

# SCHEME INFORMATION DOCUMENT (SID)



Issue of units at NAV based resale price  
(Face Value of Rs. 10/-)

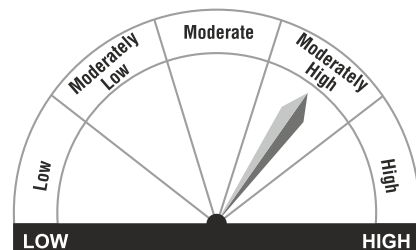
## TATA INDEX FUND

(An open-ended equity scheme tracking S&P BSE Sensex)

### This product is suitable for investors who are seeking\*:

- Long Term Capital Appreciation.
- To reflect / mirror the S&P BSE Sensex returns by investing in the same stocks which comprises of S&P BSE Sensex.

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



Investors understand that their principal will be at Moderately High risk

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 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 TATA Mutual Fund, Tax and Legal issues and general information on [www.tatamutualfund.com](http://www.tatamutualfund.com).

SAI is incorporated by reference (is legally a part of the Scheme Information Document (SID)). 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 should be read in conjunction with the SAI and not in isolation.

**This Scheme Information Document is dated 30 April, 2018**

<b>Scheme Opened on</b>	<b>20.02.2003</b>
<b>Scheme Closed on</b>	<b>24.02.2003</b>
<b>Scheme Re-opened on</b>	<b>03.03.2003</b>

Mutual Fund
<b>Tata Mutual Fund</b> 9th Floor, Mafatlal Centre, Nariman Point, Mumbai - 400 021

AMC
<b>Tata Asset Management Ltd.</b> 9th Floor, Mafatlal Centre, Nariman Point, Mumbai - 400 021 CIN: U65990-MH-1994-PLC-077090

Trustee
<b>Tata Trustee Company Ltd.</b> 9th Floor, Mafatlal Centre, Nariman Point, Mumbai - 400 021 CIN: U65991-MH-1995-PLC-087722

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## TATA INDEX FUND-SENSEX

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## HIGHLIGHTS / SUMMARY OF THE SCHEME

Name of the Scheme	Tata Index Fund-SENSEX(TIFSA)																																				
Type of Scheme	An open ended equity scheme tracking S & P BSE Sensex.																																				
Scheme Category	Index Fund																																				
Investment Objective	The investment objective of the Scheme is to reflect/mirror the market returns with a minimum tracking error. The scheme does not assure or guarantee any returns.																																				
Liquidity	The scheme is an open ended scheme. The scheme is open for resale and repurchase of units at NAV based price, with applicable loads, if any on every business day on an ongoing basis.																																				
Benchmark	S&P BSE SENSEX																																				
Transparency of operation / NAV Disclosure	<p>Determination of Net Asset Value (NAV) on all business days.</p> <p>The NAV of the scheme will be available at all investor service center of the AMC. The AMC shall also endeavor to have the NAV published in 2 daily newspapers. The AMC will also declare the Net Asset Value of the scheme on every business day on AMFI's website <a href="http://www.amfiindia.com">www.amfiindia.com</a> and also on the AMC's website i.e. <a href="http://www.tatamutualfund.com">www.tatamutualfund.com</a>.</p> <p>The monthly portfolio of the Scheme shall be available in a user-friendly and downloadable format on the <a href="http://www.tatamutualfund.com">www.tatamutualfund.com</a> on or before the tenth day of succeeding month.</p> <p>The AMC will disclose the portfolio of the scheme within one month from the close of each half year (i. e. 31 st March &amp; 30th September) either by sending a complete statement to all the unit holders by suitable mode or by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India &amp; in a newspaper published in the language of the region where the Head Office of the Mumbai Fund is situated. The portfolio statement will also be displayed on the website of AMC &amp; AMFI.</p> <p>Due to difference in the expense ratio, the NAV of each option of Direct Plan will be different from the NAV of each option of Regular Plan. Similarly due to dividend payout, the NAV of Dividend Option will be different from the NAV of Growth option.</p> <p>In case of investment in overseas securities by the scheme(s) as mentioned in the asset allocation patter of the respective scheme, the NAV of the fund will be based on the prices of overseas securities converted into Indian rupees.</p>																																				
Investment Options / Default Option	<p><b>Regular Plan ( For applications routed through Distributors):Sensex</b></p> <p><b>Direct Plan ( For applications not routed through Distributors): Sensex</b></p> <p><b>Default Option : Sensex ( In case when only Tata Index Fund mentioned by the investor in application form)</b></p> <p><b>Default Plan:</b></p> <p>Investors are requested to note the following scenarios for the applicability of "Direct Plan (application not routed through distributor) or Regular Plan(application routed through distributor) " for valid applications received under the scheme:</p> <table border="1"> <thead> <tr> <th>Scenario</th> <th>Broker Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>2</td> <td>Not mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>3</td> <td>Not mentioned</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not Mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>6</td> <td>Direct</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>7</td> <td>Mentioned</td> <td>Regular</td> <td>Regular Plan</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not Mentioned</td> <td>Regular Plan</td> </tr> </tbody> </table> <p>In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of application without any exit load.</p>	Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured	1	Not mentioned	Not mentioned	Direct Plan	2	Not mentioned	Direct	Direct Plan	3	Not mentioned	Regular	Direct Plan	4	Mentioned	Direct	Direct Plan	5	Direct	Not Mentioned	Direct Plan	6	Direct	Regular	Direct Plan	7	Mentioned	Regular	Regular Plan	8	Mentioned	Not Mentioned	Regular Plan
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Load(SIP/STP & non SIP)	<b>Direct Plan &amp; Regular Plan:</b>  <b>Entry Load:</b> NA <b>Exit Load:</b> 0.25 % of the applicable NAV, if redeemed on or before 7 days from the date of allotment.
Minimum subscription amount under each option	<b>Regular Plan (For applications routed through Distributors) &amp; Direct Plan (For applications not routed through Distributors):</b> <b>Minimum Amount for Purchase / switch in:</b> Rs. 5,000/- and in multiples of Re. 1/- thereafter. For additional investment Rs. 1,000/- and in multiples of Re. 1/-.  The repurchase / switches request can be made for a minimum of:- Rs. 500/- / 50 units  There will be no minimum amount requirement in case of all units switch in to any scheme of Tata Mutual Fund.
Duration of the scheme	The Scheme, being an open ended in nature, has perpetual duration.

#### Other Highlights

- A Mutual Fund - sponsored by Tata Sons Limited (TSL) and Tata Investment Corporation Limited (TICL).
- The Scheme is managed by Tata Asset Management Limited (TAML).
- Earnings of the Fund is exempt from income tax under Section 10(23D) of the Income Tax Act, 1961.
- **Interpretation**

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

- The terms defined in this SID includes the plural as well as the singular.
- Pronouns having a masculine or feminine gender shall be deemed to include the other.
- The term "Scheme" refers to the scheme covered under this SID including the options /sub-options thereunder.

#### I. INTRODUCTION

##### A. RISK FACTORS

###### Standard Risk Factors:

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the scheme invests fluctuates, the value of your investment in the scheme may go up or down.
- Mutual Fund investments are subject to market risks, read all scheme related documents carefully.
- Mutual Funds and securities investments are subject to market risks and there can be no assurance and no guarantee that the Scheme will achieve its objective.
- As with any investment in stocks, shares and securities, the NAV of the Units under this Scheme can go up or down, depending on the factors and forces affecting the capital markets.
- Past performance of the previous Schemes, the Sponsors or its Group / Affiliates / AMC / Mutual Fund is not indicative of and does not guarantee the future performance of the Scheme.
- Investment in equity and equity related securities including option contracts involve high degree of risks and investors should not invest in the schemes unless they can afford to take the risk of losing their investment.
- The sponsors are not responsible or liable for any loss resulting from the operations of the scheme beyond the initial contribution of Rs. 1 lakh made by them towards setting up of the mutual fund.
- Tata Index Fund- Sensex is only the name of the Scheme and does not in any manner indicate either the quality of the Scheme, its future prospects or the returns. Investors therefore are urged to study the terms of the Offer carefully and consult their Tax and Investment Advisor before investing in the Scheme.
- Tata Index Fund-Sensex is not guaranteed or assured return scheme.

###### Scheme Specific Risk Factors:

- The deviation of the NAV of the plan from the Sensex is expected to be in the range of 2%-3% per annum. However, it may so be that the actual tracking error can be higher or lower than the range given.
- In case of investments in derivative instruments like index futures, the risk/reward would be the same as investments in portfolio of shares representing an index. However, there may be a cost attached to buying an index future. Further, there could be an element of settlement risk, which could be different from the risk in settling physical shares and there is a risk attached to the liquidity and the depth of the index futures market as it is an untested market.
- Tracking errors are inherent in any indexed fund and such errors may cause the scheme to generate returns which are not in line with the performance of the SENSEX or one or more securities covered by / included in the SENSEX. To the extent that some assets/ funds may be deployed in Stock Lending / Money Market Operations, the Scheme will be subject to risks relating to such deployment / operations and may also contribute to tracking errors.

**Investment Risks**

The price of securities may go up or down depending on a variety of factors and hence investors may note that AMC/Fund Manager's investment decisions may not be always profitable. Although it is intended to generate capital appreciation and maximize the returns by actively investing in equity securities and utilising debt and money market instruments as a defensive investment strategy. The price of securities may be affected generally by factors affecting capital markets such as price and volume, volatility in the stock markets, interest rates, currency exchange rates, foreign investment, changes in Government and Reserve Bank of India policy, taxation, political, economic or other developments, closure of the Stock Exchanges etc. Investors should understand that the investment pattern indicated, in line with prevailing market conditions, is only a hypothetical example as all investments involve risk and there is no assurance that the Fund's investment objective will be attained or that the Fund may not be in a position to maintain the indicated percentage of investment pattern under exceptional circumstances. There is no guarantee the investment / dis-investment decision will result into profit.

The fund may use techniques and instruments for efficient portfolio management and to attempt to hedge or reduce the risk. However these techniques and instruments if imperfectly used have the risk of the fund incurring losses due to mismatches particularly in a volatile market. The Fund's ability to use these techniques may be limited by market conditions, regulatory limits and tax considerations (if any). The use of these techniques is dependent on the ability to predict movements in the prices of securities being hedged and movements in interest rates. There exists an imperfect correlation between the hedging instruments and the securities or market sectors being hedged. Besides, the fact that skills needed to use these instruments are different from those needed to select the Fund's / plan's securities. There is a possible absence of a liquid market for any particular instrument at any particular time even though the futures and options may be bought and sold on an organised exchange. The use of these techniques involves possible impediments to effective portfolio management or the ability to meet repurchase / redemption requests or other short-term obligations because of the percentage of the Fund's assets segregated to cover its obligations.

**Liquidity and Settlement Risks**

The liquidity of the Scheme's investments may be inherently restricted by trading volumes, transfer procedures and settlement periods. From time to time, the Scheme will invest in certain securities of certain companies, industries, sectors, etc. based on certain investment parameters as adopted internally by AMC. While at all times the AMC will endeavour that excessive holding/investment in certain securities of industries, sectors, etc. by the Scheme(s) are avoided, the funds invested by the Scheme in certain securities of industries, sectors, etc. may acquire a substantial portion of the Scheme's investment portfolio and collectively may constitute a risk associated with non-diversification and thus could affect the value of investments. Reduced liquidity in the secondary market may have an adverse impact on market price and the Scheme's ability to dispose of particular securities, when necessary, to meet the Scheme's liquidity needs or in response to a specific economic event or during restructuring of the Scheme's investment portfolio.

**Regulatory Risk**

The value of the securities may be affected by uncertainties such as changes in government policies, changes in taxation and other developments in the laws and regulations.

**Risk associated with Unlisted Securities**

Securities which are not quoted on the stock exchanges are inherently liquid in nature and carry a larger liquidity risk in comparison with securities that are listed on the exchanges or offer other exit options to the investors, including the put options. The liquidity and valuation of the scheme's investments due to its holdings of unlisted securities may be affected if they have to be sold prior to the target date of disinvestment.

**Securities Lending by the Mutual Fund**

The Scheme may participate in securities lending and borrowing scheme in accordance with Securities Lending Scheme, 1997, Regulation 44 (4) of SEBI (Mutual Funds) Regulations, 1996, SEBI circular no MFD/CIR/01/047/99 dated February 10, 1999, framework for short selling and borrowing and lending of securities notified by SEBI circular no MRD/DoP/SE/Cir-14/2007 dated 20, 2007 and SEBI circular no SEBI / IMD / CIR No 14 / 187175/ 2009 dated December 15, 2009 and SEBI circular no CIR/MRD/DP/122/2017 dated November 17, 2017. The Scheme shall also follow other relevant regulations /guidelines issued by stock exchange(s) from time to time. The Scheme shall participate in Securities Borrowing and Lending only with the SEBI approved intermediaries.

Securities Lending means the lending of securities to SEBI approved intermediaries for a tenure of 1 to 12 months at a negotiated compensation in order to enhance returns of the scheme portfolio. The securities lent will be returned by the borrower on the expiry of the stipulated period. The AMC will adhere to the following strict internal limits should it engage in Securities Lending.

Not more than 25% of the net assets of the Scheme can be deployed in stock lending and not more than 5% of the fund can be can be deployed in Stock lending to any single counterparty. Collateral would always be obtained by the approved intermediary. Collateral value would always be more than the value of the security lent. Collateral can be in form of cash, bank guarantee, and government securities, as may be agreed upon with the approved intermediary, and would also be subject to a mark to market valuation on a daily basis.

**Example:**

A scheme has a security of a company which it would wish to hold for a long period of time as a core holding in the portfolio as per the fund manager's plan. In that case the investors would be benefited only to the extent of the rise in the value of the security, from time to time if any, on the exchange. If the scheme is enabled to lend the said security to a borrower who would be wanting to take advantage of the market fluctuations in its price, the borrower would return the security to the lender (fund) at a stipulated time or on demand for a negotiated compensation. The scheme's unitholders can enhance their returns to the extent of the compensation it will earn for lending the same. An adequate security or collateral will have to be maintained by the intermediary. This should always be higher than the cost of the security. Thus it is in the interest of the investors that returns can be enhanced by way of stock lending rather than hold the security only for capital appreciation potential.

Thus the scenario under which the scheme would participate in stock lending would be:

1. There is a holding of security e.g. of XYZ Ltd in the scheme which the fund manager wants to be the core holding of the fund for approximately 6 to 12 months.
2. There is a borrower (not mutual fund) for the security, (who has taken a short position in the market and needs the said security of XYZ Ltd to settle it) who is willing to put up a proper collateral for the same (In all cases higher than the price of the script).
3. The borrower is represented by a proper recognized intermediary.
4. The agreement is to return the security or the amount so negotiated at a particular period of time or on demand.

Then the security will be lent by the scheme and the unitholders would benefit from the additional compensation earned for lending, apart from the capital appreciation which also happens in that stock. Thus, to summarize, stock lending would be done by the scheme only in the following circumstances:

- a) If permitted by trustees and the extent SEBI regulations in that regard, from time to time.
- b) If such activity generates additional returns for the scheme and helps to enhance the scheme returns.
- c) If considering the above and other factors all considered in totality, such activity is in the interest of unitholders in the scheme.

#### **Securities Lending Risks**

It may be noted that this activity would have the inherent probability of collateral value drastically falling in times of strong downward market trends, rendering the value of collateral inadequate until such time as that diminution in value is replenished by additional security. It is also possible that the borrowing party and/or the approved intermediary may suddenly suffer severe business setback and become unable to honour its commitments. This, along with a simultaneous fall in value of collateral would render potential loss to the Scheme. Besides, there will also be temporary illiquidity of the securities that are lent out and the Scheme(s) will not be able to sell such lent out securities until they are returned.

#### **Risks associated with Debt / Money Markets**

##### **Interest Rate Risk**

As with debt instruments, changes in interest rate may affect the price of the debt instrument(s) and ultimately Scheme's net asset value. Generally the prices of instruments increase as interest rates decline and decrease as interest rates rise. Prices of long-term securities fluctuate more in response to such interest rate changes than short-term securities. Indian debt and government securities 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.

##### **Credit Risk**

Credit risk or Default risk refers to the risk that an issuer of a fixed income security may default (i.e. the issuer will be unable to make timely principal and interest payments on the security). Because of this risk corporate debentures are sold at a higher yield above those offered on Government Securities which are sovereign obligations and free of credit risk. Normally, the value of fixed income securities 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.

##### **Reinvestment Risk**

This risk refers to the difference in the interest rate levels at which cash flows received from the securities in the scheme is reinvested. The additional income from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows are reinvested may be lower than that originally assumed.

#### **Risks associated with Derivatives**

- Derivative products are leverage instruments and can provide disproportionate gains as well as disproportionate losses to the investors. Execution of such strategies depends upon the ability of the Fund Manager to identify such opportunities. Identification and execution of the strategies to be pursued by the Fund Manager involved uncertainty and decision of Fund Manager may not always be profitable. No assurance can be given that the Fund Manager will be able to identify or execute such strategies.
- Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative add to the portfolio and the ability to forecast price of securities being hedged and interest rate movements correctly. There is a possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counterparty") to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mis-pricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments".
- The Scheme may face execution risk, whereby the rates seen on the screen may not be the rate at which the ultimate execution of the derivative transaction takes place.
- The Scheme may find it difficult or impossible to execute derivative transactions in certain circumstances. For example, when there are insufficient bids or suspension of trading due to price limit or circuit breakers, the Scheme may face a liquidity issue.
- Investments in index futures face the same risk as the investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks.
- The Scheme bears a risk that it may not be able to correctly forecast future market trends or the value of assets, indices or other financial or economic factors in establishing derivative positions for the Scheme.
- There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. The counter party may default on a transaction before settlement and therefore, the Scheme is compelled to negotiate with another counterparty at the then prevailing (possibly unfavorable) market price.
- The risk of loss in trading futures contracts can be substantial, because of the low margin deposits required, the extremely high degree of leverage involved in futures pricing and the potential high volatility of the futures markets.
- Where derivatives are used for hedging, such use may involve a basis risk where the instrument used as a hedge does not match the movement in the instrument/underlying asset being hedged. The risk may be inter-related also e.g. interest rate movements can affect equity prices, which could influence specific issuer/industry assets.

Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

**Risk Control / Mitigation measures for equity investments and related investments:**

Investment in equity has an inherent market risk which cannot be mitigated generally. Following measures have been implemented with an objective to mitigate /control other risks associated with equity investing:

<b>Nature of Risk</b>	<b>Mitigation Measures</b>
Regulatory Risk	<ul style="list-style-type: none"> <li>Online monitoring of various exposure limits by the Front Office System. Also as a backup, manual controls are also implemented.</li> </ul>
Poor Portfolio Quality	<ul style="list-style-type: none"> <li>Pre-approved universe of stocks based on strong fundamental research. New stock addition only with the prior approval of investment committee.</li> </ul>
Performance Risk	<ul style="list-style-type: none"> <li>Periodical review of stock wise profit &amp; loss. Review of scheme performance vis. a vis. Benchmark index as well as peer group.</li> </ul>
Liquidity Risk	<ul style="list-style-type: none"> <li>Periodical review of the liquidity position of each scrip (Market capitalization, average volume in the market vis. a vis. Portfolio Holding)</li> </ul>
Concentration Risk	<ul style="list-style-type: none"> <li>Cap on maximum single sector exposure. Cap on maximum single stock exposure</li> </ul>

**B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME**

The Scheme shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme. The two conditions mentioned above shall be complied with on a calendar quarter basis, 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 the 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. However, in case the Scheme does not have a minimum of 20 investors, on an average basis, in the stipulated period (i.e. during the concerned calendar quarter), 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 shall be wound up and the units would be redeemed at applicable NAV. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

**C. SPECIAL CONSIDERATIONS**

Investors are urged to study the terms of the SID carefully before investing in this Scheme, and to retain this SID for future reference. The Mutual Fund may disclose details of the investor's account and transactions there under to those intermediaries whose stamp appears on the application form or who have been designated as such by the investor. In addition, the Mutual Fund may disclose such details to the bankers, as may be necessary for the purpose of effecting payments to the investor. The Fund may also disclose such details to regulatory and statutory authorities/bodies as may be required or necessary.

Pursuant to the provisions of Prevention of Money Laundering Act, 2002, if after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, on failure to provide required documentation, information, etc. by the unit holder the AMC shall have absolute discretion to report such suspicious transactions to FIUIND and / or to freeze the folios of the investor(s), reject any application(s) / allotment of units.

**Tax Consequences**

Redemption by the unit holders due to change in the fundamental attribute (if any, in future) of the scheme or due to any other reason may entail tax consequences for which the Trustees, AMC, Fund their Directors / employees shall not be liable.

**Disclosure / Disclaimer**

To the best of the knowledge and belief of the Directors of the Trustee Company, information contained in this SID is in accordance with the SEBI Regulations and facts and does not omit anything likely to have a material impact on the importance of such information.

Neither this SID nor the Units have been registered in any jurisdiction. The distribution of this SID in certain jurisdictions may be restricted or subject to registration requirements and, accordingly, persons who come into possession of this SID are required to inform themselves about, and to observe, any such restrictions. No persons receiving a copy of this SID or any accompanying application form in any such jurisdiction may treat this SID or such application form as constituting an invitation to them to subscribe for Units, nor should they in any event use any such application form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such application form could lawfully be used without compliance with any registration or other legal requirements. Accordingly, this SID does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this SID and any persons wishing to apply for Units pursuant to this SID to inform themselves of, and to observe, all applicable laws and Regulations of such relevant jurisdiction.

Prospective investors should review / study this SID carefully and in its entirety and should not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation, or financial / investment matters and are advised to consult their own professional advisor(s) as to the legal or any other requirements or restrictions relating to the subscription, gifting, acquisition, holding, disposal (sale, transfer, switch or redemption or conversion into money) of Units and to the treatment of income (if any), capitalisation, capital gains, any distribution, and other tax consequences relevant to their subscription, acquisition, holding, capitalisation, disposal (sale, transfer, switch, redemption or conversion into money) of Units within their jurisdiction of nationality, residence, domicile etc. or under the laws of any jurisdiction to which they or any managed

## TATA INDEX FUND-SENSEX

funds to be used to purchase/gift Units are subject, and (also) to determine possible legal, tax, financial or other consequences of subscribing / gifting to, purchasing or holding Units before making an application for Units.

No person has been authorized to give any information or to make any representations not confirmed in this SID in connection with the New Fund Offer / Subsequent Offer of Units, and any information or representations not contained herein must not be relied upon as having been authorized by the Mutual Fund or the Asset Management Company or the Trustee Company. Statements made in this SID are based on the law and practice currently in force in India and are subject to change therein. Neither the delivery of this SID nor any sale made hereunder shall, under any circumstances, create any impression that the information herein continues to remain true and is correct as of any time subsequent to the date hereof.

Notwithstanding anything contained in the SID the provisions of SEBI (Mutual Funds) Regulations 1996 and guidelines thereunder shall be applicable. The Trustee Company would be required to adopt / follow any regulatory changes by SEBI / RBI etc and /or all circulars / guidelines received from AMFI from time to time if and from the date as applicable. The Trustee Company in such a case would be obliged to modify / alter any provisions / terms of the SID during / after the launch of the scheme by following the prescribed procedures in this regard.

**BSE Disclaimer:** "Tata Index Fund SENSEX plan is not sponsored, endorsed, sold or promoted by the Stock Exchange, Mumbai ("BSE"). BSE makes no representation or warranty, express or implied to the investors in Tata Index Fund SENSEX plan or any member of the public in any manner whatsoever regarding the advisability of investing in securities generally or in Tata Index Fund SENSEX plan particularly or the ability of the S&P SENSEX to track general stock market performance in India or otherwise. The relationship of BSE to the Tata Asset Management Limited is in respect of the licensing of use of S&P SENSEX which is determined, composed and calculated by BSE without regard to the Tata Asset Management Limited or Tata Index Fund SENSEX plan .BSE has no obligation to take the needs of the investors of Tata Index Fund SENSEX plan into consideration in determining, composing or calculating the S&P SENSEX. BSE is neither responsible for nor has participated in the determination of the time or price at which the units under Tata Index Fund SENSEX plan are to be issued or in the determination or calculation of the equation by which the units are to be redeemed for the underlying securities. BSE has no obligation or liability in connection with the administration, marketing or trading of Tata Index Fund SENSEX plan.

"BSE does not guarantee the accuracy and/or the completeness and/or continuity of SENSEX or any data included therein and they shall have no liability for any errors, omissions or interruptions therein or change or cessation thereof. BSE makes no warranty, express or implied, as to the results to be obtained by the Tata Asset Management Limited, investors of Tata Index Fund SENSEX plan, or any other persons or entities from the use of S&P SENSEX or any data included therein. BSE makes no express or implied warranties and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to S&P SENSEX or any data included therein. Without limiting any of the foregoing, in no event shall BSE have any liability for any special, punitive, indirect or consequential damages (including lost profits), even if notified of the possibility of such damages".

The Scrip weightages of BSE SENSEX as on 04<sup>th</sup> April' 2018:

Company Name	Weight in Index
<b>BSE SENSEX</b>	
INFOSYS LTD	6.6
TATA CONSULTANCY SVCS LTD	4.5
MAHINDRA & MAHINDRA LTD	2.2
MARUTI SUZUKI INDIA LTD	3.7
HINDUSTAN UNILEVER LTD	3.0
LARSEN & TOUBRO LTD	4.9
RELIANCE INDUSTRIES LTD	8.9
COAL INDIA LTD	1.1
INDUSIND BANK LTD	2.8
BHARTI AIRTEL LTD	1.4
OIL & NATURAL GAS CORP LTD	1.5
HDFC BANK LIMITED	11.8
KOTAK MAHINDRA BANK LTD	3.9
HOUSING DEVELOPMENT FINANCE	9.2
NTPC LTD	1.6
WIPRO LTD	1.0
ASIAN PAINTS LTD	1.6
HERO MOTOCORP LTD	1.5
STATE BANK OF INDIA	2.8
ICICI BANK LTD	5.3
AXIS BANK LTD	2.8
SUN PHARMACEUTICAL INDUS	1.7
ITC LTD	6.8
POWER GRID CORP OF INDIA LTD	1.3
ADANI PORTS AND SPECIAL ECON	0.9
TATA STEEL LTD	1.3
DR. REDDY'S LABORATORIES	0.8
BAJAJ AUTO LTD	1.2
YES BANK LTD	1.7
TATA MOTORS LTD	2.1
TATA MOTORS LTD-A-DVR	0.3



## D. DEFINITIONS &amp; ABBREVIATION

1.	"Business Day" or "Working Day"	A day other than <ul style="list-style-type: none"> <li>• Saturday and Sunday</li> <li>• a day on which the Bombay Stock Exchange Limited and/or National Stock Exchange of India Limited are closed for trading</li> <li>• a day on which sale and repurchase of units is suspended by the AMC</li> <li>• a day on which normal business could not be transacted due to storms, floods, bandhs, strikes etc.</li> </ul> <p>The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres. In such circumstances notice will be uploaded on the AMC website i.e www.tatamutualfund.com.</p>
2.	"Business Hours"	Business hours are from 10.00 A.M. to 3.00 P.M. on any Business Day.
3.	"BSE"/"NSE"	Bombay Stock Exchange /National Stock Exchange
4.	"Calendar Year"	A Calendar Year shall be 12 full English Calendar months commencing from 1st January and ending on 31 <sup>st</sup> December.
5.	"Custodian"	Standard Chartered Bank , a bank incorporated in London with limited liability and includes its successors.
6.	"Entry Load"	Amount that is paid by the investors at the time of entry / subscription into the scheme.
7.	"Exit Load"	Amount that is paid by the investors at the time of exit / redemption from the scheme.
8.	"Derivative Exposure"	<b><u>SEBI Circular No. Cir / IMD / DF / 11 / 2010 dated August 18, 2010</u></b> Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows: <b>Long Futures</b> : Futures Price * Lot Size * Number of Contracts <b>Short Futures</b> : Futures Price * Lot Size * Number of Contracts <b>Option Bought</b> : Option Premium Paid * Lot Size * Number of Contracts
9.	"Day"	Any day as per English Calendar viz. 365 days in a year.
10.	"Financial Year"	A Financial Year shall be 12 full English Calendar months commencing from 1st April and ending on 31 <sup>st</sup> March.
11.	"Group"	As defined in sub-clause (ef) of clause 2 of MRTP Act, 1961.
12.	"IMA"	Investment Management Agreement dated 9th May, 1995, as amended from time to time, between the TTCL & TAML.
13.	"Investor"	An investor means any resident or non-resident person whether individual or not (legal entity), who is eligible to subscribe units under the laws of his/her/their country of incorporation, establishment, citizenship, residence or domicile and under the Income Tax Act, 1961 including amendments thereto from time to time and who has made an application for subscribing units under the Scheme. Under normal circumstances, a Unit holder shall be deemed to be the investor.
14.	"Net Asset Value" or "NAV"	(a) In case of winding up of the Fund: In respect of an Unit, the amount that would be payable to the holder of that Unit on any date if the fund were to be wound up and its assets distributed on that date (valuing assets and liabilities in accordance with the normal accounting policies of the Fund, but ignoring net distributable income of the current financial year and winding up expenses). (b) Daily for Ongoing Sale/Redemption/ Switch: In respect of a Unit, the amount that would be payable by/to the investor / holder of that Unit on any Valuation date by dividing the net assets of the Scheme by the number of outstanding Units on the Valuation date.
15.	"Net Assets"	Net Assets of the Scheme / Plan at any time shall be the value of the Fund's total assets less its liabilities taking into consideration the accruals and the provisions at that time.
16.	"Non- Resident Indian" / NRI	A person resident outside India who is a citizen of India or is a person of Indian origin as per the meaning assigned to the term under Foreign Exchange Management (Investment in firm or proprietary concern in India) Regulations, 2000.
17.	"Permissible Investments"	Investments made on account of the Unitholders of the Scheme in securities and assets in accordance with the SEBI Regulations.
18.	"Portfolio"	Portfolio at any time shall include all Permissible Investments and Cash.
19.	"Regulations"	Regulations imply SEBI Regulations and the relevant rules and provisions of the Securities and Exchange Board of India (Depositories and participants) Regulations 1996, Public Debt Act 1944, the relevant notifications of the Government of India Ministry of Finance Department of Revenue, (Central Board of Direct Taxes), the Income Tax Act, 1961; Foreign Exchange Management Act, 1999 as amended from time to time and shall also include any Circulars, Press Releases or Notifications that may be issued by SEBI or the Government of India or the Reserve Bank of India from time to time.

**TATA INDEX FUND-SENSEX**

20.	“Resident”	A resident means any person resident in India under the Foreign Exchange Management Act, 1999 and under the Income Tax Act, 1961, including amendments thereto from time to time.
21.	“Scheme”	The offer made by Tata Mutual Fund through this SID, viz., Tata Index Fund-Sensex.
22.	“SEBI”	Securities & Exchange Board of India established under the Securities & Exchange Board of India Act, 1992.
23.	“SEBI Regulations”	The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time and shall also include any Mutual Fund Regulations, Circulars, Press Releases, or Notifications that may be issued by SEBI or the Government of India to regulate the activities and growth of Mutual funds.
24.	“SID”	Scheme Information Document
25.	“SAI”	Statement of Additional Information
26.	“SIP”	Systematic Investment Plan, a facility to invest systematically (monthly / quarterly / half-yearly / yearly) in the scheme.
27.	“SWP”	Systematic Withdrawal Plan, a facility to redeem systematically (monthly / quarterly / half-yearly / yearly) from the scheme.
28.	“STP”	Systematic Transfer Plan, a facility to switch money / investment from this scheme to other scheme(s) of Tata Mutual Fund, systematically (monthly / quarterly / half-yearly / yearly)
29.	“TAML”	Tata Asset Management Limited, the Asset Management Company (AMC), a company within the meaning of the Companies Act, 1956 (1 of 1956) and includes its successors and permitted assigns.
30.	“TICL”	Tata Investment Corporation Limited, a sponsor of the TMF and a shareholder of TAML, a company within the meaning of the Companies Act, 1913 and includes its successors and permitted assigns.
31.	“TMF” or “Fund”	Tata Mutual Fund, a trust established under a Trust Deed dated 9th May, 1995, under the provisions of The Indian Trusts Act, 1882, bearing SEBI registration No. MF/023/95/9.
32.	“Total Assets”	Total Assets of the Scheme at any time shall be the total value of the Schemes assets taking into consideration the accruals.
33.	“Trust Deed”	The Trust Deed of the Mutual Fund dated 9th May, 1995, as amended from time to time, made between TSL and TICL as the settlors, and TTCL as the Trustee.
34.	“TSL”	Tata Sons Limited, a sponsor of TMF and a shareholder of TAML, a company within the meaning of the Companies Act, 1913 and includes its successors and permitted assigns.
35.	“TTCL or Trustee Company”	Tata Trustee Company Limited, a company within the meaning of the Companies Act, 1956 and includes its successors and permitted assigns.
36.	“Unitholder”	A Unit holder means any resident or non-resident person whether individual or not (legal entity), who is eligible to subscribe to the Scheme and who has been allotted Units under the Scheme based on a valid application.
37.	“Units”	The security representing the interests of the Unitholders in the Scheme. Each Unit represents one undivided share in the assets of the Scheme as evidenced by any letter/ advice or any other statement / certificate / instrument issued by TMF.
38.	“Year”	A Year shall be 12 full English Calendar months.

**E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**

The following Due Diligence Certificate has been submitted to SEBI:

It is confirmed that:

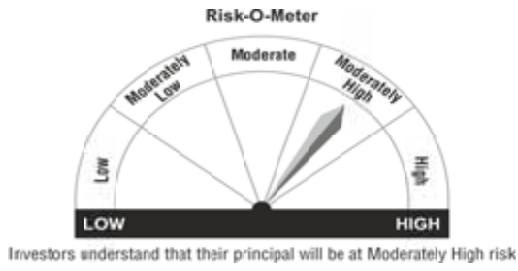
- (i) The Scheme Information Document is in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- (ii) All legal requirements connected with the running of the scheme as also the guidelines, instructions, 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 proposed scheme.
- (iv) All the intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and till date such registration is valid.

For Tata Asset Management Limited

Place: Mumbai  
Date: 30.04.2018

**Upesh K. Shah**  
Head- Compliance

## II. INFORMATION ABOUT THE SCHEME

<p><b>This Product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"> <li>• Long Term Capital Appreciation.</li> <li>• To reflect / mirror the S&amp;P BSE Sensex returns by investing in the same stocks which comprises of S&amp;P BSE Sensex.</li> </ul> <p><b>*Investors should consult their financial advisors if in doubt about whether the product is suitable for them</b></p>	
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## A. TYPE OF THE SCHEME

An open ended equity scheme tracking S & P BSE Sensex.

## B. INVESTMENT OBJECTIVE OF THE SCHEME

The investment objective of the Scheme is to reflect/mirror the market returns with a minimum tracking error.

The scheme does not assure or guarantee any returns.

**How the fund is different from other existing schemes of Tata Mutual Fund:**

The scheme objective is to reflect/mirror the market returns with a minimum tracking error.

**Below mentioned is the comparison of this fund with other existing schemes of Tata Mutual Fund:**

Scheme Name	Asset Allocation Pattern	Primary Investment Focus	AUM as on 31 <sup>st</sup> March '2018 (Rs. Crore)	No. of Folios as on 31 <sup>st</sup> March '2018
<b>Tata Mid Cap Growth Fund</b>	65% to 100% investment in Equity and equity related instruments and up to 35% in other equities ,debt and money market instruments.	Primary investment focus on equity and equity related securities of well researched growth oriented mid cap stocks. <b>At present we do not have other similar scheme.</b>	651.54	76882
<b>Tata Large &amp; Mid Cap Fund</b>	Minimum investment in equity & equity related instruments of large cap companies -35% of total assets & in mid cap stocks-35% of the total assets, in other equities:0-30%.	Primary focus on investing in equity and equity related instruments of well researched value and growth oriented large cap & mid cap companies. <b>At present we do not have other similar scheme.</b>	1216.58	182579
<b>Tata Equity P/E Fund</b>	70% to 100% investment in Equity and Equity related – Companies whose rolling P/E at the time of investment is lower than the rolling P/E of the S&P BSE SENSEX up to 30% in other equities and up to 30% in debt instruments.	Primarily at least 70% of the net assets would be invested in equity shares whose rolling P/E ratio on past four quarter earnings for individual companies is less than rolling P/E of the S& P BSE SENSEX stocks. <b>At present we do not have other similar scheme.</b>	2965.46	226812
<b>Tata Large Cap Fund</b>	80% to 100% investment in listed equity & equity related instruments of large and other equity related instrument. 0% to 20% as well as investment in Debt and Money Market instruments.	Primarily investment in equity and equity related instruments of large market cap companies. <b>At present we do not have other similar scheme.</b>	756.00	88217
<b>Tata Ethical Fund</b>	80% to 100% investment in equity & equity Shariah Complaint companies and 0-20% in other shariah complaint instruments including cash.	Primarily focus on investing in equity and equity related instruments of Shariah complaints listed, to be listed and unlisted securities of companies and in other shariah complaint instruments. <b>At present we do not have other similar scheme.</b>	480.90	31838

**TATA INDEX FUND-SENSEX**

<b>Scheme Name</b>	<b>Asset Allocation Pattern</b>	<b>Primary Investment Focus</b>	<b>AUM as on 31<sup>st</sup> March '2018 (Rs. Crore)</b>	<b>No. of Folios as on 31<sup>st</sup> March '2018</b>
<b>Tata Hybrid Equity Fund</b>	65% to 80% investment in Equity & equity related instruments & 20% to 35% in debt & money market instruments.	The scheme invests both in equity & debt instruments with a little bias towards equity & equity related instruments. For taxation purpose is treated as an equity oriented scheme. So, this schemes turns almost as aggressive as normal equity scheme in case of bullish market phase but less risky when market heads southward. <b>At present we do not have other similar scheme.</b>	5371.08	205457
<b>Tata India Tax Savings Fund</b>	Minimum investment in equity & equity related instruments - 80% of the investible funds in equity/equity related instruments and balance amount (0-20%) in debt and money market instruments (in accordance with Equity Linked Saving Scheme, 2005)	Primarily invest in equity and equity related instruments It is an open ended equity linked saving scheme with a statutory lock in period of three years from the date of allotment. As per the provisions of section 80C of Income Tax Act, 1961, investments made by the Individuals & HUFs in this scheme (along with other prescribed investments) will qualify for a deduction upto Rs. 1.50 Lac from Gross Total Income. <b>At present we do not have other similar scheme.</b>	1267.25	204754
<b>Tata Infrastructure Fund</b>	80% to 100% investment in Equity & Equity related Instruments of companies in the infrastructure sector. Up to 20% investment in other equities and or Debt & money Market instruments.	Primarily focus on equity / equity related instruments of the companies in the Infrastructure sector in India. <b>At present we do not have other similar scheme.</b>	631.06	93212
<b>Tata Equity Savings Fund</b>	65% to 90% in Equity & Equity related instruments of which Net long Equity exposure 15% to 35%, Equity & Equity Derivatives 30% to 70%.10% to 35% in Debt, Cash & Money market Securities.	Primarily focus on equity / equity related instruments of the companies by investing in arbitrage opportunities in cash and derivative segment. <b>At present we do not have other similar scheme.</b>	225.82	4747
<b>Tata Retirement Savings Fund</b>	Progressive Plan: 80-100% in equity & equity related instruments. Debt & money market 0-15%, other securities: 0-10%. Moderate Plan:65-85% in Equity & equity related instruments, 15-35% investments in Debt & related instruments & other securities 0-10% Conservative Plan: 0-30% in equity & equity related instruments. Debt & money market 70-100%, other securities: 0-10%.	The scheme is having three plans.1) Progressive 2) Moderate 3) Conservative Plans. The objective of the Fund is to provide a financial planning tool for long term financial security for investors based on their retirement planning goals. Scheme having a lock in for atleast 5 years or till retirement age whichever is earlier. <b>At present we do not have other similar scheme.</b>	Progressive-404.24 Moderate-574.03 Conservative-128.91	Progressive-27186 Moderate-21180 Conservative-7639
<b>Tata Banking &amp; Financial Services Fund</b>	80%-100% in Equity and Equity related instruments of companies in the Banking & Financial Services Sector & 0-20% in debt & money market instruments.	Primarily focus on equity / equity related instruments of the companies by investing in banking & financial Services Sector in India. <b>At present we do not have other similar scheme.</b>	233.85	27393

**TATA INDEX FUND-SENSEX**

Scheme Name	Asset Allocation Pattern	Primary Investment Focus	AUM as on 31 <sup>st</sup> March '2018 (Rs. Crore)	No. of Folios as on 31 <sup>st</sup> March '2018
<b>Tata India Consumer Fund</b>	80%-100% in Equity and Equity related instruments of companies in the consumption oriented sectors & 0-20% in debt & money market instruments.	Primarily focus on equity / equity related instruments of the companies by investing in consumption oriented sectors in India. <b>At present we do not have other similar scheme.</b>	788.83	77494
<b>Tata Digital India Fund</b>	80%-100% in Equity and Equity related instruments of companies in the Information Technology Sector & 0-20% in debt & money market instruments.	Primarily focus on equity / equity related instruments of the companies by investing in Information technology sector in India. <b>At present we do not have other similar scheme.</b>	82.54	12458
<b>Tata India Pharma &amp; Healthcare Fund</b>	80%-100% in Equity and Equity related instruments of companies in the Pharma & Healthcare Sector & 0-20% in debt & money market instruments.	Primarily focus on equity / equity related instruments of the companies by investing in the Pharma & Healthcare Sector in India. <b>At present we do not have other similar scheme.</b>	133.13	22392
<b>Tata Resources &amp; Energy Fund</b>	80%-100% in Equity and Equity related instruments of companies in the Resources & Energy Sectors & 0-20% in debt & money market instruments.	Primarily focus on equity / equity related instruments of the companies by investing in the Resources & Energy Sectors in India. <b>At present we do not have other similar scheme.</b>	46.88	7892
<b>Tata Young Citizens' Fund</b>	65%-85% in Equity and Equity related instruments of companies and 15%-35% in Debt & Money Market Instruments.	Primarily focus on equity / equity related instruments of listed as well as unlisted companies aiming to generate long term capital growth. Scheme is having a lock in for atleast 5 years or till the child attains age of majority (whichever is earlier) <b>At present we do not have other similar scheme.</b>	216.28	38117
<b>Tata Index Fund – Sensex &amp; Nifty</b>	95% of the total assets - Minimum investment in securities of the particular index ( Sensex or Nifty) being replicated/tracked	Primarily focus on mirroring the index -Sensex or Nifty. <b>At present we do not have other similar scheme.</b>	15.33	1053

## C. ASSET ALLOCATION AND RISK PROFILE

Under normal circumstances, funds of the Scheme, shall (after providing for all ongoing expenses) be invested / the indicative asset allocation shall be as follows considering the objective of the Scheme:

## SENSEX PLAN:

Instruments	Indicative allocations (% of total assets)	Risk Profile
		High/Medium/Low
Securities Covered by the S&P BSE SENSEX	95-100	High
Money Market Instruments	0-5	Low to Medium

The scheme may invest in derivative instruments like index futures, stock futures, options contracts, warrants, convertible securities, swap agreements or other derivative products, as and when introduced but always subject to regulatory requirement.

Not more than 25% of the net assets of the scheme shall be deployed in securities lending. The Scheme would limit its exposure, with regards to securities lending, for a single intermediary, to the extent of 5% of the total net assets of the scheme at the time of lending.

The AMC may from time to time for a short term period on defensive consideration invest upto 100% of the funds available in Money Market Instruments, the primary motive being to protect the Net Asset Value of the Scheme and protect unitholders interests so also to earn reasonable returns on liquid funds maintained for redemption/repurchase of units.

## Change in Investment Pattern

Investment strategy and pattern may be deviated from time to time, provided such modification is in accordance with the Scheme(s) objective and Regulations as amended from time to time, the intent being to protect the Net Asset Value of the scheme and unitholders' interests. In case of deviation, the AMC will achieve a normal asset allocation pattern in a maximum period of three months. In case deviation in investment pattern is not rebalanced within the period indicated above then justification for such delay in rebalancing of portfolio shall be placed before the investment committee and the reasons for the same shall be recorded in writing. The Investment Committee shall then decide on the course of action. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.

## D. WHERE WILL THE SCHEME INVEST

Tata Index Fund-SENSEX is a passively managed scheme investing mainly in equity shares of only those companies comprised in the S&P BSE SENSEX Index as may be defined from time to time. The Scheme is not an active Index fund and hence will be investing/holding securities in the same proportion as that of BSE SENSEX regardless of their investment merit. A passively managed scheme like an index fund holds securities in the same proportion as that of a market index in an attempt to closely match the returns generated by the index, subject to tracking errors.

The index fund has the following advantages:

- Diversification: An index would generally represent all the components/sectors of a given market and hence provide for a very broad level of diversification.
- Low operating expenses: The costs incurred in terms of advisory services, research, distribution expenses are extremely low compared to actively managed funds. Hence most of the funds have a minimal annual expense ratio.
- Low transaction costs: Losses due to trading are minimized as there is no active attempt to beat the market returns, the objective is to replicate the returns of the market by ensuring that the fund is fully invested at any given point in time.

The disadvantages of an Index Fund are:

- There is no attempt to outperform the market.
- Tracking error: There can be some amount of tracking error as it is not possible to replicate the index completely.

The fund seeks to invest in the universe of stocks comprised in BSE Sensex and therefore, the proposed investment would be in larger capitalized, actively traded companies across the different industries in the Indian economy. It is expected that 95% of funds raised under this Scheme will be invested in equity and equity related instruments comprising the BSE SENSEX Index (as may be defined from time to time) and around 5% in money market instruments like Call Deposit, Commercial paper certificate of Deposit, short term deposit, Treasury Bills and short term debt instruments etc. issued by various Corporate, Government - State or Central, Public Sector Undertakings. Such Government Securities may include securities, which are:

- Supported by the ability to borrow from the Treasury;
- Supported only by Sovereign guarantee or of the State Government; or
- Supported by Government of India / State Government in some other way.

This is for providing ongoing liquidity for meeting redemption requirements.

As part of the investment strategy, the Scheme may trade in derivative instruments such as index futures, stock futures and options contracts, warrants, convertible securities, swap agreements or any other derivative instruments that are permissible or may be permissible in future under applicable regulations and such investments shall be in accordance with the investment objectives of the Scheme. The risk/reward in index futures would be similar to that in a portfolio of shares representing an Index. However, there may be a cost attached to buying an index future. Further, there could be an element of settlement risk, which could be different from the risk in settling physical shares. This settlement risk is likely to be minimized if the Exchange acts as the Clearing Corporation and the counter party. Besides, there is a risk attached to the liquidity and the depth of

the index futures market. The Fund may not suffer any material investment loss on trading in the index futures as compared to holding a portfolio of shares representing an index. The Fund will not maintain any leveraged or trading positions.

#### **Investment in Securities of Group Companies**

As per SEBI (Mutual Funds) Regulations 1996, the scheme shall not make any investments in any un-listed securities of associate/ group companies of the Sponsors. The Scheme will also not make investment in privately placed securities issued by associate / group companies of the Sponsors. The Scheme may invest not more than 25% of the net assets in listed securities of Group companies.

#### **Derivatives and Hedging Products:**

The Scheme will comply with all the applicable circulars issued by SEBI as regard to derivatives viz. SEBI Circular no. SEBI/MFD/CIR No. 03/ 158 /03 dated June 10, 2003, no. DNPDCir-29/2005 dated September 14, 2005, no. SEBI/IMD/CIR No. 9/108562/07 dated November 16,2007, no. Cir/IMD/ DF/ 11/ 2010 dated August 18, 2010. The cumulative gross exposure through equity, debt and derivative positions should not exceed 100% of the net assets of the scheme. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.

#### **Options:**

An option gives a person the right but not an obligation to buy or sell something. An option is a contract between two parties wherein the buyer receives a privilege for which he pays a fee (premium) and the seller accepts an obligation for which he receives a fee. The premium is the price negotiated and set when the option is bought or sold. A person who buys an option is said to be long in the option. A person who sells (or writes) an option is said to be short in the option.

An option contract may be of two kinds:

- 1) Call option: An option that provides the buyer the right to buy is a call option. The buyer of the call option can call upon the seller of the option and buy from him the underlying asset at the agreed price. The seller of the option has to fulfil the obligation upon exercise of the option.
- 2) Put option: The right to sell is called a put option. Here, the buyer of the option can exercise his right to sell the underlying asset to the seller of the option at the agreed price.

Option contracts are classified into two styles:

#### **(a) European Style**

In a European option, the holder of the option can only exercise his right on the date of expiration only.

#### **(b) American Style**

In an American option, the holder can exercise his right anytime between the purchase date and the expiration date.

#### **Interest Rate Swap & Forward Rate Agreements**

An interest rate swap is a financial contract between two parties exchanging a stream of interest payments for a notional principal amount on multiple occasions during a specified period.

Typically, one party receives a pre-determined fixed rate of interest while the other party, receives a floating rate, which is linked to a mutually agreed benchmark with provision for mutually agreed periodic resets.

As per SEBI (Mutual Fund) Regulations 1996, the Scheme shall not make any investments in any un-listed securities of associate / group companies of the Sponsors. The scheme will also not make investment in privately placed securities issued by associate / group companies of the Sponsor. The Scheme may invest not more than 25% of the net assets in listed securities of Group companies. The Scheme shall make investment out of the NFO proceeds only on or after the closure of the NFO period in accordance with the investment objective of the scheme. In the event of non-receipt of the minimum subscription amount, the Trustee Company shall ensure that the entire amount collected as subscription money is refunded to the Unitholders notwithstanding any loss arising out of such investment during the interim period.

### **E. THE INVESTMENT STRATEGIES**

The investment strategy is to reflect /mirror the market returns with a minimum tracking error. The scheme may invest in derivative instrument for which investment strategy is given below:

#### **INVESTMENT IN DERIVATIVE INSTRUMENTS**

As part of the Fund Management process, the Trustee Company may permit the use of derivative instruments such as index futures, stock futures and options contracts, warrants, convertible securities, swap agreements or any other derivative instruments that are permissible or may be permissible in future under applicable regulations and such investments shall be in accordance with the investment objectives of the scheme.

Index futures are meant to be an efficient way of buying/selling an index compared to buying/selling a portfolio of physical shares representing an index for ease of execution and settlement. Index futures can be an efficient way of achieving the Scheme's investment objective. Notwithstanding the pricing, they can help in reducing the Tracking Error in the Scheme. Index futures may avoid the need for trading in individual components of the index, which may not be possible at times, keeping in mind the circuit filter system and the liquidity in some of the scrips, index futures can also be helpful in reducing the transaction costs and the processing costs on account of ease of execution of one trade compared to several trades of shares of Sensex and will be easy to settle compared to physical portfolio of shares representing an index. Based on the future regulations, the Trustee Company may allow the Scheme to put 100% of the Scheme's assets in the index futures keeping in mind the liquidity risk and the settlement risk.

In case of investments in index futures, the risk/reward would be the same as investments in portfolio of shares representing an index. However, there may be a cost attached to buying an index future. There is a risk attached to the liquidity and the depth of the index futures market. The fund may not suffer any material investment loss on trading in the index futures as compared to holding a portfolio of shares representing an index. The Fund will not maintain any leveraged or trading positions.

The cost differential between purchasing Index Future and 30 stocks is a function of the carrying cost, the interest earned available to fund managers and the brokerage cost applicable in both cases. However, as mentioned earlier, as the Indian equity markets continues to have limitations in execution of trades due to the lack of adequate liquidity and the concept of circuit breakers, index future can allow a fund to buy all the

stocks comprising the index at a nominal additional cost. Further this will allow the fund managers to minimise the tracking error in case of an index fund that would have ordinarily grown on account of inadequate and incomplete execution of trades.

In case the execution and brokerage costs on purchase of Index Futures are high and the returns on surplus funds are less, buying of index future may not be beneficial as compared to buying 30 stocks. The actual return may vary based on actual and depends on final guidelines/procedures and trading mechanism as envisaged by stock exchanges and other regulatory authorised.

**Trading in Derivatives by the Scheme**

Subject to SEBI (Mutual Fund) Regulations, 1996, the Scheme(s) may use techniques and instruments such as trading in derivative instruments to hedge the risk of fluctuations in the value of the investment portfolio. In accordance with the guidelines issued by the SEBI, exposure to derivative instruments will be restricted to the limit as specified in the para on asset allocation pattern of the scheme.

A derivative is an instrument whose value is derived from the value of one or more of the underlying assets which can be commodities, precious metals, bonds, currency, etc. Common examples of Derivative instruments are Interest Rate Swaps, Forward Rate Agreements, Futures, Options, etc.

The Scheme may use techniques and instruments such as trading in derivative instruments to hedge the risk of fluctuations in the value of the investment portfolio. A derivative is an instrument whose value is derived from the value of one or more of the underlying assets which can be commodities, precious metals, bonds, currency, etc. Common examples of Derivative instruments are Interest Rate Swaps, Forward Rate Agreements, Futures, Options, etc. The Scheme may purchase call and put options in securities in which it invests and on securities indices based on securities in which the scheme invests. Through the purchase and sale of futures contracts and purchase of related options on those contracts the Scheme would seek to hedge against a decline in securities owned by the Scheme or an increase in the prices of securities which the Scheme plans to purchase. The Scheme would sell futures contracts on securities indices in anticipation of a fall in stock prices, to offset a decline in the value of its equity portfolio. When this type of hedging is successful, the futures contract increase in value while the Scheme's investment portfolio declines in value and thereby keep the Scheme's net asset value from declining as much as it otherwise would. Similarly, when the Fund is not fully invested, and an increase in the price of equities is expected, the Scheme would purchase futures contracts to gain rapid market exposure that may partially or entirely offset increase in the cost of the equity securities it intends to purchase.

**Example: Please note that below mentioned examples are purely for illustration purpose only and actual exposure may vary to a greater extent in line with the regulatory directives.**

**1. Use of derivatives against an anticipated rise in equity prices**

The scheme has a corpus of Rs.100 crores and has invested Rs.85 crores in equity and still has a cash of Rs.15 crores available to invest. The Scheme may buy index futures of a value of Rs.15 crores. The scheme may reduce the exposure to the future contract by taking an offsetting position as investments are made in the equities the scheme wants to invest in. Here, if the market rises, the scheme gains by having invested in the index futures.

Event	Gain / (Loss) from derivative position	Gain / (Loss) cash market position	Overall Gain / (Loss) to Scheme
5% rise in equity price	15 * 5% = Rs. 0.75 crores	85 * 5% = Rs. 4.25 crores	Rs. 5 crores
5% fall in equity price	15 * 5% = (Rs. 0.75 crores)	85 * 5% = (Rs. 4.25 crores)	(Rs. 5 crores)

**Example 2:- use of derivatives against anticipated fall in equity prices:-**

If the Scheme has a negative view on the market and would not like to sell stocks as the market might be weak, the scheme of the Fund can go short on index futures. Later, the scheme can sell the stocks and unwind the future positions. A short position in the future would offset the long position in the underlying stocks and this can curtail potential loss in the portfolio.

For e.g. the scheme has a corpus of Rs.100 crores and is fully invested in equities. If fund manager wishes to reduce the equity exposure to Rs. 80 crores in a short time, he would sell index future contracts of Rs. 20 crores.

Event	Gain / (Loss) from derivative position	Gain / (Loss) cash market position	Overall Gain / (Loss) to Scheme
5% fall in equity price	20 * 5% = Rs. 1 crore	80 * 5% = (Rs. 4 crores)	(Rs. 3 crores)
5% rise in equity price	20 * 5% = (Rs.1 crore)	80 * 5% = Rs. 4 crores	Rs. 3 crores

**3. Use of Options against an anticipated rise in equity prices**

The scheme has a corpus of Rs.100 crores and has invested Rs.85 crores in equity and still has a cash of Rs.15 crores available to invest. The Scheme may buy Call Options of a value of Rs.15 crores. The scheme may reduce the exposure to the Call Option contract by taking an offsetting position as investments are made in the equities the scheme wants to invest in. Here, if the market rises, the scheme gains by having invested in the Call Option.

Event	Gain / (Loss) from derivative position	Gain / (Loss) cash market position	Overall Gain / (Loss) to Scheme
5% rise in equity price	15 * 5% = Rs. 0.75 crores <sup>^</sup>	85 * 5% = Rs. 4.25 crores	Rs. 5 crores
5% fall in equity price	15 * 5% = (Rs. 0.75 crores) <sup>^</sup>	85 * 5% = (Rs. 4.25 crores)	(Rs. 5 crores)

Maximum loss on a Derivative (Call Option) position would be the amount paid as premium to buy the Call Options.

<sup>^</sup> Gain / losses on derivative position shall be subject to adjustment of premium paid to buy the call option.

**Example 4:- use of Options against anticipated fall in equity prices:-**

If the Scheme has a negative view on the market and would not like to sell stocks as the market might be weak, the scheme of the Fund can buy Put Option. Later, the scheme can sell the stocks and unwind the Put Option positions. Position in the Put Option would offset the long position in the underlying stocks and this can curtail potential loss in the portfolio.

For e.g. the scheme has a corpus of Rs.100 crores and is fully invested in equities. If fund manager wishes to reduce the equity exposure to Rs. 80 crores in a short time, he would buy put option contracts of Rs. 20 crores.



Event	Gain / (Loss) from derivative position	Gain / (Loss) cash market position	Overall Gain / (Loss) to Scheme
5% fall in equity price	$20 * 5\% = \text{Rs. } 1 \text{ crore}^{\wedge}$	$80 * 5\% = \text{Rs. } 4 \text{ crores}$	(Rs. 3 crores)
5% rise in equity price	$20 * 5\% = \text{Rs. } 1 \text{ crore}^{\wedge}$	$80 * 5\% = \text{Rs. } 4 \text{ crores}$	Rs. 3 crores

Maximum loss on a Derivative (Put Option) position would be the amount paid as premium to buy the Put Options.

$\wedge$  Gain / losses on derivative position shall be subject to adjustment of premium paid to buy the Put option.

The scheme may use derivative instruments like Interest Rate Swaps, Forward Rate Agreements or such other derivative instruments as may be introduced from time to time and as may be permitted under the SEBI (Mutual Fund) Regulations.

**Interest Rate Swaps:** An Interest Rate Swap is an agreement whereby two parties agree to exchange periodic interest payments. The amount of interest payments exchanged is based on some predetermined principal, called notional principal amount. The amount each counterparty pays to the other upon periodic interest rate multiplied by the notional principal amount. The only amount that is exchanged between the parties is the interest payment, not the notional principal amount.

Example: Use of IRS

The fund is reasonably invested, and the view of the fund manager is ,interest rates are expected to move up due to certain negative events which have occurred. In such cases the scheme can enter into a paid position (IRS) where the scheme will pay a fixed rate for a specified maturity and receive the floating rate of interest. This is illustrated below:

Example A: Use of IRS

Assuming the Scheme is having 10% of the portfolio in cash. The fund manager has a view that the interest rate scenario is bearish and call rates are likely to spurt over the next three months. The fund manager would therefore prefer to pay fixed rate of return on his cash, which he is lending in the overnight call market. In other words, he would like to move to a 91 days floating interest rate from overnight fixed rate.

1. Say Notional Amount: Rs. 2 crores
2. Benchmark: NSE MIBOR
3. Tenor: 91 Days
4. Fixed Rate: 9.90%
5. At the end of 91 days;
6. The Scheme pays: fixed rates for 91 days is 9.90%
7. TMF receives: compounded call rate at 10.25% for 91 days.

In practice, however the difference of the two amounts is settled. Here the Scheme receives  $\text{Rs. } 2,00,00,000 \times 0.35\% \times 91 / 365 = 17,452$ . The players in IRS are scheduled commercial banks, primary dealers, corporate, mutual funds and All India Financial Institutions.

In view of the fund manager interest rates are expected to move down due to certain positive events which have occurred. In such cases the scheme can enter into a received position (IRS) where the scheme will receive a fixed rate for a specified maturity and pay the floating rate of interest. This is illustrated below:

Example B: Use of IRS

Assuming the Scheme is having 10% of the portfolio in cash. The fund manager has a view that the interest rate scenario is soft and call rates are unlikely to spurt over the next three months. The fund manager would therefore prefer to receive a higher rate of return on his cash, which he is lending in the overnight call market. In other words, he would like to move to a 91 days fixed interest rate from overnight floating rate.

1. Say Notional Amount: Rs. 2 crores
2. Benchmark: NSE MIBOR
3. Tenor: 91 Days
4. Fixed Rate: 10.25%
5. At the end of 91 days;
6. The Scheme pays: compounded call rates for 91 days is 9.90%
7. TMF receives: Fixed rate at 10.25% for 91 days.

In practice, however the difference of the two amounts is settled. Here the Scheme receives  $\text{Rs. } 2,00,00,000 \times 0.35\% \times 91 / 365 = 17,452$ . The players in IRS are scheduled commercial banks, primary dealers, corporate, mutual funds and All India Financial Institutions.

#### Forward Rate Agreements (FRA):

This is an agreement between two counterparties to pay or to receive the difference between an agreed fixed rate (the FRA rate) and the interest rate prevailing on a stipulated future date based on the notional amount, for an agreed period.

This is illustrated below:

Assume that on January 1, 2018, the 30-day commercial paper (CP) rate is 7.75% and the Scheme has an investment in a CP of face value Rs. 50 crores, which is going to mature on January 30, 2018. If the interest rates are likely to remain stable or decline after January 30, 2018, and if the fund manager, who wants to re-deploy the maturity proceeds for 1 more month, does not want to take the risk of interest rates going down, he can then enter into a following forward rate agreement (FRA) say as on January 30, 2018:

He can receive 1 X 2 FRA on January 30, 2018 at 7.75% (FRA rate for 1 months lending in 2 months time) on the notional amount of Rs.50 crores, with a reference rate of 30 day CP benchmark. If the CP benchmark on the settlement date i.e. January 30, 2018 falls to 7.50%, then the Scheme receives the difference 7.75 - 7.50 i.e. 25 basis points on the notional amount Rs. 50 crores for 1 month. The maturity proceeds are then reinvested

## TATA INDEX FUND-SENSEX

at say 7.50% (close to the benchmark). The scheme, however, would have locked in the rate prevailing on January 30, 2018 (7.75%) as it would have received 25 basis points more as settlement amount from FRA. Thus the fund manager can use FRA to mitigate the reinvestment risk.

In this example, if the rates move up by 25 basis points to 8% on the settlement date (January 30, 2018), the Scheme loses 25 basis points but since the reinvestment will then happen at 8%, effective returns for the Scheme is unchanged at 7.75%, which is the prevailing rate on January 30, 2018

With effect From October 01, 2010, the above derivative exposure limits shall be subject to following Exposure Limits as specified by SEBI vide its Circular No. Cir / IMD / DF / 11 / 2010 dated August 18, 2010:

1. *The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the scheme.*
2. *Mutual Funds shall not write options or purchase instruments with embedded written options.*
3. *The total exposure related to option premium paid must not exceed 20% of the net assets of the scheme.*
4. *Cash or cash equivalents\* with residual maturity of less than 91 days shall be treated as not creating any exposure.*
5. *Exposure due to hedging positions shall not be included in the above mentioned limits subject to the following:*
  - a) *Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.*
  - b) *Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1.*
  - c) *Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.*
  - d) *The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.*
6. *Mutual Funds may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme.*
7. *Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.*

\*Cash & Cash equivalent includes CBLO, Repo, Short Term Deposits with Schedule Commercial Banks and other money market instruments upto 91 days residual maturity.

### Definition of Exposure in case of Derivative Positions

Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:

Position	Exposure
Long Future	Futures Price*Lot Size*Number of Contracts
Short Future	Futures Price*Lot Size* Number of Contracts
Option Bought	Option Premium Paid*Lot Size* Number of Contracts.

In Addition to the above, SEBI has also prescribed following derivative position limits:

### Position Limits for Mutual Fund and its scheme:

Position limit for Index Options and Index Futures contracts	
Index Options Contract*	On a particular underlying index Rs.500 Crore or 15% of the total open interest of the market in equity Index options contracts, whichever is higher.
Index Futures Contract**	On a particular underlying index Rs.500 Crore or 15% of the total open interest of the market in equity Index futures contracts, whichever is higher.

\* This limit would be applicable on open positions in all options contracts on a particular underlying index.

\*\* This limit would be applicable on open positions in all futures contracts on a particular underlying index.

Additional position limit for hedging	
In addition to the position limits as mentioned above, Mutual Funds may take exposure in equity index derivatives subject to the following limits:	Short positions in index derivatives (short futures, short calls and long puts) shall not exceed (in notional value) the Mutual Fund's holding of stocks.
	Long positions in index derivatives (long futures, long calls and short puts) shall not exceed (in notional value) the Mutual Fund's holding of cash, government securities, T-Bills and similar instruments.
Position limit for Stock Options and Stock Futures contracts	
For stocks having applicable market-wise position limit (MWPL) of Rs. 500	The combined futures and options position limit shall be 20% of applicable MWPL or Rs. 300 crores, whichever is lower and within which stock futures position cannot exceed 10% of applicable MWPL or

crore or more	Rs. 150 crores, whichever is lower.
For stocks having applicable market-wise position limit (MWPL) less than Rs. 500 crore	The combined futures and options position limit would be 20% of applicable MWPL and futures position cannot exceed 20% of applicable MWPL or Rs. 50 crore whichever is lower.

#### Position limit for each scheme of a Mutual Fund

The scheme-wise position limit requirements shall be:

- For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a mutual fund shall not exceed the higher of:
  - 1% of the free float market capitalization (in terms of number of shares). Or
  - 5% of the open interest in the derivative contracts on a particular underlying stock (in terms of number of contracts)
- This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
- For index based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all scheme put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

For detailed risk associated with use of derivatives, please refer paragraph "Scheme Specific risk factors".

#### Portfolio Turnover

Being index fund, the fund Manager will follow passive strategy while investing. The portfolio turnover is expected to be in line with the volume of subscription and redemption in the scheme.

Pursuant to schedule IX read with Regulation 50 of the SEBI (Mutual Funds) Regulations 1996, the cost of investments acquired or purchased shall include brokerage, stamp, charges and any other charge customarily included in the brokers bought note while the sale proceeds of investments sold or redeemed shall be net of brokerage, stamp charges and any other charges customarily included in the brokers sale note. Therefore, brokerage, stamp charges and any other charge customarily included in brokers note shall form part of the purchase or sale value of investment, including value of the portfolio securities owned by the scheme(s), and the resultant annual portfolio turnover rate.

Portfolio Turnover Ratio: 0.11 Times for F.Y 2017-2018.

### F. FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the scheme, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

#### (i) Type of a scheme

An open ended equity scheme tracking S & P BSE Sensex.

#### (ii) Investment Objective

The investment objective of the Scheme is to reflect/mirror the market returns with a minimum tracking error.

However, there is no assurance or guarantee that the investment objective of the Scheme will be achieved. The scheme does not assure or guarantee any returns.

#### Investment Pattern and Risk Profile:

Under normal circumstances, funds of the Scheme, shall (after providing for all ongoing expenses) be invested / the indicative asset allocation shall be as follows considering the objective of the Scheme:

Instruments	Indicative allocations (% of total assets)	Risk Profile
		High/Medium/Low
Securities Covered by the S&P BSE SENSEX	95-100	High
Money Market Instruments	0-5	Low to Medium

#### (iii) Terms of Issue

• **Liquidity:** Repurchase/ Resale is at Net Asset Value (NAV) related prices with repurchase loads as applicable (within limits) as specified under SEBI Regulations 1996, the repurchase price shall not be lower than 93% of the NAV, the sale price will not be higher than 107% of the NAV and further that the difference between the sale and repurchase price shall not exceed 7% calculated on the sale price.

• Refer section "IV FEES AND EXPENSES" for aggregate fees and expenses chargeable to the Scheme.

• The scheme does not provide any safety net or guarantee nor does it provide any assurance regarding declaration of dividend. There is no guarantee or assurance that the scheme will achieve its' objective.

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustees 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:

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- (i) 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
- (ii) The Unitholders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

### G. SCHEME BENCHMARK

#### Scheme Benchmark – S&P BSE SENSEX

S&P BSE SENSEX, first compiled in 1986, was calculated on a "Market Capitalization-Weighted" methodology of 30 component stocks representing large, well-established and financially sound companies across key sectors. As the oldest index in the country, it provides the time series data over a fairly long period of time (from 1979 onwards).

Considering the scheme in an equity index linked equity scheme, S&P BSE Sensex index would be an ideal benchmark for the scheme and is most suitable for performance composition. Total Return variant of the index(TRI) of S&P BSE Sensex will be used for performance comparison. Wherever TRI data is not available since inception of the scheme, benchmark performance will be calculated using composite CAGR of the benchmark index.

The Trustees may change the benchmark in future if a benchmark better suited to the investment objective of the Scheme is available.

### H. Fund Manager

Name	Age	Qualification	Total Experience (in years)	Other Schemes Under His Management	Experience (Assignments held during last 10 years)
Sonam Udasi (managing since 01.04.2016)	45	B.Com, PGDM-Finance	21	Tata Index Fund-Nifty, Tata Equity P/E Fund, Tata Banking & Financial Services Fund, Tata Digital India Fund, Tata India Consumer Fund, Tata India Pharma & Healthcare Fund, Tata Resources & Energy Fund. Equity Portfolio of Tata Equity Savings Fund, Tata Retirement Fund-equity portfolio of all plans, Tata Young Citizens Fund(equity portfolio).	From April 2014 to date with Tata Asset Management Ltd. Currently Fund Manager of schemes. Reporting to Chief Investment Officer-Equities.  Responsibilities Held in Past • Head Research • Head PMS  June 2010 – March 2014 with IDBI Capital Market Services Ltd as Head Research. Reporting to Executive Vice President.  November 2008 – April 2010 with BRICS Securities as Head – Consumer Vertical. Reporting to Head Equities.  August 2007 – October 2008 with Prime Securities as Head Research. Reporting to President.  February 2006 – June 2007 with JM Financial AMC as Senior Analyst Reporting to Chief Investment Officer.  June 2005 – January 2006 with ASK Raymond James as Lead Analyst Reporting to Head Research.

### I. Restrictions on Investments (as per seventh schedule of SEBI {Mutual Fund} Regulations 1996)

1. The scheme shall not invest more than 10 per cent of its NAV in the equity shares or equity related instruments of any company.  
Provided that, the limit of 10 per cent shall not be applicable for investments in case of index fund or sector or industry specific scheme.
2. The scheme shall not invest more than 5% of its NAV in unlisted equity shares or equity related instruments.
3. The Mutual Fund under all its scheme(s) shall not own more than ten percent of any company's paid up capital carrying voting rights.
4. A mutual fund scheme shall not invest more than 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorized to carry out such activity under the Act. Such investment limit may be extended to 12% of the NAV of the scheme with the prior approval of the Board of Trustees and the Board of directors of the asset management company:

Provided that such limit shall not be applicable for investments in government securities, treasury bills and collateralized borrowing and lending obligations:.

Provided further that investment within such limit can be made in mortgaged backed securitised debts which are rated not below investment grade by a credit rating agency registered with the Board:

5. The scheme shall not make any investment in;
- any unlisted security of an associate or group company of the sponsor; or
  - any security issued by way of private placement by an associate or group company of the sponsor; or
  - the listed securities of group companies of the sponsor which is in excess of 25% of the net assets.
6. Transfers of investments from one scheme to another scheme in the same mutual fund shall be allowed only if:-
- such transfers are done at the prevailing market price for quoted instruments on spot basis.  
Explanation- "spot basis" shall have same meaning as specified by stock exchange for spot transactions.
  - the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.
7. The scheme may invest in another scheme under the same asset management company or any other mutual fund without charging any fees, provided that aggregate inter scheme investment made by all schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the net asset value of the mutual fund.
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 SEBI:
- Provided further that a mutual fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by the SEBI.
9. The mutual fund shall, get the securities purchased or transferred in the name of the mutual fund on account of the concerned scheme, wherever investments are intended to be of long term nature.
10. 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 schedule commercial banks, subject to SEBI circular no. SEBI/IMD/CIR No. 1/91171/07 dated April 16, 2007 .
- 12 The scheme shall not make any investment in any fund of funds scheme.
- 13 The scheme will not advance any loan for any purpose.
- 14 The Scheme shall not borrow except to meet temporary liquidity needs of the mutual funds for the purpose of repurchase/ redemption of units or payment of interest or dividend to the unitholders. The fund shall not borrow more than 20 per cent of the net asset of the scheme and the duration of such a borrowing shall not exceed a period of six months.

These investment limitations / parameters (as expressed / linked to the net asset / net asset value / capital) shall in the ordinary course apply as at the date of the most recent transaction or commitment to invest, and changes do not have to be effected merely because, owing to appreciations or depreciations in value, or by reason of the receipt of any rights, bonuses or benefits in the nature of capital or of any scheme of arrangement or for amalgamation, reconstruction or exchange, or at any repayment or redemption or other reason outside the control of the Fund, any such limits would thereby be breached. If these limits are exceeded for reasons beyond its control, TAML shall adopt as a priority objective the remedying of that situation, taking due account of the interests of the Unitholders.

In addition, certain investment parameters (like limits on exposure to Sectors, Industries, Companies, etc.) may be adopted internally by TAML, and amended from time to time, to ensure appropriate diversification / security for the Fund. The Trustee Company / TAML may alter these above stated limitations from time to time, and also to the extent the SEBI (Mutual Funds) Regulations, 1996 change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its investment objective. As such all investments of the Scheme will be made in accordance with SEBI (Mutual Funds) Regulations, 1996, including Schedule VII thereof.

#### Investment by Asset Management Company

Apart from the above, TAML (the AMC) may invest in the scheme(s) on an ongoing basis, such amount, as they deem appropriate. The AMC shall not be entitled to charge any management fees on this investment in the scheme(s). Investments by the AMC will be in accordance with Regulation 25(17) of the SEBI (MF) Regulations, 1996.

As per regulation, the sponsors or asset management company (TAML) shall invest not less than one percent of the assets under management of the scheme or fifty lakh rupees, whichever is less, in the Growth option of the scheme and such investment will remain in the scheme till the scheme is wound up.

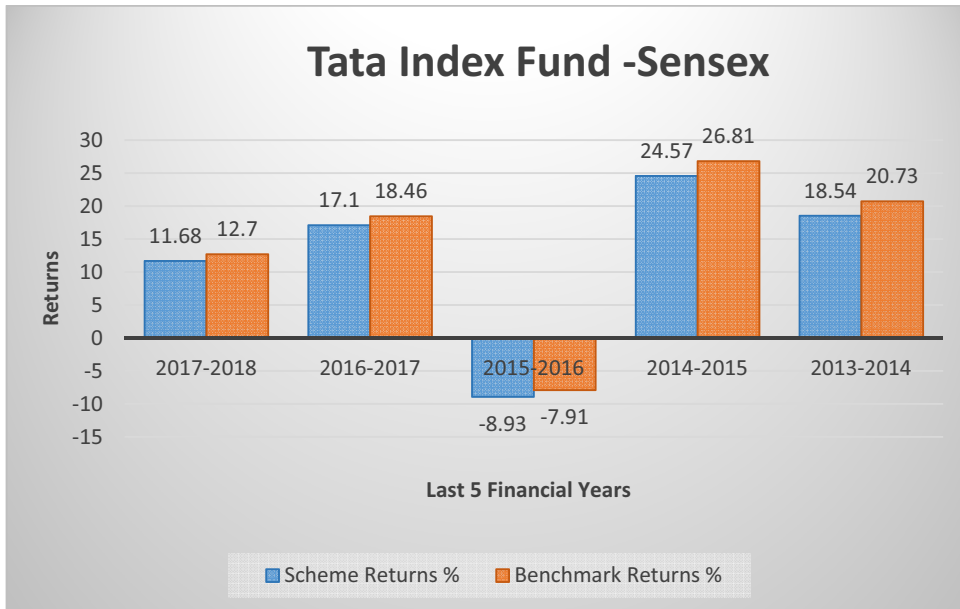
#### J. PERFORMANCE OF THE SCHEME

##### Performance of Tata Index Fund-Sensex as on 04.04.2018

Compounded Annualized returns	Scheme Returns%	Benchmark Returns%
Returns for last 1 year	10.73	11.75
Returns for last 3 years	5.65	6.78
Returns for last 5 years	12.38	13.91
Returns since inception	15.98	17.70

## Absolute Returns for the Last 5 Financial Years

Financial Year (31 <sup>st</sup> March)	Scheme Return (%)	Benchmark Return (S& P BSE Sensex TRI) (%)
2017-2018	11.68	12.7
2016-2017	17.1	18.46
2015-2016	-8.93	-7.91
2014-2015	24.57	26.81
2013-2014	18.54	20.73



**Past Performance may or may not be sustained in future. Returns are given for Sensex Plan-Regular.** As TRI data is not available since Inception of the scheme, benchmark performance is calculated using composite CAGR of S&P BSE Sensex PRI values from date 25-Feb-2003 to date 31-May-2007 and TRI values since date 31-May-2007.

**Additional Disclosure with respect to SEBI Circular: SEBI/HO/IMD/DF2/CIR/2016/42 dated March 18, 2016**

## Top 10 holdings by issuer as on 05.04.2018

Issuer Name	Equity	% of NAV
SUN PHARMACEUTICAL INDUSTRIES LTD.	1.61	1.61
ASIAN PAINTS (INDIA) LTD.	1.56	1.56
NTPC Ltd.	1.53	1.53
OIL & NATURAL GAS CO.	1.47	1.47
YES BANK LTD.	1.4	1.4
HERO MOTOCORP LTD.	1.4	1.4
SUN PHARMACEUTICAL INDUSTRIES LTD.	1.36	1.36
TATA STEEL LTD.	1.35	1.35
BHARTI AIRTEL LTD.	1.33	1.33
HCL TECHNOLOGIES LTD.	1.32	1.32

The monthly portfolio of the Scheme shall be available in a user-friendly and downloadable format on the [www.tatamutualfund.com](http://www.tatamutualfund.com).

## Funds Allocation towards various sectors as on 05.04.2018

Sectors	% of AUM
FINANCIAL SERVICES	39.98
ENERGY	13.07
IT	12.31
CONSUMER GOODS	11.11
AUTOMOBILE	10.64
CONSTRUCTION	4.79
METALS	2.43
PHARMA	2.43
TELECOM	1.28
SERVICES	0.89

## The aggregate investment in the scheme under the following categories as on 05.04.2018

Category	Rs. In crores
AMC's Board of Directors	Nil
Fund Manager/Managers of the scheme	Nil
Other Key Managerial Personnel	0.391

## Illustration of impact of expense ratio on scheme return:

Amount Invested (Rs)	10,000
Gross Returns-assumed	15%
Closing NAV before expenses (Rs.)	11,500
Expenses (Rs)	250
Total NAV after charging expenses (Rs)	11,250
Net returns to investor	12.50%

Illustration is given to understand the impact of expense ratio on a scheme return and this should not be construed as an indicative return of the scheme.

III. UNITS AND OFFER

This section provides details you need to know for investing in the scheme.

A. ONGOING OFFER DETAILS

<p>Ongoing Offer Period (This is the date from Which the scheme will re-open for subscriptions redemptions after the closure of the NFO period.)</p>	<p>Tata Index Fund-Sensex was launched on 11th November, 2002. W.e.f. 2nd December, 2002 the scheme was reopened for ongoing subscription / redemption. Being existing open ended schemes, subscription / redemption a facility is provided on all business days. Units of the scheme is offered at NAV based price.</p>							
<p>Ongoing price for subscription (purchase) / switch-in (from other schemes / plans of the Mutual fund) by investors.  This is the price you need to pay for Purchase/switch-in.</p>	<p>At the applicable NAV.</p>							
<p>Ongoing price for redemption (sale) / repurchase / switch outs (to other schemes/plans of the Mutual Fund) by investors.  This is the price you will receive for redemptions/switch outs.  <i>Example: If the applicable NAV is Rs. 10, exit load is 2% then redemption price will be:</i>  <b>Rs. 10* (1-0.02) = Rs. 9.80</b></p>	<p>At the applicable NAV subject to prevailing exit load, if any.</p> <p>The Fund will ensure that the Redemption Price will not be lower than 93% of the NAV and the Purchase Price will not be higher than 107% of the NAV, provided that the difference between Redemption Price and the Purchase Price of the units shall not exceed the permissible limit of 7% of the Purchase Price, as provided for under the Regulations.</p> <p>The Trustee Company may however, from time to time review and modify the repurchase load for each choice of investment. The Units if partially repurchased would be subtracted from the Unit balance of that Unitholder on "First In First Out" basis i.e. the Units that were offered / allotted first would be the first to be repurchased. In case amount is withdrawn, the same will be converted into Units at the applicable Repurchase price / NAV related price and the number of Units so arrived at will be subtracted from the Unit balance of that Unitholder on "First In First Out" basis. The repurchase would be permitted to the extent of credit balance in the Unitholder's account.</p> <p>The repurchase cheque will be issued in the name of the first unitholder. Under normal circumstances, the Fund will ensure that the repurchase cheques are despatched within ten business days from the date of processing the repurchase request on repurchase day. In the event of partial repurchase, the Fund shall despatch the revised Account Statement by suitable mode as decided by AMC from time to time for the balance number of Units still being held by the Unitholder along with the repurchase cheque. Credit balances in the account of a Non- Resident Unitholder on maturity or otherwise, (where RBI final approval and any other approval (if any required) has been obtained) may be repurchased by the Fund by such Unitholder in accordance with the procedure described above and also subject to any procedures laid down by RBI and any other agency. Such repurchase proceeds will be paid by means of a Rupee cheque payable to the NRE/ NRO account of the Unitholder or subject to RBI procedures and approvals, such payment in Indian Rupees will be converted into US Dollars or into any other currency, as may be permitted by RBI, at the rate of exchange prevailing at the time of remittance and will be despatched at the applicants' risk, or at the request of the applicants' will be credited to their NRE/ NRO Accounts, details of which are to be furnished in the space provided for this purpose in the Repurchase Form. The Fund will not be liable for any delays or for any loss on account of exchange fluctuations, while converting the rupee amount in US Dollar or any other currency. The Fund (if required) may also make arrangements to obtain RBI approvals on a case-by-case basis on behalf o the Unitholder, subject to the Unitholder providing the Fund with the necessary documents required.</p>							
<p>Cut off timing for redemptions (sale) and switch outs (to other schemes / plans of the mutual fund) by investor.  <b>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</b></p>	<p><b>Applicable NAV for Subscription / Switch-in</b></p> <table border="1" data-bbox="424 1503 1425 1935"> <thead> <tr> <th data-bbox="424 1503 900 1563">Application Size Applicable NAV</th> <th data-bbox="906 1503 1425 1563">Application Size Applicable NAV</th> </tr> </thead> <tbody> <tr> <td data-bbox="424 1563 900 1749"> <p>For application amount of Rs. 2 Lacs* &amp; above</p> <p>* Multiple applications (purchase including switch in) Submitted by investor on same day for the same scheme, shall be aggregated at investor level (i.e. First holder / Sole Holder) for determination of Rs. 2 Lacs.</p> </td> <td data-bbox="906 1563 1425 1749"> <p>NAV of the day on which the funds are realized up to 3.00 P.M.</p> <p>(Subject to transaction being time-stamped upto 3 p.m. on the date of realization of funds).</p> </td> </tr> <tr> <td data-bbox="424 1749 900 1935"> <p>For application amount upto Rs. 2 Lacs</p> </td> <td data-bbox="906 1749 1425 1935"> <p>If application is time stamped before 3 p.m. on any business day - Applicable NAV shall be the closing NAV of the date of receipt of the application.</p> <p>If application is time stamped after 3 p.m. on any business day - Applicable NAV shall be the closing NAV of the next business day.</p> </td> </tr> </tbody> </table> <p>In case of switch transactions, funds will be made available for utilization in the switch-in-scheme based on the redemption pay-out cycle of the switch out scheme.</p>		Application Size Applicable NAV	Application Size Applicable NAV	<p>For application amount of Rs. 2 Lacs* &amp; above</p> <p>* Multiple applications (purchase including switch in) Submitted by investor on same day for the same scheme, shall be aggregated at investor level (i.e. First holder / Sole Holder) for determination of Rs. 2 Lacs.</p>	<p>NAV of the day on which the funds are realized up to 3.00 P.M.</p> <p>(Subject to transaction being time-stamped upto 3 p.m. on the date of realization of funds).</p>	<p>For application amount upto Rs. 2 Lacs</p>	<p>If application is time stamped before 3 p.m. on any business day - Applicable NAV shall be the closing NAV of the date of receipt of the application.</p> <p>If application is time stamped after 3 p.m. on any business day - Applicable NAV shall be the closing NAV of the next business day.</p>
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**Redemption /Switch Out:** In respect of application received upto 3 p.m., closing NAV of the day of receipt of application shall be applicable and in respect of application received after 3 p.m. closing NAV of next business day.

Outstation cheques/demand drafts will not be accepted.

**Valid application for “switch out” shall be treated as redemption and for “switch in” shall be treated as purchases and the relevant NAV of “Switch in” and “Switch Out” shall be applicable accordingly.**

Where can the applications for redemption and switches be submitted? Application/ Transaction slip completed in all respect along with Cheque / DD or fund transfer instruction in case of purchase, and transaction slip completed in all respect in case of redemption / Switch can be submitted at the official acceptance points. Refer Application form for further details.

Minimum amount for redemption, purchase and switches

**Regular Plan (For applications routed through Distributors) & Direct Plan (For applications not routed through Distributors):**

**Minimum Amount for Purchase / switch in:** Rs. 5,000/- and in multiples of Re. 1/- thereafter.  
For additional investment Rs. 1,000/- and in multiples of Re. 1/-.

There will be no minimum amount requirement in case of all units switch in to any scheme of Tata Mutual Fund.

**The repurchase / switches request can be made for a minimum of:-** Rs. 500/- / 50 units

**Default Plan:**

Investors are requested to note the following scenarios for the applicability of “Direct Plan or Regular Plan” for valid applications received under the scheme:

Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured
1	Not mentioned	Not mentioned	Direct Plan
2	Not mentioned	Direct	Direct Plan
3	Not mentioned	Regular	Direct Plan
4	Mentioned	Direct	Direct Plan
5	Direct	Not Mentioned	Direct Plan
6	Direct	Regular	Direct Plan
7	Mentioned	Regular	Regular Plan
8	Mentioned	Not Mentioned	Regular Plan

In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of application without any exit load.

Maximum amount for redemption and switch outs

(a) The repurchase would be permitted to the extent of credit balance in the Unit holder’s account.

(b) There may be exceptional circumstances leading to a systemic crisis or events that severely constraint market liquidity or efficient functioning of the market, where the right to redemption may be restricted by TAML. Investors are requested to refer the clause “Restrictions on Redemption and switch of units” in Statement of Additional Information (SAI) of Tata Mutual Fund.

Minimum balance to be maintained and consequences of non-maintenance.

**The Fund may mandatorily redeem all the Units of any Unitholder:**

(a) if the value of the account falls below the minimum Account balance of Rs.500/50 units due to normal repurchase/switch and the unitholders fails to invest sufficient funds or to purchase sufficient units to bring the value of the account upto the minimum level within 30 days after a written intimation in this regard is sent by the fund to that unitholder: or

(b) where the Units are held by a Unitholder in breach of any regulations;

(c) The repurchase would be permitted to the extent of credit balance in the Unitholders account.

Special Products / facilities

**a) Systematic Investment Plan (SIP)**

The investors can benefit by investing specified Rupees amounts at regular intervals. The SIP allows the unitholders to invest a fixed amount of Rupees at regular intervals for purchasing additional units of the fund at NAV based prices. Investment can be done with the minimum / maximum amount and number of cheques specified by AMC from time to time. The cheques will be presented on the dates mentioned on the cheque and subject to realization. Units will be allotted at the applicable NAV along with applicable load (if any).

“SIP facility is available subject to terms and conditions. Please refer to the SIP Enrolment form for terms and conditions before enrolment.”

	<p><b>SIP with Top-up SIP facility:</b></p> <p>SIP with Top-up SIP is a facility whereby an investor has an option to increase the amount of the SIP Installment by a fixed amount at pre-defined intervals. This will enhance the flexibility of the investor to invest higher amounts during the tenure of the SIP.</p> <p>Terms and conditions of top-up SIP are as follows:</p> <ol style="list-style-type: none"> <li>The Top-up option must be specified by the investors while enrolling for the SIP facility.</li> <li>The minimum SIP Top-up amount is Rs. 500 and in multiples of Rs. 500.</li> <li>The Top-up details cannot be modified once enrolled. In order to make any changes, the investor must cancel the existing SIP and enroll for a fresh SIP with Top-up option.</li> <li>Under monthly SIP investors can opt for top up amount at half-yearly and yearly intervals. If the investor does not specify the frequency, the default interval for Top-up will be considered as Yearly.</li> <li>In case of Quarterly SIP, investors can opt for only Yearly interval top-up frequency.</li> </ol> <p>For complete details regarding the SIP with top-up facility please refer to SIP Auto Debt Form with Top up facility enrollment form.</p> <p><b>b) Systematic Withdrawal Plan (SWP)</b></p> <p>This facility available to the unitholders of the fund enables them to redeem fixed sums or fixed number of units from their unit accounts at periodic intervals. The amount withdrawn under SWP by redemption shall be converted into the Fund units at the Repurchase price and such units will be subtracted from the unit balance of that unitholder. In case the date falls during a book closure period the immediate next Business day will be considered for this purpose.</p> <p>The Authorised Investor Service Center may terminate SWP on receipt of a notice from the unitholder. It will terminate automatically if all units are liquidated or withdrawn from the account or upon the receipt of notification of death or incapacity of the unitholder.</p> <p>"SWP facility is available subject to terms and conditions. Please refer to the SWP Enrolment form for terms and conditions before enrolment."</p> <p><b>c) Systematic Transfer Plan (STP)</b></p> <p>A unitholder may establish a Systematic Transfer Plan (STP) and choose to transfer on a monthly or a quarterly basis from one TMF Scheme to another TMF Scheme on a date prescribed by the Investment Manager. The amount thus withdrawn by redemption shall be converted into units at the applicable NAV on the scheduled day and such units will be subtracted from the unit balance of that unitholder. Unitholders may change the amount, not below the specified minimum, by giving two weeks prior written notice to the registrars. STP may be terminated automatically if the balance falls below the minimum account balance or upon the receipt of notification of death or incapacity of the unitholders by the fund. Rules relating to the plan may be changed from time to time by the Investment Manager.</p> <p>"STP facility is available subject to terms and conditions. Please refer to the STP Enrolment form for terms and conditions before enrolment."</p>
Accounts Statements	<p>On acceptance of application for financial transaction, a confirmation specifying the number of Units allotted/redeemed will be sent by way of e-mail and/or SMS to the applicant's registered e-mail address and/or mobile number within five business days from the date of transaction.</p> <p>Tata Mutual Fund shall send first account statement for a new folio separately with all details registered in the folio by way of a physical account statement and/or an e-mail to the investor's registered address/email address not later than five business days from the date of subscription.</p> <p><b>In compliance with the Circular No. CIR/MRD/DP/31/2014 dated November 12, 2014, Circular No. SEBI/HO/IMD/DF2/CIR/P/2016/42 dated March 18, 2016 read with SEBI/HO/IMD/DF2/CIR/P/2016/89 dated September 20,2016, Tata Mutual Fund will send the Consolidated Account Statement (CAS) to investors as follows:</b></p> <ol style="list-style-type: none"> <li>A single Consolidated Account Statement (CAS) on basis of PAN (PAN of the first holder &amp; pattern of holding, in case of multiple holding) will be dispatched to unitholders having Mutual Fund investments &amp; holding Demat accounts by Depositories within ten days from the end of the month in which transaction (the word 'transaction' shall include all financial transactions in demat accounts/Mutual Fund folios of the investor) takes place.</li> <li>The CAS will not be received by the investors for the folio(s) not updated with PAN details. The Unit holders are therefore requested to ensure that the folio(s) are updated with their PAN. Such investors will get monthly account statement from Tata Mutual Fund in respect of transactions carried out in the schemes of Tata Mutual Fund during the month.</li> <li>In other cases i.e. where unitholders having no Demat account &amp; only MF units holding, Tata Mutual Fund shall continue to send the CAS as is being send presently within ten days from the end of the month in which financial transaction takes place.</li> <li>In case statements are presently being dispatched by e-mail either by the Fund or the Depository then CAS will be sent through email. However the Unitholders have an option to receive CAS in physical form at the address registered in the Depository system.</li> <li>The dispatch of CAS by Depositories to Unitholders would constitute compliance by Tata Asset Management Ltd / the Fund with the requirements under Regulation 36(4) of SEBI (Mutual Funds) Regulations 1996.</li> </ol>

	<p>6. Each CAS issued to the investors shall also provide the total purchase value / cost of investment in each scheme.</p> <p>7. In case if no transaction has taken place in a folio during the period of six months ended September 30 and March 31, the CAS detailing the holdings across all schemes of all mutual funds, shall be emailed on half yearly basis, on or before the tenth day of succeeding month, unless a specific request is made to receive the same in physical form.</p> <p>8. Half-yearly CAS shall be issued to all Mutual Fund investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period. Further, CAS issued for the half-year (September/March) shall also provide:</p> <ol style="list-style-type: none"> <li>The amount of actual commission paid by Tata AMC/Mutual Fund to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each mutual fund scheme. The term "commission" here refers to all direct monetary payments and other payments made in the form of gifts / rewards, trips, event sponsorships etc. by Tata AMC/MF to distributors. Further, a mention may be made in such CAS indicating that the commission disclosed is gross commission and does not exclude costs incurred by distributors such as applicable tax (wherever applicable, as per existing rates), operating expenses, etc.</li> <li>The scheme's average Total Expense Ratio (in percentage terms) for the half-year period for each scheme's applicable plan, where the concerned investor has actually invested.</li> </ol>
Dividend	<p>In case dividend is distributed, the dividend warrants shall be dispatched to the unitholders within 30 days of the date of declaration of the dividend. In case of failure to despatch dividend proceeds within 30 days, the AMC shall be liable to pay interest to the Unit Holders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).</p>
Redemption	<p>The redemption proceeds will be dispatched to the unit holders within 10 business days from the date of acceptance of the redemption request at the authorised centre of Tata Mutual Fund.</p> <p>The redemption cheque will be issued in the name of the first unitholder.</p> <p><b>For units held in Demat form</b></p> <p>Unitholders should submit their valid redemption request to their Depository Participant (DP). The redemption proceeds will be credited to the bank account of the Unitholder, as per the bank account details recorded with the DP through electronic modes or by forwarding a Cheque / Draft.</p>
Delay in payment of redemption / repurchase	<p>The redemption or repurchase proceeds of the Scheme will be dispatched to the unit holders within 10 business days from the date of acceptance of redemption or repurchase request. In case of failure to despatch redemption proceeds within 10 business days, the AMC shall be liable to pay interest to the Unit Holders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).</p>
Restrictions, if any, on the right to freely retain or dispose of units being offered.	<ol style="list-style-type: none"> <li>The units issued in Demat (electronic) form are transferable in accordance with the provisions of SEBI (Depositories and Participants) Regulations, as may be amended from time to time.</li> <li>Transfer would be only in favor of transferees who are capable of holding units. The Fund will not be bound to recognize any other transfer.</li> <li>Any addition / deletion of name from the folio of the unitholder is deemed as transfer of unit. But the units of the scheme are not transferable. In view of the same, addition / deletion of names will not be allowed under any folio of the scheme.</li> </ol> <p>The above provisions in respect of deletion of names will not be applicable in case of death of unitholder (in respect of joint holdings) as this is treated as transmission of units and not transfer.</p> <ol style="list-style-type: none"> <li>The delivery instructions for transfer of units will have to be lodged with the DP in the requisite form as may be required from time to time and transfer will be affected in accordance with such rules/regulations as may be in force governing transfer of securities in dematerialized mode.</li> </ol> <p><b>As per SEBI circular no CIR/MD/DF/102010 dated August 18, 2010. All the units of a mutual fund scheme held in Demat form will be freely transferable.</b></p>
Bank Account Details	<p>It shall be mandatory for the Unitholders to mention their bank account numbers in the applications/requests for redemptions. Unitholders are requested to give the full particulars of their Bank Account i.e. nature and number of account, name, Account Number, Nine digit MICR code No. (For Electronic Credit Facility), IFSC code for NEFT a 11 digit number, branch address of the bank at the appropriate space in the application form.</p> <p><b><u>Uniform Procedure for Change of Bank Details (COB) and Change of Address (COA)</u></b></p> <p>In order to protect the interest of the investors and mitigate the risks arising due to of increasingly fraudulent attempts by external elements by changing the address and/or bank details of the genuine investor, uniform process for carrying out change of bank and change of address is recommended by NISM committee.</p> <p>Tata Mutual Fund (TMF) has adopted the following process for Change of Bank Mandate (COB) and Change of Address (COA) in line with the AMFI circular 135/BP/17/10-11 dated October 22, 2010 and 135/BP/26/11-12 dated March 21, 2012.</p>

**A. Documents required for Change of Bank Mandate (COB )**

1. Transaction slip/Request letter from investor

And

2. Proof of New Bank Mandate :

Original of any one of the following documents or originals should be produced for verification or copy should be attested by the Bank:

- Cancelled original cheque of the new bank mandate with first unit holder name and bank account number printed on the face of the cheque.

OR

- Self attested copy of not older than 3 months bank statement containing the first unit holder name and bank account number

OR

- Bank passbook with current entries not older than 3 months containing the first unit holder name and bank account number.

OR

- Original Bank Letter on the letter head containing the first unit holder name and bank account number duly signed by branch manager/authorized personnel with name, employee code and bank seal.

And

3. Proof of Existing Bank Mandate :

Original of any one of the following documents or copy should be attested by the Bank or originals should be produced for verification:

- Cancelled original cheque with first unit holder name and bank account number printed on the face of the cheque.

OR

- Original bank account statement / Pass book containing the first unit holder name and bank account number.

OR

- Original letter issued by the bank on the letter head confirming the bank account holder name with the account details, duly signed by the Branch Manager with name, employee code and bank seal.

OR

- In case such bank account is already closed, an original letter on the letter head of such bank duly signed by the Branch Manager with name, employee code and bank seal, confirming the closure of said account.

**Important Note:**

Unitholders may note that minimum 10 days prior notice is required for change/update of bank account details.

In case prior notice for change of bank account details is not provided atleast 10 days prior to the date of redemption then the payment of redemption proceeds may be paid out to the existing bank account. For unit holder where the units are held in demat, please ensure that the bank account details linked with the demat account is updated. Maturity payment would be made as per the bank account details as provided by the Depository Participant

**B. Documents required for Change of Address (COA)**

KYC not complied Folios/Clients:

1. Transaction slip/Request letter from investor

And

2. Proof of New Address (as per KYC guidelines)

And

3. Proof of Identity: Only PAN card copy if PAN is updated in the folio, or PAN/ other proof of identity ((as per KYC guidelines) if PAN is not updated in the folio.

Unitholders may note that copies of all the documents submitted should be self-attested and accompanied by originals for verification. In case the original of any document is not produced for verification, then the copies should be properly attested / verified by entities authorized for attesting/verification of the documents as per extant KYC guidelines.

**II) Restriction on Acceptance of Third Party Payments for Subscription of units of schemes of Tata Mutual Fund:** In pursuance to Best Practice Guidelines issued by Association of Mutual Funds in India [AMFI] Vide Circular No.135/BP/16/10 dated August 16th 2010 for acceptance of Third party cheques, Tata Asset Management Ltd has decided not to accept subscriptions with Third-Party cheques, For details kindly refer Statement of Additional Information (SAI).

Who can invest

This is an indicative list and investors are requested to consult their financial advisor to ascertain whether the scheme is suitable to their risk profile.

**Eligibility for Application**

The following persons (subject, wherever relevant to, purchase of Units being permitted under their respective constitutions and relevant State Regulations) are eligible to apply for the purchase of the Units:

- Adult individuals, either singly or more than one (not exceeding three) on first holder basis or jointly on an either or survivor/any one basis.
- Parents, or other lawful Guardians on behalf of Minors.
- Companies, corporate bodies, public sector undertakings, trusts, wakf boards or endowments, funds, institutions, associations of persons or bodies of individuals and societies (including Co-operative Societies) registered under the Societies Registration Act, 1860 (so long as the purchase of Units is permitted under their respective constitutions).
- Mutual Funds (including any Scheme managed by AMC or any Scheme of any other Mutual Fund); (in accordance with Regulation 44(1) read with Clause 4 of Schedule VII, of the Securities & Exchange Board of India (Mutual Funds) Regulations, 1996).
- Asset Management Company (AMC); (in accordance with Regulation 25(17) of the Securities & Exchange Board of India (Mutual Funds) Regulations, 1996).
- Partnership firms, in the name of the partners.
- Hindu Undivided families (HUF) in the sole name of the Karta.
- Financial and Investment Institutions/ Banks.
- Army/ Navy / Air Force, para military Units and other eligible institutions.
- Religious and Charitable Trusts provided these are allowed to invest as per statute and their by-laws.
- Non-resident Indians/ persons of Indian origin residing abroad (NRIs) on a full repatriation basis or on non-repatriation basis.
- Foreign Portfolio Investor" (Foreign Portfolio Investor (FPI) as defined under Regulation 2(1)(h) of Security Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014).
- International Multilateral Agencies approved by the Government of India.

**Applicants who cannot Invest.**

- A person who falls within the definition of the term "U.S." Person" under the US Securities Act of 1933 and corporations or other entities organised under the laws of the U.S.
- A person who is resident of Canada.
- OCB (Overseas Corporate Bodies) as defined under Income Tax Act, 1961 and under Foreign Exchange Management Act, 1999.

**Compliance under Foreign Account Tax Compliance Act (FATCA) regulations:**

United States of America (US) has introduced chapter no. 4 in the US Internal Revenue Code as a part of the Hiring Incentives to Restore Employment (HIRE) Act, which was enacted by the US legislature to create employment opportunities in US. The HIRE Act includes Foreign Account Tax Compliance Act (FATCA), which now forms a part of the US-IR Code. The regulations for FATCA have undergone revision since 2010 and the final regulations make the FATCA provisions effective from July 1, 2014.

The objective of FATCA is to detect "US Persons", who evade US taxes by using financial account maintained outside US. The US persons are defined as those who have either US citizenship or US residency. The FATCA stipulates reporting on -

- i. US taxpayers about certain foreign financial accounts and offshore assets.
- ii. Foreign Financial Institutions (FFIs) about financial accounts with them of US taxpayers or foreign entities in which US taxpayers hold substantial ownership interest.

FFIs (including mutual funds in India) are required to periodically report information on accounts of US persons, who maintain balances above a threshold. In the event of a default in the reporting of information on accounts of US taxpayers, a withholding of 30% of the payment made from US sources will be imposed on the recalcitrant account holders and non-participating Financial Institutions. SEBI vide its circular no. CIR/MIRSD/2/2014 dated June 30, 2014, has advised that Government of India and US Government have reached an agreement in substance on the terms of an Inter-Governmental Agreement (IGA) to implement FATCA and India is now treated as having an IGA in effect from April 11, 2014. Tata Asset Management Company Limited (TAML) is classified as a Foreign Financial Institution (FFI) under the FATCA provisions and in accordance therewith, the AMC would be required to comply with the rules & regulations of FATCA, from time to time.

In order to ensure compliance with FATCA and other rules / directions / notifications as may be issued by Government of India or other regulatory authority, Mutual Funds are required to institute a process to identify US Person investors and report the same.

Applicants are required to refer to the "FATCA information" section in the application and mandatorily fill/sign off on the same. Applications without this information / declaration being filled/signed off will be deemed as incomplete and are liable to be rejected. Investors are requested to provide information required by the regulatory authority and may undergo changes on receipt of communication / guidelines from Government of India or AMFI or SEBI or any other regulatory authority.

**Common Reporting Standard (CRS)**

On similar lines of FATCA, the Organization of Economic Development (OECD), along with the G 20 countries, of which India is a member, has released a 'Standard for Automatic Exchange of Financial Account Information in Tax matters'. In order to combat the problem of offshore tax evasion and avoidance and stashing of unaccounted money abroad, the G 20 & OECD countries have together developed a common reporting standard(CRS) on automatic exchange of information(AEOI). On June 3,2015 India has joined the Multilateral Competent Authority Agreement(MCAA) on AEOI. The CRS on AEOI requires the financial institutions of the 'source' jurisdiction to collect and report information to their tax authorities about account holders 'resident' in other countries. The information to be exchanged relates not only to individuals, but also to shell companies and trusts having beneficial ownership or interest in the 'resident' countries.

In view of India's commitment to implement the CRS on AEOI and also the IGA with USA and with a view to provide information to other countries necessary legislative changes has already been made in Finance Act & by inserting Rules 114F to 114H and Form 61B to provide a legal basis for the Reporting Financial Institutions (RFIs) for maintaining and reporting information about the reportable accounts.

Applicants are required to refer to the "FATCA/CRS information" section in the application and mandatorily fill/sign off on the same. Applications without this information / declaration being filled/signed off will be deemed as incomplete and are liable to be rejected. Investors are requested to note that the contents of the information to be provided/ declaration in the application form may undergo a change on receipt of communication / guidelines from Government of India or AMFI or SEBI or any other regulatory authority.

With the change in guidelines, investors may be called for additional information required by the law. Investors are requested to keep Mutual Fund updated with change in information already submitted by them with Mutual Fund. FATCA provisions are relevant not only at on-boarding stage of investor(s)/unit holder(s) but also throughout the life cycle of investment with the Fund/the AMC. In view of this, Investors should immediately intimate to the Fund/the AMC, in case of any change in their status with respect to FATCA/CRS related declaration provided by them previously.

Investors(s)/Unit holder(s) should consult their own tax advisors to understand the implications of FATCA/CRS provisions /requirements.

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 than prevailing statutory regulations, if any.

If a person resident of India at the time of subscription becomes a person resident outside India subsequently, shall have the option to either be paid Redemption value of Units, or continue into the Scheme if he/ she so desires and is otherwise eligible. However, the person who desires to continue in the Scheme shall not be entitled to any interest or any compensation during the period it takes for the Fund to record the change in Address and the Residential Status. Notwithstanding the aforesaid, the Trustee Company reserves the right to close the Unitholder account and to pay the Redemption value of Units, subsequent to his becoming a person resident outside India, should the reasons of expediency, cost, interest of Unitholders and other circumstances make it necessary for the Fund to do so. In such an event, no resident Unitholders who have subsequently become resident outside India shall have a right to claim the growth in capital and/ or income distribution.

This scheme has not been registered in any country outside India. To ensure compliance with any Laws, Acts, Enactments, etc. including by way of Circulars, Press Releases, or Notifications of Government of India, the Fund may require/give verification of identity/any special/additional subscription-related information from /of the Unitholders(which may result in delay in dealing with the applications, Units, benefits, distribution, etc./giving subscription details, etc). Each Unitholder must represent and warrant to the Trustee Company/AMC that, among other things, he is able to acquire Units without violating applicable laws. The Trustee Company will not knowingly offer or sell Units to any person to whom such offer or sale would be unlawful, or might result in the Fund incurring any liability or suffering any other pecuniary disadvantages which the Fund might not otherwise incur or suffer. Units may not be held by any person in breach of the law or requirements of any governmental, statutory authority including, without limitation, Exchange Control Regulations. The Trustee company may, compulsorily redeem any Units held directly or beneficially in contravention of these prohibitions. In view of the individual nature of investment portfolio and its consequences, each Unitholder is advised to consult his/her own professional advisor concerning possible consequences of purchasing, holding, selling, converting or otherwise disposing of the Units under the laws of his/her State/country of incorporation, establishment, citizenship, residence or domicile.

**Dividend Policy****Dividend Option:**

The income / profits received / earned would be accumulated by the Fund as capital accretion, aimed at achieving medium to long term and also short term capital growth as reflected in the NAV. In the alternative and as may be decided by the Trustees the profits received / earned and so retained and reinvested may be distributed as Income at appropriate rates (after providing for all relevant ongoing expenses, etc.) The Income distribution warrants/certificate shall be despatched within 30 days of the declaration of the Income. Guided by the philosophy of value-oriented returns, the Trustee Company may periodically capitalise net earnings of the Scheme (including interest income and realised gains on the Securities) by way of allotment/credit of bonus Units to the Unitholders Accounts, the intent being to protect the Net Asset Value of the Scheme and Unitholders' interests.

**Dividend Reinvestment Option:**

Unitholders under this Option also have the facility of reinvestment of the income so declared, if so desired. Income Distribution Warrants will not be despatched to such Unitholders. The income declared would be reinvested in the Scheme on the immediately following ex-dividend date.

	<p><b>Dividend Sweep Facility:</b></p> <p>Under this facility investor can opt for reinvestment of dividend into any other scheme of Tata Mutual Fund. This facility is available only for those investors who have opted for dividend reinvestment facility.</p> <p>Under this facility, the net dividend amount (i.e net of statutory levy / taxes if any) will be automatically invested on the ex dividend date into other scheme at the applicable NAV of the said scheme &amp; accordingly equivalent units will be allotted in lieu of dividend, subject to the terms of the said scheme. The minimum and maximum amount is not applicable for this facility. No entry load or exit load will be levied on the units issued in lieu of dividend. AMC reserves the right to modify or withdraw this facility without prior notice.</p> <p><b>Compulsory Re-investment of dividend:</b></p> <p>In order to reduce the expenses of the scheme and also for the convenience of the investors, dividend shall be compulsorily reinvested in the respective option the schemes at the applicable ex-dividend NAV if dividend amount is less than Rs. 250/- (or any other amount as may be specified by the AMC from time to time).</p>
How to Apply	How to Apply Please refer to the Scheme Additional Information and Application form for the instructions.
Option to hold units in dematerialized (Demat) form	<p>Pursuant to SEBI Circular no. CIR/IMD/DF/9/2011 dated May 19, 2011 and further as per AMFI Circular No 35P/MEMCOR/ 35/11-12 dated Dec 23, 2011, Mutual Fund shall provide an option to investors to hold units in Demat mode.</p> <p>As per SEBI Circular no. CIR/IMD/DF/102010 dated August 18, 2010, all the units of a mutual fund scheme held in Demat form will be freely transferable.</p>
Just SMS Facility	<p>JUST SMS Facility enables the unitholders to</p> <ul style="list-style-type: none"> <li>• Subscription of units of the scheme for amounts less than Rs 2 lacs.</li> <li>• Redemption of units in the scheme (any amount/All Units).</li> <li>• Switch out from the scheme (any amount/All Units).</li> </ul> <p>This facility is currently available for existing investors (resident individuals only including guardian on behalf of minor) however new investor can avail this facility after opening a folio in the scheme.</p> <p>The said limits can be changed at the sole discretion of Tata Asset Management Ltd.</p> <p>Process Note:</p> <ol style="list-style-type: none"> <li>1. Subscription transaction request can be accepted in "Amounts" only and Switch and Redemption transaction requests can be accepted in "Amounts/Units" , however the request for Unit based redemption/switches can be given for "ALL" units and not part thereof. The minimum subscriptions / redemption / Switch amount in the respective scheme/(s) will be applicable for each transaction. The load structure prevailing at the time of the purchase transaction will be applicable.</li> <li>2. Mobile Number Registration: Unitholder(s) of the Fund will have to register a mobile number registered in India in their folio for availing this Facility. The mobile number provided in the debit mandate shall be updated in the folio for which the Facility is required. Additionally it will be registered in all the folios (if the same is not already available) where the First/Sole unit holder PAN number is same as the First/Sole unit holder PAN in the application, the updation of the mobile number will be only for purpose of database enhancement for all communication purposes. To avail this facility, only one mobile number will be registered with one folio number.</li> <li>3. Unitholder(s) of the Fund can start transacting, using this Facility only after successful registration of the Debit Mandate with their bankers and receipt of confirmation from the AMC. The process of registering the bank mandate with the banker may take upto 30 days.</li> <li>4. Unit holder(s) need to provide Original cancelled cheque of the same bank account registered in the registration form with the unit holder's name printed on the face of the cheque. In case an investor is not able to submit the Original cancelled cheque or do not have the name of the investor on the face of the cheque. Then the investor needs to submit:             <ol style="list-style-type: none"> <li>a. Copy of the bank passbook attested by bank / Original bank statement with name address and bank account number of the investor.</li> <li>b. A letter from the bank on its letter head certifying that the investor maintains an account with the bank, along with the information like the bank account number, bank branch, account type, the MICR code of the branch and the IFSC code.</li> <li>c. Get the bankers attestation in the face of the form in the section BANKER'S Attestation (For BANK Use only)</li> <li>d. If these supporting documents are not provided the registration may not be accepted. The Unit holder(s) cheque/ bank account details are subject to third party verification.</li> </ol> </li> <li>5. Transaction Charge: In accordance with SEBI circular No. Cir/ IMD/ DF/13/ 2011 dated August 22, 2011, TAML/TMF will deduct Transaction Charges from the purchase/ subscription amount received from the investors investing through a valid ARN Holder i.e. AMFI registered Distributor (provided the Distributor has opted to receive the Transaction Charges). Transaction Charge of Rs. 100 (for investor other than first time mutual fund investor) per purchase / subscription of Rs. 10,000 and above are deductible from the purchase / subscription amount and payable to the Distributor. The balance amount shall be invested.</li> </ol> <p>The transaction charges would be deducted only in respect of those transactions where the concern distributor has opted for opt in for levying transaction charge. In case distributor has chosen 'Opt Out'</p>

of charging the transaction charge, no transaction charge would be deducted from transactions registered. It may further be noted that distributors shall have also the option to either opt in or opt out of levying transaction charge based on type of the product.

6. In case the mode of holding of the folio is 'Joint' and the Debit Mandate is duly signed by all the joint holder(s), it will be deemed to be an express instruction to the AMC (Tata Asset Management Ltd) / RTA (Computer Age Management Service Pvt. Ltd), to keep the mode of holding to 'Anyone or Survivor' for availing this Facility only, so that this facility is available to the first named holder only. In case the unit holder is a "minor", the legal /natural guardian shall be eligible to avail of this Facility till the minor attains majority. As such legal/natural guardian may make payments from the minor's respective bank account (or in accordance with the exceptions provided for third party payments) and the same shall be recognized by the AMC as valid payment as per the SEBI Mutual Fund Regulations.
7. The Purchase Facility is currently available to the investors with the bank account with following bank branches:
  - a) All bank branches participating in Reserve Bank of India (RBI) Electronic Clearing System (ECS)/Regional Electronic Clearing System (RECS) facility.
  - b) Core Banking branches of the following Banks: Allahabad Bank, Axis Bank, Bank Of Baroda, Citibank, Corporation Bank, HDFC Bank, Federal Bank, ICICI Bank, IDBI Bank, Karnataka Bank, Punjab National Bank, State Bank of India, Union Bank of India, United Bank of India.

Please note that the list of the banks and branches may be modified/updated/ changed/deleted from time to time in future at the sole discretion of the AMC without assigning any reason or prior notice. You may kindly refer the AMC web site [www.tatamutualfund.com](http://www.tatamutualfund.com) for the latest list of locations/banks.

8. Some banks and branches may levy charges for mandate registration and / or transactions to their bank account holders, which will be borne by the account holder only and will not be borne /reimbursed by the AMC or the Fund.
9. Unit holder(s) hereby confirms, acknowledges and undertakes to make payments for subscription of units from their respective bank account(s) in compliance with applicable provisions relating to third party payments detailed in the SID / SAI and that the payment will be through legitimate sources only.
10. The responsibility of the bank account information provided in the Debit Mandate or any other application form for this Facility solely rests with the Unit holder(s) and the AMC / Fund / RTA will not be responsible or liable for any loss, claims, liability that may arise on account of any incorrect and / or erroneous data / information supplied by the Unit holder(s).
11. It will be the sole responsibility of the unit holder(s) bank and its branch to ensure proper registration of the Debit Mandate and confirm registration. If no confirmation of registration or rejection is received from the banker, the AMC/RTA/it's agents will deem the same to be registered and confirm the registration to Unit holder(s) entirely at the risk of Unit holder(s).
12. The Unit holder(s) shall ensure availability of clear funds in their respective bank account, as specified in the Debit Mandate, at the time of requesting a Transaction using the Facility and at the time of bank account being debited
13. The bank account of the customer may be debited towards purchases either on the same day of transaction or within one to seven business days depending on ECS cycle. The AMC / RTA shall attempt to settle the transaction and debit the bank account by requesting the registered bank for release of funds as per direct debit arrangement or standing instruction or RBI ECS (Debit) facility generally within a period of one to seven working days for bank. However, in case of non- receipt of the funds, for whatsoever reasons, the transaction shall stand cancelled/ null and void and the units allotted, if any would be reversed and stands cancelled.
14. The request for transaction is to be considered as accepted, subject to realization of funds towards purchases, and only on receipt of the confirmation from RTA on the registered mobile number or email id of the Unit holder(s) of the Fund.
15. The applicable NAV for the transaction will be dependent upon the time of receipt of the SMS into Computer Age Management Service Pvt. Ltd, Registrar & Transfer Agent of the Fund, ('RTA') server, electronically time-stamped and other factors like scheme, type of transaction, amount, date of realization of funds under SEBI regulations and will be treated on par with similar transactions received through other modes. For the purpose of this Facility, such RTA office centre would be considered as an Official Point of Acceptance of the transaction.
16. Any transaction request on a Non-Business Day will be processed on the next Business Day in accordance with the provisions provided in the Scheme Information Document ('SID') of the respective scheme.
17. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information/key word or due to non-receipt of the SMS message by the RTA or due to late receipt of SMS due to mobile network congestions or due to any reason whatsoever, the Unit holder(s) will not hold the Fund, AMC and the RTA responsible for the same.
18. In case of non-receipt of confirmation from RTA within a reasonable time (around one hour), Unit holder(s) are advised to immediately call up the call centre on toll free no. 1800-209-0101 to confirm the status of the transaction request. In case of receipt of multiple confirmations from the RTA against



a single transaction request, the same needs to be brought to the immediate attention of RTA and the AMC by calling up the call centre on toll free no. 1800-209-0101.

19. The Unit holder(s) availing the Facility shall check his / her bank account records carefully and promptly. If the Unit holder(s) believes that there has been an error in any transaction using the Facility, or that an unauthorized transaction has been effected, the Unit holder(s) shall notify the AMC or the RTA immediately by calling up the call centre on toll free no. 1800-209-0101. For faster dissemination of information, Unitholders are requested to provide their E-mail IDs. Delivering service through the internet & web-based services such as e-mail is a more efficient delivery channel. Annual report, Account statements & other communication will be sent via email, by default, to investors who have provided their email ID, unless specified otherwise. The Investor shall from time to time intimate the Mutual Fund / its transfer agents about any changes in the email address. In case of a large document, a suitable link would be provided & investor can download, save & print these documents. However, the investor always has a right to demand a physical copy of any or all the service deliverables, & the Fund would arrange to send the same to the investor. It is deemed that the Unitholder is aware of all the security risks associated with online communication, including the possibility of third party interception of the documents sent via email. Mutual Fund / registrar shall not be responsible for e-mail not reaching to the investors and for all consequences thereof.
20. Unitholder(s) of the Fund agrees and acknowledges that any transaction, undertaken using the registered mobile number shall be deemed to be that of the Unitholder(s).
21. Unit holder(s) will also need to inform the AMC/RTA about any change in their bank account number, mobile number or email id through a duly signed written request in the specified format and supporting documents.
22. The Unit holder(s) agree that the Fund/AMC / RTA and their agents shall not be held liable for any unsuccessful registration and or transaction due to any action or inaction of the Unit holder(s) bank including but not limited to reasons mentioned below and agree to indemnify the Fund/AMC/RTA for all liabilities, losses, damages and expenses which they may consequent sustain or incur either directly or indirectly:
  - a) Loss of the Debit Mandate in transit from point of acceptance of the form to RTA head office and further to the Unit holder(s)' bank branch;
  - b) Non acceptance or rejection of Debit Mandate for whatsoever reason by the Unit holder(s)' bank branch, with or without any reason assigned by the Unit holder(s) bank;
  - c) Non registration of the Debit Mandate by the Unit holder(s)' bank and branch;
  - d) Deemed registration due to non confirmation of registration or subsequent rejection by the bank and any subsequent rejection of debit of bank account for funds;
  - e) Non availability of funds in the bank account of the Unit holder(s) at the time of debit Rejection of registration or transaction debit for any reason or without assigning any reason whatsoever.
23. Employee Unique Identification Number (EUIN): Further, SEBI has made it compulsory for every employee/ relationship manager/ sales person of the distributor of mutual fund products to quote the EUIN obtained by him/her from AMFI in the Application Form. EUIN would assist in addressing any instance of mis-selling even if the employee/relationship manager/sales person later leaves the employment of the distributor. Hence, if your investments are routed through a distributor please ensure that the EUIN is correctly filled up in the Registration Form. However, if your distributor has not given you any advice pertaining to the investment, the EUIN box may be left blank. In this case you are required to tick (✓) the declaration to this effect as given in the form.

The AMC reserve the right to reject an application if it deems appropriate.

<p>Transactions through online facilities/electronic modes</p>	<p>Investor can transact through online facilities /electronic modes in Tata Mutual Fund Scheme. The time of transaction done through various online facilities / electronic modes offered by the AMC, for the purpose of determining the applicability of NAV, would be the time when the request for purchase / sale / switch of units is received in the servers of AMC/RTA.</p> <p>In case of transactions through online facilities / electronic modes, the movement of funds from the investors' bank account to the Scheme's bank account may happen via the Intermediary / Aggregator service provider through a Nodal bank account and post reconciliation of fund. The process of movement of funds from the investors' bank account into the Scheme's Bank account in case of online transaction is governed by Reserve Bank of India(RBI)vide their circular Ref. RBI/2009-10/231 DPSS.CO.PD.No.1102/02.14.08/2009-10 dated 24th November, 2009. The process followed by the aggregator and the time lines within which the Funds are credited into the Scheme's bank account is within the time lines provided by RBI which is T+3 settlement cycle / business days, where T is the date of Transaction / day of intimation regarding completion of transaction. The nodal bank account as stated above is an internal account of the bank and such accounts are not maintained or operated by the intermediary / aggregator or by the Mutual Fund.</p> <p>While the movement of Funds out of the investors' Bank account may have happened on T day, however post reconciliation and as per statutory norms, the allotment can happen only on availability of Funds for utilization by the AMC/MF and accordingly the transaction will processed as per the applicable NAV based on availability of funds for utilization. This lag may impact the applicability of NAV for transactions where NAV is to be applied, based on actual realization of funds by the Scheme. Under no circumstances will Tata Asset Management Limited or its bankers or its service providers be liable for any lag / delay in realization of funds and consequent pricing of units.</p>
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<p>Official Points of Acceptance of Transaction through MF utility</p>	<p>Tata Mutual Fund has entered into an agreement with MF Utilities India Private Limited ("MFUI"), a "Category II - Registrar to an Issue" under SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, for usage of MF Utility ("MFU") - a shared services initiative of various asset management companies, which acts as a transaction aggregator for transacting in multiple scheme of various mutual funds with a single form and a single payment instrument. Accordingly, all the authorized Point of Sales(POS) and website/mobile application of MFUI (available currently and also updated from time to time) shall be eligible to be considered as 'official points of acceptance' for all financial and non-financial transactions in the scheme of Tata Mutual Fund either physically or electronically. The list of POS of MFUI is published on the website of MFUI at <a href="http://www.mfuindia.com">www.mfuindia.com</a>.</p> <p>Applicability of NAV shall be based on time stamping as evidenced by confirmation slip given by POS of MFUI and also the realization of funds in the Bank account of Tata Mutual Fund (and NOT the time of realization of funds in the Bank account of MFUI) within the applicable cut-off timing. The Uniform Cut -off time as prescribed by SEBI and mentioned in the SID / KIM shall be applicable for applications received through such facilities.</p> <p>Investors are requested to note that MFUI will allot a Common Account Number ("CAN") i.e. a single reference number for all investments in the mutual fund industry for transacting in multiple scheme of various mutual funds through MFU and to map existing folios, if any. Investors can create a CAN by submitting the CAN Registration Form and necessary documents at the POS. The AMC and/or its Registrar and Transfer Agent shall provide necessary details to MFUI as may be needed for providing the required services to investors/distributors through MFU. Investors are requested to visit the website of MFUI i.e. <a href="http://www.mfuindia.com">www.mfuindia.com</a> to download the relevant forms.</p> <p>For any queries or clarifications related to MFU, please contact the Customer Care of MFUI on 1800-266-1415 (during the business hours on all days except Sunday and public holidays) or send an email to <a href="mailto:clientservices@mfuindia.com">clientservices@mfuindia.com</a>.</p>
<p>Cash Investments</p>	<p>Cash Investments in the Scheme Pursuant to SEBI circular dated September 13, 2012 and SEBI circular dated May 22, 2014, it is permitted to accept cash transactions to the extent of Rs. 50,000/- subject to compliance with Prevention of Money Laundering Act, 2002 and Rules framed there under and the SEBI Circular(s) on Anti Money Laundering (AML) and other applicable AML rules, regulations and guidelines. Provided that the limit shall be applicable per investor for investments done in a financial year across all scheme of the Mutual Fund, subject to sufficient systems and procedures in place for such acceptance. However any form of repayment either by way of redemption, dividend, etc. with respect to such cash investment shall be paid only through banking channel.</p> <p>Tata Asset Management Limited is in process of implementing adequate systems and controls to accept Cash Investment in the Scheme. Information in this regard will be provided to Investors as and when the facility is made available.</p>

**B. PERIODIC DISCLOSURES**

<p>Net Asset Value</p> <p>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.</p>	<p>The Mutual Fund shall calculate and disclose the Net Asset Value (NAV) on all the Business Days. The Mutual Fund shall upload the Net asset value of the Scheme on AMFI's website <a href="http://www.amfiindia.com">www.amfiindia.com</a> by 9.00 pm and also on the AMC's website i.e. <a href="http://www.tatamutualfund.com">www.tatamutualfund.com</a>.</p> <p><b>NAV Information</b></p> <p>The Scheme NAV will be available on all Business Days at the Authorised Investor Service Centres. The AMC will publish the NAV of the Scheme to at least two daily newspapers having nationwide publication on all Business Days. In the event NAV cannot be calculated and / or published, such as because of the suspension of RBI Clearing, Bank strikes, during the existence of a state of emergency and / or a breakdown in communications, the Trustees may temporarily suspend determination and / or publication of the NAV of the Units.</p> <p>The repurchase price will be in accordance with Regulation 49(3) of the Securities Exchange Board of India (Mutual Funds) Regulations, 1996, shall not be lower than 93% of the NAV and the sale price shall not be higher than 107% of the NAV and the difference between the repurchase price and sale price shall not exceed 7% on the sale price.</p>
<p>Portfolio Disclosures / Half Yearly Financial Results</p> <p>This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p><b>Portfolio Disclosure:</b></p> <p>Tata Mutual Fund / Tata Asset Management Ltd shall disclose monthly portfolio of the scheme (along with ISIN) as on the last day of the month for all their schemes in a user-friendly and downloadable format on its website on or before the tenth day of the succeeding month.</p> <p>The Fund shall before the expiry of one month from the close of each half year, that is as on March 31 &amp; September 30, publish its complete statement of the scheme portfolio in one English daily newspaper having all India circulation &amp; in a newspaper published in the language of the region where the Head Office of the Fund is situated &amp; update the same on AMC's website <a href="http://www.tatamutualfund.com">www.tatamutualfund.com</a> &amp; AMFI's website within one month in format prescribed by SEBI.</p> <p><b>Unaudited Financial Results:</b></p> <p>Tata Mutual Fund/ Tata Asset Management Ltd shall within one month from the close of each half year, that is on 31st March &amp; on 30th September, host a soft copy of its unaudited financial results on its website in the format specified in Twelfth Schedule of SEBI (Mutual Funds) Regulations 1996.</p>

	Tata Mutual Fund / Tata Asset Management Ltd shall publish an advertisement disclosing the hosting of such financial results on their website, in at least one English daily newspaper having nationwide circulation & in a newspaper having wide circulation published in the language of the region where the Head Office of the fund is situated.
Annual Report	Annual report or Abridged Summary will be available on AMC's website www.tatamutualfund.com and sent by way of email link to the investor's registered email address or Physical copies shall be despatched to investors address registered with Mutual Fund (If investor's email address is not registered), not later than four months after the close of each financial year (March 31).The unit holders may request for a physical copy of scheme annual reports or abridged summary by writing to the Asset Management Company/Investor Service Centre/Registrar & Transfer Agents. The full text of the Annual Report will be available for inspection at the office of the Fund.
Associate Transactions	Please refer to Statement of Additional Information (SAI).
Disclosure of Derivatives	The fund shall disclose the details of derivative transaction undertaken by the scheme in various periodic reports in prescribed formats as specified by SEBI vide Circular No. Cir/IMD/DF/11/2010 dated August 18,2010 & SEBI/HO/IMD/DF2/CIR/P/2017/09 dated September 9,2017.
Investor services	<p>The AMC has designated an Investor Relations Officer to look into investor grievances regarding deficiencies, if any, in the services provided by the Registrars or the Investor Service Centres.</p> <p><b>Name of the Investor Relations Officer:</b>  <b>Ms. Kashmira Kalwachwala</b></p> <p>Address:09<sup>th</sup> Floor, Mafatlal Centre, Nariman Point, Mumbai 400 021. Tel: (022) 66578282.Email address: service@tataamc.com</p> <p><b>The AMC will have the discretion to change the Investor Relations' Officer depending on operational necessities and in the overall interest of the fund.</b></p>

**Taxation**

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 with respect to the specific amount of tax and other implications arising out of his or her participation in the Scheme.

As per the Explanation to Section 115T of Income Tax Act 1961, an equity oriented fund is defined as a fund whose investible funds are invested in equity shares of domestic companies to the extent of more than 65% of the total proceeds of such fund. The percentage of equity share holding of the fund shall be computed with reference to the annual average of the monthly average of the opening and closing figures.

Following is the tax treatment for income arising from investment in the scheme :

	Resident Investors/NRI's \$	Domestic Company @
	Rate of Tax	
<b>Dividend Distribution Tax* (Payable by the scheme at the time of dividend distribution)</b>	10%	10%
<b>Tax on Capital Gains (Payable by the Investors )</b>		
<b>Capital Gains:</b>		
Long Term	10%*	10%*
Short Term	15%	15%

\*As per Finance Act ,2018, levy of income tax at the rate of 10%( without indexation benefit) on long term capital gains exceeding Rs.1 lakh provided transfer of such units is subject to Securities Transaction Tax (STT).

The applicable Surcharge which will be 12% and Health and Education cess at the rate of 4% .

\$ The surcharge and Cess applicability varies with the category of investors like surcharge at 15% to be levied in case of individual/HUF/NRI unit holders where their income exceeds Rs. 1 Crore and surcharge at 10% to be levied in case of individual/HUF unit holders where income of such unitholders exceeds Rs. 50 lakhs but does not exceed Rs. 1 Crore.

@ Surcharge at 7% to be levied for domestic corporate unit holders where income exceeds Rs. 1Crore but less than Rs.10 crores and at 12%, where income exceeds Rs.10 crores. \*Health and Education cess at the rate of 4% to be levied on aggregate of base tax and surcharge The Scheme will also attract Securities Transaction Tax (STT) at applicable rates at the time of redemption/switch to the other schemes/sale of units.

In case of NRI investors, short term /long term capital gain tax along with applicable surcharge and Health and Education Cess will be deducted at the time of redemption of units as per Income Tax Act.

**Securities Transaction Tax**

Securities Transaction Tax ("STT") is applicable on transactions of purchase or sale of units of an equity oriented fund entered into on a recognized stock exchange or on sale of units of equity oriented fund to the Fund. The STT rates as applicable are given in the following table:

Taxable securities transaction	Payable by	Rate (as a % of value of the transaction)
Purchase/ Sale of an equity share in a company where a) the transaction of such purchase is entered into in a recognized stock exchange; and b) the contract for the purchase of such share is settled by the actual delivery or transfer of such share	Purchaser/ Seller	0.1%
Purchase of a unit of an equity oriented fund, where a) the transaction of such purchase is entered into in a recognized stock exchange; and b) the contract for the purchase of such unit is settled by the actual delivery or transfer of such unit	Purchaser	NIL
Sale of a unit of an equity oriented fund, where a) the transaction of such sale is entered into in a recognized stock exchange; and b) the contract for the sale of such unit is settled by the actual delivery or transfer of such unit	Seller	0.001%
Sale of an equity share in a company or a unit of an equity oriented funds on non-delivery basis	Seller	0.025%
Sale of option in securities	Seller	0.05%
Sale of an option securities, where option is exercised	Purchaser	0.125%
Sale in a future in securities	Seller	0.01%
Sale of unit of an equity oriented fund to the Mutual Fund itself	Seller	0.001%

The Fund is responsible for collecting the STT from every person who sells the Unit to it at the rate mentioned above. The STT collected by the Fund during any month will have to be deposited with the Central Government by the seventh day of the month immediately following the said month.

**The information stated above is based on Tata Mutual Fund understanding of the tax laws and only for the purpose of providing general information to the unit holders of the schemes. In view of the individual nature of tax implications, each unit holder is advised to consult with his or her own tax advisors with respect to the specific tax and other implications arising out of the restructuring.**

If any tax liability arising post redemption on account of change in tax treatment with respect to Dividend Distribution Tax/Capital Gain Tax, by the tax authorities, shall be solely borne by the investors and not by the AMC or Trustee Company.

**For further details on taxation please refer the clause on taxation in SAI.**

### C. COMPUTATION OF NAV

Net Asset Value ("NAV") of the Units shall be determined daily as of the close of each Business Day on which the Bombay Stock Exchange (BSE) is open.

NAV shall be calculated in accordance with the following formula:

$$\text{NAV} = \frac{\text{Market Value of Scheme's Investments} + \text{Accrued Income} + \text{Receivables} + \text{Other Assets} - \text{Accrued Expenses} - \text{Payables} - \text{Other Liabilities}}{\text{Number of Units Outstanding}}$$

The computation of Net Asset Value, valuation of Assets\*, computation of applicable Net Asset Value (related price) for ongoing Sale, Redemption, Switch and their frequency of disclosure shall be based upon a formula in accordance with the Regulations and as amended from time to time including by way of Circulars, Press Releases, or Notifications issued by SEBI or the Government of India to regulate the activities and growth of Mutual Funds. The NAVs of the fund shall be rounded off upto four decimals.

Due to difference in the expense ratio, the NAV of each option of Direct Plan will be different from the NAV of each option of Regular Plan. Similarly due to dividend payout, the NAV of Dividend Option will be different from the NAV of Growth option.

The valuation of investments shall be based on the principles of fair valuation specified in the Schedule VIII of the SEBI (Mutual Funds) Regulations, 1996 and guidelines issued by SEBI /AMFI from time to time.\* Please refer Para V. of SAI on 'Investment valuation norms for securities & other assets for details.

Each option of the scheme will have a separate NAV.

## IV. FEES AND EXPENSES

## A. NEW FUND OFFER (NFO) EXPENSES

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

The scheme was launched on 11th November, 2002 and the New Fund Offer Expenses were fully borne by the Scheme.

## B. ANNUAL SCHEME RECURRING EXPENSES

## A. Fees &amp; Expenses:

The maximum recurring expenses of the Scheme is estimated below:

Ref	Expenses Head	% of Daily Net Assets #
	Investment Management and Advisory Fees	Upto 1.50%
	Trustee fee	
	Audit fees	
	Custodian fees	
	Other Expenses	
	RTA Fees	
	Marketing & Selling expense incl. agent commission	
	Cost related to investor communications	
	Cost of fund transfer from location to location	
	Cost of providing account statements and dividend redemption cheques and warrants	
	Costs of statutory Advertisements	
	Cost towards investor education & awareness (at least 2 bps)	
	Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.	
	Goods & Services tax on expenses other than investment and advisory fees	
	Goods & Services tax on brokerage and transaction cost	
(a)	<b>Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and (6) (a)</b>	<b>Upto 1.50%*</b>
(b)	Additional expenses under regulation 52 (6A) (c)	Upto 0.20%
(c)	Additional expenses for gross new inflows from specified cities	Upto 0.30%^

\* Excluding Goods & Services Tax on investment and advisory fees

**# Note: The TER of the Direct Plan will be lower to the extent of at least 5% of the TER which is charged in the Regular Plan. No commission/distribution expenses will be charged in the case of Direct Plan. For example if TER of Regular Plan is 1.50% then TER of Direct Plan will be (1.50% - (1.50% x 5%)) i.e 1.50% - 0.075% = 1.425%.**

The maximum recurring expenses for the scheme shall be subject to following limits\*\*

- on the first Rs.100 crores of the daily net assets : 1.50%
- on the next Rs.300 crores of the daily net assets : 1.50%
- on the next Rs.300 crores of the daily net assets : 1.50%
- on the balance of the assets : 1.50%

\*\*in addition to the above the scheme may charge additional limit of 0.20% specified in sub regulation (6A)(c) of Regulation 52 of SEBI (Mutual Funds) Regulations, 1996 & excluding tax on investment management & advisory fees.

^ Expenses not exceeding of 0.30 per cent of daily net assets, if the new inflows from such cities as specified by SEBI from time to time are at least:

- 30 per cent of gross new inflows in the scheme, or;
- 15 per cent of the average assets under management (year to date) of the scheme, whichever is higher:

Provided that if inflows from such cities is less than the higher of sub-clause (i) or sub-clause (ii), such expenses on daily net assets of the scheme shall be charged on proportionate basis:

Provided further that expenses charged under this clause shall be utilised for distribution expenses incurred for bringing inflows from such cities:

Provided further that amount incurred as expense on account 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.

**Notes:**

- 1) Brokerage & transaction costs (including tax) which are incurred for the purpose of execution of trade may be capitalised to the extent of 12bps and 5bps for cash market transactions and derivatives transactions respectively. GST on brokerage and transaction cost paid for execution of trades shall be within the limit prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996. Any payment towards brokerage and transaction cost, over and above the said 12 bps and 5bps 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. Any expenditure in excess of the said prescribed limit (including brokerage and transaction cost, if any) shall be borne by the asset management company or by the trustee or sponsors.
- 2) AMC shall annually set apart atleast 2 basis point on daily net assets for investor's education and awareness initiatives.
- 3) The fund shall update the current expense ratios on the website( [www.tatamutualfund.com](http://www.tatamutualfund.com)) at least three working days prior to the effective date of the change. The exact web link for TER is <http://www.tatamutualfund.com/our-funds/total-expense-ratio>.

**C. LOAD STRUCTURE**

Load is an amount which is paid by the investor to subscribe to the units or to redeem the units from the scheme. Load amounts are variable and are subject to change from time to time. As per SEBI circular SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009 there shall be no entry load for all Mutual Fund schemes. Applicable Goods & Services tax on exit load, if any, shall be paid out of the exit load proceeds and exit load net of tax, if any, shall be credited to the scheme.

The Load Structure of the Scheme is given hereunder:

Type of Load	Load chargeable (as %age of NAV)
Entry Load	N.A
Exit Load (for Normal & SIP/STP Transactions)	0.25% of the applicable NAV if redeemed on or before 7 days from the date of allotment.

Bonus units shall not be subject to exit load. Applicable Tax on exit load, if any, shall be paid out of the exit load proceeds and exit load net of tax, if any, shall be credited to the scheme.

The AMC reserves the right to change/modify exit load, depending upon the circumstances prevailing at any given time. However any change in the load structure will be applicable on prospective investment only. At the time of changing the load structure, the AMC will adopt the following measures:

- The addendum detailing the changes may be attached to Scheme Information Documents and Key Information Memorandum. The addendum may be circulated to all the distributors/brokers so that same can be attached to all Scheme Information Documents and Key information memoranda already in stock.
- The investor is requested to check the prevailing load structure of the scheme before investing. For any change in load structure arrangement may be made to display the addendum in the Scheme Information Document in the form of a notice in all the investor service centers and distributor/ brokers' office.
- The introduction of the exit load along with the details may be stamped in the acknowledgement slip issued to the investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such load.
- A public notice shall be given in respect of such changed in one English daily newspaper having nationwide circulation as well as in a newspaper publishes in the language of region where the Head office of Mutual Fund is situated.

**D. TRANSACTION CHARGES**

Pursuant to SEBI Circular No. Cir/ IMD/ DF/13/ 2011 dated August 22, 2011, transaction charge per subscription of Rs.10, 000/- and above be allowed to be paid to the distributors of the Tata Mutual Fund products. The transaction charge shall be subject to the following:

1. There shall be no transaction charges on direct investments.
2. For existing investors in a Mutual Fund, the distributor may be paid Rs.100/- as transaction charge per subscription of Rs.10, 000/- and above.
3. For first time investor in Mutual Funds, the distributor may be paid Rs.150/- as transaction charge for subscription of Rs.10, 000/- and above.
4. The transaction charge shall be deducted by the AMC from the subscription amount and paid to the distributor and the balance amount shall be invested.
5. The statement of account shall clearly state that the net investment as gross subscription less transaction charge and give the number of units allotted against the net investment.
6. There shall be no transaction charge on subscription below Rs. 10,000/-.
7. In case of SIPs, the transaction charge shall be applicable only if the total commitment through SIPs amounts to Rs. 10,000/- and above. In such cases the transaction charge shall be recovered in 3 installments.
8. There shall be no transaction charge on transactions other than purchases/ subscriptions relating to fresh/additional purchase.

The transaction charges would be deducted only in respect of those transactions where the concern distributor has opted for opt in for levying transaction charge. In case distributor has chosen 'Opt Out' of charging the transaction charge, no transaction charge would be deducted from transactions registered.

It may further be noted that distributors shall have also the option to either opt in or opt out of levying transaction charge based on type of the product.

**V. RIGHTS OF UNITHOLDERS**

Please refer to SAI for details.

**VI. 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**

This section shall contain the details of penalties, pending litigation, and action taken by SEBI and other regulatory and Govt. Agencies.

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, only top 10 monetary penalties during the last three years shall be disclosed. - NIL
2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three 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 three years shall also be disclosed. - NIL
3. Details of all enforcement actions taken by SEBI in the last three 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/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. - NIL
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. - NIL
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. – NIL

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

**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.**

The Scheme under this Scheme Information Document was approved by the Trustees on 23<sup>rd</sup> July '2002 & subsequently the change of scheme type was approved by Trustees on 4<sup>th</sup> December'2017.

By order  
Board of Directors  
**Tata Asset Management Limited.**

Place: Mumbai  
Date: 30.04.2018

**Authorised Signatory**

**West Zone:**

**Mumbai:** Mulla House, Ground Floor, 51, M. G. Road, Near Flora Fountain, Mumbai - 400 001. Tel.: 022-66315191/92/93, Fax: 022-66315194. **Borivali:** Ground Floor, Shop No. 8, Victor Park, Behind Indryani Saree Shop, Chandarvarkar Road, Borivali (West), Mumbai - 400 092. Tel.: 022-28945923. **Thane:** Shop No. 9, Konark Tower, Ghantali Devi Road, Thane (West) - 400 602. Tel.: 022 - 65140081. **Ahmedabad:** 402, 'Megha House', Mithakhali - Law Garden Road, Netaji Marg, Ahmedabad - 380 006. Tel.: 079-26466080-40076949. Fax: 079-2646 6080. **Pune:** Office No 33, 3rd Floor, Yashwant, Opp Lane No. 9, Prabhat Road, Pune - 411 004. Tel.: 020-41204949, Telefax:- 41204953. **Surat:** Ground Floor, G - 18, ITC Building, Near Majuragate, Ring Road, Surat - 395 002. Tel.: 0261-4012140, Fax: 0261-2470326. **Vadodara:** 304, 3rd Floor, "TITHI" Complex, Opposite Baroda Productivity Council, Productivity Road, Alkapuri. Vadodara - 390 007. Tel.: 0265-6641888/2356114, Fax: 0265-6641999. **Rajkot:** Arhant Plaza, 201, 2nd Floor, Subhash Road, Near Moti Taki, Rajkot - 360 001. Tel.: 0281- 6624848. **Indore:** 204, D.M. Tower, Near Janjeerwala Chourha, Indore - 452 003. Tel.: 0731-4201806, Fax 0731-4201807. **Bhopal:** MF-12, Block-A, Mansarovar Complex, Near Habibganj Railway Station, Bhopal - 462 016. Tel.: 0755-2574198, 0755-4209752. **Nashik:** 5, Samridhhi Residency, Opp Hotel City Pride, Tilakwadi, Nashik - 422 002. Tel.: 0253-6605138, Fax: 0253-2579098. **Goa:** 1st Floor, Indraprastha Building, Above Dena Bank, Opp. Hero Honda Showroom, Dr. Shirgaonkar Road, Panjim, Goa - 403 001. Tel.: 7888051135, Fax: 0832-2422135. **Jabalpur:** Office No. 4, 1178, Napier Town, Home Science College Road, Jabalpur - 482 001(M.P.). Tel.: 0761-4074263. **Nagpur:** 102, Shivaji Complex, Near Times of India, Dharampeth, WHC Road, Nagpur - 440 010, Tel.: 0712-6630425. **Navsari:** Shop No.1, Swiss Cottage, Ashanagar Main Road, Navsari - 396 445. Tel: 02637 - 281991. **Jamnagar:** 202 Manek Centre, 2nd Floor, P. N. Marg, Jamnagar - 361 001. Tel: 0288 - 2673111.

**East Zone:**

**Bhilai:** Shop No.145, Ground Floor, Chauhan Estate, Near HDFC Bank, Bhilai - 490 001. Tel.: 0788-2295625. **Bhubaneswar:** Room-309, 3rd Floor, Janpath Tower, Ashok Nagar, Bhubaneswar - 751009. Tel.: 0674 -2533818. **Dhanbad:** Shriram Plaza, 2nd Floor, Room No.211, Bank More, Jharkhand, Dhanbad - 826 001. Tel.: 9234302478 / 0326-2300304. **Durgapur:** Landmark Building (Phase II), 2nd Floor, Above Punjab National Bank, Opp. Central Library, Shahid Khudiram Sarani, City Centre, Durgapur 713216. Tel.: 0343-2544463. **Guwahati:** 109, 1st Floor, Orion Tower, Christian Basti, G S Road, Guwahati - 781 005 (Assam). Tel.: 0361-2343084. **Kolkata:** Apeejay House, Ground Floor, 15 Park Street, Kolkata - 700 016. Tel.: 033-4406 3300/01/33/19. Fax: 033-4406 3315. **Jamshedpur:** Voltas House, Mezzanine Floor, Main Road Bistupur, Jamshedpur - 831001. Tel.: 0657-2321302 /363/6576911. **Patna:** 605, 6th Floor, Ashiana Hariniwas, New Dak Bunglow Chowk, Patna - 800 001. Tel.: 0612-2206497. **Raipur:** 331 & 332, 3rd Floor, Lalganga Shopping Mall, G E Road, Raipur - 492 001 (Chhattisgarh). Tel.: 0771-4040069. **Ranchi:** Shop No. 23 A, 2nd Floor, A.C. Market, Main Road, Ranchi. Jharkhand - 834 001. Tel.: 0651-2210226. **Siliguri:** Lower Ground Floor, Nanak Complex, Sevoke Road, Siliguri - 734001. Tel.: 0353 - 2522275 / 6512275.

**North Zone:**

**Agra:** Ground Floor, Block - 44/G - 108, Sanjay Complex, Sanjay Place, Agra - 282 002. Tel.: 0562-2525195. **Allahabad:** Shop No. 10, Upper Ground Floor, Vashistha Vinayak Tower, Tashkand Marg, Civil Lines, Allahabad -211 001. Tel.: 0532-2260974. **Amritsar:** Mezzanine Floor, S.C.O - 25, B Block, District Shopping Complex, Ranjiv Avenue, Amritsar - 143 001. Tel.: 0183-5011181/5011190. **Chandigarh:** SCO - 2473-74, 1st Floor, Sector- 22C, Chandigarh - 160 022. Tel.: 0172-5037205/5087322, Fax: 0172 - 2603770. **Dehradun:** Shop No. 19, Ground Floor, Shree Radha Palace, 78, Rajpur Road, Dehradun - 248 001, Uttarakhand. Tel.: 0135-2740877 / 2741877. **Jaipur:** 233, 2nd Floor, Ganpati Plaza, M I Road, Jaipur - 302 001. Tel.: 0141 - 5105177 / 78 / 2389387 / 6539009, Fax: 5105178. **Kanpur:** 4th Floor, Office No. 412 - 413, KAN Chambers, 14 / 113, Civil Lines, Kanpur - 208 001. Tel.: 0512-2306065, Fax: 0512 - 2306065. **Delhi:** Vandana Building, 9th Floor, Unit Nos.9-G & 9-H, 11, Tolstoy Marg, Connaught Place, New Delhi - 110 001. Tel.: 011-66324111/102/103/104/105, Fax: 011-66303202. **Lucknow:** Office No.2, Saran Chambers-I, 1st Floor, 5, Park Road, Lucknow - 226 001. Tel.: 0522-4001731, Fax: 0522-2235386. **Ludhiana:** Cabin No. 201, 2nd. Floor, SCO 18, Opp Ludhiana Stock Exchange, Feroze Gandhi Market, Ludhiana - 141 001. Tel.: 0161-5089667-5089668, Fax: 0161-2413498. **Moradabad:** Ground Floor, Near Hotel Rajmahal, Civil Lines, Moradabad - 244 001, Tel.: 0591-2410667. **Jodhpur:** Ground Floor, Jaya Enclave, 79/4, Opp. IDBI Bank, 1st A Road, Sardarpura, Jodhpur - 342 001. Tel.: 0291-2631257, Fax: 0291-2631257. **Udaipur:** Office No - 4, 2nd Floor, Madhav Apartment, Opp GPO, Chetak Circle, Udaipur - 313 001. Tel.: 0294-2429371, 7230029371, Fax: 0294-2429371. **Varanasi:** D-64/127, 2nd Floor, C-H Arihant Complex, Sigra, Varanasi - 221010 Tel.: 0542-2222179. **Jalandhar:** No. 32, 5th Floor, City Square Building, Eh-197, Civil Lines, Jalandhar - 144 001 Tel.: 0181-5001024/25. **Ajmer:** 2nd Floor, 42, K. C. Complex, Daulat Bagh Road, Sunder Vilas, Ajmer - 305 001. Tel.: 0145 - 262 5316. **Kota:** Unit No. 26, 1st Floor, Mehta Compound, Jhalawar Road, Kota - 324 007. Tel.: 0744 - 2362548. **Meerut:** G-13, Rama Plaza, Near Bachha Park, Western Kutchery Road, Meerut (U.P.) - 250 001. Tel.: 0121-4035585.

**South Zone:**

**Bangalore:** Unit 3A, 4th Floor, Sobha Alexander, 16 / 2 - 6, Commissariat Road, Bangalore - 560025. Tel.: 080-66561313/19/20, Fax: 080-22370512. **Calicut:** C-8 & 9, Friends Commercial Complex, Near Federal Towers, Arayadathu Palam, Mavoor Road, Calicut - 673016. Tel.: 0495-4850508. **Chennai:** Riaz Garden, 3rd Floor, No:29, Kodambakkam High Road, Near Palmgrove Hotel, Nungambakkam, Chennai - 600 034. Tel.: 044 - 43546319. Fax: 044-43546313. **Cochin:** 2nd Floor, Ajay Vihar, JOS Junction, M. G. Road, Cochin - 682 016. Tel.: 0484-4865814/0484-4865813. Fax: 0484 - 2377581. **Coimbatore:** Tulsi Chambers, 195 F, Ground Floor, West T V Swamy Road, R S Puram, Coimbatore - 641002. Tel.: 0422-4365635, Fax: 2546585. **Hyderabad:** 2nd Floor, Room No. 211, Babukhan Mall, Opp. Kalaniketan, Somajiguda, Hyderabad - 500 082. Tel.: 040-67308989. Fax: 040-67308990. **Hubli:** No 19 & 20, 1st Floor, Eureka Junction, T B Road, Hubli - 580029. Tel.: 0836 - 4251510 Fax: 4251510. **Kottayam:** CSI Ascension Square, Collectorate P. O., Kottayam - 686 002. Tel.: 9447559230. **Mangalore:** Essel Towers, 1st Floor, Bunts Hostel Circle, Above UTI Bank, Mangalore - 575 003. Tel.: 0824 - 4260308. **Madurai:** 1st Floor, 11B Old, Goods shed street rear, Opp. Sethupathy Higher Secondary School, North Veli Street, Madurai - 625 001. Tel.: 0452-4246315 Fax: 0452-4246315. **Mysore:** CH-16, 1st Floor, Prashanth Plaza, 4th Main, 5th Cross, Saraswathipuram, Mysore - 570009. Tel.: 0821 - 4246676 Fax: 4246676. **Salem:** Raj Towers, Ground Floor, No: 4, Brindavan Road, Fairlands, Salem - 636 016. Tel.: 0427 - 4042028 Fax: 4042028. **Trivandrum:** Ground Floor, Sai Kripa Building, TC-1956/3, Ganapthi Temple Road, Vazhuthacaud, Trivandrum - 695 014. Tel.: 0471-4851431/0471-4851430. **Trichy:** No.60/3, 'Krishna', 2nd Floor, Sastri Main Road, Tennur, Trichy - 620 017. Tel.: 0431 - 4024060. **Thrissur:** 4th Floor, Pathayappura buildings, Round South, Thrissur - 680 001. Tel.: 0487-6451286. **Vijaywada:** Ground Floor, D. No. 40 - 13 - 5, Sri Rama Chandra Complex, Chandra Mouli Puram, M. G. Road, Benz Circle, Vijayawada - 520 010. Tel.: 0866-6632010. **Vishakapatnam:** Door No. 47-15-14 & 15, Shop No. 102 B, Ground floor, VRC Complex, Opp. TSR Complex, Next to Andhra Bank, Visakhapatnam - 530 016. Tel.: 0891 - 6451883 Fax: 0891-2503292. **Puducherry:** Jayalakshmi Complex, No. 6, 1st Floor, 116, Thiruvalluvar Salai Pillaihattam, Puducherry - 605 013. Tel.: 0413-4304554.