.50	-	-
HDFC Securities Ltd.	-	39,965.54	-	-	-	-	-	-
Housing Development Fin. Corp. Ltd.	-	7,377.64	-	-	-	158,470.77	-	360,882.49
Network 18 Media & Investments Ltd.	-	42,221.15	-	-	-	63.86	-	-
Piramal Pharma Ltd.	-	-	-	-	-	85,454.37	-	-
Siemens Ltd.	-	-	-	-	565.28	28,451.76	-	-
TV18 Broadcast Ltd.	-	17,498.25	-	-	-	101.12	-	-
Total	-	122,495.85	-	33,139.05	1,309.56	1,800,030.96	-	1,147,619.66

The above report includes summation of gross values of Purchase & sale of investments.

This disclosure has been made as Director(s) of the AMC is/are also a Director on the Board of the above Companies. The above investments were considered sound at the point of investment. Before making an investment, the same is evaluated on merits and on arm's length basis and in accordance with the objective of the scheme. The investments under the respective Plans of HDFC Index Fund were made pursuant to their Investment Objectives.

Annexure IV

Disclosure under Regulation 25 (8) of the SEBI Regulations as amended

- (i) Disclosure under Regulation 25(8) of the SEBI Regulation have been made in respect of amount paid to parties associated with sponsors in which the Asset Management Company or its major shareholders have a substantial interest as in accordance with the requirements given in SEBI's Circular No. SEBI/IMD/CIR No 18/198647/2010 dated March 15, 2010.

- Commission on distribution of units to associates/related parties/group companies of sponsor/AMC:

Current Year

Name of associate/related parties/group companies of Sponsor/AMC	Nature of Association/Nature of relation (% holding)	Business given		Commission related to the scheme	
		Amount (₹ in Lakhs)	% of total business received by the scheme	Amount (₹ in Lakhs)	% of total commission related to the scheme
HDFC Bank Ltd.	Sponsor	4,254.11	18.51	19.53	16.88
HDFC Sales Private Ltd.	Group company of sponsor (100 \$\$)	1.08	@	0.05	0.04
HDFC Securities Ltd.	Group company of sponsor (94.55 \$\$)	1,064.60	4.63	4.43	3.83

Previous Year

Name of associate/related parties/group companies of Sponsor/AMC	Nature of Association/Nature of relation (% holding)	Business given		Commission related to the scheme	
		Amount (₹ in Lakhs)	% of total business received by the scheme	Amount (₹ in Lakhs)	% of total commission related to the scheme
HDFC Bank Ltd.	Sponsor	1,607.99	23.63	10.83	16.01
HDFC Sales Private Ltd.	Group company of sponsor (100 \$\$)	2.63	0.04	0.09	0.13
HDFC Securities Ltd.	Group company of sponsor (95.96 \$\$)	345.50	5.08	2.51	3.71

The commission includes commission on retained business of prior periods.

Pursuant to SEBI directives, no payment of commission has been made in respect of investments made by the Sponsor of the Mutual Fund.

The above amount represents payments made to associates.

- (ii) The Scheme has made payments to its associates, for services rendered by them, during the year as under:-

Entity	Nature of Payment	Amount (₹ in Lakhs)		% of equity capital held by the sponsors & its subsidiary/associates	
		Current Year	Previous Year	March 31, 2025	March 31, 2024
HDFC Asset Management Company Ltd.	Investment Management and Advisory Fees	337.18	86.41	52.47%\$#	52.55%\$*
HDFC Trustee Company Ltd.	Trusteeship Fees	0.70	0.26	100%\$\$	100%\$\$
HDFC Bank Ltd.	Bank Charges	2.67	0.01	Sponsor	Sponsor
HDFC Bank Ltd.	Custody Charges/Professional Clearing Charges	-	0.16	Sponsor	Sponsor

- (iii) Amounts outstanding as at the Balance Sheet date:-

Entity	Nature of Payment	Amount (₹ in Lakhs)		% of equity capital held by the sponsors & its subsidiary/associates	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Payable					
HDFC Asset Management Company Ltd.	Investment Management and Advisory Fees	24.51	-	52.47%\$#	52.55%\$*
HDFC Trustee Company Ltd.	Trusteeship Fees	0.17	0.06	100%\$\$	100%\$\$
HDFC Bank Ltd.	Bank Charges	1.58	@@	Sponsor	Sponsor
HDFC Asset Management Company Ltd.	Other Expenses	(@@)	(@@)	52.47%\$#	52.55%\$*
HDFC Bank Ltd.	Commission on distribution of Units	1.80	1.24	Sponsor	Sponsor
HDFC Sales Private Ltd.	Commission on distribution of Units	-	0.01	100\$\$	100\$\$
HDFC Securities Ltd.	Commission on distribution of Units	0.40	0.28	94.55%\$\$	95.96%\$\$

The above amount represents payables to associates.

\$* Held by HDFC Bank Ltd - 52.55%

\$# Held by HDFC Bank Ltd - 52.47%

\$\$ Held by HDFC Bank Ltd.

@@ less than 0.01 Lakh

@ Less than 0.01%

@\$ Housing Development Finance Corporation Limited ("HDFC Limited") is merged with HDFC Bank Limited effective July 1, 2023. Consequently, HDFC Limited. has ceased to be the Sponsor and HDFC Bank Ltd. has become the Sponsor of HDFC Mutual Fund.

**KEY STATISTICS
FOR THE YEAR ENDED MARCH 31, 2025**

	Current Year	Previous Year
1. NAV per unit (₹):		
Open		
Growth Option	14.0779	8.7965
Direct Plan - Growth Option	14.2451	8.8708
High		
Growth Option	18.0174	14.0779
Direct Plan - Growth Option	18.2645	14.2454
Low		
Growth Option	13.1915	8.7947
Direct Plan - Growth Option	13.3927	8.8690
End		
Growth Option	14.5696	14.0779
Direct Plan - Growth Option	14.7961	14.2451
2. Closing Assets Under Management (₹ in Lakhs)		
End	175,836.55	52,967.66
Average (AAuM ⁴)	151,459.91	40,201.13
3. Gross income as % of AAuM¹	-4.35	49.06
4. Expense Ratio⁵ :		
a. Total Expense as % of AAuM (plan wise)		
Regular Plan	0.66	0.75
Direct Plan	0.30	0.31
b. Management Fee as % of AAuM (plan wise)		
Regular Plan	0.19	0.18
Direct Plan	0.19	0.18
5. Net Income as a percentage of AAuM²	-5.03	48.33
6. Portfolio turnover ratio (%)³	82.55	52.19
7. Total IDCW per unit during the year (₹)	NA	NA

	Current Year	Previous Year
8. Returns (%) ^:		
a. Last One Year		
Growth Option	3.49**	60.07**
Direct Plan - Growth Option	3.87**	60.62**
Benchmark #	4.76**	61.40**
b. Since Inception		
Growth Option	11.68**	15.26**
Benchmark#	12.95**	16.55**
Direct Plan - Growth Option	12.18**	15.83**
Benchmark#	12.95**	16.55**

** Compounded Annualised Returns.

NIFTY Next 50 (TRI).

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

NA - Not Applicable.

1. Gross income = amount against (A) in the Revenue account i.e. Income.
2. Net income = amount against (C) in the Revenue account i.e. NET REALISED GAINS/(LOSSES) FOR THE YEAR/PERIOD.
3. Portfolio Turnover = Lower of sales or purchase divided by the Average AuM for the year/period.
4. AAuM=Average daily net assets.
5. Expense Ratio = Planwise expense divided by Planwise Average AuM for the year/period.

Auditors' Report and Abridged Audited Results have been extracted from the Auditors' Report, Audited Balance Sheet, Revenue Account and Notes to Accounts. Full Annual Report shall be disclosed on the website (www.hdfcfund.com) and shall be available for inspection at the Head Office of HDFC Mutual Fund. Unit holder can obtain a copy of the same at a price.

Have you...

Updated your PAN and KYC information with us?

Provide us your PAN and KYC information

All Unit holder(s) have to keep their PAN and KYC information (both mandatory) to be updated at all times in their folios. Please note that investments (systematic transaction, lumpsum, redemption and non-investor initiated transactions like IDCW payout) shall not be permitted/shall be restricted in the folios wherein PAN/PEKRN (PAN-exempt KYC Reference Number) are not available. In case of any changes to the KYC information provided by you earlier, please visit an Investor Service Centre (ISC) of HDFC Mutual Fund/CAMS or your financial advisor, if any. The KYC procedure can be completed at the Point of Service of any KYC Registration Agency (KRA) authorized by SEBI.

PAN Aadhaar linking

Currently, as per Section 139AA of the Income Tax Act, 1961, every person who has been allotted a PAN as on July 1, 2017, and who is eligible to obtain an Aadhaar number, shall have link their Aadhaar and PAN failing the payouts may attract higher TDS.

Identification of Ultimate Beneficial Ownership (UBO) for Non-individual investors

SEBI has mandated all registered intermediaries to obtain sufficient information from their investors/clients viz. non-individuals and trusts in order to identify and verify the identity of persons who beneficially own or control the investments. The beneficial owner is defined as the natural person or persons, who ultimately own, control or influence a client and/or persons on whose behalf a transaction is being conducted or those persons who exercise ultimate effective control over a legal person or arrangement. In view of the above we request you to submit the details of the beneficial ownership along with the requisite documents at the earliest. For the UBO declaration/form, please visit our website www.hdfcfund.com.

Updation/Review of Bank account

Unit holders are advised to note that for redemptions and IDCW declared with effect from January 13, 2023, as per amended SEBI regulations, payout will be done only through electronic mode(s), even where a Unit holder has opted to receive physical instruments. Thus, payment of such amounts shall be made through physical instruments only in exceptional circumstances for reasons to be recorded by the AMC. Accordingly, unit holders who have opted for/have earlier received physical instruments are requested to update their bank account details by/sending us a copy of a cancelled cheque of first/sole holder's bank account.

Thus, unit holders should also ensure that the correct bank account details including IFSC is updated in our records.

Done your bit towards the environment?

Provide us your latest contact information and opt to receive communications by email

Update your email ID and mobile number in your folio(s) and experience the convenience of receiving transaction alerts and account statements immediately upon transacting. You can also request for receiving an account statement regularly to your email ID. HDFC Mutual Fund offers a facility for you to receive documents (account statements, annual reports etc.) by email. Receiving documents by email is convenient, easy to store/retrieve, free of cost as well as eco-friendly. After opting for the facility, if you need any document in the physical form, you may request for the same and we shall provide it at no cost to you.

Unclaimed Investments

Over the years, Mutual Fund investors may lose track of their investments, especially if made in physical form with minimal KYC details. These investments might remain perpetually invested unless the investor or their nominee/legal heir approaches the concerned AMC for redemption, transfer, or transmission. Due to the non-availability of PAN, email ID, or valid address, these folios may not appear in the unitholder's Consolidated Account Statement, making them susceptible to fraudulent redemptions.

To address these concerns, as part of SEBI's initiative, the MITRA platform has been developed by the RTAs. This industry-level searchable database of inactive and unclaimed Mutual Fund folios empowers investors by:

- Enabling identification of overlooked investments or rightful claims.
- Encouraging KYC compliance as per current norms.
- Reducing the number of unclaimed Mutual Fund folios.

We therefore believe this initiative will significantly benefit investors by safeguarding their investments.

Checked if you have received the redemptions and IDCW, if any, in your folio?

Check for any unclaimed redemptions/IDCW

Unit holders are earnestly requested to check that they have received all redemptions and IDCW, if any, in their folio(s). If any payouts have not been received, our Investor Service Centres will assist unit holders in receiving any such payments.

Important note for investors of erstwhile Morgan Stanley Mutual Fund:

HDFC Asset Management Company Limited manages the schemes of erstwhile Morgan Stanley Mutual Fund with effect from the close of business hours of June 27, 2014. Unitholders of the erstwhile Morgan Stanley Growth Fund are earnestly requested to check for any missing/unclaimed IDCW, particularly those declared between 1999 and 2006. The Unitholders are requested to approach our Investor Service Centres for the process of claiming such IDCW and for KYC/address or contact details and/or bank account details updation etc. at the earliest.

Information on FATCA & CRS

FATCA (i.e. Foreign Account Tax Compliance Act) is a United States Federal law that requires foreign financial institutions to report certain information about financial accounts held by U.S. taxpayers or by foreign entities in which U.S. taxpayers hold a substantial ownership interest either directly or indirectly to the US tax authorities. FATCA is an important development in US efforts to improve tax compliance involving foreign financial assets and offshore accounts of US citizens. The Government of India and the United States of America (US) have signed an Inter Governmental Agreement to implement FATCA on July 09, 2015. Additional information on FATCA is available at: <http://www.irs.gov/FATCA>.

Similar to FATCA, Organisation for Economic Co-operation and Development (OECD) has released a “Standard for Automatic Exchange of Financial Account Information in Tax Matters”, commonly known as Common Reporting Standard (CRS). CRS mandates multilateral and automatic tax information exchange. Under the standard, jurisdictions would obtain financial information from their financial institutions and automatically exchange that information with other jurisdictions on an annual basis. India has signed a multilateral agreement on June 03, 2015 that has paved the way for effective exchange of financial account information on an automatic basis among signatory countries. Information on CRS is available at: <https://www.oecd.org/tax/automatic-exchange/common-reporting-standard>.

Pursuant to the new reporting regime under FATCA and CRS, the AMC/Mutual Fund is required to collect and disclose information about its investors/unit holders to the Indian tax authorities for the purpose of onward transmission to the concerned authorities in case identified as a reportable account. The information disclosed may include (inter alia, but not limited to) the identity of the investors, their tax residency and their direct or indirect beneficiaries, beneficial owners and controlling persons. We urge all the unit holders to update their FATCA/CRS details by submitting self-certification to the AMC/Mutual Fund at the earliest.

The Central Board of Direct Taxes, vide a press release dated April 11, 2017 has notified the requirement of obtaining the FATCA/CRS self-certification from the investors whose folios were opened between July 01, 2014 and August 31, 2015, failing which, such folios would be restricted for further transactions.

All investors, especially those who had opened the folios after July 01, 2014, are therefore requested to provide this information online via our website www.hdfcfund.com under Investor Corner --> KYC and FATCA/CRS requirements. Alternately, it can be submitted to any of our Investor Service Centers (ISCs) or to your distributor, if any, by filling up the Supplementary KYC, FATCA & CRS form.

Did you know?

Units of eligible schemes of HDFC Mutual Fund can be held in your demat account and are available for transactions on the stock exchanges.

For more information on the above and a suite of other facilities and services offered by HDFC Mutual Fund, visit your financial advisor, if any, or visit our Investor Service Centre closest to you. You may also call us on 1800 3010 6767/1800 419 7676 or email us at hello@hdfcfund.com. Log on to www.hdfcfund.com for additional contact details.

If undelivered, please return to:

Computer Age Management Services Ltd.

Unit : HDFC Mutual Fund

“Rayala Towers”, 6th Floor, Tower 1,
158, Anna Salai, Chennai - 600 002.