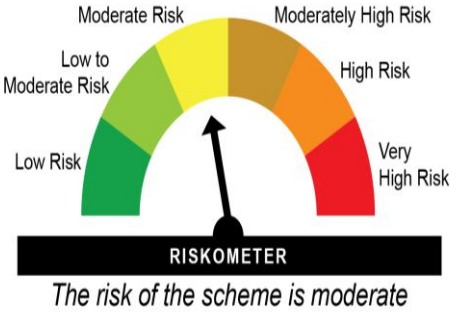
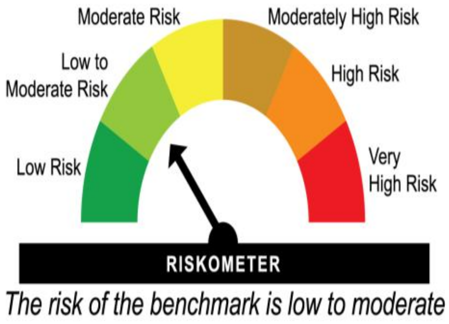
KEY INFORMATION MEMORANDUM

HDFC Income Plus Arbitrage Active FOF
(Formerly known as HDFC Dynamic PE Ratio Fund of Funds)

An open ended Fund of Fund scheme investing in Arbitrage and Debt Mutual Fund Schemes

<table>
<tr><th>This product is suitable for investors who are seeking*:</th><th>Scheme Riskometer#</th><th>Benchmark Riskometer#</th></tr>
<tr><td>- capital appreciation over long term.

- investment in Units of Arbitrage and Debt schemes</td><td>
</td><td>40% NIFTY 50 Arbitrage Index (TRI) + 60% NIFTY Composite Debt Index

</td></tr>
<tr><td colspan="3">*Investors should consult their financial advisers, if in doubt about whether the product is suitable for them.
#As on September 30, 2025. For latest riskometer, investors may refer to the Monthly Portfolios disclosed on the website of the Fund viz. www.hdfcfund.com</td></tr>
</table>

Continuous Offer of Units at NAV based prices

<table>
<tr><td colspan="2">Name of Mutual Fund (Fund): HDFC Mutual Fund
Name of Asset Management Company (AMC): HDFC Asset Management Company Limited
Name of Trustee Company: HDFC Trustee Company Limited
Address of the entities:</td></tr>
<tr><td>Asset Management Company (AMC):
HDFC Asset Management Company Limited
Registered Office:
HDFC House, 2nd Floor, H.T. Parekh Marg,
165-166, Backbay Reclamation,
Churchgate, Mumbai - 400 020.
CIN No: L65991MH1999PLC123027</td><td>Trustee Company:
HDFC Trustee Company Limited
Registered Office:
HDFC House, 2nd Floor, H.T. Parekh Marg,
165-166, Backbay Reclamation,
Churchgate, Mumbai - 400 020.
CIN No. U65991MH1999PLC123026</td></tr>
<tr><td colspan="2">Website of the entities:
www.hdfcfund.com</td></tr>
</table>

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. **For further details of the scheme/Mutual Fund, due diligence**

certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document ("SID") and Statement of Additional Information ("SAI") available free of cost at any of the Investor Service Centres or distributors or from the website www.hdfcfund.com.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996 ("SEBI (MF) Regulations"), as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated November 21, 2025.

1. Name of Scheme

HDFC Income Plus Arbitrage Active FOF

2. Type of Scheme

An open ended Fund of Fund scheme investing in Arbitrage and Debt Mutual Fund Schemes

3. Category of FOF

Hybrid FOF

4. Sub-Category of FOF

Income Plus Arbitrage FOF

5. SEBI Scheme Code

HDFC/O/O/FOD/18/03/0041

6. Investment Objective

To generate income / long-term capital appreciation by investing in units of Arbitrage and Debt schemes.

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

7. Asset Allocation Pattern of the Scheme

Instruments	Indicative allocations (% of total assets)	
	Minimum	Maximum
Units of Arbitrage Fund and Debt Mutual Fund Schemes#	95	100
Debt Securities & Money Market Instruments@	0	5

#The exposure to units of debt mutual fund schemes, debt securities and money market instruments@ shall be below 65%.

@Investments will be made in Cash or cash equivalents i.e. Government Securities, T-Bills and Repo on Government Securities, units of Liquid and Overnight Mutual Fund Schemes for liquidity purposes.

The list of **actively managed** schemes includes:

1. HDFC Arbitrage Fund or any other Arbitrage Fund as found suitable by the Fund Manager.
2. HDFC Corporate Bond Fund, HDFC Liquid Fund, HDFC Overnight Fund, HDFC Money Market Fund, HDFC Banking and PSU Debt Fund, HDFC Gilt Fund, HDFC Long Duration Debt Fund, and / or other schemes of HDFC Mutual Fund or other Mutual Funds having similar objectives, strategy, asset allocation and other attributes.

The AMC reserves the right to modify the list of arbitrage schemes / debt schemes from time to time and such change shall not tantamount to a change in the fundamental attributes of the Scheme. As the Scheme invests in the Underlying Schemes, it will have exposure to derivatives, foreign securities, foreign securitized debt, stock lending, etc. as per investments / transactions and limits of the Underlying Schemes.

As per clause 12.24.1 of Master Circular, the cumulative gross exposure through all permissible investments viz Arbitrage funds, Debt Schemes, Debt and Money Market instruments and such other securities / assets as may be permitted by SEBI from time to time shall not exceed 100% of the net assets of the scheme.

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

SR.No	Type of Instrument	Percentage of exposure	Circular references
1.	Repo/ Reverse Repo / Tri-Party repos (TREPS) on Government Securities and Treasury Bills (G-Secs and T-Bills)	To meet liquidity requirements or pending deployment as per regulatory limits	Clause 1 of Seventh Schedule of SEBI Mutual Funds Regulations
2.	Short Term deposits	As per regulatory limits	Clause 8 of Seventh Schedule of SEBI Mutual Funds Regulations and Clause 12.16 of Master Circular

In addition to the instruments stated in the table above the scheme may also hold cash from time to time.

Changes in asset allocation pattern/Portfolio Rebalancing:

Short Term Defensive Consideration:

Subject to SEBI (MF) Regulations the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially depending upon the perception of the Investment Manager, the intention being at all times to seek to protect the interests of the Unit holders. As per clause 1.14.1.2.b of Master Circular, as may be amended from

time to time, such changes in the investment pattern will be for short term and for defensive consideration only.
In the event of change in the asset allocation, the fund manager will carry out portfolio rebalancing within 30 calendar days or such other timeline as may be prescribed by SEBI from time to time.

Portfolio rebalancing (in case of passive breaches):
As per clause 2.9 of Master Circular read with SEBI circular No. SEBI/HO/IMD/PoD2/P/CIR/2025/92 dated June 26, 2025, as may be amended/ clarified from time to time, in the event of change in the asset allocation due to passive breaches (occurrence of instances not arising out of omission and commission of the AMC), the fund manager is required to carry out portfolio rebalancing within 30 Business Days.

In case the portfolio is not rebalanced within the period of 30 Business days, justification in writing, including details of efforts taken to rebalance the portfolio shall be placed before the Investment Committee. The Investment Committee, if it so desires, can extend the timeline for rebalancing up to sixty (60) Business days from the date of completion of mandated rebalancing period. In case the portfolio of the scheme is not rebalanced within the aforementioned mandated plus extended timelines, the AMC shall follow the requirements specified under the aforesaid circular including reporting the deviation to Trustees at each stage.

8. Investment Strategy

The Scheme shall invest in units of Arbitrage and Debt schemes subject to permissible limits. The Fund Manager aims to create a portfolio keeping in mind the overall interest rate and economic outlook along with the arbitrage opportunities available between the cash market and Future & Options market.

The Scheme has the flexibility to manage its allocation of its assets between Arbitrage Fund and debt schemes after evaluating various parameters like arbitrage spreads between the cash market and Future & Options market, credit risk, interest rate risk, RBI monetary policy outlook, shape of the yield curve, liquidity risk, and others as found suitable by the Fund Manager.

A part of the funds may be invested in Government Securities, T-Bills and Repo on Government Securities, etc as mentioned under asset allocation table to meet liquidity requirements.

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

9. Risk Profile of the Scheme

Mutual Fund Units involve investment risks including the possible loss of principal. Please read the details on risk factors carefully before investment. Scheme specific Risk Factors are summarized below:

Risk Factors related to Underlying Schemes

a) The scheme will invest primarily in a combination of Arbitrage and Debt schemes. Hence, scheme specific risk factors of the Underlying Schemes will be applicable. All risks associated with Underlying Schemes, including performance of their underlying stocks, derivative instruments, stock-lending, investments in foreign securities etc., will therefore be applicable in the case of this scheme. The investors should refer to the Scheme Information Documents and the related addenda for the scheme specific risk factors of the respective Underlying Schemes. Investors who intend to invest in this Scheme are required to and deemed to have understood the risk factors of the Underlying Schemes.

b) Movements in the Net Asset Value (NAV) of the Underlying Schemes may impact the performance of this Scheme. Any change in the investment policies or fundamental attributes of the Underlying Schemes will affect the performance of this Scheme.

c) The investors of this Scheme shall bear the recurring expenses of this Scheme in addition to the expenses of the Underlying Schemes (subject to regulatory limits). Hence the investor under this Scheme may receive lower pre-tax returns than what they may receive if they had invested directly in the Underlying Schemes in the same proportions. Further, expenses charged being dependent on the structure and weightage of the underlying schemes, may lead to non-uniform charging of expenses over a period of time.

d) The Portfolio disclosure of this Scheme will be limited to providing the particulars of the allocation to the Underlying Schemes where this Scheme has invested and will not include the investments made by the Underlying Schemes.

e) Redemptions by this Scheme from the Underlying Schemes would be subject to applicable exit loads, which may impact performance of the Scheme.

f) The processing/ payment of redemption requests within 3 Working Days of the Redemption date will be subject to the ability of the Scheme to liquidate units of the underlying Scheme(s). The payment of redemption proceeds under the Scheme will be subject to receipt of redemption proceeds from the underlying Scheme(s).

g) Switch-out from an Underlying Scheme and Switch in to another Underlying Scheme will be subject to the provisions of applicability of NAV as also the payout and pay-in cycles applicable to redemption / purchase under the relevant schemes. In times of extreme volatility, this may have impact on the NAV of this Scheme, particularly at the time of portfolio rebalancing. Purchase of units in underlying schemes will attract applicable stamp duty.

h) A Fund Manager managing any one of the Fund of Funds schemes may also be the Fund Manager for any underlying schemes.

i) Risk Factors pertaining to Arbitrage Funds

- Identification and exploitation of the strategies to be pursued by the Fund Manager involves uncertainty. No assurance can be given that Fund Manager for Arbitrage Fund will be able to locate investment opportunities or to correctly exploit price discrepancies in the capital markets. Reduction in mis-pricing opportunities between the cash market and Future and Options market may lead to lower level of activity affecting the returns. As Arbitrage Funds execute arbitrage transactions in various markets simultaneously, this may result in high portfolio turnover and, consequently, high transaction cost.

- There may be instances, where the price spread between cash and derivative market is insufficient to meet the cost of carry. In such situations, the Fund Manager for Arbitrage Fund may not be able to outperform liquid / money market funds due to lack of opportunities in the derivative market.

Though the constituent stocks of most indices are typically liquid, liquidity differs across stock. Due to heterogeneity in liquidity in the capital market segment, trades on this segment do not get implemented instantly. This often makes arbitrage expensive, risky and difficult to implement.

(i) Risk factors associated with investing in equities and equity related instruments

- Equity shares and equity related instruments are volatile and prone to price fluctuations on a daily basis. Investments in equity shares and equity related instruments involve a degree of risk and investors should not invest in the Scheme unless they can afford to take the risks.
- Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges. Investment in such securities may lead to increase in the scheme portfolio risk.
- While securities that are listed on the stock exchange carry lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges and may lead to the Scheme incurring losses till the security is finally sold.
- Scheme's performance may differ from the benchmark index to the extent of the investments held in the debt segment, as per the investment pattern indicated under normal circumstances.

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

- The Net Asset Value (NAV) of the Scheme, to the extent invested in Debt and Money Market instruments, will be affected by changes in the general level of interest rates. The NAV of the Scheme is expected to increase from a fall in interest rates while it would be adversely affected by an increase in the level of interest rates.
- Money market instruments, while fairly liquid, lack a well developed secondary market, which may restrict the selling ability of the Scheme and may lead to the Scheme incurring losses till the security is finally sold.
- Investments in money market instruments involve credit risk commensurate with short term rating of the issuers.
- Investment in Debt instruments are subject to varying degree of credit risk or default (i.e. the risk of an issuer's inability to meet interest or principal payments on its obligations) or any other issues, which may have their credit ratings downgraded. Changes in financial conditions of an issuer, changes in economic and political conditions in general, or changes in economic or and political conditions specific to an issuer, all of which are factors that may have an adverse impact on an issuer's credit quality and security values. This may increase the risk of the portfolio. The Investment Manager will endeavour to manage credit risk through in-house credit analysis.
- **Prepayment Risk:** Certain fixed income securities give an issuer the right to call back its securities before their maturity date, in periods of declining interest rates. The possibility of such prepayment may force the Scheme to reinvest the proceeds of such investments in securities offering lower yields, resulting in lower interest income for the Scheme.
- **Reinvestment Risk:** This risk refers to the interest rate levels at which cash flows received from the securities in the Scheme are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.
- **Settlement risk:** Different segments of Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. Delays or other problems in settlement of transactions could result in temporary periods when the assets of the Scheme are uninvested and no return is earned thereon. The inability of the Scheme to make intended securities purchases, due to settlement problems,

could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme's portfolio, due to the absence of a well developed and liquid secondary market for debt securities, may result at times in potential losses to the Scheme in the event of a subsequent decline in the value of securities held in the Scheme's portfolio.

- Government securities where a fixed return is offered run price-risk like any other fixed income security. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates. The new level of interest rate is determined by the rates at which government raises new money and/or the price levels at which the market is already dealing in existing securities. The price-risk is not unique to Government Securities. It exists for all fixed income securities. However, Government Securities are unique in the sense that their credit risk generally remains zero. Therefore, their prices are influenced only by movement in interest rates in the financial system.
- Different types of fixed income securities in which the Scheme would invest as given in the Scheme Information Document carry different levels and types of risk. Accordingly, the Scheme risk may increase or decrease depending upon its investment pattern. e.g. corporate bonds carry a higher level of risk than Government securities. Further even among corporate bonds, AAA rated bonds are comparatively less risky than AA rated bonds.
- The AMC may, considering the overall level of risk of the portfolio, invest in lower rated / unrated securities offering higher yields as well as zero coupon securities that offer attractive yields. This may increase the absolute level of risk of the portfolio.
- As zero coupon securities do not provide periodic interest payments to the holder of the security, these securities are more sensitive to changes in interest rates and are subject to issuer default risk. Therefore, the interest rate risk of zero coupon securities is higher. The AMC may choose to invest in zero coupon securities that offer attractive yields. This may increase the risk of the portfolio. Zero coupon or deep discount bonds are debt obligations that do not entitle the holder to any periodic payment of interest prior to maturity or a specified date when the securities begin paying current interest and therefore, are generally issued and traded at a discount to their face values. The discount depends on the time remaining until maturity or the date when securities begin paying current interest. It also varies depending on the prevailing interest rates, liquidity of the security and the perceived credit risk of the Issuer. The market prices of zero coupon securities are generally more volatile than the market prices of securities that pay interest periodically.

(iii) Risks associated with investment in unlisted securities:

Except for any security of an associate or group company, the scheme can invest in securities which are not listed on a stock exchange (“unlisted Securities”) which in general are subject to greater price fluctuations, less liquidity and greater risk than those which are traded in the open market. Unlisted debt securities may lack a liquid secondary market and there can be no assurance that the Scheme will realise their investments in unlisted securities at a fair value.

- Investment in unrated instruments may involve a risk of default or decline in market value higher than rated instruments due to adverse economic and issuer-specific developments. Such investments display increased price sensitivity to changing interest rates and to a deteriorating economic environment. The market values for unrated investments tends to be more volatile and such securities tend to be less liquid than rated debt securities.

(iv) Risks associated with Investing in Structured Obligation (SO) & Credit Enhancement (CE) rated securities

The risks factors stated below for the Structured Obligations & Credit Enhancement are in addition to the risk factors associated with debt instruments.

- Credit rating agencies assign CE rating to an instrument based on any identifiable credit enhancement for the debt instrument issued by an issuer. The credit enhancement could be in various forms and could include guarantee, shortfall undertaking, letter of comfort, etc. from another entity. This entity could be either related or non-related to the issuer like a bank, financial institution, etc. Credit enhancement could include additional security in form of pledge of shares listed on stock exchanges, etc. SO transactions are asset backed/ mortgage backed securities, securitized paper backed by hypothecation of car loan receivables, securities backed by trade receivables, credit card receivables etc. Hence, for CE rated instruments evaluation of the credit enhancement provider, as well as the issuer is undertaken to determine the issuer rating. In case of SO rated issuer, the underlying loan pools or securitization, etc. is assessed to arrive at rating for the issuer.
- **Liquidity Risk:** SO rated securities are often complex structures, with a variety of credit enhancements. Debt securities lack a well-developed secondary market in India, and due to the credit enhanced nature of CE securities as well as structured nature of SO securities, the liquidity in the market for these instruments is adversely affected compared to similar rated debt instruments. Hence, lower liquidity of such instruments, could lead to inability of the scheme to sell such debt instruments and generate liquidity for the scheme or higher impact cost when such instruments are sold.
- **Credit Risk:** The credit risk of debt instruments which are CE rated is based on the combined strength of the issuer as well as the structure. Hence, any weakness in either the issuer or the structure could have an adverse credit impact on the debt instrument. The weakness in structure could arise due to inability of the investors to enforce the structure due to issues such as legal risk, inability to sell the underlying collateral or enforce guarantee, etc. In case of SO transactions, comingling risk and risk of servicer increases the overall risk for the securitized debt or assets backed transactions. Therefore, apart from issuer level credit risk such debt instruments are also susceptible to structure related credit risk.

(v) Risk factors associated with investment in Tri-Party Repo

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

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

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

(vi) Risk factors associated with Short Selling

Short-selling is the sale of shares which are not owned by the seller at the time of trade. Instead, he borrows it from someone who already owns it. Later, the short seller buys back the stock he shorted and returns the stock to close out the loan. If the price of the stock corrects, Short seller can buy the stock back for less than he received for selling it and earn profit (the difference between higher short sale price and the lower purchase price).If the price of stock appreciates, short selling results in loss. Thus, Short positions carry the risk of losing money and these losses may grow theoretically unlimited if the price increases without limit and shall result into major losses in the portfolio.

(vii) Risk factors associated for investments in Mutual Fund Schemes

1. Movements in the Net Asset Value (NAV) of these Schemes may impact the performance. Any change in the investment policies or fundamental attributes of these Schemes will affect the performance of the Scheme to the extent of investment in such schemes.

2. Redemptions by in these Schemes would be subject to applicable exit loads.

(viii) General Risk factors

- Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Scheme. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances leading to delays in receipt of proceeds from sale of securities. The NAV of the Units of the Scheme can go up or down because of various factors that affect the capital markets in general.
- As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for redemption of Units may be significant in the event of an inordinately large number of redemption requests or restructuring of the Scheme. In view of the above, the Trustee has the right, in its sole discretion, to limit redemptions (including suspending redemptions) under certain circumstances, as described under **section Right to Restrict Redemption and / or Suspend Redemption of the units.**

- At times, due to the forces and factors affecting the capital market, the Scheme may not be able to invest in securities falling within its investment objective resulting in holding the monies collected by it in cash or cash equivalent or invest the same in other permissible securities / investments amounting to substantial reduction in the earning capability of the Scheme. The Scheme may retain certain investments in cash or cash equivalents for its day-to-day liquidity requirements.
- Investment strategy to be adopted by the Scheme may carry the risk of significant variance between the portfolio allocation of the Scheme and the Benchmark particularly over a short to medium term period.
- Performance of the Scheme may be affected by political, social, and economic developments, which may include changes in government policies, diplomatic conditions, and taxation policies.
- The Scheme at times may receive large number of redemption requests, leading to an asset-liability mismatch and therefore, requiring the investment manager to make a distress sale of the securities leading to realignment of the portfolio and consequently resulting in investment in lower yield instruments.

For details on risk mitigation measures, please refer SID.

10. Plans/ Options

Plans: Regular & Direct

Regular and Direct Plans offer the following options:
(a) **Growth Option**
(b) **Income Distribution cum Capital Withdrawal (IDCW) Option**
Under this Option, it is proposed to declare income / capital Distribution (IDCW) subject to availability of distributable surplus, as computed in accordance with SEBI (MF) Regulations. Investors should note that distributions can be made out of Equalization Reserves (representing accumulated realized gains), which is part of sale price paid by them.

- ➢ This Option offers following facilities:
  - Payout of IDCW (“Payout”) and
  - Re-investment of IDCW (“Re-investment”)

Default Option- Growth
Default Facility- Payout

For detailed disclosure on default plans and options, kindly refer SAI.

11. Applicable NAV (after the scheme opens for subscriptions and redemptions)

The below cut-off timings and applicability of NAV shall be applicable in respect of valid applications received at the Official Point(s) of Acceptance on a Business Day:

A] For Purchase (including switch-in) of any amount:

- In respect of valid applications received upto 3.00 p.m. and where the funds for the entire amount are available for utilization before the cut-off time i.e. credited to the bank account of the Scheme before the cut-off time - the closing NAV of the day shall be applicable.
- In respect of valid applications received after 3.00 p.m. and where the funds for the entire amount are credited to the bank account of the Scheme either at any time on the same day or before the cut-off time of the next Business Day i.e. available for utilization before the cut-off time of the next Business Day - the closing NAV of the next Business Day shall be applicable.

- Irrespective of the time of receipt of application, where the funds for the entire amount are credited to the bank account of the Scheme before the cut-off time on any subsequent Business Day i.e. available for utilization before the cut-off time on any subsequent Business Day - the closing NAV of such subsequent Business Day shall be applicable.

B] For Switch-ins of any amount:

For determining the applicable NAV, the following shall be ensured:

- Application for switch-in is received before the applicable cut-off time.
- Funds for the entire amount of subscription/purchase as per the switch-in request are credited to the bank account of the Scheme before the cut-off time.
- The funds are available for utilization before the cut-off time.
- In case of 'switch' transactions from one scheme to another, the allocation shall be in line with redemption payouts.

  In case of switches, the request should be received on a day which is a Business Day for the Switch-out scheme. Redemption for switch-out shall be processed at the applicable NAV as per cut-off timing. Switch-in will be processed at the Applicable NAV (on a Business Day) based on realization of funds as per the redemption pay-out cycle for the switch-out scheme.

For investments through systematic investment routes such as Systematic Investment Plans (SIP), Flex SIP, Systematic Transfer Plans (STP), Flex-STP, Swing STP, Transfer of Income Distribution cum Capital Withdrawal (IDCW) Plan facility (TIP), etc. the units will be allotted as per the closing NAV of the day on which the funds are available for utilization by the Target Scheme irrespective of the installment date of the SIP, STP or record date of IDCW etc.

While the AMC will endeavour to deposit the payment instruments accompanying investment application submitted to it with its bank expeditiously, it shall not be liable for delay in realization of funds on account of factors beyond its control such as clearing / settlement cycles of the banks.

Since different payment modes have different settlement cycles including electronic transactions (as per arrangements with Payment Aggregators / Banks / Exchanges etc), it may happen that the investor's account is debited, but the money is not credited within cut-off time on the same date to the Scheme's bank account, leading to a gap / delay in Unit allotment. Investors are therefore urged to use the most efficient electronic payment modes to avoid delays in realization of funds and consequently in Unit allotment.

C] For Redemption (including switch-out) applications

- In respect of valid applications received upto 3 p.m. on a Business Day by the Fund, same day's closing NAV shall be applicable.
- In respect of valid applications received after 3 p.m. on a Business Day by the Fund, the closing NAV of the next Business Day shall be applicable.

Transactions through online facilities / electronic modes:

The time of transaction done through various online facilities / electronic modes offered by the AMC, for the purpose of determining the applicability of NAV, would be the time when the request for purchase / sale / switch of units is received in the servers of AMC/RTA.

The AMC has the right to amend cut off timings subject to SEBI (MF) Regulations for the smooth and efficient functioning of the Scheme.

12. Minimum Application Amount / Number of Units

Purchase (including switch-in)	Additional Purchase (including switch-in)	Redemption (including switch-out)
Rs.100/- and any amount thereafter	Rs.100/- and any amount thereafter	Rs. 100 and in multiples of Re. 1/- thereafter. Note: There will be no minimum redemption criterion for Unit based redemption.

13. Despatch of Redemption Request

Within 3 working days of the receipt of valid redemption request at the Official Points of Acceptance of HDFC Mutual Fund for this Scheme or within such timelines as may be prescribed by SEBI / AMFI from time to time in case of exceptional circumstances or otherwise.

14. Benchmark Index

40% NIFTY 50 Arbitrage Index (TRI) + 60% NIFTY Composite Debt Index

15. Dividend / IDCW Policy

The Trustee may decide to declare distributions under the IDCW Option of the Scheme subject to availability of distributable surplus. For IDCW Options having a defined frequency, the Trustee at its sole discretion may also declare interim distributions between two successive record dates. The declaration / actual payment of IDCW and the frequency thereof will depend on the availability of distributable surplus computed in accordance with SEBI (MF) Regulations. The decision of the Trustee in this regard shall be final.

IDCW, if declared, will be paid (subject to deduction of tax at source, if any) to those Unit holders whose names appear in the Register of Unit holders on the record date. In case of units held in dematerialized mode, the Depositories (NSDL/CDSL) will provide the list of eligible demat account holders and the number of units held by them in electronic form on the Record date to the Registrars and Transfer Agent of the Mutual Fund.

There is no assurance or guarantee to Unit holders as to the rate/quantum of IDCW distribution nor that IDCW will be paid regularly. On payment of IDCW, the NAV will stand reduced by the amount of IDCW and Dividend distribution tax /statutory levy (if applicable) paid. The Trustee/ AMC reserves the right to change the record date from time to time.

IDCW Distribution Procedure

In accordance with clause 11.6.1 of Master Circular, the procedure for IDCW Distribution would be as under:

1. Quantum of IDCW and the record date will be fixed by the Trustee in their meeting. IDCW so decided shall be paid, subject to availability of distributable surplus.
2. Within one calendar day of decision by the Trustee, the AMC shall issue notice to the public communicating the decision about the IDCW including the record date, in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the head office of the Mutual Fund is situated.
3. The Record Date will be 2 working days from the date of publication in at least one English newspaper or in a newspaper published in the language of the region where the Head Office of the mutual fund is situated, whichever is issued earlier. Record date shall be the date which will be considered for the purpose of determining the eligibility of investors whose names appear on the

register of Unit holders maintained by the Mutual Fund/ statement of beneficial ownership maintained by the Depositories, as applicable, for receiving IDCW.
4. The notice will, in font size 10, bold, categorically state that pursuant to payment of IDCW, the NAV of the Scheme would fall to the extent of payout and statutory levy (if applicable).
5. The NAV will be adjusted to the extent of IDCW distribution and statutory levy, if any, at the close of business hours on record date.
6. Before the issue of such notice, no communication indicating the probable date of IDCW declaration in any manner whatsoever will be issued by Mutual Fund.
The requirement of giving notice shall not be applicable for IDCW Options having frequency upto one month.

16. Name of the Fund Manager and tenure of managing the Scheme (As on September 30, 2025)

Anil Bamboli	11 years, 3 months

17. Name of the Trustee Company

HDFC Trustee Company Limited

18. Performance of the Scheme (as at September 30, 2025)

(Benchmarked to the Total Returns Index (TRI) Variant of the Index)

HDFC Income Plus Arbitrage Active FOF - Regular Plan - Growth Option

Period	Returns (%) ^	Benchmark Returns (%) #
Last 1 Year	-1.77	7.00
Last 3 Years	12.87	7.61
Last 5 Years	14.97	6.12
Since Inception*	10.55	7.25

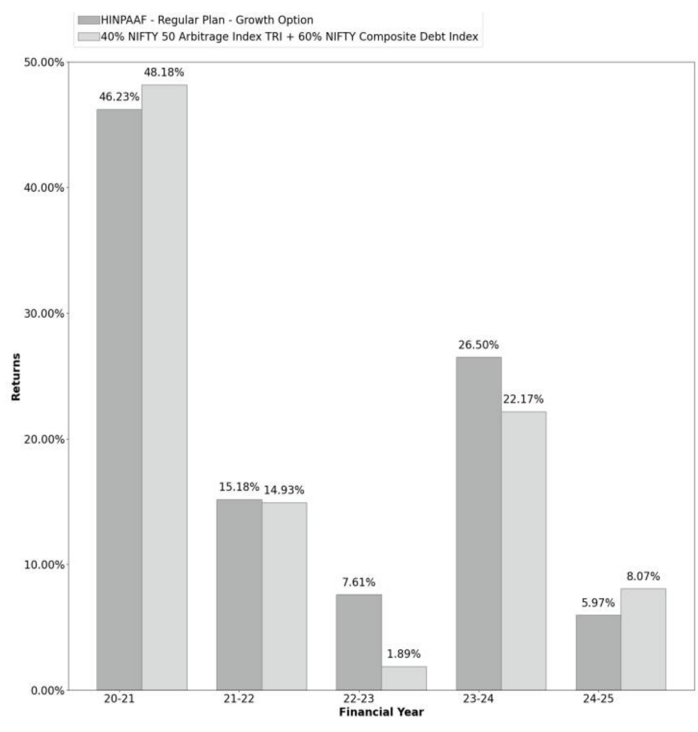
^ Past performance may or may not be sustained in the future

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

** Inception Date: 06-02-2012 # 40% NIFTY 50 Arbitrage Index (TRI) + 60% NIFTY Composite Debt Index*

Since inception returns are calculated on Rs. 10 (allotment price).

Absolute returns for each financial year for last 5 years^



HDFC Income Plus Arbitrage Active FOF - Direct Plan - Growth Option

Period	Returns (%)^	Benchmark Returns (%)#
Last 1 Year	-1.24	7.00
Last 3 Years	13.65	7.61
Last 5 Years	15.79	6.12
Since Inception*	11.46	7.11

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

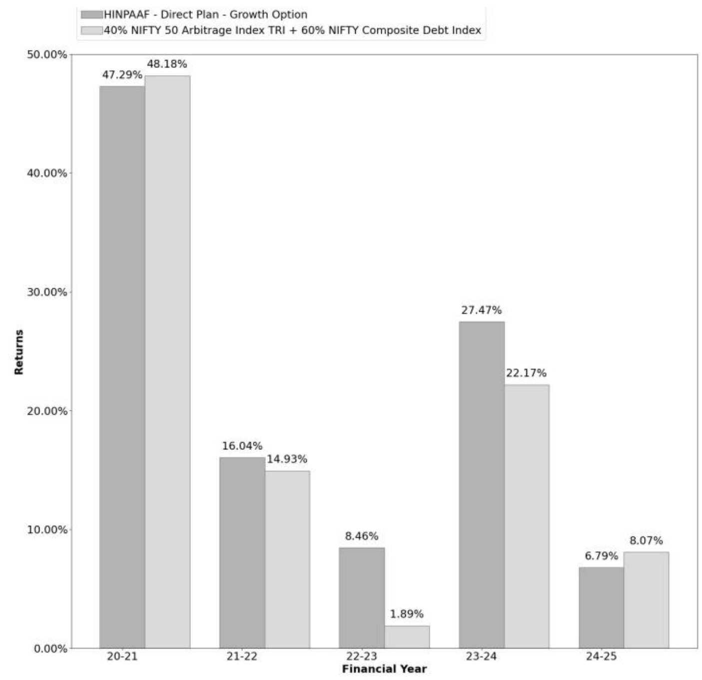
Returns greater than one year are compounded annualized (CAGR).

**Inception Date: 1/1/2013*

 # 40% NIFTY 50 Arbitrage Index (TRI) + 60% NIFTY Composite Debt Index

Since inception returns are calculated on Rs. 10.881 (allotment price)

Absolute returns for each financial year for last 5 years^



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

19. Additional Scheme related Disclosures

- **Scheme's portfolio holdings -** https://www.hdfcfund.com/statutory-disclosure/portfolio/monthly-portfolio
- **Portfolio Turnover Ratio (September 30, 2025)**
  - **Without Derivatives - N.A.**
  - **With Derivatives - N.A.**

20. Expenses of the Scheme

1. **Load Structure**

   Exit Load: Nil

(i) No Exit Load shall be levied for switching between Plans / Options within the Scheme. However, exit load will be applicable if the units are switched-out / redeemed from the Scheme within the exit load period from the initial date of purchase.

(ii) No Exit load will be levied on Bonus Units and on units allotted on Re-investment of Income Distribution cum Capital Withdrawal.

(iii) No Exit load will be levied on Units allotted in the Target Scheme under the Transfer of Income Distribution cum Capital Withdrawal (IDCW) Plan Facility (TIP Facility).

(iv) In case of Systematic Transactions such as Systematic Investment Plan (SIP), Systematic Transfer Plan (STP), HDFC Flex Systematic Transfer Plan (Flex STP), HDFC Swing Systematic Transfer Plan (Swing STP), etc., Exit Load, if any, prevailing on the date of registration / enrolment shall be levied.

The Trustee reserves the right to change / modify the load structure from a prospective date.

2. **Recurring Expenses (% p.a. of daily Net Assets)**

As per Regulation 52 (6) (a) in case of the scheme, being a fund of funds scheme, the maximum total expenses including weighted average of charges levied by the Underlying Schemes shall not exceed 2.00 per cent of the daily net assets of the scheme.

Provided that the total expense ratio to be charged over and above the weighted average of the total expense ratio of the underlying schemes shall not exceed two times the weighted average of the total expense ratio levied by the underlying schemes, subject to the overall ceiling as stated above.

Weighted expense ratio of the underlying schemes (Direct Plan) as on September 30, 2025 for HDFC Income Plus Arbitrage Active FOF is 0.33%.

Note: The scheme invests only in the Direct Plan of the underlying schemes. Therefore, weighted average expense of the direct plan has been provided.

Actual expenses (inclusive of GST on Management fees and additional TER) for the previous financial year ended March 31, 2025 (Audited):

- Regular Plan: 0.99% p.a.
- Direct Plan: 0.22% p.a.

Direct Plan under the Scheme shall have a lower expense ratio than Regular Plan, excluding distribution expenses, commission, etc., and no commission shall be paid from Direct Plan. All fees and expenses charged in a Direct Plan (in percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in a Regular Plan.

The investors of the Scheme will bear dual recurring expenses, if any, viz, those of the Scheme and those of the underlying scheme.

For the actual current expenses being charged, the investor should refer to the website of the mutual fund. Click here for Total Expense Ratio (TER) - https://www.hdfcfund.com/statutory-disclosure/total-expense-ratio-of-mutual-fund-schemes/reports

Click here for factsheet – https://www.hdfcfund.com/investor-services/factsheets

The maximum limit of recurring expenses that can be charged to the Scheme would be as per Regulation 52 of the SEBI (MF) Regulation, 1996. Investors are requested to read "**Section-Annual Scheme Recurring Expenses**" in the **SID.**

21. Tax Treatment for the Investors (Unit Holders)

Investors are advised to refer to the details in the Statement of Additional Information and also independently refer to their tax advisor.

22. Daily Net Asset Value (NAV) Publication

The AMC shall update the NAVs By 10.00 a.m. on the next Business day on the website(s) of AMC and AMFI.

23. For Investor Grievances, Please Contact

Investors may contact any of the Investor Service Centres (ISCs) of the AMC for any queries / clarifications at telephone number 1800 3010 6767/ 1800 419 7676 (toll free), e-mail: hello@hdfcfund.com.	**Registrar and Transfer Agent:** **Computer Age Management Services Ltd.,** Unit: HDFC Mutual Fund 5th Floor, Rayala Tower, 158, Anna Salai, Chennai - 600 002. Telephone No: 044-30212816 Fax No: 044-42032955 Email: enq_h@camsonline.com

24. Unit Holder's Information

Email ID for communication:

First / Sole Holders should register their own email address and mobile number in their folio for speed and ease of communication in a convenient and cost-effective manner, and to help prevent fraudulent transactions.

Account Statements:

1. The AMC shall send an allotment confirmation specifying the units allotted by way of email and/or SMS within 5 working days of receipt of valid application/transaction to the Unit holders registered e-mail address and/ or mobile number (whether units are held in demat mode or in account statement form).
2. A Consolidated Account Statement (CAS) detailing all the transactions across all mutual funds and holdings at the end of the month shall be sent to the Unit holders in whose folio(s) transaction(s) have taken place during the month on registered email address on or before 12th of the succeeding month and by 15th of the succeeding month for those who have opted for physical copy.
3. Half-yearly CAS shall be issued to all investors providing the prescribed details across all schemes of mutual funds and securities held in dematerialized form across demat accounts, if applicable, at the end of every six months (i.e. September/ March) on or before 18th day of succeeding month on registered email address and 21st day of succeeding month through physical copy for those who do not have registered email addresses.

For further details, refer SAI.

Periodic Disclosures:

Sr. no.	Name of the Disclosure	Frequency	Timelines	Disclosed on	Link
1.	**Half Yearly Results (Unaudited)**	Half yearly	within one month from the close of each half year i.e. on 31st March and on 30th	AMC website AMFI website	https://www.hdfcfund.com/statutory-disclosure/scheme-financials https://www.amfiindia.com/otherdata/accounts

			September.		
2.	**Annual Report**	Annually	not later than four months from the date of closure of the relevant account's year (i.e. 31st March each year).	AMC website AMFI website	https://www.hdfcfund.com/statutory-disclosure/annual-reports https://www.amfiindia.com/otherdata/accounts
3.	**Daily Performance Disclosure (after scheme completes six months of existence)**	Daily	-	AMFI website	https://www.amfiindia.com/otherdata/fund-performance
4.	**Portfolio Disclosure**	Monthly/ Half yearly	within 10 days from the close of each month/half-year respectively.	AMC website AMFI website	https://www.hdfcfund.com/statutory-disclosure/portfolio https://www.hdfcfund.com/statutory-disclosure/scheme-financials https://www.amfiindia.com/online-center/portfolio-disclosure
5.	**Monthly Average Asset under Management (Monthly AAUM) Disclosure**	Monthly	within 7 working days from the end of the month.	AMC website	https://www.hdfcfund.com/statutory-disclosure/aum
6.	**Scheme and Benchmark Riskometer**	Monthly	within 10 days from the close of each month.	AMC website AMFI website	Monthly Portfolio - HDFC Mutual Fund (hdfcfund.com) https://www.amfiindia.com/online-center/risk-o-meter

7.	**Scheme Summary Documents**	Monthly	To be updated on a monthly basis or on changes in any of the specified fields, whichever is earlier.	AMC website AMFI website BSE website NSE website	https://www.hdfcfund.com/investor-services/fund-documents/scheme-summary https://www.amfiindia.com/otherdata/scheme-details https://www.bseindia.com/Static/Markets/MutualFunds/listOfAmc.aspx https://www.nseindia.com
8.	**Investor Charter**	-	As and when updated	AMC website	Investor Charter - MF.pdf

IMPORTANT

Before investing, investors should also ascertain about any further changes pertaining to scheme such as features, load structure, etc. made to the Scheme Information Document/ Key Information Memorandum by issue of addenda/ notice after the date of this Document from the AMC/ Mutual Fund/ Investor Service Centres (ISCs)/ Website/ Distributors or Brokers or Investment Advisers holding valid registrations.