SCHEME INFORMATION DOCUMENT

SECTION – I

HSBC MULTI ASSET ACTIVE FOF

(erstwhile HSBC Managed Solutions India - Moderate)

(An open-ended multi asset Fund of Fund scheme investing in equity, debt, commodity-based schemes (including Gold and Silver ETFs))

Continuous Offer of Units at NAV based prices

Product Labeling: To provide investors an easy understanding of the kind of product/scheme they are investing in and its suitability to them, the product labeling is as under:

This product is suitable for investors who are seeking*:	Scheme Risk-o-meter	Benchmark Risk-o-meter (as applicable)			
		As per AMFI Tier I Benchmark i.e. Benchmark Index: BSE 200 TRI (65%) + NIFTY Short Duration Debt Index (20%) + Domestic Price of Gold (10%) + Domestic Price of Silver (5%)			
		BSE 200 TRI	NIFTY Short Duration Debt Index	Domestic Price of Gold	Domestic Price of Silver
▶ To create wealth and provide income over the long-term; ▶ Investments in a basket of debt mutual funds, equity mutual funds, gold, silver and exchange traded funds and money market instruments	 The risk of the scheme is Very High Risk	 The risk of the benchmark is Very High Risk	 The risk of the benchmark is Low to Moderate Risk	 The risk of the benchmark is Moderately High Risk	 The risk of the benchmark is Very High Risk

* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Name of Mutual Fund	Name of Asset Management Company	Name of Trustee Company
HSBC Mutual Fund 9-11 Floors, NESCO IT Park, Building No. 3, Western Express Highway, Goregaon (East), Mumbai – 400 063, India	**HSBC Asset Management (India) Private Limited** CIN – U74140MH2001PTC134220 Regd. & Corp. Office: 9-11 Floors, NESCO IT Park, Building No. 3, Western Express Highway, Goregaon (East), Mumbai – 400 063, India	**HSBC Trustees (India) Private Limited** CIN –U66190MH2024PTC416973 Regd. Office: 52/60 Mahatma Gandhi Road, Fort Mumbai 400001, India
Website: www.assetmanagement.hsbc.co.in		

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI MF) Regulations) as amended till date and circulars issued thereunder filed with SEBI, along with a Due Diligence Certificate from the AMC. The units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund/Investor Service Centres/Website/Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of HSBC Mutual Fund, Standard Risk Factors, Special Considerations, Tax and Legal issues and general information on www.assetmanagement.hsbc.co.in

SAI is incorporated by reference (is legally a part of the Scheme Information Document). For a free copy of the current SAI, please contact your nearest Investor Service Centre or log on to our website.

The Scheme Information Document (Section I and II) should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated March 13, 2025

TABLE OF CONTENTS

PART I. HIGHLIGHTS/SUMMARY OF THE SCHEME

Sr. No.	Title	Description
I.	**Name of the scheme**	HSBC Multi Asset Active FOF
II.	**Category of the Scheme**	Hybrid FoF - Multi Asset Allocation FoF
III.	**Scheme type**	An open-ended multi asset Fund of Fund scheme investing in equity, debt, commodity-based schemes (including Gold and Silver ETFs)
IV.	**Scheme code**	HSBC/O/O/FOD/13/12/0017
V.	**Investment objective**	The aim of the fund is to generate long-term capital growth and generate income by investing in Equity, Debt & commodity-based schemes (including Gold /Silver ETFs) and money market instruments. However, there is no assurance that the investment objective of the Scheme will be achieved.
VI.	**Liquidity/listing details**	Being an open-ended Scheme, Units may be purchased or redeemed on every Business Day at NAV based prices, subject to provisions of exit load, if any. As per para 14.1 of SEBI Master Circular on Mutual Funds dated June 27, 2024, the Fund shall transfer the redemption / repurchase proceeds within 3 working Days, from the date of acceptance of redemption request. Further, as per AMFI circular no. AMFI/35P/MEM-COR/74/2022-23 dated January 16, 2023, in case of exceptional situations the AMC might follow the additional timelines for making redemption payments. Currently, the scheme is not intended to be listed on any stock exchange.
VII.	**Benchmark (Total Return Index) (As per AMFI Tier 1 benchmark)**	BSE 200 TRI (65%) + NIFTY Short Duration Debt Index (20%) +Domestic Price of Gold (10%) +Domestic Price of Silver (5%)
VIII.	**NAV disclosure**	NAV of the Scheme / Option(s) shall be made available at all Investor Service Centers of the AMC. The AMC shall update the NAVs under a separate head on the website of the Fund www.assetmanagement.hsbc.co.in and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) by 10.00 a.m. on the next Business Day. Refer Section II for further details.
IX.	**Applicable timelines**	**Timeline for -** i. **Dispatch of redemption proceeds -** As per para 14.2 of SEBI Master Circular on Mutual Funds dated June 27, 2024, the Fund shall dispatch/transfer the redemption / repurchase proceeds within 3 working days, from the date of acceptance of redemption request at any of the Investor Service Centres. Further, as per AMFI circular no. AMFI/35P/MEM-COR/74/2022-23 dated January 16, 2023, in case of exceptional situations the AMC might follow the additional timelines for making redemption payments. ii. **Dispatch of IDCW (if applicable) etc. -** As per para 11.4 of SEBI Master Circular on Mutual Funds dated June 27, 2024 the AMC shall dispatch/transfer payment of the dividend proceeds within 7 working days from the record date..
X.	**Plans and Options** Plans / Options and sub-options under the Scheme	**Plan(s)** (i) Regular Plan (ii) Direct Plan **Options:** (i) Growth (ii) Income Distribution cum Capital Withdrawal (IDCW) **Sub-options under IDCW:** (i) Payout of IDCW (ii) Reinvestment of IDCW. The Growth Option shall be default Option under the Scheme and Reinvestment of IDCW is the default sub-option.

<table>
<tr><th>Sr. No.</th><th>Title</th><th>Description</th></tr>
<tr><td></td><td></td><td>
The following table details the Plans / Options / Sub-options available in the Scheme and its dividend frequencies:
<table>
<tr><th>Plans</th><th>Options</th><th>Sub-Options</th><th>Frequency of dividend declar0ation</th><th>Record Date</th></tr>
<tr><td rowspan="2">Regular and Direct</td><td>Growth</td><td>–</td><td>–</td><td>–</td></tr>
<tr><td>Income Distribution cum Capital Withdrawal Option (IDCW)</td><td>Payout of IDCW & Reinvestment of IDCW</td><td>From time to time</td><td>As may be decided by the Trustees^</td></tr>
</table>
^ If such day is a holiday, then the record date shall be the immediately succeeding Business Day.
If the actual amount of Payout of IDCW is less than Rs. 100/-, then such dividend will be compulsorily and automatically re-invested by issuing additional units on the exdividend date at applicable NAV.
The amount of dividend reinvested will be net of applicable taxes
For detailed disclosure on default plans and options, kindly refer SAI.
</td></tr>
<tr><td>XI.</td><td>Load Structure</td><td>
Exit Load:
i. In respect of each purchase / switch-in of Units, an Exit Load of 1% is payable if Units are redeemed / switched- out within 1 year from the date of allotment.
ii. No Exit Load will be charged, if Units are redeemed / switched-out after 1 year from the date of allotment.
• No Exit load will be chargeable in case of switches made between different options of the Scheme.
• No Exit load will be chargeable in case of Units allotted on account of IDCW reinvestments, if any.
• Exit load is not applicable for Segregated Portfolio.
The exit load set forth above is subject to change at the discretion of the AMC and such changes shall be implemented prospectively.
</td></tr>
<tr><td>XII.</td><td>Minimum Application Amount / switch-in</td><td>
On continuous basis
For lumpsum investments:
Rs. 5,000/- per application and in multiples of Re. 1/- thereafter. Minimum application amount is applicable for switch-ins as well.
Note: Allotment of units will be done after deduction of applicable stamp duty and transaction charges, if any.
</td></tr>
<tr><td>XIII.</td><td>Minimum Additional Purchase Amount</td><td>Rs 1,000/- per application and in multiples of Re. 1/- thereafter</td></tr>
<tr><td>XIV.</td><td>Minimum Redemption/ switch out amount</td><td>Rs. 500/- and in multiples of Re. 1/- thereafter or 50 Units in multiples of 0.01 units thereafter</td></tr>
<tr><td>XV.</td><td>New Fund Offer Period
(This is the period during which a new scheme sells its units to the investors.)</td><td>Not Applicable</td></tr>
<tr><td>XVI.</td><td>New Fund Offer Price:
(This is the price per unit that the investors have to pay to invest during the NFO.)</td><td> Not Applicable. The face value is Rs. 10/- per unit. </td></tr>
<tr><td>XVII.</td><td>Segregated portfolio / side pocketing disclosure</td><td>The AMC may create segregated portfolio of debt and money market instruments in a mutual fund scheme in case of a credit event / actual default and deal with the liquidity risk. Currently, the scheme does not have any segregated portfolio. For Details, kindly refer SAI.</td></tr>
<tr><td>XVIII</td><td>Swing pricing disclosure</td><td>Not Applicable</td></tr>
<tr><td>XIX.</td><td>Stock lending / short selling</td><td>The scheme may participate in securities lending as permitted under the Regulations from time to time. The scheme may engage in short selling of securities in accordance with the applicable guidelines. For Details, kindly refer SAI.</td></tr>
</table>

Sr. No.	Title	Description
XX.	**How to apply and other details**	Investor can apply for HSBC Mutual Fund scheme in physical form or Demat form. For Investors, who wish to opt for holding Units in Demat mode, the applicants under the scheme (including a transferee) will be required to have a beneficiary account with a Depository Participant(DP) of NSDL / CDSL Investor can also chose to invest through the Fund's i.e, https://invest.assetmanagement.hsbc.co.in. or the 'Invest Xpress' mobile application or the website of the Fund's Registrar & Transfer Agent (CAMS), i.e. www.camsonline.com The applications filled up and duly signed by the applicants may be submitted at the AMC Investor Service Centres(ISC) / CAMS Service Centre / Official Points of Acceptance. Please check weblink (List of Official Point of Acceptance (OPA), Collection Bankers etc.) for an updated list of the Official Points of Acceptance, collecting banker of HSBC Mutual Fund. The investor can also apply through website/mobile application of MFUI which shall be eligible to be considered as 'official points of acceptance' for all financial and non-financial transactions in the schemes of HSBC Mutual Fund electronically. Investors are required to complete Common KYC formalities and ensure that the PAN is linked to Aadhaar for all the holders. For more details refer Section II.
XXI.	**Investor services**	**Contact details for general service requests and complaint resolution:** The investor can write to investor.line@mutualfunds.hsbc.co.in for any enquiries and complaints. The Fund will endeavour to resolve them promptly. Please visit our website www.assetmanagement.hsbc.co.in for more details on grievance redressal mechanism. Mr. Ankur Banthiya is currently designated as the Investor Relations Officer. His contact details are as follows: **HSBC Asset Management (India) Private Limited** Address Unit No. 62, 1st Floor, Parade View, Rukmani Lakshmipathi Salai, Egmore, Chennai, Tamil Nadu-600008, India Tel. : 1800-200-2434 / 1800-4190-200 E-mail: investor.line@mutualfunds.hsbc.co.in
XXII	**Specific attribute of the scheme (such as lock in, duration in case of target maturity scheme/ close ended schemes) (as applicable)**	None
XXIII	**Special product/facility available during the NFO and on ongoing basis**	**Special Products / Facilities available/offered to the investors under the Scheme:** • **Systematic Investment Plan** Unitholders of the Scheme can benefit by investing specific rupee amounts periodically, for a continuous period. SIP allows the investors to invest a fixed amount every month or quarter for purchasing additional Units of the Scheme at NAV based prices. The requirement of 'Minimum Amount for Application' will not be applicable in case of SIPs. • **SIP Top Up Facility:** Under this facility, the investor can opt to increase the amount of SIP instalment ("Top Up") on a half-yearly or annual basis; thus, the investment amount under SIP will increase every half year / annually by the amount of Top Up specified by the investor. • **Pause Facility ("SIP Pause Facility")** SIP Pause Facility enables the investors to pause their investments under the Systematic Investment Plan. Under this facility, the investors have an option to pause their investment for a fixed period of time which is a minimum of 1 month and a maximum of 3 months. • **Multi Scheme Systematic Investment Plan:** This facility enables investors to start investments under SIP of various schemes using a single application form and payment instruction.

Sr. No.	Title	Description
		• **Systematic Transfer Plan** Unitholders of the Scheme can benefit by transferring specific rupee amounts periodically, for a continuous period. STP allows the investors to transfer a fixed amount at a specified frequency or Capital Appreciation on the 1st Business Day of the month to a particular scheme at NAV based prices. Investors can opt for the Systematic Transfer Plan by investing a lumpsum amount in any HSBC open ended scheme and providing a standing instruction to transfer sums at Daily, Weekly, Fortnightly, Monthly and Quarterly intervals into any open ended Schemes of HSBC Mutual Fund. Investors could also opt for STP from an existing account by quoting their account / folio number. • **Flex Systematic Transfer Plan ("Flex STP")** Flex STP is a facility available in open ended Schemes of HSBC Mutual Fund. Under this facility unitholder(s) can opt to transfer variable amount(s) linked to value of investments under Flex STP on the date of transfer at predetermined intervals from designated open ended Scheme(s) of HSBC Mutual Fund except HSBC ELSS Tax Saver Fund & HSBC Tax Saver Equity Fund to the Growth option of all open ended schemes of HSBC Mutual Fund where subscription is allowed. • **Systematic Withdrawal Plan** Unitholders have the benefit of enrolling themselves under the Systematic Withdrawal Plan. The SWP allows the Unitholder to withdraw sums of money each month / quarter / half-year / annual basis from his investments in the Scheme. SWP is ideal for Unitholders seeking a regular inflow of funds for their needs in a tax efficient manner. It is also suited to retired persons or individuals who wish to invest a lumpsum and withdraw from the investment over a period of time. The Unitholder may avail of this Plan by sending a written request to the Registrar / submit a request online. • **Money Withdrawal Facility (MWF):** Money Withdrawal Facility (MWF) is the nomenclature of the facility and should not be construed as an assurance of returns / performance of the Scheme. This facility will enable the Unit Holders to redeem a fixed sum of money at a fixed frequency as per the prevailing NAV, subject to exit load, if applicable, depending on the option chosen by the Unit Holder. Under this facility Unit Holders can redeem amounts under both the Plans (Direct and Regular) of the Growth and IDCW Payout option of the Scheme. • **Income Distribution cum Capital Withdrawal Plan Transfer Facility** Under this facility, the Unit holder/investor can opt to transfer the amount of IDCW the Unit holder / investor is eligible to receive under the Scheme ("Source Scheme") to any other open-ended scheme of the Fund ("Target Scheme"). The above Facility will be available in the IDCW options under all the open-ended schemes of the Fund except HSBC ELSS Tax saver Fund wherein the said schemes can only be the Source Scheme (subject to completion of lock-in on units where applicable) and not Target Scheme. • **Facilitating transactions through Stock Exchange Mechanism (BSE Star & NSE MFSS)** In terms of para 16.2 of SEBI Master Circular on Mutual Funds dated June 27, 2024, units of the Scheme can be transacted through all the registered stockbrokers of the National Stock Exchange of India Limited and / or Bombay Stock Exchange Limited who are also registered with Association of Mutual Funds of India and are empanelled as distributors with AMC. Accordingly, such stockbrokers shall be eligible to be considered as 'official points of acceptance' of AMC. For further details of above special products / facilities, kindly refer SAI.
XXIV.	Weblink	**Link for Daily TER and TER for last 6 months:** Daily TER and TER for last 6 months **Link for Factsheet:** Factsheet

DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

(i) The Scheme Information Document submitted to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.

(ii) All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.

(iii) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the Scheme.

(iv) The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

(v) The contents of the Scheme Information Document including figures, data, yields etc. have been checked and are factually correct.

(vi) A confirmation that the AMC has complied with the compliance checklist applicable for Scheme Information Documents and other than cited deviations / that there are no deviations from the regulations.

(vii) Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

(viii) The Board of Directors of Trustee Company have ensured that HSBC Multi Asset Active FOF, approved by them, is a new product offered by HSBC Mutual Fund and is not a minor modification of any existing scheme/fund/product.

For HSBC Asset Management (India) Private Limited
(Investment Manager to HSBC Mutual Fund)

Sd/-

Sumesh Kumar
Compliance Officer

Date : March 13, 2025

Place : Mumbai

PART II. INFORMATION ABOUT THE SCHEME

A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Under normal circumstances, it is anticipated that the asset allocation of the Scheme will be as follows:

Instruments	Indicative allocations (% of total assets)	
	Minimum	Maximum
Units of mutual fund schemes out of which:	95	100
(a) Investments in underlying Equity Oriented schemes*	65	80
(b) Investments in underlying Debt Oriented schemes*	10	25
(c) Investments in commodity-based schemes (including Gold ETFs and Silver ETFs)	10	25
Money market instruments	0	5

*Including Hybrid Funds

The Scheme will not invest in derivatives, securitised debts or unrated instruments. However, the Underlying scheme may have exposure to these securities and may also undertake short selling, securities lending.

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

<table>
<tr><th>Sl. No</th><th>Type of Instrument^</th><th>Percentage of exposure (% of net assets)</th><th>Circular references / clause references of SEBI Master Circular on Mutual Funds dated June 27, 2024</th></tr>
<tr><td>1.</td><td>Securities Lending</td><td colspan="2" rowspan="7">The scheme will not invest in the said type of instruments and hence circular references not applicable.</td></tr>
<tr><td>2.</td><td>Equity Derivatives for non- hedging purposes</td></tr>
<tr><td>3.</td><td>Securitized Debt</td></tr>
<tr><td>4.</td><td>Overseas Securities</td></tr>
<tr><td>5.</td><td>ReITS and InVITS</td></tr>
<tr><td>6.</td><td>AT 1 (Additional Tier 1) and AT 2 (Additional Tier 2) Bonds</td></tr>
<tr><td>7.</td><td>Any other instrument</td></tr>
</table>

^The underlying fund may invest in the above mentioned securities based on its defined asset allocation.

Portfolio re-balancing in case of short term defensive consideration

Due to market conditions, the AMC may invest beyond the range set out in the asset allocation. Such deviations shall normally be for a short term and defensive considerations as per para 1.14.1.2 of SEBI Master Circular on Mutual Funds dated June 27, 2024 and the fund manager will rebalance the portfolio within 30 calendar days from the date of deviation.

Portfolio re-balancing in case of passive breaches

Further, as per para 2.9 of SEBI Master Circular on Mutual Funds dated June 27, 2024, as may be amended from time to time, in the event of deviation from mandated asset allocation due to passive breaches (occurrence of instances not arising out of omission and commission of the AMC), the fund manager shall rebalance the portfolio of the Scheme within 30 Business Days. In case the portfolio of the Scheme 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 of the AMC. 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.

Further, in case the portfolio is not rebalanced within the aforementioned mandated plus extended timelines the AMC shall comply with the prescribed restrictions, the reporting and disclosure requirements as specified in para 2.9 of SEBI Master Circular on Mutual Funds dated June 27, 2024.

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, and meet the objective of the Plans under the Scheme. Such changes in the investment pattern will be for short term and defensive considerations and the Fund Manager will rebalance the portfolio within 30 days from the date of deviation.

In the event of such portfolio rebalancing, the Scheme will ensure that any purchase / redemption in the Underlying scheme(s) will not exceed 5% of the net assets of such Underlying scheme(s) on a single day.

B. WHERE WILL THE SCHEME INVEST?

The corpus of the Scheme will be predominantly invested in -

- Existing or prospective schemes of HSBC Mutual Funds / third party domestic mutual funds that invests in equity and equity related instruments, debt, money market instruments etc. depending upon the asset allocation pattern.
- Commodity based schemes including Gold /Silver ETFs
- Money market instruments including overnight instruments such as Collateralized Borrowing and Lending Obligations, Repurchase and reverse repurchase obligations in government securities and treasury bills.
- Cash or cash equivalents with residual maturity of less than 91 days will not be treated as creating any exposure.
- Pending deployment of funds of a Scheme in terms of investment objectives of the scheme, a mutual fund may invest them in short- term deposits of scheduled commercial banks, subject to such Guidelines as may be specified by the Board. The requirements of para 12.16 of SEBI Master Circular on Mutual Funds dated June 27, 2024 will be adhered to.

(For detailed definition and applicable regulations/guidelines for each instrument refer to Section II)

C. WHAT ARE THE INVESTMENT STRATEGIES?

The Scheme will invest predominantly in the existing and / or prospective schemes of HSBC Mutual Fund, units of third party domestic mutual funds and commodity-based schemes (including Gold /Silver ETFs). The scheme may also invest certain proportion of its corpus in money market instruments in order to meet liquidity requirements from time to time.

Disclosure on derivatives exposure for non-hedging purpose - Not applicable in case of FoF schemes as the scheme will not invest in derivatives, however, the underlying scheme may have exposure in derivatives.

Disclosure on derivatives products as part of investment strategy – Not Applicable

Portfolio Turnover

Portfolio turnover is defined as lesser of purchases and sales as a percentage of the average corpus of the Scheme during a specified period of time. The Scheme being an open-ended Scheme, it is expected that there would be a number of subscriptions and redemptions on a daily basis.

Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio(s). Active asset allocation would impact portfolio turnover.

This being Fund of Fund scheme, the portfolio turnover is not applicable.

D. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

Tier 1 Benchmark (Total Returns Index):

The performance of the Scheme / Plan(s) will be benchmarked as follows:

HSBC Multi Asset Active FOF: BSE 200 TRI (65%) + NIFTY Short Duration Debt Index (20%) +Domestic Price of Gold (10%) +Domestic Price of Silver (5%)

The Boards may review the benchmark selection process from time to time and make suitable changes as to use of the benchmark, or related to composition of the benchmark, whenever it deems necessary.

As mentioned in asset allocation table, the Scheme primarily intend to invest in the units of equity oriented, debt oriented and commodity based mutual fund schemes (including Gold and Silver ETFs) and money market instruments. The benchmark chosen for the aforesaid Scheme reflects the Underlying scheme's investment focus as per the allocation. The benchmark will enable the investors to arrive at a more informed judgement on performance of the Scheme.

Justification for Benchmark

The benchmark chosen for the scheme reflects the Underlying scheme's investment focus as per the asset allocation. It will also enable the investors to arrive at a more informed judgement on scheme's performance.

E. WHO MANAGES THE SCHEME?

Gautam Bhupal is the Fund manager of the Scheme.

The details of the Fund Manager(s) are:

Name of Fund Manager	Age (Years)	Educational Qualifications	Years of Experience with description
Gautam Bhupal	48	PGDBM, CA, CS, B.Com (Hons)	Over 20 years of experience in Research and Fund Management. **HSBC Asset Management (India) Private Limited** Vice President & Fund Manager, since October 2015 till date Vice President – Investment Management, from June 2015 to October 2016. Fund Manager for PMS Portfolios from July 2008 to June 2015 **UTI Asset Management Company** Equity Research Analyst from May 2004 to June 2008.

Other Schemes managed by the Fund Manager(s)

Name of the Scheme(s)	Fund Manager
HSBC Aggressive Hybrid Fund	Cheenu Gupta (Equity), Shriram Ramanathan (Fixed Income), Gautam Bhupal (Equity), Sonal Gupta (Foreign Securities), Mohd. Asif Rizwi (Fixed Income)
HSBC Aggressive Hybrid Active FOF	Gautam Bhupal (Equity), Mohd Asif Rizwi & Mahesh Chhabria (Fixed Income)
HSBC Balanced Advantage Fund	Neelotpal Sahai & Gautam Bhupal (Equity), Mahesh Chhabria & Mohd. Asif Rizwi (Fixed Income), Praveen Ayathan & Hitesh Gondhia (Arbitrage), Sonal Gupta (Foreign Securities)
HSBC Business Cycles Fund	Gautam Bhupal (Equity), Venugopal Manghat (Equity), Sonal Gupta (Foreign Securities)
HSBC Consumption Fund	Gautam Bhupal (Equity), Anish Goenka (Equity), Sonal Gupta (Foreign Securities)
HSBC ELSS Tax saver Fund	Abhishek Gupta (Equity), Gautam Bhupal (Equity), Sonal Gupta (Foreign Securities)
HSBC Infrastructure Fund	Venugopal Manghat (Equity), Gautam Bhupal (Equity), Sonal Gupta (Foreign Securities)
HSBC Large Cap Fund	Neelotpal Sahai (Equity), Gautam Bhupal (Equity), Sonal Gupta (Foreign Securities)
HSBC Tax Saver Equity Fund@	Gautam Bhupal (Equity), Sonal Gupta (Foreign Securities)
HSBC Value Fund	Venugopal Manghat & Gautam Bhupal (Equity), Sonal Gupta (Foreign Securities)

@Subscriptions stopped with effect from close of business hours of November 25, 2022

F. HOW IS THE SCHEME DIFFERENT FROM EXISTING SCHEMES OF THE MUTUAL FUND?

Comparison of Fund of Fund Schemes of HSBC Mutual Fund is as under. Please refer to weblink (Product Differentiation) for detailed comparative table.

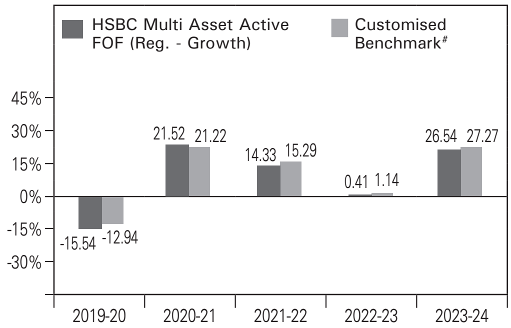
Sr. No.	Scheme Name	Scheme Category	Type of Scheme
1.	HSBC Asia Pacific (Ex Japan) Dividend Yield Fund	Fund of Funds (Overseas)	An open ended fund of fund scheme investing in HSBC Global Investments Fund - Asia Pacific Ex Japan Equity High Dividend Fund
2.	HSBC Brazil Fund	Fund of Funds (Overseas)	An open ended fund of fund scheme investing in HSBC Global Investments Fund - Brazil Equity Fund
3.	HSBC Global Emerging Markets Fund	Fund of Funds (Overseas)	An open-ended fund of fund scheme investing in HSBC Global Investment Funds - Global Emerging Markets Equity Fund
4.	HSBC Global Equity Climate Change Fund of Fund	Fund of Funds (Overseas)	An open ended fund of fund scheme investing in HSBC Global Investment Funds – Global Equity Climate Change
5.	HSBC Aggressive Hybrid Active FOF	Aggressive Hybrid FoF	An open-ended Aggressive Hybrid Active Fund of Fund scheme
6.	HSBC Income Plus Arbitrage FOF	Income plus Arbitrage FoF	An open-ended Income plus Arbitrage Active Fund of Fund scheme

G. HOW HAS THE SCHEME PERFORMED (if applicable)

Scheme performance as on February 28, 2025.

HSBC Multi Asset Active FOF (erstwhile HSBC Managed Solutions India - Moderate)

Compounded Annualised Returns	Scheme Returns %		Benchmark Returns %	
	Regular Plan	Direct Plan	Regular Plan	Direct Plan
Returns for the last 1 year	1.94	3.01	3.30	3.30
Returns for the last 3 years	9.73	10.72	10.50	10.50
Returns for the last 5 years	12.84	13.73	14.06	14.06
Returns since inception	11.16	11.74	12.48	12.48
Date of Inception	30 April 2014			

Absolute Returns for each financial year for the last 5 years

#Customised Benchmark -- CRISIL Hybrid 35+65 -Aggressive Index. **Past performance may or may not be sustained in the future.** **Performance of the benchmark is calculated as per the Total Return Index (TRI).** Returns are of growth option. The returns for the respective periods are provided as on last business day of February 2025. Returns 1 year and above are Compounded Annualized. Standard benchmark is prescribed by SEBI and is used for comparison purposes. Performance details shown above is for HSBC Managed Solutions India - Moderate plan. The scheme HSBC Multi Asset Active FOF is became an effective scheme with effect from March 13, 2025. The revised benchmark i.e. BSE 200 TRI (65%) + NIFTY Short Duration Debt Index (20%) +Domestic Price of Gold (10%) +Domestic Price of Silver (5%) are effective from March 13, 2025. Hence, the above performance as on February 28, 2025 is given vis-à-vis the old benchmark.

H. ADDITIONAL SCHEME RELATED DISCLOSURES

i. Scheme's portfolio holdings (top 10 holdings by issuer and fund allocation towards various sectors.

Refer to the weblink (Top 10 holdings and Fund allocation towards various sectors) for Scheme's portfolio holdings.

ii. Disclosure of name and exposure to Top 7 issuers, stocks, groups and sectors as a percentage of NAV of the scheme in case of debt and equity ETFs/index funds through a functional website link that contains detailed description – Not Applicable for this scheme.

iii. Functional website link for Portfolio Disclosure :

– (Click here for Fortnightly Portfolio Disclosure).

– (Click here for Monthly Portfolio Disclosure).

– (Click here for Half Yearly Portfolio Disclosure).

iv. Aggregate investment as on February 28, 2025 in the Scheme by:

Category of Persons	Net Value		Market Value (in Rs.)
Concerned scheme's Fund Manager(s)	Units	NAV per unit	
Gautam Bhupal	3,772.927	33.3120	125,683.74

Note - Please note that Aggregate investment details of the concerned Fund Manager provided above is in the scheme existing as on February 28, 2025 i.e. HSBC Managed Solutions India - Moderate Plan

For any other disclosure w.r.t investments by key personnel and AMC directors including regulatory provisions in this regard kindly refer SAI.

v. Investments of AMC in the Scheme

The AMC shall not invest in any of the schemes unless full disclosure of its intention to invest has been made in the Scheme Information Document and that the AMC shall not be entitled to charge any fees on such investment.

Kindly refer (weblink - Investments of AMC in the Scheme) for Investments of AMC in the Scheme.

PART III - OTHER DETAILS

A. COMPUTATION OF NAV

i. Computation of NAV

The NAV of Units under the Scheme / Plan(s) / Option(s) shall be calculated as shown below:

$$\text{NAV (Rs.)} = \frac{\text{Market or Fair Value of Scheme's investments (+) Current Assets (-) Current Liabilities and Provisions}}{\text{No. of Units outstanding under the Scheme / Option}}$$

The Direct Plan shall have a separate NAV.

The NAVs of the Scheme / Plan(s) / Option(s) (including Direct Plans) will be calculated and disclosed on every Business Day. The NAVs of the Scheme shall be disclosed up to 4 decimal places. The valuation of the Scheme' assets and calculation of the Scheme' NAV shall be subject to audit on an annual basis and such regulations as may be prescribed by SEBI from time to time.

The AMC shall declare a separate NAV for the Direct Plan.

The NAV of the Segregated Portfolio shall be declared on daily basis.

For other details such as policies w.r.t computation of NAV, rounding off, investment in foreign securities, procedure in case of delay in disclosure of NAV etc. refer to SAI.

ii. Methodology for calculation of sale and re-purchase of units –

The Units of the Scheme are available for sale, repurchase and switch at applicable NAV based prices, subject to prevalent load provisions, if any, on every business day.

Sale Price

Sale Price = Applicable NAV Example

If the Applicable NAV is Rs. 15 and the sales load (i.e. Entry Load) is 0%, the sales price is calculated as follows: Sales Price = 15 * (1+ 0)

= 15*1

= 15^

(^Pursuant to levy of stamp duty, the number of units allotted on the sale price to the unitholders would be reduced to that extent of @0.005% of the transaction value. Please refer for more details under **"Section III –> Other Details → C. TRANSACTION CHARGES AND STAMP DUTY"** clause of this document.)

Repurchase Price

Repurchase Price = Applicable NAV * (1 - Exit Load, if any)

Example

If the Applicable NAV is Rs. 15 and the exit load applicable is 0.5%, the repurchase price is calculated as follows: Repurchase Price = 15 * (1 - 0.005)

= 15 * 0.995

= 14.925

The repurchase price however, will not be lower than 95% of the NAV subject to SEBI Regulations as amended from time to time.

For other details such as policies w.r.t computation of NAV, rounding off, investment in foreign securities, procedure in case of delay in disclosure of NAV etc. refer to SAI.

B. NEW FUND OFFER (NFO) EXPENSES

These expenses were incurred for the purpose of various activities stationery related to the NFO like sales and distribution fees, paid marketing and advertising, registrar expenses, printing and stationary, bank charges etc.

The NFO expenses of HSBC Multi Asset Active FOF (erstwhile HSBC Managed Solutions India - Moderate Plan) were borne by the AMC and were not charged to the scheme.

C. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc.

As per the limits prescribed under sub-regulation 6 and 6A of Regulation 52 of the SEBI Regulations and shall not exceed the limits prescribed there under as a percentage limit of daily net assets in the table below:

The AMC has estimated that as per the Regulation 52(6)(a)(ii), the scheme investing a minimum of sixty-five per cent of assets under management in equity oriented schemes as per scheme information document, the total expense ratio of the scheme including weighted average of the total expense ratio levied by the underlying scheme(s) shall not exceed 2.25 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 scheme(s) shall not exceed two times the weighted average of the total expense ratio levied by the underlying scheme(s), subject to the overall ceilings stated above.

Further, as per current Regulation 52 (6A), the additional recurring expenses that can be charged to Scheme shall be subject to a percentage limit of daily net assets as specified below:

Regulation 52 (6A) (a)	Brokerage and transaction costs (inclusive of GST) which are incurred for the purpose of execution of trades, shall be charged to the scheme as per Regulation 52(6A)(a) of SEBI (Mutual Funds) Regulations, 1996 not exceeding 0.12 per cent in case of cash market transactions and 0.05 per cent in case of derivatives transactions. With effect from April 1, 2023, to align with Indian Account Standards requirement, transactions cost incurred for the purpose of execution of trades are expensed out (viz. charged to Revenue Account instead of Capitalization (i.e. forming part of cost of investment)). Any payment towards brokerage and transaction cost, over and above the said 0.12 percent and 0.05 percent for cash market transactions and derivatives transactions respectively may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996.
Regulation 52 (6A) (b)	Expenses not exceeding of 0.30 per cent of daily net assets, if the new inflows from beyond Top 30 cities (B- 30**) are at least - (i) 30 per cent of gross new inflows in the scheme, or; (ii) 15 per cent of the average assets under management (year to date) of the scheme, whichever is higher. Additional TER shall be charged based on inflows from retail investors from beyond top 30 cities (B-30 cities). Inflows of amount upto Rs. 2,00,000/- per transaction, by individual investors shall be considered as inflows from retail investor. Provided further that, expenses so charged shall be utilised for distribution expenses incurred for bringing inflows from beyond Top 30 cities. Provided further that amount incurred as expense on count of inflows from such cities shall be credited back to the scheme in case the said inflows are redeemed within a period of one year from the date of investment. ** Beyond Top 30 (B30) cities shall mean beyond top 30 cities based on Association of Mutual Funds in India (AMFI) data on 'AUM by Geography - Consolidated Data for Mutual Fund Industry' as at the end of the previous financial year.
Regulation 52 (6A) (c)	Additional recurring expenses of upto 0.05% of daily net assets of the scheme towards the investment and advisory fees or various other permissible expenses. However, in accordance with para 10.1.7 of SEBI Master Circular on Mutual Funds dated June 27, 2024, AMC shall not charge any additional expense of upto 0.05% as per Regulation 52(6A) (c), if exit load is not being levied under the Scheme. Accordingly, upon levy or introduction of exit load under the Scheme, the additional expenses upto 0.05% under Regulation 52 (6A) (c) shall be levied, and upon removal of exit load under the Scheme, additional expense upto 0.05% under Regulation 52 (6A) (c) shall be discontinued in compliance with provisions of para 10.1.7 of SEBI Master Circular on Mutual Funds dated June 27, 2024.

For the actual current expenses being charged, the investor should refer to the website of the mutual fund.

The AMC has estimated the following maximum expenses of the Scheme. Please refer to the table below for indicative details

Expense Head	**% p.a. of daily Net Assets* (Estimated p.a.)**
Investment Management & Advisory Fee	Upto 2.25%
Audit fees/fees and expenses of trustees	
Custodial Fees	
Registrar & Transfer Agent Fees including cost of providing account statements / IDCW / redemption cheques / warrants	
Marketing & Selling Expenses including Agents Commission and statutory Advertisement	

Expense Head	% p.a. of daily Net Assets* (Estimated p.a.)
Costs related to investor communications	Upto 2.25%
Costs of fund transfer from location to location	
Cost towards investor education & awareness (at least 2 bps)$	
Brokerage & transaction cost pertaining to distribution of units#	
Goods & Services Tax on expenses other than investment and advisory fees	
Goods & Services Tax on brokerage and transaction cost	
Other Expenses (to be specified as per Reg 52 of SEBI MF Regulations)	
Maximum Total expenses ratio (TER) permissible under Regulation 52 (6) (c)	Upto 2.25%
Additional expenses under Regulations 52(6A)(c)	Upto 0.05%
Additional expenses for gross new inflows from specified cities^	Upto 0.30%

$ If Fund of Funds (FoFs) investing more than 80% of its NAV in the underlying domestic funds shall not be required to set aside 2bps of the daily net assets towards investor education and awareness initiatives.

The AMC may charge the following costs and expenses in addition to the total recurring expense limits as prescribed in the table above:

(a) #Brokerage and transaction costs (inclusive of GST) which are incurred for the purpose of execution of trades, shall be charged to the scheme as per Regulation 52(6A)(a) of SEBI (Mutual Funds) Regulations, 1996 not exceeding 0.12 per cent in case of cash market transactions and 0.05 per cent in case of derivatives transactions. With effect from April 1, 2023, to align with Indian Account Standards requirement, transactions cost incurred for the purpose of execution of trades are expensed out (viz. charged to Revenue Account instead of Capitalization (i.e. forming part of cost of investment)). Any payment towards brokerage and transaction cost, over and above the said 0.12 percent and 0.05 percent for cash market transactions and derivatives transactions respectively may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996;

(b) GST on investment management and advisory fees.

(c) ^In terms of AMFI letter no. 35P/MEM-COR/85-a/2022-23 dated March 02, 2023, the B-30 incentive structure is kept in abeyance with effect from March 01, 2023 and shall be re-instated at a later date as per the guidelines received from SEBI / AMFI in this regards.

The expenses of the Direct Plan will be lower than that of Regular Plan of the Scheme. No commission or distribution expenses will be charged under the Direct Plan.

The above expenses are subject to change and may increase / decrease as per actual and / or any change in the Regulations but the total recurring expenses that can be charged to the Scheme will be subject to limits prescribed from time to time under the SEBI (MF) Regulations.

Any other expenses which are directly attributable to the Scheme, may be charged with approval of the Board of Directors of Trustee Company within the overall limits as specified in the Regulations except those expenses which are specifically prohibited.

The AMC reserves the right to vary the expense ratios charged to the Scheme, at such frequencies as the AMC may decide, subject to the maximum SEBI permissible limits. The AMC would update the current expense ratios on the website at least three working days prior to the effective date of the change. This information is available on AMC's website at www.assetmanagement.hsbc.co.in.

***Impact of TER on returns of both Direct plan and Regular plan through an illustration is provided below for reference.**

Description			Regular Plan	Direct Plan
Collections at Day Zero		A	100,000,000	100,000,000
Purchase Price per unit		B	10	10
Units allotted to domestic investors	A/ B	C	10,000,000.00	10,000,000.00
Amount invested		D	100,000,000	100,000,000
Yield on investment		E	6%	6%
Expense ratio		F	1.65%	1.00%
AUM after one month				
AUM including Yield	(D*E))/12+D	G	100,500,000	100,500,000
Expenses (for one month) (INR) - approximated at average of opening and closing AUM	((A+G)/2)* F)/12	H	137,844	83,542

Description			Regular Plan	Direct Plan
AUM after one month	G-H	I	100,362,156	100,416,458
NAV per unit	I/C	J	10.0362	10.0416
Annualized returns (Pre Expenses) %	(G-D) / D*100*12	K	6.00	6.00
Annualized returns (Post Expenses) %	(I-D) / D*100*12	L	4.35	5.00

This being a fund of funds Scheme, the investors should note that the expenses to be borne by the investor includes the recurring expenses of the Underlying scheme in which Fund of Funds Scheme makes investments subject to the maximum limits prescribed under sub-regulation 6 & 6A of Regulation 52 of the SEBI Regulations.

All scheme related expenses including commission paid to distributors, by whatever name it may be called and in whatever manner it may be paid, shall be paid from the scheme only within the regulatory limits and not from the books of the Asset Management Company (AMC), its associate, sponsor, Board of Directors of Trustee Company or any other entity through any route. Provided that the expenses that are very small in value but high in volume may be paid out of AMC's books. Such expenses shall be paid out of AMC's books at actuals or not exceeding 2 bps of scheme AUM, whichever is lower. The AMC shall pay from its books only those expenses which are part of the miscellaneous expenses list provided by AMFI. Such expenses incurred by AMC shall be properly recorded and audited in the books of account of AMC at year end.

D. LOAD STRUCTURE

Exit Load is an amount which is paid by the investor to redeem the units from the Scheme. This amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC at www.assetmanagement.hsbc.co.in or may call at ISC or your distributor.

Repurchases could attract an exit load (as a % of the Applicable NAV for redemptions). Unitholders should note that the AMC retains the right to change exit load as per the provisions below:

The repurchase price, however, will not be lower than 95% of the NAV subject to SEBI Regulations as amended from time to time.

Type of Load	Load Structure (Including SIP / STP / SWP, wherever applicable) for Scheme / Plans. Load chargeable (as %age of NAV)
Exit Load	i. In respect of each purchase / switch-in of Units, an Exit Load of 1% is payable if Units are redeemed / switched- out within 1 year from the date of allotment. ii. No Exit Load will be charged, if Units are redeemed / switched-out after 1 year from the date of allotment. • No Exit load will be chargeable in case of switches made between different options of the Scheme. • No Exit load will be chargeable in case of Units allotted on account of IDCW reinvestments, if any. • Exit load is not applicable for Segregated Portfolio. The exit load set forth above is subject to change at the discretion of the AMC and such changes shall be implemented prospectively.

Units issued on reinvestment of IDCW shall not be subject to exit load for existing as well as prospective investors. The exit load charged, if any, will be credited to the schemes. Goods & Service tax on exit load, if any, will be paid out of the exit load proceeds and exit load net of Goods & service tax, if any, will be credited to the scheme. Exit load is not applicable for Segregated Portfolio.

The investor is requested to check the prevailing load structure of the Scheme before investing. For any change in load structure AMC will issue an addendum and display it on the website / Investor Service Centres.

Subject to the Regulations, the Board of Directors of Trustee Company reserve the right to modify / alter the load structure and may decide to introduce a differential load structure on the Units redeemed on any Business Day. Such changes will be applicable prospectively. The changes may also be disclosed in the Statements of Account issued after the introduction of such load.

Any imposition or enhancement of Load in future shall be applicable on prospective investments only. At the time of changing the Load Structure:

(i) The addendum detailing the changes will be attached to the SID and Key Information Memorandum. The addendum will be circulated to all the distributors / brokers so that the same can be attached to all the SIDs and Key Information Memorandum already in stock.

(ii) Arrangements will be made to display the changes / modifications in the SID in the form of a notice in all the Investor Service Centres and distributors / brokers' office.

(iii) The introduction of the Exit Load along with the details will be stamped in the acknowledgement slip issued to the investors on submission of the application form and will also be disclosed in the Account Statement or in the covering letter issued to the Unit holders after the introduction of such Load.

(iv) A notice for change in Exit Load shall be uploaded on the website of the Mutual Fund.

(v) Any other measures which the mutual fund may feel necessary.

SECTION II

I. INTRODUCTION

A. DEFINITIONS/INTERPRETATION

Investors are requested to refer to weblink (Definition) for detailed descriptions of the words and expressions used in this SID.

INTERPRETATION

For all purposes of this Scheme Information Document, except as otherwise expressly provided or unless the context otherwise requires:

- The terms defined in this SID include the plural as well as the singular.
- Pronouns having a masculine or feminine gender shall be deemed to include the other.
- All references to "US$" refer to United States Dollars and "Rs." or "₹" refer to Indian Rupees. A "crore" means "ten million" and a "lakh" means a "hundred thousand".
- The contents of the SID are applicable to all the Scheme covered under this SID, unless specified otherwise.
- All references to timings relate to Indian Standard Time (IST).
- Words / phrases not defined herein shall have meanings as defined under SEBI (MF) Regulations.
- All references to "Master Circular" refer to Master Circular for Mutual Funds issued by SEBI dated June 27, 2024 as amended from time to time.

B. RISK FACTORS

Scheme Specific Risk Factors

Risk factors associated with the Scheme

- Investments in the Underlying scheme will have all the risks associated with investments in equity and Debt markets.
- The portfolio disclosure of the Scheme will be largely limited to the investments made by the Scheme.
- This being a fund of funds Scheme, the investors should note that the expenses to be borne by the investor include the recurring expenses of the Underlying scheme in which Fund of Funds Scheme makes investments subject to the maximum limits prescribed under sub-regulation 6 & 6A of Regulation 52 of the SEBI Regulations.
- If the Underlying scheme declares a non-business day, the AMC will also declare it a non-business day for this Scheme. If this information is received later in the day and the local feeder fund has already accepted transaction, such transactions will be processed at the NAV of the next business day. This may impact liquidity of investors of local scheme.
- **Liquidity risk of underlying instruments**

  There could be liquidity risk on account of illiquidity issues in underlying funds for example, underlying fund creating a segregated portfolio due to default in its exposures.

  To maintain liquidity at the feeder fund level, the AMC will invest upto 5% in Money Market instruments (including TREPS & reverse repo in government securities) and units of domestic mutual funds to provide from a liquidity perspective.

  Restructuring / Rescheduling Risk: There could be cases of restructuring / re-scheduling of particular debt / money market instruments held in the portfolio which could result in the maturity of these instruments going beyond the original maturity date of the instrument. In such cases the fund manager may be constrained to sell these instruments in the market at realizable value and pass on the loss / impact to investors under the Scheme.

  Operational Risk - Given that the FOF structure will involve splitting each subscription and redemptions into the respective funds; there is enhanced operational risk.

  The Scheme will invest in a combination of equity funds, debt fund, and money market instruments hence, the performance of the scheme would depend upon the performance of Underlying schemes.

  The investor will be exposed to the risk of the global markets and currency risk arising out of the investment in the Underlying scheme which invests in securities denominated in foreign currencies (eg US Dollars). The investor will also be exposed to delays in redemption if the global market is closed.

  Investments in Underlying Debt schemes will have all the risks associated with the debt markets including interest rate risk, duration risk, credit risk and reinvestment risk.

Risk associated with investing in foreign securities, derivatives, unrated, securitized debt, short selling and securities lending –

The Scheme will not have any exposure to Foreign securities, derivative instruments, securitized debt or unrated instruments and shall not undertake any short selling or securities lending. However, the Underlying schemes may take exposure to the above mentioned securities. The domestic Underlying schemes of HSBC and other than HSBC schemes may take exposure to the above mentioned securities as per the limits provided (if any) in the Scheme Information Document of the respective Underlying schemes and applicable SEBI Regulations from time to time. For risk associated with the same refer risk factors provided below for Underlying scheme.

Risk associated with short selling and securities lending by Underlying schemes

- **Short Selling Risk:** The risk associated with upward movement in market price of security sold short may result in loss. The losses on short position may be unlimited as there is no upper limit on rise in price of a security.
- **Securities Lending:** The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of another party, in this case the approved intermediary, to comply with the terms of agreement entered into between the lender of securities i.e. the Scheme(s) and the approved intermediary. Such failure to comply can result in the possible loss of rights in the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary. The Mutual Fund may not be able to sell such lent securities and this can lead to temporary illiquidity.

Risk Factors associated with investments in Money Market instruments .

- Investments in money market instruments would involve a moderate credit risk i.e. risk of an issuer's liability to meet the principal payments.
- Money market instruments may also be subject to price volatility due to factors such as changes in interest rates, general level of market liquidity and market perception of credit worthiness of the issuer of such instruments.
- The NAV of the Scheme's Units, to the extent that the corpus of the Scheme is invested in money market instruments, will be affected by the changes in the level of interest rates. When interest rates in the market rise, the value of a portfolio of money market instruments can be expected to decline.

Risk factor associated with legal, tax and regulatory risk

The Schemes could be exposed to changes in legal, tax and regulatory regime which may adversely affect it and / or the investors. Such changes could also have retrospective effect and could lead to additional taxation imposed on the Schemes which was not contemplated either when investments were made, valued or disposed off.

Risk Factors of Underlying scheme

The Underlying schemes having exposure to equity and equity related securities and / or fixed income securities will be subject to the following risks which may in turn affect the performance of the Scheme. There can be no assurance that the Underlying scheme will achieve its investment objectives and past performance should not be seen as a guide to future returns.

Risk associated with investments in Equity & Equity related securities by the Underlying schemes

- Equity instruments by nature are volatile and prone to price fluctuations on a daily basis due to both macro and micro factors. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments. Different segments of financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Scheme(s) to make intended securities' purchases due to settlement problems could cause the Scheme(s) to miss certain investment opportunities. In the view of the Fund Manager, investing in mid and small cap stocks are riskier than investing in large cap Stocks.
- **Market Risk:** The Underlying scheme's investments are subject to the risks inherent in all investments in Securities i.e. the value of holdings may fall as well as rise. As the Underlying scheme invests primarily in equities, investors are exposed to stock market fluctuations and the financial performance of the companies held in the Underlying scheme's portfolio.
- **Currency Risk:** As the Underlying scheme could invest in securities which are denominated in foreign currencies (e.g. US Dollars), fluctuations in the exchange rates of these foreign currencies may have an impact on the income and value of the Scheme. The assets in which the Underlying scheme is invested and the income from the assets will or may be quoted in currencies which are different from the Underlying scheme's base currency. The performance of the Underlying scheme will therefore be affected by movements in the exchange rate between the currencies in which the assets are held and the Underlying scheme's base currency and hence there can be the prospect of additional loss or the prospect of additional gain to the investors greater than the usual risks of investment. The performance of the Underlying scheme may also be affected by changes in exchange control regulations.
- The investment manager to the Underlying scheme is permitted, but not obliged, to use hedging techniques to attempt to offset market and currency risks. There is no guarantee that hedging techniques will achieve the desired result.

- **Liquidity Risk:** Investors should be aware that the investments of the Underlying scheme could be negatively impacted by low liquidity and poor transparency of some of the exchanges where the investments are made. Investments may also become illiquid which may constrain the ability of the investment manager of the Underlying scheme to realize some or all of the portfolio. 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.
- **Country Risk:** As the underlying portfolio could invest in stocks of different countries, the portfolio shall be exposed to the social, economic, political and settlement risks with respect to each country.
- **Sector Concentration Risk:** The underlying portfolio may have high concentration in a particular sector. The performance of the Scheme could be sensitive to movements in these sectors.
- **Emerging Market Risk:** As the Underlying Scheme could invest in emerging markets, investors are advised to consider carefully the special risks of investing in equity and equity equivalent securities of companies which have their registered office in, and with an official listing on a major stock exchange or other regulated market of emerging market countries, as well as those companies which carry out a preponderant part of their business activities in emerging market countries. Economies in Emerging Markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be affected adversely by economic conditions in the countries in which they trade. Brokerage commissions, custodial services and other costs relating to investment in Emerging Markets generally are more expensive than those relating to investment in more developed markets. The risk also exists that an emergency situation may as a result of which trading of securities may cease or may be substantially curtailed and prices for a sub-fund's securities in such markets may not be readily available.
- **Legal, tax and regulatory Risk:** The Underlying scheme could be exposed to changes in legal, tax and regulatory regime which may adversely affect it and the investors. Such changes could also have retrospective effect and could lead to additional taxation imposed on the Scheme which was not contemplated either when investments were made, valued or disposed off.
- **NAV Alignment Risk:** The cut off timing of NAV is aligned to the Underlying scheme's NAV. HSBC Asset Management India will only declare NAV, after receiving the NAV of the Underlying scheme.

Investments in Debt Instruments by the Underlying schemes.

The Underlying scheme(s) proposes to invest in debt and related instruments and the risk factors pertinent to the same are:

- **Price-Risk or Interest Rate Risk:** As with all debt securities, changes in interest rates may affect the NAV of the Scheme(s) as the prices of securities increase as interest rates decline and decrease as interest rates rise. Prices of long-term securities generally fluctuate more in response to interest rate changes than do short-term securities. Indian debt markets can be volatile leading to the possibility of price movements up or down in fixed income securities and thereby to possible movements in the NAV.
- The change in value of a security, for a given change in yield, is higher for a security with higher duration and vice versa. Hence portfolios with higher duration will have higher volatility which leads to duration risk.
- Government securities do carry price risk depending upon the general level of interest rates prevailing from time to time. The extent of fall or rise in the prices is a function of the coupon rate, days to maturity and the increase or decrease in the level of interest rates. The price of the Government securities (existing and new) is influenced only by movements in interest rates in financial systems.
- In the case of floating rate instruments, an additional risk could be due to the change in the spreads of floating rate instruments. If the spreads on floating rate papers rise, then there could be a price loss on these instruments. Secondly in the case of fixed rate instruments that have been swapped for floating rates, any adverse movement in the fixed rate yields vis-à-vis swap rates could result in losses. However, floating rate debt instruments which have periodical interest rate reset, carry a lower interest rate risk as compared to fixed rate debt instruments. In a falling interest rate scenario the returns on floating rate debt instruments may not be better than those on fixed rate debt instruments.
- **Liquidity or Marketability Risk:** This refers to the ease with which a security can be sold at or near to its valuation yield-to- maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is today characteristic of the Indian fixed income market.
- **Credit Risk:** Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e. will be unable to make timely principal and interest payments on the security). A sovereign security carries no default risk since Government raises money to meet its capital and revenue expenditure by issuing these debt or discounted securities. As the payment of interest and principal amount has a sovereign status implying no default, such securities are popularly known as "riskfree security" or "Zero Risk security". Thus Zero-Risk is the lowest risk, even lower than a security with "AAA" rating and hence commands a yield, which is lower than a yield on "AAA" security. Normally, the value of a fixed income security will fluctuate depending upon the changes in the perceived level of credit risk as well as any actual event of default. The greater the credit risk, the greater the yield required for someone to be compensated for the increased risk. Because of this risk, corporate debentures are sold at a yield above those offered on Government Securities, which are sovereign obligations.

- **Reinvestment Risk:** This risk refers to the interest rate levels at which cash flows received from the securities in the Scheme(s) 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.

  However declining interest rates normally lead to increase in bond prices which may help cushion the impact of reinvestment risk to some extent.
- **Prepayment Risk:** The risk associated with the early unscheduled return of principal on a fixed-income security. The early unscheduled return of principal may result in reinvestment risk.
- **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 portfolio of the Scheme.
- **Market risk:** Lower rated or unrated securities are more likely to react to developments affecting the market and the credit risk than the highly rated securities which react primarily to movements in the general level of interest rates. Lower rated or unrated securities also tend to be more sensitive to economic conditions than higher rated securities.
- In addition to the factors that affect the values of securities, the NAV of Units of the Scheme will fluctuate with the movement in the broader fixed income market, money market and derivatives market and may be influenced by factors influencing such markets in general including but not limited to economic conditions, changes in interest rates, price and volume volatility in the bond and stock markets, changes in taxation, currency exchange rates, foreign investments, political, economic or other developments and closure of the stock exchanges.

Risk of investments in unrated instruments:

Investments in the unrated instruments shall be subject liquidity risk, credit risk, market risk, interest rate risk, reinvestment risk etc. Also, as the unrated instruments are not being rated by the Credit Rating Agencies, there is no external credit risk assessment available for such instruments, hence, the investor will be exposed to risk associated with investments in un-rated instruments.

Risks associated with investment in third party Schemes

AMIN would have no control over investments done by the underlying third party schemes. AMIN shall not be able to monitor liquidity, credit, concentration and other investment risks like it does for in house schemes. The fund manager shall take these metrics into account while taking exposure to third party schemes

Risk factors associated with underlying scheme investing in REITs and InvITs

The Underlying scheme may also invest in REITs and InvITs which may subject the scheme to the following risks:

- **Market Risk:** REITs and InvITs Investments are volatile instruments and are subject to price fluctuations on a daily basis owing to the market conditions and factors impacting the underlying assets. Fund Manager will do the necessary due diligence but actual market movements may be at variance with the anticipated trends.
- **Liquidity Risk:** The liquidity of the investments could, at times, be restricted by trading volumes, settlement periods, dissolution of the trust, potential delisting of units on the exchange etc. Hence, the time taken by the Fund Manager for liquidating the investments in the scheme may be longer than anticipated. As these products are new to the market they are likely to be exposed to liquidity risk.
- **Reinvestment Risk:** Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, interest payments, etc. Depending upon the market conditions, interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. As a result, the proceeds may get deployed at a lower yield.
- **Regulatory / Legal Risk:** REITs and InvITs being new asset classes, regulatory guidelines may be evolving in nature which may impact the investments in REITs and InvITs.

Risks associated with investing in securitised debt by Underlying Scheme

- **Securitised Debt:** Securitised debt papers carry credit risk of the Obligors and are dependent on the servicing of the PTC / Contributions etc. However these are offset suitably by appropriate pool selection as well as credit enhancements specified by Rating Agencies. In cases where the underlying facilities are linked to benchmark rates, the securitised debt papers may be adversely impacted by adverse movements in benchmark rates. However this risk is mitigated to an extent by appropriate credit enhancement specified by rating agencies. Securitised debt papers also carry the risks of prepayment by the obligors. In case of prepayments of securities debt papers, it may result in reduced actual duration as compared to the expected duration of the paper at the time of purchase, which may adversely impact the portfolio yield. These papers also carry risk associated with the collection agent who is responsible for collection of receivables and depositing them. The Investment team evaluates the risks associated with such investments before making an investment decision.

- The underlying assets in the case of investment in securitised debt could be mortgages or other assets like credit card receivables, automobile / vehicle / personal / commercial / corporate loans and any other receivables / loans / debt.

The risks associated with the underlying assets can be described as under:

Credit card receivables are unsecured. Automobile / vehicle loan receivables are usually secured by the underlying automobile / vehicle and sometimes by a guarantor. Mortgages are secured by the underlying property. Personal loans are usually unsecured. Corporate loans could be unsecured or secured by a charge on fixed assets / receivables of the company or a letter of comfort from the parent company or a guarantee from a bank / financial institution. As a rule of thumb, underlying assets which are secured by a physical asset / guarantor are perceived to be less risky than those which are unsecured. By virtue of this, the risk and therefore the yield in descending order of magnitude would be credit card receivables, personal loans, vehicle / automobile loans, mortgages and corporate loans assuming the same rating.

Risks associated with Segregated Portfolio

- **Liquidity risk -** Segregated Portfolio is created to separate debt and money market instruments affected by a Credit Event from the Main Portfolio of the Scheme. The Fund will not permit redemption of the Segregated Portfolio units, but the units will be listed on a recognized stock exchange. The Fund is not assuring any liquidity of such units on the stock exchange. Further, trading price of units on the stock exchange may be significantly lower than the prevailing NAV. Investors can continue to transact (subscribe / redeem) from the Main Portfolio. Therefore, redeeming the entire investment may not be possible from FOF to the extent of underlying fund triggering segregated portfolio due to downgrade/ default in its debt exposures.
- **Credit risk –** While the AMC will put in sincere efforts to recover the securities in the Segregated Portfolio and distribute the same to unit holders, because such securities are affected by credit event, it is likely that such securities may not realize any value leading to losses to investors.

Risks associated with transaction in Units through Stock Exchange mechanism

- In respect of transactions in Units of the Scheme routed through the BSE StAR MF platform or any other recognised stock exchange platform as intimated by the AMC, allotment and redemption of Units on any Business Day will depend upon the order processing/settlement by BSE, or such other exchange and their respective clearing corporations on which the Fund has no control. Further, transactions conducted through the stock exchange mechanism shall be governed by the operating guidelines and directives issued by BSE or such other recognised exchange in this regard.

Risk associated with investments in Gold/Silver ETFs:

- To the extent the Scheme's assets are invested in Gold/Silver ETFs, the risks associated with the underlying Gold / Silver ETFs, will also be applicable.
- Generally, the investments in ETFs are exposed to tracking error risk, passive management risk and price volatility risk. The Scheme would invest in Gold/Silver ETFs and thus the NAV of the scheme will react to Gold/Silver price movements. Several factors that may affect the price of gold/silver are as follows: - Global gold / silver supplies and demand, which is influenced by factors such as forward selling by gold/silver producers, purchases made by gold/ silver producers to unwind gold/silver hedge positions, central bank purchases and sales, productions and cost levels in major gold/silver producing countries
  - Investors' expectations with respect to the rate of inflation
  - Currency exchange rates
  - Interest rates - Investment and trading activities of hedge funds and commodity funds
  - Global or regional political, economic or financial events and situations
  - Changes in indirect taxes or any other levies
- Investors should be aware that there is no assurance that gold/silver will maintain its long-term value in terms of purchasing power in the future. In the event that the price of gold/silver declines, the value of investment is expected to decline proportionately.
- The returns from physical gold/silver in which the underlying Gold/Silver ETFs invest may underperform returns from the various general securities markets or different asset classes other than gold/silver. Different types of securities tend to go through cycles of outperformance and under-performance in comparison to the general securities markets.
- The units of Gold/Silver ETFs may trade above or below their NAV. The NAV of the Scheme will fluctuate with changes in the market value of the holdings. The trading prices will fluctuate in accordance with changes in their NAV as well as market supply and demand. However, given that units can be created and redeemed in Creation Units, it is expected that large discounts or premiums to the NAV will not sustain due to arbitrage opportunity available.
- The scheme will subscribe to the units of Gold/Silver ETFs according to the value equivalent to unit creation size as applicable. When subscriptions received are not adequate enough to invest in creation unit size, the subscriptions may be deployed in debt and money market instruments which will have a different return profile compared to gold/ silver returns profile. The Scheme may also purchase units of Gold/Silver ETFs from the secondary market in stock exchange when subscriptions received are not adequate enough to invest in creation unit size. Since the price of Gold/ Silver ETF units traded on stock exchange may be different from the NAV of Gold/Silver ETF due to liquidity, the Scheme may

at times purchase units which are higher in price than the value of gold/silver represented by them or indicative NAV (iNAV) of the Gold/Silver ETF. However, the Fund Manager would make best efforts to purchase units at a price which may be closer or equivalent to representative value of the gold/silver or indicative NAV (iNAV) of the Gold/Silver ETF.

- The units issued under the Scheme, when predominantly invested in Gold/Silver ETFs, will derive liquidity from the underlying Gold/Silver ETF having creation / redemption process in creation unit size of predefined quantity of physical gold/silver. At times prevailing market conditions may affect the ability of the underlying Gold/silver ETFs to sell gold/silver against the redemption request received.
- Furthermore, the endeavor would always be to get cash on redemptions from the underlying Gold/silver ETFs.

  However, in case the underlying Gold/Silver ETF is unable to sell for any reason, and delivers physical gold/silver, there could be delay in payment of redemption proceeds pending such realization.
- Additionally, the Scheme will seek to derive liquidity from trading units of underlying Gold/Silver ETFs on the exchange(s) in the secondary market which may be inherently restricted by trading volumes, settlement periods and transfer procedures. As there is no active secondary market for Gold/Silver ETFs, the processing of redemption requests at times may be delayed. In the event of an inordinately large number of redemption requests, or restructuring of the Scheme's investment portfolio, the processing of redemption requests may be delayed.
- Gold/Silver ETFs would ordinarily repurchase Units in Creation Unit Size. Thus Unit holding less than Creation Unit Size can only be sold through the secondary market on the Exchange. Further, the price received upon the redemption of Units of Gold/Silver ETFs may be less than the value of the gold/silver represented by them.
- Risks associated with handling, storing and safekeeping of physical gold/silver by underlying scheme would always be applicable to the scheme to the extent of its investment in gold/silver ETF. All physical gold/silver procured must follow the LBMA guidelines as per prescribed SEBI guidelines. Risk arises when part or all of the gold/silver held by the Fund could be lost, stolen or damaged and access to gold/silver may be restricted due to natural calamities or human actions. Loss or damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power. Loss due to aridity, humidity, exposure to light or extremes of temperature.

  Hence, the Custodian of the Gold/silver ETF is required to maintain insurance in regard to the business on terms and conditions and the custodian is also responsible for all costs arising from the insurance policies. The custodian taking delivery on behalf of the underlying schemes needs to ensure the weight, purity, and the source of gold/silver as specified under the LBMA guidelines. Since this is paramount to the SEBI guidelines the risk arises in violation of same. Safekeeping of physical gold/silver requires appropriate vaulting space, confirming to the best global standards.

  The vaulting agents engaged by the custodian needs to ensure the same.

C. RISK MITIGATION STRATEGIES

The Fund by utilizing a holistic risk management strategy will endeavor to manage risks associated with investing in the units of the underlying scheme. The risk control process involves identifying & measuring the risk process involves identifying & measuring the risk through various risk measurement tools.

Risks & Description	Risk Mitigants / Management Strategy
Market Risk : Value of holdings may fall as a result of market movements	Investment approach supported by comprehensive research
Currency Risk : Risk on account of exchange rate fluctuations	Investment Manager of Underlying scheme could use (there is no obligation) derivatives to hedge currency.
Country Risk : Risk on account of exposure to a single country	Investments in various economies to reduce the risk through diversification
Liquidity Risk : High impact costs	Robust process for periodic monitoring of liquidity
Legal / Tax / Regulatory Risk : Risk on account of changes in regulations	This risk is dependent upon a future event and will be clearly communicated to the investor. Comprehensive documentation including disclosures and disclaimers.
Emerging market risks and risks associated with foreign investments	The Fund will, where necessary, appoint intermediaries of repute as advisors, custodian / sub-custodians etc. for managing and administering foreign investments.
Sector Concentration Risk:	Investment across market capitalization spectrum and industries / sectors.
Valuation Risk : Risk on account of incorrect valuation	Valuation as per guidelines of Pricing and Valuation policy. Usage of third party valuation agent
Interest Rate Risk : Value of holdings may fall as a result of movements in interest rate	Determination of duration bands based on extensive macro-economic analysis.
Credit Risk: inability of the issuer to make timely principal and interest payments on the security	Internal Credit assessment to determine the repayment capabilities of the issuer with a reduced reliance on external ratings

II. INFORMATION ABOUT THE SCHEME

A. WHERE WILL THE SCHEME INVEST?

The corpus of Scheme will be predominantly invested in -

- Existing or prospective schemes of HSBC Mutual Funds / third party domestic mutual funds that invests in equity and equity related instruments, debt, money market instruments etc. depending upon the asset allocation pattern.
- Commodity based schemes including Gold /Silver ETFs
- Money market instruments including overnight instruments such as Collateralized Borrowing and Lending Obligations, Repurchase and reverse repurchase obligations in government securities and treasury bills.
- Cash or cash equivalents with residual maturity of less than 91 days will not be treated as creating any exposure.
- Pending deployment of funds of a Scheme in terms of investment objectives of the scheme, a mutual fund may invest them in short- term deposits of scheduled commercial banks, subject to such Guidelines as may be specified by the Board. The requirements of para 12.16 of SEBI Master Circular on Mutual Funds dated June 27, 2024 will be adhered to.

Procedure followed for Investment Decisions

All investment decisions, relating to the Scheme, will be undertaken by the AMC in accordance with the Regulations and the investment objectives specified in this SID. All investment decisions taken by the AMC in relation to the Scheme shall be recorded.

The Board of the AMC has constituted an Investment Management Committee that meets at periodic intervals. The Investment Management Committee, at its meetings, reviews all investments. The Committee also reviews the performance of the Scheme and general market outlook and formulates the broad investment strategy at their meetings.

It is the responsibility of the AMC to ensure that the investments are made as per the internal / Regulatory guidelines, investment objectives and in the best interest of the Unit holders of the Scheme. The Fund may follow internal guidelines as approved by the Board of the AMC and the Trustee Company from time to time. Internal guidelines shall be subject to change and may be amended from time to time in the best interest of the Unit holders. The amendments will be approved by the Board of the AMC and the Trustee Company of the Mutual Fund.

The Chief Investment Officer and Fund Managers shall present to the Board of the AMC and the Trustee Company periodically review the performance of the Scheme. The performance of the Scheme will be reviewed by the Boards with reference to the appropriate benchmarks.

Position of Debt Markets in India

The major players in the Indian debt markets today are banks, financial institutions, insurance companies and mutual funds. The instruments in the market can be broadly categorised as those issued by corporates, banks, financial institutions and those issued by state / central governments. The risks associated with any investment are - credit risk, interest rate risk and liquidity risk. While corporate papers carry credit risk due to changing business conditions, government securities are perceived to have zero credit risk. Interest rate risk is present in all debt securities and depends on a variety of macroeconomic factors. The liquidity risk in the corporate securities market is higher as compared to that in case of government securities. Liquidity in the corporate debt market has been improving due to the entry of more players and due to various measures taken by the regulators in this direction over a period of time. SEBI's directive of a compulsory rating by a rating agency for any public issuance over 18 months, dematerialisation, entry of private insurance companies, listing of debt securities and growth of fixed income mutual funds have enhanced liquidity in the corporate debt market. The setting up of clearing corporations, real time gross settlement and electronic clearing system for government securities have considerably enhanced the depth and width of the Indian debt markets and bringing it at par with developed markets.

The following table attempts to give a broad overview of the available instruments in the financial markets and their risk - return profile. The data is based on the market conditions as on the date of the Offer Document and may vary substantially depending upon the factors and forces affecting the securities market including the fluctuations in the interest rates.

The indicative yields and liquidity on various securities as on February 25, 2025 are as under:-

Issuer	Instrument	Maturity	Yields in %	Liquidity
GOI	Treasury Bill	91 days	6.35-6.40	Medium to High
GOI	Treasury Bill	364 days	6.50-6.55	Medium to High
GOI	Short Dated	1 – 3 Yrs	6.55-6.60	Medium
GOI	Medium Dated	3 – 5 Yrs	6.55-6.70	Medium to High
GOI	Medium Dated	5 – 10 Yrs	6.65-6.85	High
GOI	Long Dated	10 – 15Yrs	6.67-6.95	High
GOI	Long Dated	>15Yrs	7.05-7.15	Low to Medium
GOI	Reverse Repo / TREPS	1 – 14 days	6.00-6.50	High
Corporate Debt	Taxable Bonds (AAA)	364 days	7.50-8.00	Low to Medium

Issuer	Instrument	Maturity	Yields in %	Liquidity
Corporate Debt	Taxable Bonds (AAA)	1 – 3 Yrs	7.50-8.60	Medium
Corporate Debt	Taxable Bonds (AAA)	3 – 5 Yrs	7.25-8.00	Medium
Corporate Debt	Taxable Bonds (AAA)	5 – 10 Yrs	7.20-8.10	Medium
Corporate Debt	CPs (A1+)	3 months	7.50-9.55	Low to Medium
Corporate Debt	CPs (A1+)	1 Year	7.60-9.90	Low to medium

B. WHAT ARE THE INVESTMENT RESTRICTIONS?

Investment Restrictions for the Scheme

All investments by the Scheme and the Mutual Fund, will always be within the investment restrictions as specified in the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time. Pursuant to the Regulations, the following investment and other restrictions are presently applicable to the Scheme:

1. A fund of funds scheme shall not invest in any other fund of funds scheme;
2. A fund of funds scheme shall not invest its assets other than in schemes of mutual funds, except to the extent of funds required for meeting the liquidity requirements for the purpose of repurchases or redemptions, as disclosed in the SID of the fund of funds scheme.
3. No Scheme of a Mutual Fund shall make any investment in any fund of funds scheme.
4. The Scheme shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of repurchase / redemption of Units or payment of interest and dividend to the Unitholders. Provided that the Fund shall not borrow more than 20% of the net assets of any individual Scheme and the duration of the borrowing shall not exceed a period of 6 months.
5. Pending deployment of funds of a Scheme in terms of investment objectives of the scheme, a mutual fund may invest them in short-term deposits of scheduled commercial banks, subject to such Guidelines as may be specified by the Board. The requirements of para 12.16 of SEBI Master Circular on Mutual Funds dated June 27, 2024 will be adhered to.
6. Transfer of investments from one Scheme to another Scheme in the Mutual Fund is permitted provided:
   (a) Such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and
   (b) The securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfer has been made.

   Further, as per para 12.30 of SEBI Master Circular on Mutual Funds dated June 27, 2024 has prescribed elaborate guidelines for inter-scheme transfers (IST). The key extracts are as follows:
   - ISTs shall be permitted only if other resources such as cash and cash equivalent, market borrowing, and selling securities in the market are exhausted.
   - ISTs will be permitted for rebalancing of portfolio only if there is a passive breach of regulatory limits or where duration, issuer, sector, and group rebalancing are required in both the transferor and transferee schemes.
   - No inter-scheme transfer of a security shall be allowed, if there is negative news or rumors in the mainstream media or an alert is generated about the security, based on internal credit risk assessment.
   - If the security gets downgraded within a period of four months following such a transfer, the fund manager of the buying scheme will have to provide detailed justification to the Board of Directors of Trustee Company for buying such a security.
7. The Scheme shall get the securities purchased or transferred in the name of the Fund on account of the concerned Scheme, wherever investments are intended to be of a long-term nature.
8. Every mutual fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities:

   Provided that a mutual fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by the Board: Provided further that a mutual fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by the Board. Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard.
9. The Scheme shall not make any investment in:
   (a) Any unlisted security of an associate or group company of the Sponsor; or
   (b) Any security issued by way of private placement by an associate or group company of the Sponsor; or
   (c) listed securities of group companies of the Sponsor which is in excess of 25% of the net assets of the Scheme of the Mutual Fund, except for investments by equity-oriented exchange traded funds and index funds, subject to such conditions as specified by SEBI from time to time.

10. The Scheme will not invest in any Underling scheme which invests more than 10% of its net assets in unlisted equity shares / equity related instruments.
11. No loans for any purpose shall be advanced by the Scheme.
12. The cumulative gross exposure through equity, debt and derivative positions, shall not exceed 100% of net assets of the Scheme. However, the following shall not be considered while calculating the gross exposure:
    a) Security-wise hedged position and
    b) Exposure in Cash or Cash equivalents with residual maturity of less than 91 days.
13. The Scheme will comply with any other regulations applicable to the investments of mutual funds from time to time.
14. All investments in equities and fixed income securities should be undertaken in dematerialised form.

The AMC shall comply with various investment restrictions and guidelines issued by SEBI from time to time.

The Board of Directors of Trustee Company may alter the above restrictions from time to time to the extent that changes in the Regulations may allow and as deemed fit in the general interest of the Unitholders.

It is the responsibility of the AMC to ensure that the investments are made as per the internal/Regulatory guidelines, Scheme investment objectives and in the best interest of the Unitholders of the Scheme. The Fund may follow internal guidelines as approved by the Board of the AMC and the Trustee Company from time to time. Internal guidelines shall be subject to change and may be amended from time to time in the best interest of the Unitholders. The amendments will be approved by the Board of the AMC and the Trustee Company of the Mutual Fund.

C. FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the scheme, in terms of Clause 1.14 of SEBI Master Circular for Mutual Funds dated June 27, 2024:

(i) Type of a scheme:

- o An open-ended Multi asset Fund of Fund scheme investing in equity, debt, commodity-based schemes (including Gold and Silver ETFs)
- o Fund of Funds scheme

(ii) Investment Objective

- **o Main Objective**

  The aim of the fund is to generate long-term capital growth and generate income by investing in Equity, Debt & commodity-based schemes (including Gold /Silver ETFs) and money market instruments.

  However, there is no assurance that the investment objective of the scheme will be achieved.

- **o Investment pattern –**

  The Tentative portfolio break-up with minimum and maximum asset allocation, while retaining the option to alter the asset allocation for a short-term period on defensive considerations. Please refer Section I – Part II – **A. How will the Scheme allocate its assets?** for more details.

(iii) Terms of Issue

- o Liquidity provisions such as listing, repurchase, redemption – Please refer to the relevant provisions under **"Part III – II. Information about the Scheme - D. Other Scheme Specific Disclosures"**
- o Aggregate fees and expenses charged to the scheme – Please refer to **"Part III – C. Annual Scheme Recurring Expenses."**
- o Any safety net or guarantee provided – **Not applicable, as the scheme does not provide any safety net or guarantee.**

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations and Clause 1.14.1.4 of SEBI Master Circular for Mutual Funds dated June 27, 2024 the Board of Directors of Trustee Company shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is carried out unless:

- SEBI has reviewed and provided its comments on the proposal.
- A written communication about the proposed change is sent to each Unitholder and an advertisement is given 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; and
- The Unitholders are given an option for a period of atleast 30 calendar days to exit at the prevailing Net Asset Value without any exit load.

D. OTHER SCHEME SPECIFIC DISCLOSURES:

Listing and transfer of units	**i) Listing:** Being an open ended Scheme under which sale and repurchase of Units will be made on continuous basis by the Mutual Fund, the Units of the Scheme are generally not proposed to be listed on any stock exchange. However, the AMC may at its sole discretion, list the Units under the Scheme on one or more stock exchanges at a later date, if deemed necessary **ii) Transfer of Units** The Unit holders are given an option to hold the Units by way of an Account Statement (physical form) or in Dematerialized (demat form). As described below, units held in Demat mode as well as in physical form (account statement) are transferable: **Transfer of units held in Demat mode:** Such units are transferable (subject to lock-in period, if any and subject to lien, if any marked on the units) in accordance with the provisions of SEBI (Depositories and Participants) Regulations, 2018, as may be amended from time to time. Transfer can be made only in favor of transferees who are capable of holding Units and having a Demat Account. The delivery instructions for transfer of Units will have to be lodged with the DP in requisite form as may be required from time to time and transfer will be effected in accordance with such rules / regulations as may be in force governing transfer of securities in dematerialized mode. Further, for the procedure of release of lien, the investors shall contact their respective DP. **Transfer of units held in physical form:** Units held in physical form are normally not certified. However, if an applicant so desires to transfer units, the AMC, upon submission of documents which will be prescribed from time to time, shall certify the units and issue a fresh statement / certificate to the extent of certified units to the investor within 5 business days of the receipt of request. If the investor intends to transfer units, it could be done to the extent of certified units mandatorily using the statement/certificate issued post certification of units. Certificate / statement issued post certifying of units must be duly discharged by the Unit holder(s) and surrendered along with the request for Transfer. AMC reserves the right to accept the request for certification of units The AMC reserves the right to reject the application for transfer, post acceptance of the same, if any of the requisite documents / declarations are unavailable or incomplete. Also, unitholders are required to surrender the certificate / statement in case they wish to carry out any other transactions (such as redemption, switch, etc.) post unit certification. A person becoming entitled to hold the Units in consequence of the death, insolvency, or winding up of the sole holder or the survivors of joint holders, upon producing evidence and documentation to the satisfaction of the Fund and upon executing suitable indemnities in favor of the Fund and the AMC, shall be registered as a Unit holder if the transferee is otherwise eligible to hold the Units. Where the Units of the Plan(s) are issued in demat form in the Demat account of the investor, the nomination as registered with the DP will be applicable to the Units of the Plan(s). A Nominee / legal heir approaching the Fund for Transmission of Units must have beneficiary account with a DP of CDSL or NSDL, since the Units shall be in demat mode. It may be noted that the nominee / legal heir is required to provide a copy of his / her PAN card as well as fulfill the Know Your Customer (KYC) requirements which is a pre-requisite for the transmission process. In the event of transmission of units to a Minor, documents submitted including KYC, bank attestation, indemnity etc. should be of the guardian of the minor. Investor(s) claiming transmission of Units in his / their name(s) are required to submit prescribed documents based on the kind of scenario for transmission. Kindly refer the Fund's website (www.assetmanagement.hsbc.co.in) for a ready reckoner matrix of necessary documents under different transmission scenarios. The Fund may also seek additional documents if the amount involved is above Rs. 5 lacs, on a case to case basis or depending upon the circumstances of each case.

	Pursuant to AMFI Best Practice Guidelines Circular No. 135/BP/116/2024-25 dated August 14, 2024, a facility for transfer of mutual fund units held in Statement of Accounts (SoA) mode is made available to investors under the mutual fund schemes (except for ETFs), with effective from **November 14, 2024,** under the following three categories: • To enable the surviving joint holder to add name(s) in the folio upon demise of one or more joinholder(s); • To facilitate transfer of units by the nominee of a deceased unitholder to the legal heirs post the transmission of units in the name of the nominee; • To enable addition of the name of a parent / guardian, sibling, etc. as joint holder(s) in the folio, when a minor unitholder becomes a major and changed the status from a minor to a major. This facility shall be available only through online mode via the transaction portals of our Registrar and Transfer Agent (i.e. CAMS) and the MF Central (as and when enabled), i.e., the transfer of units held in SoA mode shall not be allowed through physical/ paper based mode or via the stock exchange platforms, MFU, channel partners and EOPs etc. The Stamp duty for transfer of units, if/where applicable, shall be payable by the transferor. Unitholders can refer https://digital.camsonline.com/transfer for more details and can follow the process available on website of our CAMS if intends to transfer of their units in aforesaid scenarios. For further details, refer SAI.
Dematerialization of units	**Option to hold Units in dematerialized (Demat) form** An option is available to investors to receive allotment of mutual fund Units in their demat account while subscribing to any scheme of the Fund. Unit holders opting to hold the Units in demat form must provide their demat account details in the specified section of the application form and should furnish Bank Account details linked with their demat account. (Kindly refer the application form for Demat available on the Fund's website, www.assetmanagement.hsbc.co.in). Units will be credited to the investor's demat account after due verification and confirmation from NSDL / CDSL of the demat account details. The bank mandate registered in the demat account will be treated as the valid bank mandate for the purpose of payout by the Fund. The option to subscribe / hold Units in demat form shall be in accordance with the guidelines / procedural requirements laid down by the Depositories (NSDL / CDSL) from time to time. The option to hold Units in demat mode also includes allotment of Units made through SIP transactions in any scheme of the Fund, which offers the SIP facility. For SIP transactions, Units will be allotted as per 'Applicable NAV for Sale of Units' as mentioned under **Section II. 'Units and Offer'** and will be credited to the investor's demat account on a weekly basis upon realization of funds. The demat facility is currently not available in plans / options where the IDCW distribution frequency is less than 1 month. In case the Unit holder desires to hold the Units in a dematerialized / rematerialized form at a later date, the request for conversion of Units held in physical form into demat (electronic) form or vice-versa should be submitted along with a Demat / Remat Request Form to the Depository Participant. Unitholders will be required to submit all non-financial requests and redemption requests to their respective Depository Participant, for Units held in demat form. Such Units held in demat form will be transferable subject to the provisions laid down in the SID / SAI and / or KIM of the Fund and in accordance with provisions of Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as may be amended from time to time. The asset management company shall issue units in dematerialized form to a unit holder in a scheme within two working days of the receipt of request from the unit holder.
Minimum Target amount (This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return.)	Not applicable, as there is continuous offer of Units of the Scheme (s) at NAV based prices.

Maximum Amount to be raised (if any)	Not Applicable
Dividend (IDCW) Policy	**IDCW Distribution Policy** The Board of Directors of Trustee Company propose to follow the below dividend distribution policy: Declaration of dividend is subject to the availability of distributable surplus. Such dividends if declared, will be paid under normal circumstances, only to those Unitholders who have opted for Income Distribution cum capital withdrawal option (IDCW) with specified sub-options. Further, no entry/exit load shall be charged for units allotted under Reinvestment of IDCW option. However, it must be distinctly understood that the actual declaration of IDCWs under the Scheme and the frequency thereof will, inter-alia, depend upon the distributable surplus of the Scheme, as computed in accordance with SEBI Regulations. The Board of Directors of Trustee Company reserve the right of IDCW declaration and to change the frequency, date of declaration and the decision of the Board of Directors of Trustee Company in this regard shall be final. There is no assurance or guarantee to Unit holders as to the rate of IDCW distribution nor that IDCW will be regularly paid. The IDCW that may be paid out of the net surplus of the Scheme will be paid only to those Unit holders whose names appear in the register of Unit holders on the notified record date. In case of Units held in dematerialized mode, the Depositories (NSDL/CDSL) will give the list of demat account holders and the number of units held by them in demat form on the Record Date to the Registrars and Transfer Agent of the Mutual Fund. The IDCW will be at such rate as may be decided by the AMC in consultation with the Board of Directors of Trustee Company. Investors may please note that amounts distributed under Income Distributable cum capital withdrawal options and sub-options, can be made out of investors capital (Equalization Reserve), which is a part of sale price that represents realized gains. Under the Growth Option, income earned on the Scheme's corpus will remain invested in the Scheme and will be reflected in the Net Asset Value (NAV). Unit holders who opt for this Option will not receive any IDCW in normal circumstances. Under the Income Distribution cum Capital Withdrawal Option (IDCW), it is proposed to distribute IDCWs at regular intervals, subject to availability of distributable profits, as computed in accordance with SEBI Regulations. Investors in the Scheme have the choice of opting for either payout or reinvestment of IDCW, as stated above. Subsequent to the declaration of IDCW, NAV of the Income Distribution cum Capital Withdrawal Option (IDCW) and Growth Option will be different. **IDCW Distribution Procedure** In accordance with Chapter 11 and para 13.2 of SEBI Master Circular on Mutual Funds dated June 27, 2024, the procedure for IDCW Distribution would be as under: i. Quantum of IDCW and the record date will be fixed by the Board of Directors of Trustee Company in their meeting. IDCW so decided shall be paid, subject to availability of distributable surplus. ii. Within one calendar day of decision by the Board of Directors of Trustee Company, 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. iii. 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 for receiving IDCWs. As para 11.6.1.3 of SEBI Master Circular on Mutual Funds dated June 27, 2024, the record date shall be 2 working days from the date of public notice. iv. The notice will, in font size 10, bold, categorically state that pursuant to payment of IDCW, the NAV of the Option would fall to the extent of payout and statutory levy (if applicable). v. 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. vi. 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.

<table>
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<td>In case of Liquid / Debt Scheme(s), the requirement of giving notice regarding the quantum and record date of the dividend in two newspapers shall not be compulsory for Scheme(s) / Plan(s)/Option(s) having frequency of dividend distribution from daily up to monthly dividend.

The IDCW proceeds may be paid by way of IDCW warrants/direct credit / Electronic Funds Transfer (EFT) / any other manner through the investor's bank account specified in the Registrar's records. The AMC, at its discretion at a later date, may choose to alter or add other modes of payment. As per para 11.4 of SEBI Master Circular on Mutual Funds dated June 27, 2024 the AMC shall dispatch/transfer payment of the dividend proceeds within 7 working days from the record date.

If the actual amount of Payout of IDCW is less than Rs. 100/- then such dividend will be compulsorily and automatically re-invested by issuing additional units on the ex-dividend date at applicable NAV. The amount of dividend reinvested will be net of applicable taxes.

Further, AMC may use modes of dispatch such as speed post, courier etc. for payments to unitholders in addition to the registered post with acknowledgement due.

Please refer to the Statement of Additional Information (SAI) and instructions under the Key Information Memorandum cum Application form of the scheme for further details.</td>
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<td>Allotment (Detailed procedure)</td>
<td>i. Allotment of Units in the scheme
For Allotment of Units in the scheme, it shall be ensured that:
i. Application is received before the applicable cut-off time.
ii. Funds for the entire amount of subscription / purchase as per the application are credited to the bank account of the schemes before the cut-off time.
iii. The funds are available for utilization before the cut-off time without availing any credit facility whether intra-day or otherwise, by the schemes.

For allotment of units in respect of switch-in under the scheme, it shall be ensured that:
i. Application for switch-in is received before the applicable cut-off time.
ii. Funds for the entire amount of subscription / purchase as per the switch-in request are credited to the bank account of the respective switch-in schemes before the cut-off time.
iii. The funds are available for utilization before the cut-off time without availing any credit facility whether intra-day or otherwise, by the switch-in scheme.

The Mutual Fund shall calculate NAV for each business day in respect of the above scheme / plan(s).

Explanation: 'Business Day' does not include a day on which the money markets are closed or otherwise not accessible.

Further, it may be noted that:
1. Where funds are transferred / received first and application is submitted thereafter, date and time of receipt of the application shall be considered for NAV applicability.
2. In case of systematic transactions, NAV will be applied basis realization of funds in the scheme account. This shall be applicable for all Systematic transactions (Systematic Investment Plans as well as for Systematic Transfer Plans) irrespective of amount and registration date of the systematic transactions.

Applicable NAV for Sale of Units
<table>
<tr><th>Particulars</th><th>Applicable NAV</th></tr>
<tr><td>where the application is received upto 3:00 p.m. on a day and funds are available for utilization before the cut-off time</td><td>closing NAV of the day on which the application is received</td></tr>
<tr><td>where the application is received after 3:00 p.m. on a day and funds are available for utilization on the same day</td><td>closing NAV of the next business day</td></tr>
</table>
The Mutual Fund shall calculate NAV for each calendar day in respect of the Scheme/ Plan.</td>
</tr>
</table>

	Valid applications for 'switch-out' shall be treated as applications for Redemption and valid applications for 'switch-in' shall be treated as applications for Purchase, and the provisions of the Cut-off time, purchase / redemption price, minimum amounts for Purchase / Redemption and the Applicable NAV as applicable to Purchase and Redemption, as mentioned in above paragraph, shall be applied respectively to the 'switch-in' and 'switch-out' applications. Note: Repurchase / Redemptions including Switch-outs for Segregated Portfolio is not allowed. However, the unit of Segregated Portfolio will be listed on the recognized Stock Exchange. **ii. Dispatch of account statements/unit certificates** a. 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). b. A Consolidated Account Statement (CAS) detailing all the transactions across all mutual funds (including transaction charges paid to the distributor) and holding 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 by mail or email on or before 15th of the succeeding month. The default mode for dispatch of Consolidated Account Statement will be email. c. Half-yearly CAS shall be issued at the end of every six months (i.e. September / March) on or before 21st day of succeeding month, to all investors providing the prescribed details across all schemes of mutual funds and securities held in dematerialized form across demat accounts, if applicable. For further details, refer SAI.
Refund	Not applicable, as there is continuous offer of Units of the Scheme (s) at NAV based prices.
Who can invest This is an indicative list and investors shall consult their financial advisor to ascertain whether the scheme is suitable to their risk profile.	This is an indicative list and you are requested to consult your financial advisor to ascertain whether the Scheme is suitable to your risk profile. The following persons are eligible and may apply for subscription to the Units of the Scheme (subject, wherever relevant, to purchase of units of mutual funds being permitted and duly authorised under their respective constitutions, charter documents, corporate / other authorisations and relevant statutory provisions etc): • Adult individuals resident in India, either singly or jointly • Minor through parent / lawful guardian • Companies, Bodies Corporate, Public Sector Undertakings, Association of Persons, Bodies of individuals, Societies registered under the Societies Registration Act, 1860, mutual fund schemes (so long as the purchase of units is permitted under the respective constitutions) • Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and Private Trusts authorised to invest in mutual fund schemes under their trust deeds • Partnership Firms • Karta of Hindu Undivided Family (HUF) • Banks (including Co-operative Banks and Regional Rural Banks) & Financial Institutions • Non-resident Indians (NRIs) / Persons of Indian Origin on full repatriation basis (subject to RBI approval, if required) or on non-repatriation basis • Foreign Portfolio Investors (FPIs) registered with SEBI on full repatriation basis (subject to RBI approval, if required) • Army, Air Force, Navy and other para-military funds and eligible institutions • Scientific and Industrial Research Organizations • Provident / Pension / Gratuity and such other Funds as and when permitted to invest • International Multilateral Agencies approved by the Government of India / RBI • Other schemes of HSBC Mutual Fund subject to the conditions and limits prescribed in SEBI Regulations

	• The Board of Directors of Trustee Company, AMC or Sponsor or their associates (if eligible and permitted under prevailing laws), may subscribe to the Units under the Scheme. • Foreign investors (termed as Qualified Foreign Investors) who meet KYC requirement as per PMLA (Prevention of Money Laundering Act, 2002) and FATF (Financial Action Task Force) standards. Acceptance of subscriptions by Foreign investors will be subject to operational feasibility in accepting the same and compliance with provisions under SEBI circular no. CIR/IMD / DF/14/2011 dated August 9, 2011. • Sole Proprietorship • A Mutual Fund through its schemes, including Fund of Funds schemes
Who cannot invest	The following persons/entities cannot invest in the scheme of the Fund • United States Person as defined under US Law, means the laws of the US, its territories, possessions and all other areas subject to its jurisdiction. US Law shall additionally include all applicable rules and regulations, as supplemented and amended from time to time, as promulgated by any US regulatory authority, including, but not limited to, the Securities and Exchange Commission and the Commodity Futures Trading Commission. • Persons residing in Canada; • Persons residing in any Financial Action Task Force (FATF) declared non-compliant country or territory. • Overseas Corporate Bodies (OCBs), being firms and societies which are held directly / indirectly to the extent of at least 60% by NRIs and / or overseas trusts in which at least 60% of the beneficial interest is similarly held irrevocably by such persons. • a) Persons who are, subject to sanctions or residing in or have any of their addresses in countries which are subject to sanctions. b) Persons who are in breach of the laws and regulations relating to KYC, money laundering, terrorist financing or any other Financial Crimes. • Such other persons as may be specified by AMC from time to time. **Note:** a. Investors are requested to note that if subsequently an investor's status is changed to being a United States Person or investor's folio is updated with a US / Canada address, the AMC reserves the right to redeem such investor's investments. b. Non-Resident Indian investors must provide their complete overseas address, including the Country of residence, in the application form, to avoid rejection of the application. c. The Board of Directors of Trustee Company and / or AMC shall be entitled to reject any application from investors and / or carry out forceful redemption of Units when it is discovered that the investor is subject to sanctions or any other financial crimes, directly or indirectly. d. The AMC and its Group companies (in India and outside India) are required to and may take any action to meet their Compliance Obligations relating to or in connection with the detection, investigation and prevention of Financial Crime and act in accordance with the laws, regulations and requests of public and regulatory authorities operating in various jurisdictions which relate to Financial Crime. The AMC may take and may instruct (or be instructed by) any of its group companies to take, any action which it or such other member, in its sole and absolute discretion, considers appropriate to take in accordance with all such laws, regulations and requests. Such action may include but is not limited to (a) combining investor information with other related information in the possession of HSBC Group, (b) making further enquiries as to the status of a person or entity, whether they are subject to a sanctions regime, or confirming your identity and status and / or (c) share information on a confidential basis with such Group offices whether located in India or overseas in relation to prevention of Financial Crime.

	e. In case an investor who is a foreign national and resident in India, ceases to be resident in India, such investor will be required to redeem his / her investments prior to change in the resident status. The AMC reserves the right to redeem investments of such investors if their resident status is found to have changed to a country other than India. The redemption proceeds will be credited in Indian rupees only. Further, the AMC, its affiliates or service providers reserve the right to seek additional documents, implement controls and / or impose restrictions with respect to acceptance of investments from foreign nationals resident in India including the right to reject applications or subsequently redeem investments which are not in line with the controls deemed necessary by the AMC. f. Investors are requested to note that if subsequently an investor's status is changed to being a United States Person or investor's folio is updated with a US / Canada address, the AMC reserves the right to redeem such investor's investments. Even if the AMC, at its sole discretion, allows such categories of investors to continue with the existing investments in the Scheme (i.e. the investments made prior to such status change), the AMC / Fund shall not accept any further transactions requests (other than non-financial transactions and redemptions) from such investors and all existing systematic investment registrations would stand cancelled. In case of investors transferred to HSBC Mutual Fund from the erstwhile L&T Mutual Fund, who are United States Person or Persons residing in Canada, the existing investments from such investors in the Scheme (i.e. the investments made prior to such transfer) shall be allowed to be continued, however all existing systematic investment registrations would stand cancelled. **For the purpose of this clause:** "Compliance Obligations" means obligations of the AMC to comply with: (a) laws or international guidance and internal policies or procedures, (b) any demand or request from authorities or reporting disclosure or other obligations under laws, and (c) laws requiring us to verify the identity of our customers. "Financial Crime" includes money laundering, terrorist financing bribery, corruption, tax evasion, fraud, evasion of economic or trade sanctions, and / or any acts or attempts to circumvent or violate any laws relating to these matters." Investors are requested to note that information will be obtained from CVL / SEBI appointed KRA (KYC Registration Agency) database and information in the AMC records will be overwritten. In the event of any discrepancy in the application on account of address or residence status, the application will be rejected and the money will be refunded upon confirmation from CVL/ KRA database. The Fund reserves the right to include / exclude new / existing categories of investors to invest in the Scheme from time to time, subject to SEBI Regulations and other prevailing statutory regulations, if any. Subject to the SEBI Regulations, any application for Units may be accepted or rejected in the sole and absolute discretion of the Board of Directors of Trustee Company. The Board of Directors of Trustee Company may inter-alia reject any application for the purchase of Units if the application is invalid or incomplete or if the Board for any other reason does not believe that it would be in the best interest of the Scheme or its Unit holders to accept such an application.
How to Apply and other details	**1. Availability of Application Form** For Investors, who wish to opt for holding Units in demat mode, the applicants under the scheme (including a transferee) will be required to have a beneficiary account with a DP of NSDL / CDSL and will be required to indicate in the application the DP's name, DP ID Number and its beneficiary owner account number (BO ID) with DP. In the absence of the information (including incomplete / incorrect information) in respect of DP ID / BO ID, the application will be processed with statement option as 'physical'. Investors subscribing under Direct Plan of a Scheme are required to indicate "Direct Plan" against the Scheme name in the application form e.g. "HSBC Multi Asset Active FOF - Direct Plan". Investors are also required to indicate "Direct" in the ARN column of the application form. However, in case Distributor Code is mentioned in the application form but "Direct Plan" is indicated against the Scheme name, the Distributor Code will be ignored and the application will be processed under Direct Plan.

	Further, new investors who are not KYC compliant are requested to use the Common KYC Application form available on the website of the Fund and complete the KYC process including In-Person Verification (IPV), through any SEBI registered intermediary like Mutual Funds, Portfolio Managers, Depository Participants, Venture Capital Funds etc. The Investors can also complete online KYC (eKYC) through our Invest Online section on our website (https://invest.assetmanagement.hsbc.co.in). **Subscription of Units through Online platform:** The Fund allows its investors to invest in any scheme of HSBC Mutual Fund through its website https://invest.assetmanagement.hsbc.co.in and mobile application 'Invest Xpress' The Fund will also allow existing investors to transact through the website of the Fund's Registrar & Transfer Agent (CAMS), i.e. www.camsonline.com **2. Link for the list of official points of acceptance, collecting banker details etc.** The applications filled up and duly signed by the applicants may be submitted at the AMC Investor Service Centres(ISC) / CAMS Service Centre / Official Points of Acceptance. Please check weblink (List of Official Point of Acceptance (OPA), Collection Bankers etc.) for an updated list of the Official Points of Acceptance, collecting banker of HSBC Mutual Fund. For details on CAMS Service Centres, please visit www.camsonline.com. Additionally, website/mobile application of MFUI shall be eligible to be considered as 'official points of acceptance' for all financial and non-financial transactions in the schemes of HSBC Mutual Fund electronically. Further, all the authorized Point of Service (POS) of MFUI shall be eligible to be considered as 'official points of acceptance' for all physical financial and non-financial transactions in the schemes of HSBC Mutual Fund For further information kindly refer to the website of MFUI at www.mfuindia.com. Investors can also execute financial and non-financial transactions pertaining to Schemes of the Fund electronically on the MF Central portal i.e. https://www.mfcentral.com / as and when such facility is made available by MF Central. However, the Fund will not be liable for any failure to act upon electronic instructions or to provide any facility for any cause that is beyond the control of the Fund. **3. Details of Registrar and Transfer Agent (R&T) alongwith OPT** **Computer Age Management Services Limited (CAMS)** HSBC Mutual Fund Unit Rayala Tower-I, 158, Anna Salai, Chennai 600002. AMC Call Center: 1800-200-2434 / 1800-258-2434 AMC Email ID: investor.line@mutualfunds.hsbc.co.in For details on CAMS Service Centres, please visit www.camsonline.com. For the list of OPT and collecting banker, please click on the weblink provided under point # 2 above. **Beneficial Ownership:** SEBI circular dated January 24, 2013 read with SEBI Circular dated October 13, 2023 on identification of Beneficial Ownership has prescribed a uniform approach to be followed for determination of beneficial owners. A 'Beneficial owner' is defined as a natural person/s who ultimately own, control or influence a client and / or persons on whose behalf a transaction is being conducted, which includes persons who exercise ultimate effective control over a legal person or arrangement. All categories of investors (except individuals, company listed on a stock exchange or majority-owned subsidiary of such company) are requested to provide details about beneficial ownership in the specified section of the Fund's application forms. The Fund reserves the right to reject applications (including switches) / restrict further investments from such investors or seek additional information if the requisite information on beneficial ownership is not duly provided. In the event of change in beneficial ownership, investors are requested to update the details with the Fund / Registrar.

	Third party Cheques i. Third party payments (i.e where payment is made from a source other than that of the first holder) will not be accepted by the Fund, except if made under the following exceptional categories, namely, i) employer on behalf of employee as payroll deductions or deductions out of expense reimbursements for SIP / Lumpsum investments, ii) Custodian on behalf of FPI / client and iii) Payment by Asset Management Company (AMC) to a Distributor empaneled with it on account of commission / incentive etc. in the form of the Mutual Fund Units of the Funds managed by the AMC through Systematic Investment Plans or Lumpsum Investment (w.e.f January 16, 2012). iv) Payment by a Corporate to its Agent/Distributor / Dealer, on account of commission or incentive payable for sale of its goods / services, in the form of the Mutual Fund Units through Systematic Investment Plan or Lumpsum Investment (w.e.f. April 20, 2015). In such cases, KYC acknowledgement along with additional declarations will have to be submitted along with the application form, failing which the application will be rejected. Such declaration to be submitted in original & in the prescribed standard format and unique across each lumpsum investment. (Declaration formats can be obtained from ISCs or downloaded from the Fund's website.) ii. In case of payment from a joint bank account, first holder in the folio has to be one of the joint holders of the bank account from which the payment is made. Hence, joint holders may pre-register their bank accounts (single / multiple) with the AMC / RTA, by completing the Multiple Bank Account Registration Form, if they intend to make payment on behalf of other joint holder(s) in the folio. In such cases the application will be accepted and not treated as a third party payment. iii. Where the payment instrument does not mention the bank account holders name/s or Signature of the units holder as on the investment application does not match with the signature on the payment instrument, investor should attach a cancelled cheque leaf / bank pass book copy to substantiate that the first unit holder is one of the joint holders of the bank account. Where a payment is through a pre-funded instrument, a bank certification of the bank account no. and account holders name should be attached, in the required format. Pre-funded instrument issued against cash shall not be accepted for investments of Rs. 50,000 or more. iv. For RTGS / NEFT / online bank transfer etc., a copy of the instruction to the bank stating the account number debited must accompany the purchase application. v. The AMC reserves the right to reject the application, post acceptance of the same, if any of the requisite documents / declarations are unavailable or incomplete, in which case the AMC shall refund the subscription money. **Bank Account Numbers** In order to protect the interest of investors from fraudulent encashment of cheques, cheques specify the name of the Unitholder and the bank name and account number where payments are to be credited. As per the directive issued by SEBI vide its letters IIMARP/ MF / CIR/07/826/98 dated April 15, 1998, and para 14.12 of SEBI Master Circular on Mutual Funds dated June 27, 2024, it is mandatory for applicants to mention their bank details in their applications for purchase or redemption of units. It is important for applicants to mention their bank name, bank account number, branch address, and account type in their applications for subscription or repurchase of Units. Applications without this information shall be rejected. Where the Bank Account details provided for the purpose of Redemption/IDCW payout is different from the Bank Account, which is used for Subscription, then a proof of such bank account should be enclosed along with the Subscription application. Please refer Section II – Bank Mandate for more details. Please refer to the Statement of Additional Information (SAI) and instructions under the Key Information Memorandum cum Application form of the scheme for further details.
The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.	Presently the AMC does not intend to reissue the repurchased units. The Board of Directors of Trustee Company reserves the right to reissue the repurchased units at a later date after issuing adequate public notices and taking approvals, if any, from SEBI.

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<td>Restrictions, if any, on the right to freely retain or dispose of units being offered</td>
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i. Lien / Pledge of Mutual Fund units
If in conformity with the guidelines and notifications issued by SEBI / Government of India / any other regulatory body from time to time, Units under the Plan(s) may be offered as security by way of a pledge / charge in favor of scheduled banks, financial institutions, non-banking finance companies (NBFCs), or any other body.
Units held in physical form: The AMC and / or the ISC will note and record such pledged / Lien marked Units. A standard form for this purpose is available on request from any ISC and can be downloaded from the AMC’s website. Disbursement of such loans will be at the entire discretion of the bank / financial institution / NBFC or any other body concerned and the Mutual Fund assumes no responsibility thereof. The Pledgor will not be able to redeem / switch Units that are pledged until the entity to which the Units are Lien marked / pledged provides written authorization to the Mutual Fund that the pledge / lien charge may be removed. As long as Units are Lien marked / pledged, the pledgee will have complete authority to redeem such Units.
The distributions in the nature of IDCWs which are paid out on Lien marked / pledged Units shall be made in favor of the investor, unless understood and accepted between the unit holder(s) and financier / lender.
Units held in dematerialized form: In case of Units held in dematerialized form, the rules of Depository will be applicable for Lien marking / Pledge of the Units of the Scheme. Units can be Lien marked / pledged by completing the requisite forms / formalities as may be required by the Depository.
The AMC reserves the right to change the procedure for Lien marking / pledge of MF Units from time to time.
Fractional Units
Since a request for redemption or purchase is generally made in rupee amounts and not in terms of number of Units of the Scheme, an investor may be left with fractional Units. Fractional Units will be computed and accounted for up to three decimal places for the Scheme. However, fractional Units will in no way affect the investor’s ability to redeem the Units, either in part or in full, standing to the Unitholder’s credit.
ii. Suspension of Sale / Switch-in of Units
The Mutual Fund at its sole discretion reserves the right to withdraw / suspend sale (via fresh / additional subscriptions / switch- ins / existing or fresh SIP / STP or such other special product) of the Units in the scheme temporarily or indefinitely, if in the opinion of the AMC, the general market conditions are not favourable and / or suitable investment opportunities are not available for deployment of funds.
The sale or switch - in of the Units may be suspended under the following conditions:

When one or more stock exchanges or markets, which provide basis for valuation for a substantial portion of the assets of the Scheme is closed otherwise than for ordinary holidays.
In the event of breakdown in the means of communication use for the valuation of investments of the Scheme, without which the value of the securities of the scheme cannot be accurately calculated.
During periods of extreme volatility of markets, which in the opinion of the AMC are prejudicial to the interests of the Unitholders of the Scheme.
When AMC is of the view that further increasing the size of the corpus of the Scheme may prove detrimental to the interest of the existing unit holders.
In case of natural calamities, strikes, riots and bandhs.
In the event of any force majeure or disaster that affects the normal functioning of the AMC, ISC or the Registrar.
If so directed by SEBI.”

Further, an order to purchase Units is not binding on and may be rejected by the Board of Directors of Trustee Company, the AMC or their respective agents, until it has been confirmed in writing by the AMC or its agents and payment has been received.
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iii) Suspension of Redemption of units

- The AMC may, subject to specific approval of the Boards of AMC and Trustee Company, impose restrictions on redemptions (including switch- out) in the scheme(s) if there are circumstances leading to a systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as:
  - a) Liquidity issues in the market at large.
  - b) Market failures and / or exchange closures due to unexpected events relating to, but not limited to, political, economic, military, monetary or other emergencies.
  - c) Operational issues due to exceptional circumstances like force majeure, unpredictable operational problems and technical failures.
- Restriction on redemption may be imposed for a specific period of time not exceeding 10 working days in any 90 days period.
- Any imposition of restrictions on redemption will be informed to SEBI.
- In the event that redemption restrictions are imposed by the AMC, in addition to above requirements, the AMC will ensure the following:
  - a) Redemption request up to Rs. 2 lakh shall not be subject to such restriction.
  - b) For redemption request above Rs. 2 lakh, the AMC shall redeem the first Rs. 2 lakh without such restriction and the remaining part over and above Rs. 2 lakh, shall be subject to restriction, as may be imposed

iv) Freezing / Seizure of Accounts

Investors may note that under the following circumstances, the Board of Directors of Trustee Company / AMC may at its sole discretion (and without being responsible and / or liable in any manner whatsoever) freeze/seize / do such acts to a Unit holder's account as per instructions (or deal with the same in the manner the Board of Directors of Trustee Company / AMC is directed and / or ordered) under the Scheme:-

- Under any requirement of any law or regulations for the time being in force.
- Under the direction and / or order (including interim orders) of any regulatory/ statutory authority or any judicial authority or any quasi-judicial authority or such other competent authority having the powers to give direction and / or order.

Cut off timing for subscriptions / redemptions/ switches

This is the time before which your application (complete in all respects) should reach the official points of acceptance.

This is the time before which an investor's application (complete in all respects) should reach the official points of acceptance.

The cut off timings for determining applicable NAVs for subscriptions / redemptions / switch- ins / switch-outs to be made at the Investor Service Centres / Designated Collection Centres (designated as 'Official Points of Acceptance' from time to time) are as per the following table:

Subscription	Redemption	Switch In	Switch Out
3.00 p.m.	3.00 p.m.	3.00 p.m.	3.00 p.m.

Where a request for redemption / switch is received after the cut-off time as mentioned above, the request will be deemed to have been received on the next Business Day.

i. Applicable NAV for Sale of Units

Particulars	Applicable NAV
where the application is received upto 3:00 p.m. on a day and funds are available for utilization before the cut-off time	closing NAV of the day on which the application is received
where the application is received after 3:00 p.m. on a day and funds are available for utilization on the same day	closing NAV of the next business day

ii. Applicable NAV for Repurchase of Units

Particulars	Applicable NAV
where the application is received upto 3.00 pm	closing NAV of the day of receipt of application
where the application is received after 3.00 pm	closing NAV of the next business day.

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The Mutual Fund shall calculate NAV for each business day in respect of the above scheme / plan(s) and their plans.

Explanation: ‘Business day’ does not include a day on which the money markets are closed or otherwise not accessible. If the Underlying scheme declare any day as a non-business day, AMC will also declare that day as a non-business day for the Scheme. However, if this information is received by the AMC from the Underlying scheme later in the day and the relevant scheme has already accepted transactions, such transactions will be processed on the next business day.

Valid applications for ‘switch-out’ shall be treated as applications for Redemption and valid applications for ‘switch-in’ shall be treated as applications for Purchase, and the provisions of the Cut-off time, purchase / redemption price, minimum amounts for Purchase / Redemption and the Applicable NAV as applicable to Purchase and Redemption, as mentioned in above paragraph, shall be applied respectively to the ‘switch-in’ and ‘switch-out’ applications.

Note: Repurchase / Redemptions including Switch-outs for Segregated Portfolio is not allowed. However, the unit of Segregated Portfolio will be listed on the recognized Stock Exchange.

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<td>Minimum amount for purchase/redemption/ switches</td>
<td>

i. Minimum amount for purchase/switch-ins

For Lump sum Investments

<table>
<tr><th>Minimum Investment Amount</th><th>Additional Investment:</th></tr>
<tr><td>Rs. 5,000/- per application and in multiples of Re. 1/- thereafter. Minimum application amount is applicable for switch-ins as well.</td><td>Rs. 1,000/- per application and in multiples of Re. 1/- thereafter.</td></tr>
</table>

For SIP Investments

<table>
<tr><th>Frequency</th><th>Minimum Installment Amount#</th><th>Minimum number of Installments#</th><th>Dates</th></tr>
<tr><td>Weekly</td><td>Rs. 500/-</td><td>Minimum 6 instalments subject to aggregate of Rs. 6,000/-</td><td rowspan="2">Any Dates</td></tr>
<tr><td>Monthly</td><td>Rs. 1,000/-</td><td>Minimum 6 instalments subject to aggregate of Rs. 6,000/-</td></tr>
<tr><td>Quarterly</td><td>Rs. 1,500/-</td><td>Minimum 4 instalments subject to aggregate of Rs. 6,000/-</td><td></td></tr>
</table>

in multiples of Re. 1/- thereafter.

ii. Minimum amount for redemption/switch-outs or minimum no. of Units to be redeemed

Rs. 500/- and in multiples of Re. 1/- thereafter or 50 units and in multiples of 0.01 unit thereafter.

Clause 6.10 of SEBI Master circular for Mutual Funds dated June 27, 2024 (Alignment of interest of Designated Employees of Asset Management Companies (AMCs) with the Unitholders of the Mutual Fund Schemes) has, inter alia mandated that a minimum of 20% of gross annual CTC net of income tax and any statutory contributions of the Designated Employees of the AMCs shall be invested in units of the scheme(s) of the Fund in which they have a role/oversight. The said guidelines came into effect from the October 1, 2021. In accordance with the regulatory requirement, the minimum redemption amount wherever specified in the SID of the Fund will not be applicable for investment made in schemes of the Fund in compliance with the aforesaid circular.

The AMC reserves the right to change the minimum application / purchase amount, the minimum additional investment amount and the minimum amount for Redemption / Switches under the Scheme from time to time.

</td>
</tr>
<tr>
<td>Accounts Statements</td>
<td>

i. 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).

</td>
</tr>
</table>

	ii. A Consolidated Account Statement (CAS) detailing all the transactions across all mutual funds (including transaction charges paid to the distributor) and holding 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 by mail or email on or before 15th of the succeeding month. The default mode for dispatch of Consolidated Account Statement will be email. iii. Half-yearly CAS shall be issued at the end of every six months (i.e. September / March) on or before 21st day of succeeding month, to all investors providing the prescribed details across all schemes of mutual funds and securities held in dematerialized form across demat accounts, if applicable For further details, refer SAI.
Dividend / IDCW	The payment of dividend/IDCW to the unitholders shall be made within 7 working days from the record date.
Redemption	As per para 14.2 of SEBI Master Circular on Mutual Funds dated June 27, 2024, the Fund shall dispatch/transfer the redemption / repurchase proceeds within 3 working Days, from the date of acceptance of redemption or repurchase request at any of the Investor Service Centres/Official Point of Transaction Acceptance The Fund may close Unitholder's account if the balance in the folio falls below the minimum redemption amount as mentioned above for the scheme. In such a case, entire Units available in the Unitholder's account will be redeemed at an Applicable NAV with the applicable load, if any, and the account will be closed. Further, as per AMFI circular no. AMFI/35P/MEM-COR/74/2022-23 dated January 16, 2023, in case of exceptional situations the AMC might follow the additional timelines for making redemption payments. For list of exceptional circumstances refer para 14.1.3 of SEBI Master Circular for Mutual Funds dated June 27, 2024 **For NRIs / FPIs** The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (the "FEMA Regulations") permit a NRI to purchase on repatriation or non- repatriation basis, without limit, units of domestic mutual funds. Payment for such units must be made either by: (i) inward remittance through normal banking channels; or (ii) out of funds held in the NRE / FCNR account, or (iii) Indian Rupee drafts purchased abroad in the case of purchases on a repatriation basis or out of funds held in the NRE / FCNR / NRO account, in the case of purchases on a non-repatriation basis. In case Indian Rupee drafts are purchased abroad or from FCNR / NRE accounts, an account debit certificate from the bank / financial entity issuing the draft confirming the debit shall also be enclosed. NRIs shall also be required to furnish such other documents as may be necessary and as desired by the AMC / Mutual Fund/Registrar, in connection with the investment in the schemes. The FEMA Regulations also permit a registered FPI to purchase, on repatriation basis, units of domestic mutual funds provided the FPI restricts allocation of its total investment between equity and debt instruments in the ratio as applicable at the time of investments. Payment by the FPI must be made either by inward remittance through normal banking channels or out of funds held in foreign currency account or non-resident rupee account maintained by the FPI with a designated branch of an authorised dealer with the approval of the RBI in terms of paragraph 2 of Schedule 2 to the FEMA Regulations. **Redemption by NRIs / FPIs** Units held by an NRI investor and FPIs may be redeemed by such investor by tendering Units to the Mutual Fund or for payment of maturity proceeds, subject to any procedures laid down by RBI from time to time. The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations, while converting the rupee amount in foreign exchange in the case of transactions with NRIs / FPIs. Provisions with respect to NRIs / FPIs stated above, is as per the AMC's understanding of the laws currently prevalent in India.

Bank Mandate	**i) Bank Account Numbers** In order to protect the interest of investors from fraudulent encashment of cheques, cheques specify the name of the Unitholder and the bank name and account number where payments are to be credited. As per the directive issued by SEBI vide its letters IIMARP/MF / CIR/07/826/98 dated April 15, 1998, and para 14.12 of SEBI Master Circular on Mutual Funds dated June 27, 2024, it is mandatory for applicants to mention their bank details in their applications for purchase or redemption of units. It is important for applicants to mention their bank name, bank account number, branch address, account type in their applications for subscription or repurchase of Units. Applications without this information shall be rejected. Where the Bank Account details provided for the purpose of Redemption/IDCW payout is different from the Bank Account which is used for Subscription, then a proof of such bank account should be enclosed along with the Subscription application. It may be noted that in case of those Unitholders who hold Units in demat form, the bank mandate available with respective DP will be treated as the valid bank mandate for the purpose of payout at the time of any corporate action. **ii) Change of Bank mandate** Updation of Bank Account in a customer's account / folio should be submitted either using the Multiple Bank Account Registration Form or the standalone Change of Bank Mandate form only. Any request for change of bank mandate details will be accepted only if the Unit Holder provides any of the following documents along with the designated Multiple Bank Account Registration / Deletion form or a standalone separate Change of Bank Mandate form: Any one of the following documents to be provided for Existing (Old) as well as New Bank account: • Cancelled original cheque leaf with first Unit Holder name and bank account number printed on the face of the cheque. OR • Copy of Bank Passbook having the name, address and account number of the account holder. • Bank Statement (issued within 3 months for new bank, in case of old bank account the date of statement will not be applicable) Unit holders are required to submit the supporting document for old bank account as well as new bank account while submitting the request for change of bank mandate. Important: The above documents should be either in original or copy to be submitted along with original produced for verification. In case if documents for the existing bank account are not available, kindly visit HSBC / CAMS office for In Person Verification along with PAN Card Copy / Photo Identification Proof for PAN Exempt cases. All documents to be self-attested. Kindly carry originals for adding a new bank. For more details, refer to the Application Form. **iii) Multiple Bank accounts** The unit holder / investor can register multiple bank account details under its existing folio by submitting separate form available on the website of the AMC at www.assetmanagement.hsbc.co.in. Individuals/HUF can register upto 5 different bank accounts for a folio, whereas non-individuals can register upto 10 different bank accounts for a folio.
Delay in payment of redemption / repurchase proceeds/dividend	**Delay in payment of redemption / repurchase proceeds** In the event of failure to dispatch/credit the redemption proceeds within 3 working days from the date of acceptance of redemption request, the Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @15% per annum). **Delay in payment of IDCW proceeds** As per para 11.4 of SEBI Master Circular on Mutual Funds dated June 27, 2024, the AMC shall dispatch/credit payment of the IDCW proceeds within 7 working days from the record date. However, in the event of failure to dispatch/credit the IDCW proceeds within the above time, interest @ 15% per annum or such rate as may be specified by SEBI, would be paid to the Unit holders for the period of delay from the stipulated period for the dispatch/payment of IDCW payments.

Unclaimed Redemption and Income Distribution cum Capital Withdrawal Amount	In accordance with clause 14.3 of SEBI Master Circular dated, June 27, 2024, the unclaimed Redemption amount and IDCW amount shall be invested in the separate plan of HSBC Overnight Fund. Unitholders shall note that in accordance with aforesaid clause of SEBI Master circular, HSBC Overnight Fund has four separate plans for the limited purpose of deploying the unclaimed redemption and dividend amounts. These plans are not available for regular investments / switches by investors. The investment objective, asset allocation pattern, investment strategy, risk factors and portfolio of these Plans are same as other existing plans of HSBC Overnight Fund. These plans will only have Growth option. Further, the Total Expense Ratio of these four plans will be capped, at 50 bps, as per extant SEBI (Mutual Funds) Regulations, 1996 and there will be no exit load charged, as required under the aforesaid circular. Investors who claim these unclaimed IDCW and redemption amounts during a period of 3 years from the due date shall be paid initial unclaimed amount along with the income earned on its deployment. Investors who claim these amounts after 3 years, shall be paid initial unclaimed amount along with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education. AMC shall play a proactive role in tracing the rightful owner of the unclaimed amounts considering the steps suggested by regulator vide the referred circular. The list of names and address of unitholders in whose folios there are unclaimed amounts along with the process of claiming such unclaimed amounts are available on our website www.assetmanagement.hsbc.co.in. For further details refer to SAI.
Disclosure w.r.t investment by minors	**Process for Investments made in the name of a Minor through a Guardian** As per SEBI circular dated, May 12, 2023, Payment for investment by any mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian else the transaction is liable to get rejected. Irrespective of the source of payment for subscription, all redemption proceeds shall be credited only in the verified bank account of the minor, i.e. the account the minor may hold with the parent / legal guardian after completing all KYC formalities. Upon the minor attaining the status of major, the minor in whose name the investment was made, shall be required to provide all the KYC details, updated bank account details including cancelled original cheque leaf of the new account. No further transactions shall be allowed till the status of the minor is changed to major. The above mentioned provisions are prescribed by para 17.6 of SEBI Master Circular on Mutual Funds dated June 27, 2024 read with SEBI circular dated May 12, 2023. Existing unit holders are requested to review the Bank Account registered in the folio and ensure that the registered Bank Mandate is in favour of minor or joint with registered guardian in folio. If the registered Bank Account is not in favour of minor or not joint with registered guardian, unit holders will be required to submit the change of bank mandate, where minor is also a bank account holder (either single or joint with registered guardian), before initiation any redemption transaction in the folio, else the transaction is liable to get rejected. Unit holders are required to submit the supporting document for old bank account as well as new bank account while submitting the request for change of bank mandate. Investors are requested to note that information will be obtained from CVL / SEBI appointed KRA (KYC Registration Agency) database and information in the AMC records will be overwritten. In the event of any discrepancy in the application on account of address or residence status, the application will be rejected and the money will be refunded upon confirmation from CVL/ KRA database. The Fund reserves the right to include / exclude new / existing categories of investors to invest in the Scheme from time to time, subject to SEBI Regulations and other prevailing statutory regulations, if any. Subject to the SEBI Regulations, any application for Units may be accepted or rejected in the sole and absolute discretion of the Board of Directors of Trustee Company. The Board of Directors of Trustee Company may inter-alia reject any application for the purchase of Units if the application is invalid or incomplete or if the Board for any other reason does not believe that it would be in the best interest of the Scheme or its Unit holders to accept such an application.

Any other disclosure in terms of Consolidated Checklist on Standard Observations	**i. Risk-o-meter** Based on the scheme characteristics, the Mutual Fund/AMC shall assign risk level for scheme. Any change in risk-o-meter shall be communicated by way of notice and by way of an e-mail or SMS to unitholders of the Scheme. Risk-o-meter shall be evaluated on a monthly basis and Mutual Funds /AMCs shall disclose the Risk-o-meter along with portfolio disclosure for all their schemes on their respective website and on AMFI website within 10 days from the close of each month. Mutual Funds shall disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on their website and AMFI website. Mutual Funds shall publish the changes on the Risk-o-meter in the Annual Report and Abridged Summary based on the guidelines prescribed by SEBI from time to time. The AMC shall comply with the requirements of SEBI circulars/guidelines issued in this regard from time to time. **ii. Scheme Summary Document** The AMC has provided on its website a standalone scheme document called 'Scheme Summary Document' for all the Schemes which contains all the details of the Scheme including but not limited to Scheme features, Fund Manager details, investment details, investment objective, expense ratios, portfolio details, etc. Scheme summary document is uploaded on the websites of AMC, AMFI and stock exchanges in 3 data formats i.e. PDF, Spreadsheet and a machine readable format. **iii. Creation of segregated portfolio** In order to ensure fair treatment to all clause 4.4 of Master Circular, as amended from time to time has allowed creation of segregated portfolio of debt and money market instruments by mutual fund schemes. Segregated Portfolio may be created, in case of a Credit Event at issuer level i.e. downgrade in credit rating by a SEBI registered Credit Rating Agency (CRA). It is aimed at ring fencing a bad asset and restrict cascading effect of illiquidity on the rest of portfolio. This will ensure fair treatment to all investors in case of a Credit Event and allow HSBC AMC to deal with liquidity risk. Creation of segregated portfolio shall be optional and at the sole discretion of the AMC. The AMC shall make necessary disclosures as mandated by SEBI, in statement of account, monthly/ half yearly portfolio statements, KIM, SID, Scheme Advertisements, Scheme Performance data, AMC's website and at other places as may be specified. The NAV of the Segregated Portfolio shall be declared on daily basis. For more details, refer SAI.
Other Disclosures	**i. Requirement of minimum investors in the schemes / plans of mutual funds** The Scheme / Plan (s) shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme / Plan(s). However, if such limit is breached during the NFO of the Scheme, the Fund will endeavour to ensure that within a period of three months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. In case the Scheme / Plan(s) does not have a minimum of 20 investors in the stipulated period, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme / Plan(s) shall be wound up and the units would be redeemed at applicable NAV. The two conditions mentioned above shall also be complied within each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25% limit. Failure on the part of said investor to redeem his exposure over the 25% limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable Net Asset Value on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

	ii. Compliance under FATCA India has executed an Inter-Governmental Agreement (IGA) with the U.S. and the Fund intends to take any measures that may be required to ensure compliance under the terms of the IGA and local implementing regulations. In order to comply with its FATCA obligations, the Fund will be required to obtain certain information from its investors so as to ascertain their U.S. tax status. If the investor is a specified U.S. person, U.S. owned non-U.S. entity, non-participating FFI ("NPFFI") or does not provide the requisite documentation, the Fund may need to report information on these investors to the appropriate tax authority, as far as legally permitted. If an investor or an intermediary through which it holds its interest in the Fund either fails to provide the Fund its agents or authorised representatives with any correct, complete and accurate information that may be required for the Fund to comply with FATCA or is a NPFFI, Fund may be required to provide information about payment to NPFFI to upstream payor to enable them to make the appropriate FATCA withholding on NPFFIs. Further, we may be compelled to sell its interest in the Fund or, in certain situations, the investor's interest in the Fund may be sold involuntarily. The Fund may at its discretion enter into any supplemental agreement without the consent of investors to provide for any measures that the Fund deems appropriate or necessary to comply with FATCA, subject to this being legally permitted under the IGA or the Indian laws and regulations. FATCA is globally applicable from July 1, 2014 and in order to comply with FATCA obligations, the Fund will, seek additional information from investors while accepting applications, in order to ascertain their U.S. Person status. The Fund will not accept applications which are not accompanied with information / documentation required to establish the U.S. Person status of investors. Investors are therefore requested to ensure that the details provided under Section "Confirmation under Foreign Account Tax Compliance Act (FATCA) for determining US person status" of the application form are complete and accurate to avoid rejection of the application (updated forms are available with ISCs or on Fund's website – www.assetmanagement.hsbc.co.in) Investors should consult their own tax advisors regarding the FATCA requirements with respect to their own situation. In the event of any conflict or inconsistency between any of these Terms and Conditions and those in any other service, product, business relationship, account or agreement between investor and HSBC, these terms shall prevail, to the extent permissible by applicable local law. If all or any part of the provisions of these Terms and Conditions become illegal, invalid or unenforceable in any respect under the law of any jurisdiction, that shall not affect or impair the legality, validity or enforceability of such provision in any other jurisdictions or the remainder of these Terms and Conditions in that jurisdiction. These Terms and Conditions shall continue to apply notwithstanding the death, bankruptcy or incapacity of the investor, the closure of any investor account, the termination of HSBC's provision of the Services to the investor or the redemption of the investor's investment in the Fund. **iii. Common Reporting Standards** India has joined the Multilateral Competent Authority Agreement (MCAA) on automatic exchange of financial information in Tax Matters, commonly known as Common Reporting Standards ('CRS'). All countries which are signatories to the MCAA are obliged to exchange a wide range of financial information after collecting the same from financial institutions in their jurisdiction. In accordance with Income Tax Act read with SEBI Circular nos. CIR/MIRSD/2/2015 dated August 26, 2015 and CIR/MIRSD/3/2015 dated September 10, 2015 regarding implementation of CRS requirements, it shall be mandatory for all new investors to provide details and declaration pertaining to CRS in the application form, failing which the AMC shall have authority to reject the application.

	iv. Compliance with Volcker Rule The Volcker Rule is a part of the U.S. Dodd Frank Act which prohibits U.S. banks from proprietary trading and restricts investment in hedge funds and private equity by commercial banks and their affiliates. HSBC Holdings plc, is a U.S. regulated bank holding company and any entity (company, fund, trust, partnership etc.) located anywhere in the world, that is directly or indirectly controlled by the parent company is subject to the Volcker Rule. The Volcker Rule is effective from July 21, 2015. As part of HSBC's Volcker Conformance obligations, the Fund is required to implement a Compliance Programme to ensure on-going compliance with the Volcker Rule and the AMC must ensure that no HSBC affiliate (fund or business entity) invests in the Fund unless it has implemented necessary controls to ensure that the ownership limits, in line with the Volcker Rule, can be met. Hence, the Scheme may not be able to accept subscriptions from HSBC group entities into the Scheme, aggregating to more than 25% of the voting rights of the Scheme. In the event of the aggregate investment by HSBC group entities crossing the above limits, the AMC will have the discretion to reject any subscription/switch applications received or redeem any excess exposure by the group entities in the Scheme, to be in compliance with the Volcker Rule.
Special Considerations (Please refer Statement of Additional Information (SAI) for more details)	The AMC is also registered as a Portfolio Manager under the SEBI (Portfolio Managers) Regulations, 1993 vide registration no. INP000001322 and is deemed to be registered as such under SEBI (Portfolio Managers) Regulations, 2020. The AMC has proper systems and controls in place to ensure that there is no conflict of interest between the activity of managing the schemes of the Mutual Fund and the activity of Portfolio Management Services and there exist systems to prohibit access to insider information. Further, an asset management company, subject to certain conditions, may also permitted to undertake activities in the nature of management and advisory services to pooled assets including off shore funds, insurance funds, pension funds, provident funds or such categories of foreign portfolio investor subject to such conditions as may be specified by SEBI from time to time, if any of such activities are not in conflict with the activities of the mutual fund. Accordingly, the AMC provides or may provide non-binding advisory services to offshore funds, through the fund managers managing the schemes of the Fund, as permitted under Regulation 24(b) of the Regulations. SEBI vide its email dated November 26, 2020 and letter dated March 20, 2024, accorded it's no objection to the AMC for providing such non-binding investment advisory services to offshore funds, which are appropriately regulated foreign portfolio investors, by the fund managers of the schemes of the Fund. The AMC has proper systems and controls in place to ensure that (a) there is no conflict of interest between the activities of managing the schemes of the Fund and other activities of the AMC; and (b) interest of the unit holders of the schemes of the Fund are protected at all times. In case of an unavoidable conflict of interest situation, the AMC shall make appropriate disclosures in an appropriate manner, which shall include the source of conflict, potential 'material risk or damage' to the Fund's investors' interests and detailed parameters for the same. Further, SEBI vide letter dated May 3, 2024, has accorded it's no objection to the AMC to undertake Alternate Investment Funds activity under the SEBI (Alternate Investment Funds) Regulations, 2012. The AMC before the launch of Alternate Investment Funds activity shall ensure that it has proper systems and controls in place to ensure that there is no conflict of interest between the activity of managing the schemes of the Mutual Fund and the activity of Alternate Investment Funds and there exist systems to prohibit access to insider information.

PART III - OTHER DETAILS

A. OVERVIEW OF THE UNDERLYING SCHEMES

The Scheme will invest predominantly in the existing and / or prospective schemes of HSBC Mutual Fund/ third party domestic mutual funds that invests in equity and equity related instruments, debt, money market instruments etc. depending upon the asset allocation pattern.

The Fund manager would select the Underlying schemes basis the investment objective, asset allocation pattern

Equity Schemes	Debt Schemes
HSBC Large Cap Fund	HSBC Short Duration Fund
HSBC Small Cap Fund	HSBC Medium to Long Duration Fund
	HSBC Dynamic Bond Fund

The list provided above is only indicative and will undergo changes from time to time to include or exclude any new / existing schemes offered by HSBC Mutual Fund and third party domestic mutual funds.

Note - The scheme attributes and features of HSBC Managed Solutions India - Moderate plan will be changed with effect from March 13, 2025 hence the scheme further follow the asset allocation pattern of HSBC Multi Asset Active FOF. However, details provided for underlying schemes are based on old scheme characteristics i.e. HSBC Managed Solutions - Moderate plan.

1. Benchmark of the Underlying Scheme(s):

Scheme Name	Benchmark
HSBC Large Cap Fund	NIFTY 100 TRI
HSBC Small Cap Fund	Nifty Small Cap 250 TRI
HSBC Short Duration Fund	NIFTY Short Duration Debt Index A-II
HSBC Medium to Long Duration Fund	NIFTY Medium to Long Duration Debt Index A-III
HSBC Dynamic Bond Fund	NIFTY Composite Debt Index A-III

The Boards may review the benchmark selection process from time to time and make suitable changes as to use of the benchmark, or related to composition of the benchmark, whenever it deems necessary.

2. Investment Objective of the Underlying Scheme(s):

Scheme Name	Objective of the Scheme(s)
HSBC Large Cap Fund	To generate long-term capital growth from an actively managed portfolio of equity and equity related securities of predominantly large cap companies. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.
HSBC Small Cap Fund	To generate long term capital growth from an actively managed portfolio of equity and equity related securities of predominantly small cap companies. However, it could move a portion of its assets towards fixed income securities if the fund manager becomes negative on the Indian equity markets. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.
HSBC Short Duration Fund	To provide a reasonable income through a diversified portfolio of fixed income securities such that the Macaulay duration of the portfolio is between 1 year to 3 years. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.
HSBC Medium to Long Duration Fund	To provide reasonable income through a diversified portfolio of fixed income securities such that the Macaulay duration of the portfolio is between 4 years to 7 years. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.
HSBC Dynamic Bond Fund	To deliver returns in the form of interest income and capital gains, along with high liquidity, commensurate with the current view on the markets and the interest rate cycle, through active investment in debt and money market instruments. However, there can be no assurance that the Scheme’s objective can be realised.

3. Investment Strategy of the Underlying scheme(s)

Scheme Name	Investment strategy of the Scheme in brief
HSBC Large Cap Fund	The aim of the Scheme is to deliver above benchmark returns by providing long-term capital growth from an actively managed portfolio, mainly comprising companies registered in and / or listed on a regulated market of India. The Scheme will invest at least 80% in large cap companies and may also invest in equity and equity related instruments of companies other than large cap companies.
HSBC Small Cap Fund	The aim of the scheme is to deliver above benchmark returns by providing long-term capital growth from an actively managed portfolio, primarily comprising of small cap stocks.\The Scheme aims to be predominantly invested in small cap equity and equity related securities and may also invest in equity and equity related securities of other than small cap companies. However, it could move a portion of its assets towards fixed income securities if the fund becomes cautious or negative on equity markets.
HSBC Short Duration Fund	The Scheme will invest predominantly in debt and money market instruments such that the Macaulay duration of the portfolio is between 1 year to 3 years.
HSBC Medium to Long Duration Fund	The Scheme aims to provide investors with income, with appropriate liquidity, and therefore will invest in a mix of debt and money market instruments, over varying maturities.
HSBC Dynamic Bond Fund	The Scheme can invest across all classes of fixed income instruments. There will be no cap or floor on maturity, duration or instrument type concentrations. The Fund Manager, depending on the interest rates view has the flexibility to allocate the funds in any fixed income instrument and endeavour to provide yields in line with the current market scenario. The investment strategy would revolve around structuring the portfolio with an aim to capture positive price movements and minimise the impact of adverse price movements.

4. TER of the Underlying scheme

These are the fees and expenses for operating the scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc.

The total recurring expenses of the Scheme shall be as per the limits prescribed under sub-regulation 6 and 6A of Regulation 52 of the SEBI Regulations and shall not exceed the limits prescribed there under as a percentage limit of daily net assets in the table below:

The AMC has estimated that as per the Regulation 52(6)(a)(ii), the total expense ratio that can be charged to the scheme including weighted average of the total expense ratio of underlying scheme(s) shall not exceed daily net assets of the Scheme as provided in the table below.

Provided that the total expense ratio to be charged over and above the weighted average of the total expense ratio of the underlying scheme(s) shall not exceed two times the weighted average of the total expense ratio levied by the underlying scheme(s), subject to the overall ceilings stated above.

A table showing the expense ratio of the Underlying scheme is as follows:

Underlying Scheme Name	% p.a. of daily Net Assets (Estimated p.a.)
HSBC Large Cap Fund	Upto 2.25%
HSBC Small Cap Fund	
HSBC Short Duration Fund	Upto 2.00%
HSBC Medium to Long Duration Fund	
HSBC Dynamic Bond Fund	

5. AUM of the Underlying scheme(s)

Underlying Scheme Name	AUM (Rs. In crores) as on February 28, 2025
HSBC Large Cap Fund	1,685.72
HSBC Small Cap Fund	13,334.31
HSBC Short Duration Fund	3,688.20
HSBC Medium To Long Duration Fund	48.53
HSBC Dynamic Bond Fund	151.54

6. Year wise performance of the Underlying Scheme(s) as on February 28, 2025

Please refer to (weblink: Factsheet) for year wise performance of the Underlying schemes.

7. Top 10 holdings of the Underlying scheme(s) as on February 28, 2025

Refer to the weblink (Top 10 holdings and Fund allocation towards various sectors) for Underlying Scheme's portfolio holdings.

B. PERIODIC DISCLOSURES

i. Half Yearly Portfolio Disclosures

The AMC shall disclose portfolio of the Scheme (along with ISIN and yield of the instruments) as on the last day of every half year, within 10 days of close of each half-year on its website and on the website of AMFI in a user-friendly and downloadable spreadsheet format.

Kindly refer (weblink - Half Yearly Portfolio) for half yearly portfolio disclosures.

ii. Half yearly Disclosures: Financial Results

The Fund shall within one month from the close of each half year, that is on 31st March and on 30th September, host a soft copy of its unaudited financial results on AMC's website, containing details as specified in Twelfth Schedule of the Regulations and such other details as are necessary for the purpose of providing a true and fair view of the operations of the Fund.

Kindly refer (weblink - Half yearly Results) for half yearly Financial Results.

iii. Annual Report

A Scheme wise Annual Report / abridged summary thereof shall be provided to all Unitholders as soon as may be but not later than 4 months from 31 March of each year.

The abridged / full Scheme wise Annual Report shall contain such details as are required under the Regulations / Circulars issued thereafter.

The Fund shall provide the Scheme wise annual report / abridged summary thereof as under:

(i) By hosting the same on the websites of the AMC and AMFI;

(ii) The physical copy of the scheme wise annual report / abridged summary thereof shall be made available to the investors at the registered office of the AMC. A link of the scheme annual report or abridged summary shall be displayed prominently on the website of the Fund.

(iii) By e-mailing the same to those Unit holders' whose e-mail address is registered with the Fund.

Unit holders are therefore requested to update their email address with the Fund to receive annual reports through email.

The AMC shall publish an advertisement every year disclosing the hosting of the scheme wise annual report on its website and on the website of AMFI. Such advertisement shall be published in the all India edition of at least two daily newspapers, one each in English and Hindi. Further, AMC shall provide modes such as SMS, telephone, email or written request (letter), etc. through which unitholders can submit a request for a physical or electronic copy of the scheme wise annual report or abridged summary thereof.

Kindly refer (weblink - Scheme Annual Report) for Annual report.

C. TRANSPARENCY/NAV DISCLOSURE (DETAILS WITH REFERENCE TO INFORMATION GIVEN IN SECTION I)

This is the value per unit of the Scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.

NAVs will be calculated and disclosed on every Business Day. The Unit holders may obtain the information on NAV of the prescribed days by calling the office of the AMC or any of the Investor Service Centres or on the website of the AMC at www.assetmanagement.hsbc.co.in. Further, AMC has extended the facility of sending latest available NAVs to unit holders through SMS, upon receiving a specific request for the same. For detailed process of receiving the latest NAV through SMS, please visit www.assetmanagement.hsbc.co.in/mutual-funds. The AMC shall update the NAVs on the website of Association of Mutual Funds in India - AMFI (www.amfiindia.com) and the Fund's website (www.assetmanagement.hsbc.co.in) by 10.00 a.m. of next Business Day. However, the AMC will endeavour to update the NAVs on the above websites daily by 10:00 a.m. of next Business Day, in case of any delay, the reasons for such delay would be explained to AMFI by the next day. If the NAVs are not available before commencement of business hours on the following day due to any reason, the Fund shall issue a press release providing reasons and explaining when the Fund would be able to publish the NAVs. The NAVs will be determined on every Business Day except under special circumstances specified in this SID.

The NAV of the Segregated Portfolio shall be declared on daily basis.

D. TRANSACTION CHARGES AND STAMP DUTY

a. Transaction charges –

Transaction charges as follows will be deducted by the Fund, from the subscription received from investors and paid to distributors / agents who have opted to receive the transaction charge.

i. First Time Investor in Mutual Fund (across all Mutual Funds)

Transaction charge of Rs. 150/- per subscription of Rs. 10,000 and above will be deducted from the subscription amount and paid to the distributor / agent of the first time investor and the balance shall be invested in the relevant scheme opted by the investor.

ii. Existing Investor in Mutual Fund

Transaction charge of Rs. 100/- per subscription of Rs. 10,000 and above will be deducted by the Fund from the subscription amount and paid to the distributor / agent of the investor and the balance shall be invested in the relevant scheme opted by the investor.

However, transaction charges in case of investments through SIP under (i) and (ii) above shall be deducted only if the total commitment (i.e. amount per SIP instalment x No. of instalments) amounts to Rs. 10,000/- or more. The transaction charge shall be deducted in 4 equal instalments, starting from the 2nd instalment to the 5th instalment.

iii. Transaction charges shall not be deducted for :

a. Purchases / subscriptions for an amount less than Rs. 10,000;

b. Transactions other than purchases / subscriptions relating to new inflows such as Switch / STP / SWP etc.;

c. Purchases / subscriptions made directly with the Fund without any ARN code i.e. not through any distributor / agent.

d. Purchases/subscriptions carried out through the Stock Exchange Platform in demat mode.

The statement of account to unit holders will clearly provide details of the net investments as gross subscription amount less transaction charge and the number of units allotted against the net investment.

b. Stamp duty -

With effect from July 1, 2020, investments in the mutual fund units would be subject to levy of stamp duty @ 0.005% of the amount invested. Further, stamp duty at the rate of 0.015% shall be applicable on the consideration amount stated in the transfer instrument for off market transfer of units held in demat mode as well as units held in physical mode. The rate and levy of stamp duty may vary as amended from time to time.

For more details on transaction charges and stamp duty, please refer to SAI.

E. ASSOCIATE TRANSACTIONS

For details of Associate transactions including dealing with associate companies, Investors are advised to please refer Statement of Additional Information (SAI).

F. TAXATION

For details on taxation please refer to the clause on Taxation in the SAI apart from the following:

The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors / authorized dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the Schemes.

Debt Fund / Liquid Fund / any other Fund (other than Equity oriented Mutual Fund and Specified Mutual Fund):

Particulars	Investors	Mutual Fund
Tax on income distribution	Income distributed would be taxable in the hands of unitholders as per applicable slabs	**Resident investor:** 10%** tax needs to be deducted on income distributed (not applicable to capital gain) **Non-Resident investor:** 20%** tax needs to be deducted in case of payment to NRI and Non Domestic company / Foreign Company
Long Term	20%** with cost inflation index benefit (12.5% w.e.f. 23 Jul 2024 without cost inflation indexation benefit)	**Resident Investor:** Nil **Non-Resident Investor and Non Domestic company/Foreign company:** 20%**@ TDS listed securities with indexation benefit (12.5% w.e.f. 23 Jul 2024 without cost inflation indexation benefit)

Particulars	Investors	Mutual Fund
	Non Resident Investor and Non Domestic company/Foreign company: 20%** with indexation benefit on listed securities (12.5% w.e.f. 23 Jul 2024 without cost inflation index benefit) 10%** without indexation benefit on unlisted securities (12.5% w.e.f. 23 Jul 2024 without cost Inflation indexation and foreign currency fluctuation benefit)	 20%**@ TDS listed securities with indexation benefit (12.5% w.e.f. 23 Jul 2024 without Cost Inflation Index benefit) 10%**@ TDS on unlisted securities without indexation benefit (12.5% w.e.f. 23 Jul 2024 without cost Inflation indexation and foreign currency fluctuation benefit)
Short Term	Income tax rate applicable to the Unit holders as per their income slabs**	**Resident Investor:** Nil **Non-Resident Investor:** 30%**^@ tax needs to be deducted in case of payment to NRI and 40%**@ in case of Non Domestic company/Foreign company. (35% w.e.f. 23 Jul 2024)

** the above rates need to be increased by applicable surcharge and health and education cess.

@ Non- resident investors may be eligible for treaty benefit depending upon the facts of the case. The same has not been captured above.

^ Maximum 30 percent as per slab

GOODS AND SERVICE TAX

Goods and Service tax ("GST") on investment and advisory fees shall be charged to the Scheme in addition to the maximum limit of total recurring expenses as permitted under regulation 52 (6) and 52 (6A) of the Regulations. GST on any other fees / expenses shall be borne by the Scheme within the overall limit of the TER. GST shall be levied on the Investment Management & Advisory Fee at the then prevailing GST rate, as per the Taxation Laws in force.

GST on exit load, if any, shall be paid out of exit load proceeds and exit load net of GST, if any, shall be credited to the Scheme. GST on brokerage and transaction cost paid for execution of trade, if any, shall be within the limits prescribed under Regulation 52 of SEBI (Mutual Funds) Regulations.

G. RIGHTS OF UNITHOLDERS

Please refer to SAI for details.

H. LIST OF OFFICIAL POINTS OF ACCEPTANCE

Please check weblink (List of Official Point of Acceptance (OPA), Collection Bankers etc.) for an updated list of the Official Points of Acceptance of HSBC Mutual Fund. For details on CAMS Service Centres, please visit www.camsonline.com.

I. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

1. ***All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, monetary penalties exceeding INR 5 Lakhs during the last five years shall be disclosed.***

   The Sponsor of the Mutual Fund is HSBC Securities and Capital Markets (India) Private Limited (HSCI), a company incorporated under the provisions of the Companies Act, 1956. The Sponsor being an Indian entity, this section is not applicable. Please refer below point.

2. ***In case of Indian Sponsor(s), details of monetary penalties exceeding INR 5 Lakhs imposed and / or action taken during the last five years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and / or the AMC and / or the Board of Trustees / Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to shareholders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last five years shall also be disclosed.***

   - SEBI had issued a Show Cause Notice dated August 04, 2023 to the AMC & members of Trustees as on that date (hereinafter referred to as "Said Trustees"), alleging violation of Regulation 18(9) of Regulations by the Said Trustees & violation of Clause 5 of the Fifth schedule of Mutual Fund Regulations and Clause 1.3.1 (c) of the SEBI Circular No. SEBI/HO/IMD/DF2/ CIR/P/2021/683 dated December 10, 2021 by the AMC. The AMC & the Said Trustees have settled the matter with SEBI under SEBI (Settlement Proceedings) Regulations, 2018, and SEBI vide its settlement order dated May 27, 2024 has disposed of the adjudication proceedings initiated vide Show Cause Notice dated August 04, 2023.

3. ***Details of all enforcement actions taken by SEBI in the last five years and / or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and / or suspension and / or cancellation and / or imposition of monetary penalty exceeding INR 5 Lakhs / adjudication / enquiry proceedings, if any, to which the Sponsor(s) and / or the AMC and / or the Board of Trustees / Trustee Company and / or any of the directors and / or key personnel (especially the fund managers) of the AMC and Trustee Company were / are a party. The details of the violation shall also be disclosed.***

   - The AMC had acquired the entire share capital of L&T Investment Management Limited ("L&T AMC"), the asset management company of erstwhile L&T Mutual Fund, on 25 November 2022 and L&T AMC was subsequently merged into the AMC. Pursuant to the SEBI Inspection of L&T AMC for the period April 01, 2019 to March 31, 2021, SEBI had issued Show Cause Notice (SCN) dated March 20, 2023 & Supplementary SCN dated June 16, 2023 alleging L&T AMC of not complying with SEBI circular No. MFD/CIR/6/73/2000 dated July 27, 2000, Regulation 25(2) and Clause 9 of Fifth Schedule-Part A of SEBI (Mutual Funds) Regulations, 1996. Adjudicating Officer (AO) of SEBI vide its order dated August 23, 2023, had disposed of the said SCNs without imposing any penalty. Subsequently, SEBI issued a SCN dated Nov 06, 2023 under Section 15-I(3) of SEBI Act, 1992 calling upon the AMC to show cause as to why the AO order dated Aug 23, 2023 should not be revised under Section 15-I(3) of SEBI Act, 1992. SEBI on July 25, 2024 issued an adjudication order imposing penalty of INR 5 Lakhs on the AMC under section 15HB of the SEBI Act, 1992. The penalty was paid by the AMC on August 1, 2024.

4. ***Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and / or the AMC and / or the Board of Trustees / Trustee Company and / or any of the directors and / or key personnel are a party should also be disclosed separately.***

   - **Garnishee Notice from Income Tax Authorities:**

     During the financial year 2011-12, an Income tax demand of Rs. 32.58 crores was purported to be recovered under garnishee proceedings, by Income Tax Authorities in respect of investments made in Pass through Certificates (PTC) by some of the debt schemes (including matured schemes) of HSBC Mutual Fund (HSBC MF), for A.Y. 2009-2010. The said demand, impacting various mutual fund players in the industry, raised originally on the trusts sponsored by IL&FS Trust Company Ltd., (Appellants) was sought to be also recovered u/s 177(3) of the Income Tax Act, from HSBC MF. Similar to AY 2009-10, HSBC MF had received a demand notice from the Income Tax authorities for AY 2010-11 for Rs. 6.95 crores. Further, assessment for the A.Y. 2007- 2008 was also been reopened by the Income Tax Authorities and demand of Rs. 2.04 Crores was made on the trust sponsored by IL&FS Trust Company Ltd. HSBC MF has not received any demand notice from the Income Tax authorities for this assessment year. Against all the above demands, an appeal was filed by the Appellant with the first Appellate Authority CIT(A) and thereafter with ITAT. The matter of several Loan Trusts were consolidated and heard by ITAT and vide order dated 17th February 2017, the Income Tax Appellate Tribunal (ITAT) passed an order allowing the appeal of the assessee and dismissed the appeal of the Revenue. The Department filed Miscellaneous Applications (MA) under section 254(2) of the Income Tax Act with ITAT against the favorable orders passed by ITAT on the ground that the Income Tax Appellate Tribunal has failed to consider all aspects of revenue contentions / appeal. The ITAT has vide its order dated March 25th 2022 dismissed the MA filed by department. An appeal filed by Revenue in the High court against the aforesaid order of February 2017 is pending before High Court.

   - The AMC had acquired the entire share capital of L&T Investment Management Limited ("L&T AMC"), the asset management company of erstwhile L&T Mutual Fund, on 25th November 2022 and L&T AMC was subsequently merged into the AMC. On 02nd August 2024, Directorate General of Goods & Services Tax Intelligence has issued a Show Cause Notice (SCN) to the AMC in a matter related to claiming of Input Tax Credit on distributor commission pertaining to mutual fund schemes by L&T AMC for the period July 2017 to Oct. 2018. GST Authorities have issued an order in this matter on 21st January 2025 upholding the contentions raised in the SCN. The AMC is in the process of filing an appeal against this order.

5. ***Any deficiency in the systems and operations of the Sponsor(s) and / or the AMC and / or the Board of Trustees / Trustee Company which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency, shall be disclosed.***

   There are no deficiencies in the systems and operations of the Sponsor of the Mutual Fund and / or the AMC and / or the Board of Trustees which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency to be disclosed in SID.

The above information has been disclosed in good faith as per the information available to the AMC.

Please refer to the weblink (Penalties and related disclosures) for updated details of pending litigations.

Notwithstanding anything contained in this SID, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

Notes: Any amendments / replacement / re-enactment of SEBI (MF) Regulations subsequent to the date of this SID shall prevail over those specified in this SID.

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OFFICIAL POINTS OF ACCEPTANCE OF TRANSACTION REQUESTS

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

HSBC Asset Management (India) Private Limited

CIN NO: U74140MH2001PTC134220

**9-11 Floors, NESCO IT Park, Building No. 3,
Western Express Highway, Goregaon (East), Mumbai 400 063, India**

Website : www.assetmanagement.hsbc.co.in

Description	Investor related queries	Distributor related queries	Online related queries	Investor (Dialing from abroad)
Toll Free Number	1800-4190-200 / 1800-200-2434	1800-419-9800	1800-4190-200 / 1800-200-2434	+91 44 39923900
Email ID	investor.line@mutualfunds.hsbc.co.in	partner.line@mutualfunds.hsbc.co.in	onlinemf@mutualfunds.hsbc.co.in	investor.line@mutualfunds.hsbc.co.in

To get your updated account statement email us at : "mfsoa@mutualfunds.hsbc.co.in"

We're always here to help you, so feel free to reach out to us

Self-service request at your Fingertips

**• Visit Website • Invest Online • Insta Statement • Download Forms
• Transact via Whats App • Use 24/7 ChatBot - Ask Me**

Remember, you can also find out more via our social media handles !

Please check our website www.assetmanagement.hsbc.co.in for an updated list of Official Points of Acceptance of HSBC Mutual Fund.

CAMS SERVICE CENTRES / CAMS LIMITED TRANSACTION POINTS / CAMS COLLECTION CENTRES

For details on CAMS Service Centres, please visit www.camsonline.com

HSBC Mutual Fund

HSBC Asset Management (India) Private Limited
CIN: U74140MH2001PTC134220
Registered Office : 9-11 Floors, NESCO IT Park, Building No. 3, Western Express Highway, Goregaon (East), Mumbai 400 063, India
Toll Free Numbers : 1800-4190-200 / 1800-200-2434 (within India)
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VSTS Corporation Mar. '25