HDFC MUTUAL FUND
BHAROSA APNO KA
HDFC Asset Management Company Limited
CIN: L65991MH1999PLC123027

MUTUAL FUNDS Sahi Hai

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NOTICE-CUM-ADDENDUM TO THE SCHEME INFORMATION DOCUMENTS (SIDs) / KEY INFORMATION MEMORANDUMS (KIMs) OF HDFC FMP 1158D JULY 2022 - SERIES 46 AND HDFC BANKING AND PSU DEBT FUND

Merger of HDFC FMP 1158D July 2022 - Series 46 into HDFC Banking and PSU Debt Fund

Notice is hereby given that HDFC Trustee Company Limited **("the Trustees"),** Trustees to HDFC Mutual Fund **("the Fund")** has decided to merge **HDFC FMP 1158D July 2022 - Series 46 ("FMP") ("Merging Scheme")** on its maturity / Effective date i.e. September 25, 2025 (or next business day, in case it is a non-business day) into **HDFC Banking and PSU Debt Fund ("Surviving Scheme")**.

I. Rationale for Merger:

The merger will help investors in the Merging Scheme who have consented for the merger, to continue with their investments in the Surviving Scheme with portfolio consisting predominantly of securities issued by entities such as Schedule Commercial Banks (SCBs), Public Sector Undertakings (PSUs), Public Financial Institutions (PFIs) and Municipal Corporations and such other bodies. The merger will also be more tax efficient for the unitholders of the Merging Scheme as it will not force capital gains on investors on maturity. Investors can continue to avail tax benefits till the time they choose to remain invested, otherwise, they may be taxed at marginal tax rate on the maturity of the merging scheme.

II. Requisite Corporate and Regulatory Approvals:

The proposed merger tantamounts to a change in fundamental attribute of both the schemes and has accordingly been approved by the respective Board of Directors of HDFC Asset Management Company Limited ("the **AMC**") and the Trustees to the Fund. The Securities and Exchange Board of India ("**SEBI**") has also vide its communication dated **July 22, 2025** granted its no objection to the said merger.

III. Consent / Exit Option Period for merger:

Positive consent period of 30 days will be given to the unit holders of Merging Scheme starting from August 26, 2025 and will end on September 24, 2025 (both days inclusive and upto 5:30 pm on September 24, 2025).

An exit option of 30 days will be given to the unit holders of Surviving Scheme starting from August 26, 2025 and will end on September 24, 2025 (both days inclusive and upto 3.00 pm on September 24, 2025).

VI. Procedure for Merger:

A) For Unitholders of the Merging Scheme:

Unit holders of the Merging Scheme who wish to remain invested by availing of the merger in Surviving Scheme, need to provide their consent in the following manner:

(a) The consent form for merger is being sent along with the merger proposal letter. Consent form will also be made available on our website www.hdfcfund.com. Investors may submit their consent latest **by 5.30 p.m**. on **September 24, 2025** through any of the following modes:

(i) Submitting original signed consent form by all joint holders at any of the Official Points of Acceptance.

(ii) By way of an email from email id registered in the folio to **fmpmerger@hdfcfund.com**

In case of joint holders where mode of holding is "joint", all joint holders have to sign the consent form, and a scanned copy of the same should be sent from the email id registered in the folio.

(iii) Online transaction modes such as investor portal on the Fund's website, app, or any other mode made available by the Fund from time to time to submit the consent.

(b) Units on which lien / pledge has been marked can be merged subject to no objection from lien holder / pledgee and the consent being submitted within the specified time. If the lien / pledge is invoked by the financier (i.e. bank / financial institution / NBFC) on the maturity date, the maturity proceeds will be paid to the financier and the consent for merger in such cases will be deemed as invalid.

In case of unitholders of Merging Scheme who are not in agreement with the aforesaid merger, no action is required from them as their Units shall be redeemed at applicable NAV on the Effective date of merger and the redemption proceeds shall be remitted / dispatched to such Unitholders within 3 (three) working days from such redemption.

Note: Once consent is provided, investors are deemed to have read and provided the confirmations and declarations as per the consent form.

Unitholders whose folios are not KYC compliant are requested to immediately update their KYC to be eligible to furnish positive consent or to receive Maturity / IDCW Proceeds.

It may be noted that Maturity / IDCW proceeds shall be transferred to Unclaimed Redemption / IDCW Account in respect of Unitholders whose folios are not KYC compliant.

B) For Unitholders of the Surviving Scheme:

We are offering an exit window ("**Exit Option**") **to the existing Unit holders of the Surviving Scheme** as on August 13, 2025 for 30 days from August 26, 2025 to September 24, 2025 (both days inclusive) ("Exit Option Period"). During the Exit Option Period, unit holders of the Surviving Scheme not consenting to the change may either switch to any other scheme of HDFC Mutual Fund or redeem their investments at applicable Net Asset Value without payment of exit load subject to provisions of applicable cut-off time as stated in the Scheme Information Document. It may be noted that there is no exit load in the scheme.

1. Redemption / Switch requests, if any, may be lodged at any of the Official Points of Acceptance of HDFC Mutual Fund.
2. Unit holders who have pledged / encumbered their units will not have the option to exit unless they submit a letter of release of their pledges / encumbrances prior to submitting their redemption / switch requests.
3. In case units / folio have been frozen / locked pursuant to an order of a government authority or a court or on account of non-compliance with any applicable law, such Exit Option can be executed only after the freeze / lock is vacated or revoked through order / upon compliance with the applicable law, by submitting the redemption request within the Exit Option Period.
4. Unit holders should ensure that any changes in address or pay-out bank details required by them, are updated in Fund's records at least 10 (Ten) working days before exercising the Exit Option. In case of any change in address, unitholders are advised to get their updated in the KRA records. Unit holders holding Units in dematerialized form may approach their DP for such changes.
5. Investors who have registered for Systematic Investment Plan (SIP) in the Surviving Scheme and who do not wish to continue their future investments must apply for cancellation of their SIP registrations.
6. The redemption proceeds will be credited to the unit holders bank account (as registered in the records of the Registrar) within 3 working days from the date of receipt of redemption request.
7. **It may be noted that the offer to exit is purely optional and not compulsory. If the Unit holder has no objection to the proposed merger, no action is required to be taken and it would be deemed that such Unit holder has consented to the proposed merger.**
8. Please note that unit holders who do not opt for redemption on or before September 24, 2025 (upto 3 p.m.) shall be deemed to have consented to the proposed merger and shall continue to hold units in the Surviving Scheme.

V. The expenses related to the proposed merger and other consequential changes as outlined above will not be charged to the unit holders of the Schemes.

VI. Consequences of Merger:

Unit holders of the Merging Scheme who provide consent for the merger will be allotted units under the corresponding Plan / Option of the Surviving Scheme at the Ex - IDCW Net Asset Value ("NAV") of the Effective Date of the merger. It may be noted that investors under the IDCW options of the Merging Scheme will be allotted units in the existing IDCW option of the Surviving Scheme under the relevant Plan / Option viz Direct / Regular.

Provided that, where units are held without distributor code in the Option / Plan of the Merging Scheme or where ARN is invalid, units of equivalent value in the Direct Plan of the Surviving Scheme under the corresponding Option will be allotted. Accordingly, the assets and liabilities of the Merging Scheme will be taken over by the Surviving Scheme upon Merger and the Merging Scheme shall cease to exist.

This merger will not result in creation of any new scheme, as the Merging Scheme will merge into the Surviving Scheme. Further, no changes are proposed in any of the scheme provisions of the Surviving Scheme and accordingly, interest of unitholders of Surviving Scheme shall not be adversely affected on account of the proposed merger.

Illustration on Basis of Allotment of units upon Merger for a consenting Unitholder:

As on Effective Date of Merger – September 25, 2025		
NAV per unit of the Plan / Option of the Merging Scheme	(A)	₹ 20.000
Units outstanding in Merging Option	(B)	50.000
Outstanding value in Merging Scheme	(A) X (B) = (C)	₹ 1000.00
NAV of the corresponding Plan / Option of the Surviving Scheme	(D)	₹ 25.000
Units allotted in the corresponding Plan / Option of the Surviving Scheme	(C) / (D) = (E)	40.000
Value of the units allotted in the Surviving Scheme	(D) X (E) = (F)	₹ 1000.00

As can be seen above, the value of units held by an Investor before and after the merger will be the same.

Please note that the aforesaid is only an illustration and the actual number of units to be allotted under the Surviving Scheme will be determined by the value of units held in Merging Scheme and the NAVs of Merging Scheme and Surviving Scheme on the Effective Date of Merger.

VII. Tax consequences:

Pursuant to merger, any transfer of units held by the unit holder in the Merging Scheme in consideration of the units allotted in the Surviving Scheme who decide to continue their investments, will not be considered as redemption of Units in Merging Scheme and will not result in short term / long term capital gain / loss in the hands of the Unit holders. Furthermore, the period for which the units in the Merging Scheme were held by the Unit holder will be included in determining the period for which corresponding units were held in the Surviving Scheme by the Unit holder and the cost of acquisition of units allotted in the Surviving Scheme** pursuant to merger will be the cost of acquisition of original units in Merging Scheme.

**Finance Act, 2018 has enacted certain amendments for determination of cost of acquisition of the units for the purpose of computing long term capital gains.

Redemption / switch-out of units from the Scheme may entail capital gain/loss in the hands of the unitholder. For unit holders who redeem their investments during the Exit Option Period, the tax consequences as set forth in the Statement of Additional Information of HDFC Mutual Fund and Scheme Information Document of the scheme of HDFC Mutual Fund would be applicable. In case of NRI investors, TDS shall be deducted from the redemption proceeds in accordance with the prevailing income tax laws. In view of the individual nature of tax consequences, Unitholders are advised to consult their professional tax advisors for tax advice. The redemption / switch-out of units from the Scheme are liable for deduction of Securities Transaction Tax (STT), wherever applicable; however, such STT shall be borne by AMC and will not be borne by the investor.

Please note that the aforesaid tax neutrality on consolidation / merger of similar mutual fund schemes or of plans / options of similar mutual fund schemes is subject to compliance of SEBI (Mutual Funds) Regulations, 1996 and Units being held as 'Capital assets' as defined under the Income Tax Act, 1961.

The above tax consequences are as per prevailing tax laws. In view of individual nature of tax consequences, Unit holders are advised to consult their financial and tax advisors with respect to tax and other financial implications arising out of their participation in merger of schemes.

VIII. Unclaimed Redemptions and Dividends:

Details of unclaimed dividend and redemption amounts in the Merging Scheme and the Surviving Scheme as on July 31, 2025:

Scheme	Unclaimed IDCW (₹)	Unclaimed Redemption (₹)
HDFC FMP 1158D July 2022 - Series 46	NIL	Not Applicable
HDFC Banking and PSU Debt Fund	₹ 20,259.35	₹ 89,626.75

IX. Other Information:

For latest fortnightly portfolio details and the monthly performance of the respective Schemes, unit holders can refer to the website www.hdfcfund.com.

A separate written communication, containing the prescribed information in this regard is being sent to the existing Unit holders of the Merging Scheme. In case any existing Unit holder does not receive the same, or in case of any queries or clarifications, please call us on 1800 3010 6767 / 1800 419 7676 or email us on hello@hdfcfund.com. You may also visit any of the Investor Service Centres (ISC) of HDFC MF or visit www.hdfcfund.com for any other information.

This addendum shall form an integral part of the SIDs / KIMs of the Merging Scheme and Surviving Scheme as amended from time to time.

For **HDFC Asset Management Company Limited**
(Investment Manager to HDFC Mutual Fund)

Place : Mumbai
Date : August 12, 2025

Sd/-
Authorized Signatory

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