

Details regarding Changes to the Fundamental Attributes of certain Schemes:

1) Morgan Stanley Growth Fund

Sr. No.	Provisions	Existing	Proposed																																																
1.	Name of Scheme	Morgan Stanley Growth Fund	HDFC Large Cap Fund																																																
2.	Type of Scheme	An open-ended Equity Fund	An open-ended Equity Scheme																																																
3.	Investment Objective	To achieve long-term capital appreciation by investing primarily in equity and equity related securities of companies having large market capitalization.	To provide long-term capital appreciation by investing predominantly in large cap companies.																																																
4.	Asset Allocation Pattern	<table><tr><th rowspan="3">Instruments</th><th colspan="2">Indicative Allocation (% of total assets)</th><th rowspan="3">Risk Profile</th></tr><tr><th>Max.</th><th>Min.</th></tr><tr><td>Equity and Equity related Instruments of companies having large capitalization#</td><td>100</td><td>65</td><td>High</td></tr><tr><td>Equity and Equity related Instruments other than mentioned in above</td><td>35</td><td>0</td><td>High</td></tr><tr><td>Debt & Money market Instruments (including securitized debt)</td><td>35</td><td>0</td><td>Low to Medium</td></tr></table> <p># Any company having a minimum threshold limit of market capitalization which is equal to or more than the market capitalization of the 100th stock in BSE 100, as on the date of investment shall qualify as Large Cap Company.</p> <p>The Scheme also undertakes transactions in the following:</p> <table><tr><th>Instrument</th><th>Max. Limit (% of Net Assets)</th></tr><tr><td>Derivatives</td><td>50%</td></tr><tr><td>Foreign Securities</td><td>30%</td></tr><tr><td>Foreign Debt Securities</td><td>30%</td></tr></table>	Instruments	Indicative Allocation (% of total assets)		Risk Profile	Max.	Min.	Equity and Equity related Instruments of companies having large capitalization#	100	65	High	Equity and Equity related Instruments other than mentioned in above	35	0	High	Debt & Money market Instruments (including securitized debt)	35	0	Low to Medium	Instrument	Max. Limit (% of Net Assets)	Derivatives	50%	Foreign Securities	30%	Foreign Debt Securities	30%	<table><tr><th rowspan="2">Type of Instruments</th><th colspan="2">Allocation (% of Net Assets)</th><th rowspan="2">Risk Profile</th></tr><tr><th>Min-imum</th><th>Max-imum</th></tr><tr><td>Equity and Equity related instruments of large cap Companies</td><td>80</td><td>100</td><td>Medium to High</td></tr><tr><td>Debt and Money Market Instruments (including securitized debt#)</td><td>0</td><td>20</td><td>Low to medium</td></tr></table> <p># Investments in securitized debt will not exceed 20% of the net assets of the scheme</p> <p>The Scheme shall also undertake transactions in the following:</p> <table><tr><th>Instrument</th><th>Max. Limit (% of Net Assets)</th></tr><tr><td>Derivatives</td><td>50%</td></tr><tr><td>Foreign Securities</td><td>30%</td></tr><tr><td>Foreign Debt Securities</td><td>20%</td></tr></table> <p>Provisions relating to (i) no investment in foreign securitized debt and (ii) the limits on stock lending shall remain unchanged.</p>	Type of Instruments	Allocation (% of Net Assets)		Risk Profile	Min-imum	Max-imum	Equity and Equity related instruments of large cap Companies	80	100	Medium to High	Debt and Money Market Instruments (including securitized debt#)	0	20	Low to medium	Instrument	Max. Limit (% of Net Assets)	Derivatives	50%	Foreign Securities	30%	Foreign Debt Securities	20%
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Sr. No.	Provisions	Existing		Proposed
		Foreign Debt Securities	30%	
5.	Investment Strategy	<p>In order to provide long-term capital appreciation, the Scheme will invest predominantly in growth companies. Companies selected under this portfolio would as far as practicable consist of medium to large sized companies which:</p> <ul style="list-style-type: none">are likely to achieve above average growth than the industry;enjoy distinct competitive advantages, andhave superior financial strengths. <p>The aim will be to build a portfolio, which represents a cross-section of the strong growth companies in the prevailing market and to mitigate risks, the Scheme will diversify across major industries and economic sectors. A top down and bottom up approach will be used to invest in equity and equity related instruments.</p>		<p>The Scheme will invest in Large Cap stocks.</p> <p>Large Cap stocks would be defined as Stocks having a market capitalization equal to or above that of the bottom 25th percentile stock in the CNX Nifty Index.</p>
6.	Benchmark	S&P BSE 100		CNX Nifty Index
7.	Plans / Options	Plans: Regular & Direct Options: Growth & Dividend (Payout and Reinvestment)		No Change
8.	Exit Load	<ul style="list-style-type: none">If redeemed on or before the expiry of one year from the date of allotment: 1%After the expiry of one year from date of allotment: Nil		No Change. However, the provisions on load structure relating to Fund Families shall stand deleted.
9.	Expense Ratio	As per Regulatory Limits		No Change
10.	Minimum Application Amount	Purchase: Rs. 5,000/- and in multiples of Re. 1/- thereof Additional Purchase: Rs. 1,000/- and in multiples of Re. 1/- thereof		Purchase: Rs. 5,000/- and any amount thereafter Additional Purchase: Rs. 1,000/- and any amount thereafter

2) Morgan Stanley A.C.E. Fund

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1.	Name of Scheme	Morgan Stanley A.C.E. Fund	HDFC Small and Mid Cap Fund																																																						
2.	Type of Scheme	An open-ended Across Capitalisations Equity Fund	An open-ended Equity Scheme																																																						
3.	Investment Objective	To generate long-term capital growth from an actively managed portfolio of equity and equity-related securities including equity derivatives.	To provide long-term capital appreciation by investing predominantly in Small-Cap and Mid-Cap companies																																																						
4.	Asset Allocation Pattern	<table><tr><th rowspan="3">Type of the Instrument</th><th colspan="2">Indicative Allocation (% of Net Assets)</th><th rowspan="3">Risk Profile</th></tr><tr><th>Max.</th><th>Min.</th></tr><tr><td>Equity and Equity related instruments</td><td>100</td><td>65</td><td>High</td></tr><tr><td>Debt and Money Market instruments (including securitized debt)</td><td>35</td><td>0</td><td>Low to Medium</td></tr></table> <p>The Scheme also undertakes transactions in the following:</p> <table><tr><th>Instrument</th><th>Max. Limit (% of Net Assets)</th></tr><tr><td>Derivatives</td><td>50%</td></tr><tr><td>Foreign Securities</td><td>30%</td></tr><tr><td>Foreign Debt Securities</td><td>30%</td></tr></table>	Type of the Instrument	Indicative Allocation (% of Net Assets)		Risk Profile	Max.	Min.	Equity and Equity related instruments	100	65	High	Debt and Money Market instruments (including securitized debt)	35	0	Low to Medium	Instrument	Max. Limit (% of Net Assets)	Derivatives	50%	Foreign Securities	30%	Foreign Debt Securities	30%	<table><tr><th rowspan="2">Type of Instruments</th><th colspan="2">Allocation (% of Net Assets)</th><th rowspan="2">Risk Profile</th></tr><tr><th>Min.</th><th>Max.</th></tr><tr><td>Equity and Equity related instruments of Small-Cap and Mid-Cap companies of which:</td><td>75</td><td>100</td><td>High</td></tr><tr><td>Small-Cap companies</td><td>50</td><td>75</td><td>High</td></tr><tr><td>Mid-Cap companies</td><td>25</td><td>50</td><td>High</td></tr><tr><td>Equity and Equity related instruments other than the above</td><td>0</td><td>25</td><td>Medium to High</td></tr><tr><td>Debt and Money Market Instruments (including securitized debt)</td><td>0</td><td>25</td><td>Low to medium</td></tr></table> <p>The Scheme shall also undertake transactions in the following:</p> <table><tr><th>Instrument</th><th>Max. Limit (% of Net Assets)</th></tr><tr><td>Derivatives</td><td>50%</td></tr><tr><td>Foreign Securities</td><td>30%</td></tr></table>	Type of Instruments	Allocation (% of Net Assets)		Risk Profile	Min.	Max.	Equity and Equity related instruments of Small-Cap and Mid-Cap companies of which:	75	100	High	Small-Cap companies	50	75	High	Mid-Cap companies	25	50	High	Equity and Equity related instruments other than the above	0	25	Medium to High	Debt and Money Market Instruments (including securitized debt)	0	25	Low to medium	Instrument	Max. Limit (% of Net Assets)	Derivatives	50%	Foreign Securities	30%
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			Foreign Securities	Debt 25%
			Provisions relating to (i) no investment in foreign securitized debt and (ii) the limits on stock lending shall remain unchanged.	
5.	Investment Strategy	<p>The portfolio will be actively managed and will not be restricted to stocks present in the benchmark.</p> <p>The Investment Manager will adopt a flexible strategy using a combination of top down approach and bottom up stock selection. This will encompass an evaluation of key economic trends, the analysis of various sectors in the economy leading to an outlook on their future prospects and a diligent study of various investment opportunities within the available sectors. The fund manager may also seek attractive stock opportunities in out of favour sectors, if appropriate.</p> <p>In picking out individual investment opportunities for the portfolio, the Investment Manager will seek both value and growth and will not be restricted in terms of market capitalisations.</p> <p>In order to provide long-term capital appreciation, the Scheme will invest predominantly in growth companies. Companies selected under this portfolio would as far as practicable consist of medium to large sized companies which:</p> <ul style="list-style-type: none"> • are likely to achieve above average growth than the industry, • have superior financial strengths, • Invest in companies with scaleable business model – likely to achieve above average industry growth, • are run by management with vision, capabilities and commitment. <p>The aim will be to build a portfolio, which represents a cross-section of the strong growth companies in the prevailing market</p>	<p>The Fund seeks to provide long-term capital appreciation by investing in Small-Cap and Mid-Cap companies.</p> <p>Small-Cap companies would be defined as those companies whose market cap is equal to or lower than that of the stock with the largest market cap in the CNX Smallcap Index.</p> <p>Mid-Cap companies would be defined as companies having a market capitalization equal to or lower than that of the stock with the largest market cap in the CNX Midcap Index</p> <p>The Fund shall follow predominantly a Small-Cap strategy with a minimum exposure of 50% to Small-Cap companies.</p>	

Sr. No.	Provisions	Existing	Proposed
		and to mitigate risks, the Scheme will diversify across major industries and economic sectors. A top down and bottom up approach will be used to invest in equity and equity related instruments.	
6.	Benchmark	S&P BSE 200	CNX Smallcap Index
7.	Plans / Options	Plans: Regular and Direct Options: Growth and Dividend (Re-investment & Payout)	No Change
8.	Exit Load	<ul style="list-style-type: none"> If redeemed on or before the expiry of one year from the date of allotment: 1% After the expiry of one year from date of allotment: Nil 	No Change. However, the provisions on load structure relating to Fund Families shall stand deleted.
9.	Expense Ratio	As per Regulatory Limits	No Change
10.	Minimum Application Amount	Purchase: Rs. 5,000/- and in multiples of Re. 1/- thereof Additional Purchase: Rs. 1,000/- and in multiples of Re. 1/- thereof	Purchase: Rs. 5,000/- and any amount thereafter Additional Purchase: Rs. 1,000/- and any amount thereafter

3) Morgan Stanley Gilt Fund

Sr. No.	Provisions	Existing			Proposed																		
1.	Name of Scheme	Morgan Stanley Gilt Fund			HDFC Inflation Indexed Bond Fund																		
2.	Type of Scheme	An open-ended gilt scheme			An open-ended income scheme																		
3.	Investment Objective	To generate returns primarily through investments in sovereign securities issued by the Central Government and/or a State Government or repos/reverse repos in such securities.			To generate income and capital appreciation indexed to inflation by investing in a portfolio of inflation indexed bonds																		
4.	Asset Allocation Pattern	<table><tr><td>Instruments</td><td>Indicative Allocation (% of total)</td><td>Risk Profile</td></tr><tr><td></td><td></td><td></td></tr></table>			Instruments	Indicative Allocation (% of total)	Risk Profile				<table><tr><td rowspan="2">Type of Instruments</td><td colspan="2">Allocation (% of Net Assets)</td><td rowspan="2">Risk Profile</td></tr><tr><td>Min.</td><td>Max.</td></tr><tr><td></td><td></td><td></td><td></td></tr></table>			Type of Instruments	Allocation (% of Net Assets)		Risk Profile	Min.	Max.				
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Sr. No.	Provisions	Existing				Proposed				
			assets)			Inflation Indexed Securities issued by Central Government, State Government and / or Corporate Issuers	70	100	Low	
			Min.	Max.						
		Securities issued by Central and State Government and Treasury bills	65	100	High					
		CBLO, Repo against Government securities	0	35	High	Other Debt and Money Market Instruments*	0	30	Low to medium	
		Investment in Derivatives may be made up to 20% of the net assets of the Scheme. The Scheme will not engage in securities lending.				*Investments in securitized debt, if undertaken, shall not exceed 25% of the net assets of the Scheme. Investment in Derivatives may be made up to 20% of the net assets of the Scheme. The Scheme will not engage in securities lending.				
5.	Investment Strategy	The Scheme shall invest in Government Securities, which provide reasonable returns generally construed to be without any Credit Risk. The Scheme shall invest in various State and Central Government securities including securities which are supported by the ability to borrow from the treasury or supported only by the sovereign guarantee or of the state government or supported by Government of India/state government in some other way. It may also invest in repos/reverse repos in such securities, as and when permitted by RBI. The Scheme will also invest in money market securities from time to time upto the prescribed limit. The Scheme may also use derivatives instruments like Interest Rate Swaps, Forward Rate Agreements or such other derivative instruments as may be introduced from time to time for				The investment strategy involves investing predominantly in inflation-linked bonds (IIBs) while maintaining a balance between liquidity and return. IIB's are instruments, which are designed to help protect investors from inflation. The fund shall use investment strategies such as duration management, relative curve positioning, spread and other tactical strategies. Note: The AMC reserves the right to suspend fresh / further subscriptions into the Scheme under the following circumstances: <ul style="list-style-type: none">• Lack of fresh issuances of Inflation Indexed Bonds in the market• Lack of active secondary market for Inflation Indexed Bonds• Any other situation, political or otherwise that may impact investments by the Scheme.				

Sr. No.	Provisions	Existing	Proposed
		<p>the purpose of hedging and portfolio balancing within the limits permitted by the Regulations from time to time.</p> <p>The Fund Manager will take an active view of interest rate movement supported by quantitative research, to include various parameters of the Indian economy as well as the development in global market. Investment views/ decisions will be based on analysis of macro economic factors to estimate the direction of interest rates and level of liquidity and will be taken on the basis of factors like, prevailing interest rate scenario, Government borrowing program, level of liquidity in the banking system, inflation level, returns offered relative to alternative investments opportunities, quality of the security/instrument, maturity profile of the instrument, liquidity of the security and any other factor considered relevant in the opinion of the fund manager.</p>	
6.	Benchmark	I-SEC Composite Gilt Index	I-Sec Composite Index
7.	Plans / Options	<p>Plans: Regular & Direct Options: Growth & Quarterly Dividend# (Payout and Reinvestment)</p> <p>#Record date shall be Last Friday of each calendar quarter. If Friday is a holiday, then the record date shall be the previous Business Day.</p>	<p>Plans: Regular & Direct Options: Growth, Regular Dividend and Quarterly Dividend#. Both Dividend Options will offer Payout and Reinvestment facilities</p> <p>Regular Dividend Option will be introduced for subscription at Rs.10/- per unit on the next Business Day immediately following the CompletionDate and thereafter at Applicable NAV based prices.</p> <p>#Record date shall be 25th day* of the third month of each quarter i.e. quarter ending March, June, September and December. * or immediately succeeding Business Day, if that is not a Business Day.</p>
8.	Exit Load	Nil	<ul style="list-style-type: none"> In respect of each purchase / switch - in of units, an exit load of 1.5% is payable if

Sr. No.	Provisions	Existing	Proposed
			<p>units are redeemed / switched out within 12 months from the date of allotment.</p> <ul style="list-style-type: none"> No exit load is payable if units are redeemed / switched – out after 12 months from the date of allotment. <p>Further, the provisions on load structure relating to Fund Families shall stand deleted.</p>
9.	Expense Ratio	As per Regulatory Limits	No Change
10.	Minimum Application Amount	Purchase: Rs. 5,000/- and in multiples of Re. 1/- thereof Additional Purchase: Rs. 1,000/- and in multiples of Re. 1/- thereof	Purchase: Rs. 5,000/- and any amount thereafter Additional Purchase: Rs. 1,000/- and any amount thereafter

4) Morgan Stanley Multi Asset Fund (Plan A and Plan B)

It is proposed to merge Plan B into Plan A and rename Plan A as HDFC Dynamic PE Ratio Fund of Funds while simultaneously carrying out change in the fundamental attributes of Plan A. Details of the changes are given below.

It may be noted that the Scheme will be converted from an open ended debt scheme to an open ended fund of funds scheme.

Sr. No.	Provisions	Existing	Proposed
1.	Name of Scheme	Morgan Stanley Multi Asset Fund (Plan A and Plan B)	HDFC Dynamic PE Ratio Fund of Funds
2.	Type of Scheme	An open-ended debt scheme	An open-ended fund of funds scheme
3.	Investment Objective	<p>Plan A – The Scheme seeks to generate regular income through investments in debt & money market instruments, along with capital appreciation through limited exposure to equity and equity related instruments.</p> <p>Plan B – The Scheme seeks to generate regular income through investments in debt & money market instruments, along with capital appreciation through limited exposure to equity and equity</p>	To seek capital appreciation by managing the asset allocation between specified equity and debt schemes of HDFC Mutual Fund

Sr. No.	Provisions	Existing	Proposed																										
		<p>related instruments and provide diversification by investing in Gold ETFs.</p> <p>Plan A and Plan B will have separate portfolios.</p>																											
4.	Asset Allocation Pattern	<p>Plan A:</p> <ul style="list-style-type: none">Debt and Money Market instruments: 80-100%Equity and Equity related instruments: 0-20% <p>Plan B:</p> <ul style="list-style-type: none">Debt and Money Market instruments: 65-100%[i] Equity and Equity related instruments and [ii] Gold Exchange Traded Funds: 0-35% [where each of [i] and [ii] will not exceed 20% of net assets] <p>The Plans may also undertake transactions as follows:</p> <table><tr><th>Instrument</th><th>Max. Limit (% of Net Assets)</th></tr><tr><td>Derivatives</td><td>50%</td></tr><tr><td>Foreign Securities</td><td>30%</td></tr><tr><td>Foreign Debt Securities</td><td>30%</td></tr></table> <p>The Scheme will not invest in foreign securitized debt.</p> <p>The Scheme may engage in securities lending as per limits provided in the Scheme Information Document.</p>	Instrument	Max. Limit (% of Net Assets)	Derivatives	50%	Foreign Securities	30%	Foreign Debt Securities	30%	<table><tr><th rowspan="2">Type of Instruments</th><th colspan="2">Allocation (% of Net Assets)</th><th rowspan="2">Risk Profile</th></tr><tr><th>Min.</th><th>Max.</th></tr><tr><td>Units of specified equity schemes of HDFC Mutual Fund¹</td><td>0</td><td>100</td><td>High</td></tr><tr><td>Units of specified debt schemes of HDFC Mutual Fund²</td><td>0</td><td>100</td><td>Medium</td></tr><tr><td>Money Market Instruments and / or Units of Liquid / Money Market Schemes of HDFC Mutual Fund</td><td>0</td><td>10</td><td>Low</td></tr></table> <p>Underlying schemes</p> <p>¹ Specified Equity Schemes – HDFC Growth Fund, HDFC Equity Fund, HDFC Top 200 Fund, HDFC Capital Builder Fund, HDFC Mid Cap Opportunities Fund, HDFC Infrastructure Fund, HDFC Large Cap Fund and HDFC Small and Midcap Fund.</p> <p>² Specified Debt Schemes – HDFC Income Fund, HDFC High Interest Fund – Dynamic Plan, HDFC High Interest Fund – Short Term Plan, HDFC Short Term Plan, HDFC Short Term Opportunities Fund, HDFC Medium Term Opportunities Fund, HDFC Floating Rate Income Fund – Short Term Plan, HDFC Gilt Fund – Long Term Plan, HDFC Corporate Debt Opportunities Fund, HDFC Cash Management Fund – Treasury Advantage Plan and HDFC Banking and PSU Debt Fund.</p>	Type of Instruments	Allocation (% of Net Assets)		Risk Profile	Min.	Max.	Units of specified equity schemes of HDFC Mutual Fund ¹	0	100	High	Units of specified debt schemes of HDFC Mutual Fund ²	0	100	Medium	Money Market Instruments and / or Units of Liquid / Money Market Schemes of HDFC Mutual Fund	0	10	Low
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Units of specified debt schemes of HDFC Mutual Fund ²	0	100	Medium																										
Money Market Instruments and / or Units of Liquid / Money Market Schemes of HDFC Mutual Fund	0	10	Low																										

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			<p>The AMC reserves the right to modify the list of specified equity / debt schemes from time to time and such change shall tantamount to a change in the fundamental attributes of the Scheme.</p> <p>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.</p>																					
5.	Investment Strategy	<p>The focus will be to generate regular income through investments in debt & money market instruments, along with capital appreciation through limited exposure to equity and equity related instruments. In Plan B, the Fund Manager will also provide diversification by investing in Gold ETFs.</p> <p>The process of allocation to various fixed income securities would involve forming a view on interest rates and yield curve based on an analysis of macro economy, monetary policy, public finance and other variables affecting interest rates. Individual securities will be selected based on in depth credit research and relative valuation. While trying to optimize the portfolio yield, liquidity will be ensured through an appropriate mix of money market and debt securities. Investments in a combination of instruments such as CBLO, reverse repo, treasury bills and other money market instruments will be made to ensure adequate liquidity.</p> <p>Depending upon the market conditions, the Fund Manager may</p>	<p>This Scheme is proposed to be dynamically managed through a Fund of Funds (FOF) structure following a Dynamic Price to Earnings (PE) Ratio Model.</p> <p>Accordingly, the Scheme shall allocate its assets between equity schemes and debt schemes based on the 1 year forward PE ratio as per the Bloomberg Consensus estimate as per the followings bands:</p> <table><tr><th>1 Year Forward PE ratio as per Bloomberg Consensus Estimate</th><th>Equity Schemes (%)</th><th>Debt Schemes (%)</th></tr><tr><td>Upto 12</td><td>90-100</td><td>0-10</td></tr><tr><td>Greater than 12 - Upto 16</td><td>70-90</td><td>10-30</td></tr><tr><td>Greater than 16 - Upto 20</td><td>50-70</td><td>30-50</td></tr><tr><td>Greater than 20 - Upto 25</td><td>30-50</td><td>50-70</td></tr><tr><td>Greater than 25 - Upto 30</td><td>10-30</td><td>70-90</td></tr><tr><td>Greater than 30</td><td>0-10</td><td>90-100</td></tr></table> <p>PE ratios would be reviewed on monthly basis and the portfolio will be rebalanced accordingly.</p> <p>The AMC reserves the right to change the</p>	1 Year Forward PE ratio as per Bloomberg Consensus Estimate	Equity Schemes (%)	Debt Schemes (%)	Upto 12	90-100	0-10	Greater than 12 - Upto 16	70-90	10-30	Greater than 16 - Upto 20	50-70	30-50	Greater than 20 - Upto 25	30-50	50-70	Greater than 25 - Upto 30	10-30	70-90	Greater than 30	0-10	90-100
1 Year Forward PE ratio as per Bloomberg Consensus Estimate	Equity Schemes (%)	Debt Schemes (%)																						
Upto 12	90-100	0-10																						
Greater than 12 - Upto 16	70-90	10-30																						
Greater than 16 - Upto 20	50-70	30-50																						
Greater than 20 - Upto 25	30-50	50-70																						
Greater than 25 - Upto 30	10-30	70-90																						
Greater than 30	0-10	90-100																						

Sr. No.	Provisions	Existing	Proposed																		
		reduce exposure to equities to Nil in case of Plan A and both equities and gold to Nil in Plan B.	Agency / publication from Bloomberg Consensus to any other reputable and reliable Agency / publication. Any such change will be communicated to the investors by way of a public notice. Further, (a) The Scheme’s investment in any underlying Scheme shall not exceed 20% of the net assets of that underlying Scheme. (b) Redemptions by the Scheme shall not exceed 5% of the net assets of an underlying scheme on a Business Day.The redemptions will be staggered to comply with this limit even in case portfolio rebalancing is triggered due to change in PE Ratios.																		
6.	Benchmark	<p>Plan A – Customized benchmark comprising of CRISIL Composite Bond Fund Index and S&P CNX Nifty. The composition of the benchmark would be –</p> <table><tr><th>Asset Class</th><th>Benchmark</th><th>%</th></tr><tr><td>Debt and Money Market instruments</td><td>CRISIL Composite Bond Fund Index</td><td>80</td></tr><tr><td>Equity and Equity related instruments</td><td>CNX Nifty</td><td>20</td></tr></table> <p>Plan B – Customized benchmark comprising of CRISIL Composite Bond Fund Index, S&P CNX Nifty and Domestic Price of Gold*. The composition of the benchmark would be –</p> <table><tr><th>Asset Class</th><th>Benchmark</th><th>%</th></tr><tr><td>Debt and Money Market instruments</td><td>CRISIL Composite Bond Fund Index</td><td>70</td></tr><tr><td>Equity and Equity</td><td>CNX Nifty</td><td>15</td></tr></table>	Asset Class	Benchmark	%	Debt and Money Market instruments	CRISIL Composite Bond Fund Index	80	Equity and Equity related instruments	CNX Nifty	20	Asset Class	Benchmark	%	Debt and Money Market instruments	CRISIL Composite Bond Fund Index	70	Equity and Equity	CNX Nifty	15	CRISIL Balanced Fund Index
Asset Class	Benchmark	%																			
Debt and Money Market instruments	CRISIL Composite Bond Fund Index	80																			
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Debt and Money Market instruments	CRISIL Composite Bond Fund Index	70																			
Equity and Equity	CNX Nifty	15																			

Sr. No.	Provisions	Existing			Proposed
		related instruments			
		Gold Exchange Traded Funds	Domestic Price of Gold*	15	
		<p>* [London Bullion Market Association AM fixing in US\$/ounce X Conversion factor for converting ounce into kg for 0.995 fineness X Rate for US\$ into INR] + Custom duty for import of gold + Sales tax/octroi and other levies applicable.</p>			
7.	Plans / Options	<p>Under Plan A and Plan B: Plans: Regular & Direct Options: Growth, Monthly & Quarterly Dividend (Re-investment and Payout)</p>			<p>Plans: Regular and Direct Options: Growth, Dividend (Re-investment and Payout)</p> <p>It may be noted that Quarterly Dividend Option under Plan A will be renamed as Dividend Option. The Trustee shall reserve the right to declare dividends under this Option depending on the availability of distributable surplus.</p> <p>Further, unit holders under Monthly Dividend Option of Plan A and under the Monthly & Quarterly Dividend Options of Plan B shall be allotted units under the Dividend Option at the last available applicable NAV of the Dividend Option on the Completion Date.</p> <p>Unit holders under Growth Option of Plan B will be allotted units under the Growth Option of Plan A at the last available applicable NAV of the latter on the Completion Date.</p> <p>A fresh account statement reflecting the new units allotted, will be sent to the unit holders of Plan A and Plan B by HDFC MF. The units allotted shall be treated as a fresh subscription. Accordingly, all revised provisions under the Scheme will apply including exit load and the period of holding for the purpose of taxation / exit</p>

Sr. No.	Provisions	Existing	Proposed
			load will be computed from the Completion Date.
8.	Exit Load	<ul style="list-style-type: none"> • If redeemed on or before the expiry of 6 months from the date of allotment: 1% • Otherwise: Nil 	<ul style="list-style-type: none"> • In respect of each purchase / switch-in of units, an Exit Load of 1.00% is payable if Units are redeemed / switched-out within 1 year from the date of allotment. • No Exit Load is payable if Units are redeemed / switched-out after 1 year from the date of allotment. <p>Further, the provisions on load structure relating to Fund Families shall stand deleted.</p>
9.	Expense Ratio	As per Regulatory Limits	<p>As per Regulatory Limits as follows:</p> <ul style="list-style-type: none"> (i) The total expenses of the Scheme under Regulation 52 (6) of the MF Regulations including weighted average of charges levied by the underlying schemes shall not exceed 2.50 per cent of the daily net assets. (ii) Additional expenses permissible under Regulation 52(6A)(c) of the MF Regulations towards various permissible expenses - not exceeding 0.20% of daily net assets of the Scheme. (iii) Expenses in case of inflows from cities beyond Top 15 cities charged proportionately under Regulation 52(6A)(b) of the MF Regulations - not exceeding 0.30% of daily net assets of the Scheme. (iv) Brokerage and transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment, not exceeding 0.12 per cent in case of cash market transactions. (v) Service Tax on Investment Management and Advisory Fees.

Sr. No.	Provisions	Existing	Proposed
10.	Minimum Application Amount	Purchase: Rs. 5,000/- and in multiples of Re. 1/- thereof Additional Purchase: Rs. 1,000/- and in multiples of Re. 1/- thereof	Purchase: Rs. 5,000/- and any amount thereafter Additional Purchase: Rs. 1,000/- and any amount thereafter
11.	NAV Computation	NAV will be computed upto four decimals for the Scheme.	NAV will be computed upto three decimals for the Scheme.

Merger of certain Schemes with existing schemes of HDFC MF

Sr. No.	Scheme getting merged (“Transferor Scheme”)	Scheme with which Transferor Scheme is proposed to be merged (“Transferee Scheme”)
1.	Morgan Stanley Liquid Fund (<i>Open Ended Liquid Fund</i>)	HDFC Liquid Fund (<i>Open-ended liquid income scheme</i>)
2.	Morgan Stanley Ultra Short Term Fund (<i>Open Ended Debt Fund</i>)	HDFC Cash Management Fund – Treasury Advantage Plan (<i>Open-ended income scheme</i>)
3.	Morgan Stanley Active Bond Fund (<i>Open Ended Debt Fund</i>)	HDFC High Interest Fund - Dynamic Plan (<i>Open-ended income scheme</i>)
4.	Morgan Stanley Short Term Bond Fund (<i>Open Ended Debt Fund</i>)	HDFC Short Term Plan* (<i>Open-ended income scheme</i>)

* HDFC Short Term Plan will undergo a change in fundamental attributes after the close of business hours on June 20, 2014.

Upon Completion of Transaction, the Scheme Information Document/Key Information Memorandum of the above Scheme would be amended to incorporate the above stated changes to the Scheme and changes consequential to the Transaction.