

NOTICE CUM ADDENDUM

Merger of Tata Gilt Mid Term Fund with Tata Gilt Securities Fund

Notice cum Addendum is hereby given that the Trustees of Tata Mutual Fund have approved the merger of Tata Gilt Mid Term Fund, an open-ended debt fund investing predominantly in Government Securities (hereinafter referred to as 'Transferor Scheme') with Tata Gilt Securities Fund, an open-ended debt fund investing predominantly in Government Securities (i.e. 'Surviving Scheme'). The record date for the merger is 01 June, 2018.

Consequently, from the record date the Tata Gilt Mid Term Fund (TGMTF) will cease to exist and the unitholders of Tata Gilt Mid Term Fund will become unitholders of Tata Gilt Securities Fund (TGSF). Investors in Periodic Dividend Option of Tata Gilt Mid Term Fund - (Regular Plan & Direct Plan) would be allotted units, without any entry load, in Dividend option of Tata Gilt Securities Fund - (Regular Plan & Direct Plan) and investors in Growth Option of Tata Gilt Mid Term Fund- (Regular & Direct Plan) would be allotted units without any entry load, in the Growth option of the Tata Gilt Securities Fund (Regular Plan & Direct Plan) in lieu of their holding at closing Net Asset Value (NAV) of record date. For e.g. Investors of Periodic Dividend Option in the respective Plans of Tata Gilt Mid Term Fund (TGMTF) will get units of Dividend Option of Tata Gilt Securities Fund and Investors of Growth Option in the respective Plans of TGMTF will get units of Growth Option of respective plans of TGSF.

The above facts are summarised below:

Option / Plan of Scheme being merged (Tata Gilt Mid Term Fund)	Units of Option /Plan to be allotted in Surviving Scheme (Tata Gilt Securities Fund)
Regular Plan - Growth Option	Regular Plan - Growth Option
Regular Plan - Periodic Dividend Option	Regular Plan - Dividend Option
Direct Plan - Growth Option	Direct Plan - Growth Option
Direct Plan - Periodic Dividend Option	Direct Plan - Dividend Option

A written communication has been sent to all Unitholders of the concerned scheme informing the details about the merger including, basis of allocation of units in Tata Gilt Securities Fund, tax implication & financial information of the scheme.

The sale of units of the Tata Gilt Mid Term Fund (Transferor Scheme) (including switch-in & registration of systematic investment options) will stand suspended with effect from 30 April, 2018.

In terms of prevailing regulatory requirements, unitholders in Tata Gilt Mid Term Fund are given an option to exit at the prevailing Net Asset Value without any exit load in case they are not in favour of the merger. The period of this exit option is from 02 May, 2018 to 31 May, 2018. If no request for Redemption/Switch is received by Tata Asset Management Ltd. on or before 31 May, 2018 (upto 3.00pm) the units in Tata Gilt Mid Term Fund will automatically be merged to Tata Gilt Securities Fund & a fresh Account Statement will be issued to the unitholders to that effect.

Unitholders who do not exercise the exit option during the exit period would be deemed to have consented to the proposed merger & will be allotted units without any entry load in respective option of the respective plans of Tata Gilt Securities Fund. Unitholders who opt to continue in the surviving scheme (i.e. Tata Gilt Securities Fund) shall be subject to load structure of surviving scheme prevailing on the record date of merger.

The existing Systematic Investment Plan (SIP)/Systematic Transfer Plan (STP)* / Systematic Withdrawal Plan (SWP) in the merged scheme i.e. Tata Gilt Mid Term Fund will continue to be processed in/from the surviving scheme i.e. Tata Gilt Securities Fund. In case of non KYC compliant investors, the SIP will be discontinued.

*Investors who have opted for Systematic Transfer Plan (STP) from Tata Gilt Mid Term Fund to Tata Gilt Securities Fund or vice versa the same will stand cancelled from the date of merger of the scheme.

The unitholders who have pledged or encumbered their units will not have the option to exit unless they procure an effective release of their pledges/encumbrances prior to the redemption/switch-out requests.

In case a lien is marked on the units held in Tata Gilt Mid Term Fund, the fresh units allotted in Tata Gilt Securities Fund scheme will also be automatically subject to lien. In case of lien of units in demat mode, investors are requested to ensure revocation of lien before the record date to enable credit of proportionate units of the surviving scheme.

The requirement of minimum application for fresh & additional purchase of units will not be applicable for Debt Fund for the units allotted to the unitholders of Tata Gilt Securities Fund on account of merger.

The portfolio of Tata Gilt Mid Term Fund as on the date of merger will be merged with the portfolio of Tata Gilt Securities Fund.

Unitholders who are holding the units in the demat mode shall note that the units of the respective options of the merged scheme (i.e. Tata Gilt Mid Term Fund) will be extinguished from their demat account and proportionate units in the respective option of the surviving scheme (i.e. Tata Gilt Securities Fund) will be credited to their demat account after the record date.

Pursuant to SEBI circular no. SEBI/HO/IMD/DF3/CIR/P/2017/114 dt. 06 October 2017 the Surviving Scheme i.e. Tata Gilt Securities Fund will be categorized as Gilt Fund and accordingly fundamental attributes of the scheme will also change from 01 June, 2018. Separate exit option is being provided to the unitholders of the Surviving Scheme.

Cut off timing for NAV applicability for redemption & switch out: In respect of valid redemption / switch out application accepted at a designated collection centre upto 3 p.m. on a business day by the Mutual Fund, the closing NAV of the day immediately preceding the next business day shall be applicable and in respect of application received after 3 p.m., closing NAV of the next business day will be applicable.

Unitholders are requested to read the detailed features of Tata Gilt Securities Fund in the Scheme Information Document (SID) which is available on the website www.tatamutualfund.com & at the Investor Service Centre in order to take a well-informed decision.

Changes in the Fundamental Attributes & Scheme Features of Tata Gilt Securities Fund (An open-ended Gilt Scheme), w.e.f. 01 June, 2018

Notice is hereby given that the Trustees of Tata Mutual Fund have approved the changes in the fundamental attributes of the Tata Gilt Securities Fund ("Scheme"). The following changes will be implemented to the terms of the scheme from the effective date.

Details	Current Provisions	Revised Provisions
Scheme Type	An open-ended debt scheme.	An open-ended debt scheme investing predominantly in government securities across maturity.
Scheme Category	Debt Scheme	Gilt Fund
Investment Objective	The investment objective of the Scheme is to generate risk-free return and thus provide medium to long term capital gains and income distribution to its Unitholders, while at all times emphasizing the importance of capital preservation.	To generate medium to long term capital appreciation and income distribution by investing predominantly in Government Securities.

Notes: • The above revisions will be implemented prospectively and shall remain in force till further notice • This notice cum addendum will form an integral part of the respective Scheme Information Documents / Key Information Memorandums • All other terms & conditions of the Scheme Information Document / Key Information Memorandum read with other addendums if any remain unchanged.

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

Asset Allocation	To generate risk free return and to provide medium to long term capital gains and income distribution to unitholders and all time emphasising capital preservations.		
	Under normal circumstances the asset allocation pattern will be:		
	Instruments	Indicative Allocation (% of net assets)	Risk Profile
		Minimum Maximum	High /Medium /Low
	Government Securities 65%	100%	Low / Sovereign
	Money Market Instruments 0%	35%	Low to Medium
	The scheme will have a maximum derivative net position of 50% of the net asset of the scheme. Investment in derivative instruments may be done for hedging and Portfolio balancing. 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 debt securities and debt 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.		
	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 pending investment in government securities for a short-term period on defensive consideration invest upto 100% of the funds available in overnight repos, the primary motive being to protect the Net Asset Value of the Scheme and protect unitholders interest so also to earn reasonable returns on liquid funds maintained for redemption/repurchase of units.		
Under normal circumstances the asset allocation pattern will be:			
Instruments		Indicative Allocation (% of net assets)	Risk Profile
		Minimum Maximum	High /Medium /Low
Government Securities		80%	100%
Money Market Instruments		0%	20%
			Low to Medium
The scheme will have a maximum derivative net position of 50% of the net asset of the scheme.			
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 debt securities and debt 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.			
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All other terms and conditions of the Scheme will remain unchanged.

The proposed changes are changes in the fundamental attributes of the Scheme as per Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996. Hence, Unitholders who are not in favour of the above-mentioned scheme changes, they may choose to exit from Tata Gilt Securities Fund by submitting request for redemption or switch to any of our existing schemes at the prevailing NAV without payment of exit load, from 02 May, 2018 to 31 May, 2018 (upto 3.00 p.m.) at any of our Branches or CAMS Official Points of Acceptance.

The above changes will be effective from 01 June, 2018. Revised asset allocation pattern indicated above will be achieved within 30 days from the effective date of change in the fundamental attribute of the scheme.

The unit holders who have pledged or encumbered their units will not have the option to exit unless they procure an effective release of their pledges/ encumbrances prior to the redemption / switch-out requests.

A written communication informing the above change has been sent to all the unit holders of Tata Gilt Securities Fund informing them of the proposed changes and the exit option details.

Unitholders may note that no action is required in case they are in agreement with the aforesaid changes, which shall be deemed as acceptance of the said change. **The offer to exit from the Scheme is optional at the discretion of the Unit holders and not compulsory.**

Load free exit period is available only for investors holding units as on 29 April, 2018 as per Registrars records

This notice cum addendum forms an integral part of the SID and KIM of the Fund, as amended from time to time.

Tata Gilt Securities Fund is suitable for investors who are seeking*:

- Long Term Capital Appreciation & Regular Income
- Investment predominantly in Government Securities

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

