

## KEY INFORMATION MEMORANDUM

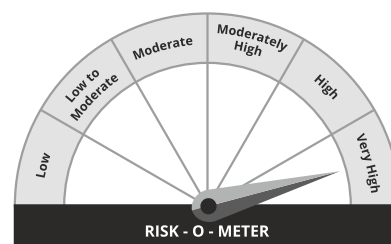
# TATA INFRASTRUCTURE FUND

(An open-ended equity scheme investing in Infrastructure sector)

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

- Long Term Capital Appreciation.
- Investment Predominantly in equity / equity related instruments of the companies in the Infrastructure sector in India.

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



**RISK - O - METER**  
Investors understand that their principal will be at Very High Risk

<b>Scheme Opened on</b>	25.11.2004
<b>Scheme Closed on</b>	22.12.2004
<b>Scheme Re-opened on</b>	21.01.2005

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. **For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document (SID) & Statement of Additional Information (SAI) available free of cost at any of the Investor Service Centres or distributors or from the website [www.tatamutualfund.com](http://www.tatamutualfund.com).**

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

**Name of the Mutual Fund**  
Tata Mutual Fund

**Name of the AMC**  
Tata Asset Management Ltd.  
CIN: U65990-MH-1994-PLC-077090

**Offer for Units at**  
NAV Based Prices

1903, B-Wing, Parinee Crescenzo, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051

**Call: (022) 6282 7777** (Monday to Saturday 9:00 am to 5:30 pm)

**E-mail:** [service@tataamc.com](mailto:service@tataamc.com) **Website:** [www.tatamutualfund.com](http://www.tatamutualfund.com)

<b>Investment Objective</b>	<p>The investment objective of the scheme is to provide income distribution and / or medium to long term capital gains by investing predominantly in equity / equity related instruments of the companies in the infrastructure sector.</p> <p>The scheme does not assure or guarantee any returns.</p>																								
<b>Asset Allocation</b>	<p>Under normal circumstances, the asset allocation of the Scheme will be as follows</p> <table border="1" data-bbox="304 331 1461 640"> <thead> <tr> <th rowspan="2">Instruments</th> <th colspan="2">Indicative Allocation (% of net assets)</th> <th rowspan="2">Risk Profile</th> </tr> <tr> <th>Minimum</th> <th>Maximum</th> </tr> </thead> <tbody> <tr> <td>Equity and equity related instruments of companies in the Infrastructure Sector.</td> <td align="center">80%</td> <td align="center">100%</td> <td align="center">High</td> </tr> <tr> <td>Equity and equity related instruments of other companies.</td> <td align="center">0%</td> <td align="center">20%</td> <td align="center">High</td> </tr> <tr> <td>Debt &amp; money market instruments*.</td> <td align="center">0%</td> <td align="center">20%</td> <td align="center">Low to Medium</td> </tr> <tr> <td>Units of REITs &amp; InvITs#</td> <td align="center">0%</td> <td align="center">10%</td> <td align="center">Medium to High</td> </tr> </tbody> </table> <p>*investments by the scheme in the securitised debt will not exceed 20% of the debt investment in the scheme.</p> <p>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. DNPD/Cir-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 scheme net assets will have a maximum derivative net position of 50% of the net assets of the scheme.</p> <p>The scheme may write call options under covered call strategy.</p> <p>Not more than 25% of the net assets of the scheme can be deployed in stock lending.</p> <p># No mutual fund under all its schemes shall own more than 10% of units issued by a single issuer of REIT and InvIT; and A mutual fund scheme shall not invest -</p> <p>a) more than 10% of its NAV in the units of REIT and InvIT; and</p> <p>b) more than 5% of its NAV in the units of REIT and InvIT issued by a single issuer</p> <p>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.</p> <p><b>Change in Investment Pattern</b></p> <p>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 30 days.</p> <p>In case deviation in investment pattern in 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.</p> <p><b>Risk Profile of the Scheme</b></p> <p>Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment. Scheme specific Risk Factors are summarized below:</p> <p><b>The Scheme is sectorial in nature, hence will be affected by the risks associated with the Infrastructure Sector.</b></p> <p><b>Owing to high concentration risk, risk of capital loss is highest. There is an element of unpredictable market cycles that could run for extended periods. Loss of value due to obsolescence, or regulatory changes coupled with structural rigidity of the fund can lead to permanent loss of capital.</b></p> <p><b>Investment Risks</b></p> <p>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</p>			Instruments	Indicative Allocation (% of net assets)		Risk Profile	Minimum	Maximum	Equity and equity related instruments of companies in the Infrastructure Sector.	80%	100%	High	Equity and equity related instruments of other companies.	0%	20%	High	Debt & money market instruments*.	0%	20%	Low to Medium	Units of REITs & InvITs#	0%	10%	Medium to High
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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 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.

**Counterparty Risk**

This is the risk of failure of counterparty to the transaction to deliver securities against consideration received or to pay consideration against securities delivered, in full or in part or as per the agreed specification. There could be losses to the scheme in case of counterparty default.

Derivatives carry the risk of adverse changes in the market price. The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

Although for exchange traded derivatives, the risk is mitigated as the exchange provides the guaranteed settlement however in OTC trades the possibility of settlement is limited.

**Risk associated with potential change in Tax structure**

This summary of tax implications given in the taxation section (Units and Offer Section III) is based on the current provisions of the applicable tax laws. This information is provided for general purpose only. The current taxation laws may change due to change in the 'Income Tax Act 1961' or any subsequent changes/amendments in Finance Act/Rules/Regulations. Any change may entail a higher outgo to the scheme or to the investors by way of securities transaction taxes, fees, taxes etc. thus adversely impacting the scheme and its returns.

**Risk Associated with Securitized Debt**

**Risk due to prepayment:** In case of securitized debt, changes in market interest rates and pre-payments may not change the absolute amount of receivables for the investors but may have an impact on the reinvestment of the periodic cash flows that an investor receives on securitized papers.

In the event of pre-payment of the underlying debt, investors may be exposed to changes in tenor and yield.

**Liquidity Risk:** Presently, despite recent legal developments permitting the listing of securitized debt instruments, the secondary market for securitized debt in India is not very liquid. Even if a more liquid market develops in the future, secondary transactions in such instruments may be at a discount to initial issue price due to changes in the interest rate structure.

**Limited Recourse and Credit Risk:** Certificates issued on investment in securitized debt represent a beneficial interest in the underlying receivables and there is no obligation on the issuer, seller or the originator in that regard. Defaults on the underlying loan can adversely affect the pay outs to the investors and thereby, adversely affect the NAV of the Scheme. While it is possible to repossess and sell the underlying asset, various factors can delay or prevent repossession and the price obtained on sale of such assets may be low.

**Bankruptcy Risk:** If the originator of securitized debt instruments in which the Scheme invests is subject to bankruptcy proceedings and the court in such proceedings concludes that the sale of the assets from originator to the trust was not a 'true sale', then the Scheme could experience losses or delays in the payments due. Normally, care is taken in structuring the securitization transaction so as to minimize the risk of the sale to the trust not being construed as a 'true sale'.

**Risk of Co-mingling:** Servicers in a securitization transaction normally deposit all payments received from the obligors into a collection account. However, there could be a time gap between collection by a servicer and depositing the same into the collection account. In this interim period, collections from the loan agreements by the servicer may not be segregated from other funds of the servicer. If the Servicer fails to remit such funds due to investors, investors in the Scheme may be exposed to a potential loss.

**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 is also be temporary illiquidity of the securities that are lent out and the scheme will not be able to sell such lent out securities until they are returned.

As with other modes of extensions of credit, there are risks inherent to securities lending, including the risk of failure of the other party, in this case the approved intermediary, to comply with the terms of the agreement entered into between the lender of securities i.e. the scheme and the approved intermediary. Such failure can result in the possible loss of rights to the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary.

**Risks associated with investing in Securities Segment and Tri-party Repo trade settlement:**

The mutual fund is a member of securities segment and Tri-party Repo trade settlement of the Clearing Corporation of India (CCIL). All transactions of the mutual fund in government securities and in Tri-party Repo trades are settled centrally through the infrastructure and settlement systems provided by CCIL; thus reducing the settlement and counterparty risks considerably for transactions in the said segments. The members are required to contribute an amount as communicated by CCIL from time to time to the default fund maintained by CCIL as a part of the default waterfall (a loss mitigating measure of CCIL in case of default by any member in settling transactions routed through CCIL). CCIL shall maintain two separate Default Funds in respect of its Securities Segment, one with a view to meet losses arising out of any default by its members from outright and repo trades and the other for meeting losses arising out of any default by its members from Triparty Repo trades. The mutual fund is exposed to the extent of its contribution to the default fund of CCIL, in the event that the

contribution of the mutual fund is called upon to absorb settlement/default losses of another member by CCIL, as a result the scheme may lose an amount equivalent to its contribution to the default fund.

**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.

**Risks Associated with Investments in REITs and InvITS:**

- Market Risk: REITs and InvITs Investments are volatile and subject to price fluctuations on a daily basis owing to factors impacting the underlying assets. AMC/Fund Manager’s will do the necessary due diligence, but actual market movements may be at variance with the anticipated trends.
- Liquidity Risk: As the liquidity of the investments made by the Scheme(s) could, at times, be restricted by trading volumes, settlement periods, dissolution of the trust, potential delisting of units on the exchange etc, the time taken by the Mutual Fund for liquidating the investments in the scheme may be high in the event of immediate redemption requirement. Investment in such securities may lead to increase in the scheme portfolio risk.
- Reinvestment Risk: Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns.
- Regulatory/Legal Risk: REITs and InvITs being new asset classes, rights of unit holders such as right to information etc. may differ from existing capital market asset classes under Indian Law.

**Risk of Writing of Call Option Under a Covered Call Strategy**

Under a delivery settlement a call writer will have to part with the physical holding of security which was originally intended for long term holding.

**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:

Nature of Risk	Mitigation Measures
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>

**Risk Mitigation measures for Debt and related Investments:**

Nature of Risk	Mitigation Measures
Liquidity Risk	Focus on good quality paper at the time of portfolio construction Portfolio exposure spread over various maturity buckets to in line with maturity of a scheme.
Credit Risk	In house dedicated team for credit appraisal Issuer wise exposure limit Rating grade wise exposure limit Independent rating of scheme portfolio by recognized rating agency. Periodical portfolio review by the Board of AMC
Interest Rate Risk	Close watch on the market events Active duration management Portfolio exposure spread over various maturities.
Regulatory Risk	Online monitoring of various exposure limits by the Front Office System also as a backup, manual control are implemented.

Further, the Investment Manager endeavours to invest in REITs/InvITs, where adequate due diligence and research has been performed by the Investment Manager. The Investment Manager also relies on their own research as well as third party research. The analysis will focus, amongst others, on the predictability and strength of cash flows, value of assets, capital structure, business prospects, policy environment, strength of management, responsiveness to business conditions, etc.

**Where the scheme will invest**

The scheme will invest in:

- i) Equity and equity related instruments (including derivatives) of companies in the Infrastructure sectors & other companies.
- ii) Small portion of investible funds in Debt and money market instruments

**Investment in Equities**

Investment in equity and equity related instruments will include securities such as:

- Equity shares of listed and to be listed companies;
- Equity Warrants
- Derivatives (which includes but is not limited to stock and index futures or such other derivatives as are or may be permitted under the Regulations and/or RBI from time to time).
- Convertible debentures;
- Preference shares/Convertible Preference Shares.

**Investment in Debt Securities**

Investment in Debt and Money Market securities will include securities such as:

- Domestic fixed income Instruments like Commercial Paper, Certificate of Deposit, Non-Convertible Debentures, Treasury Bills, Tri-Party Repo on CCIL platform with Government Securities as collateral, Repo in Government Securities.
- Zero Interest Bonds, Deep Discount Bonds, Floating Rate Bonds.

- Government Securities.
- Domestic Interest Rate Derivatives like interest rate swaps, forward rate agreement, interest rate futures, options and such other derivative instruments as permitted by SEBI / RBI from time to time.
- Any other like instruments as may be permitted by SEBI/RBI from time to time.

The scheme may invest in the units of REITs and InvITs.

- “REIT” or “Real Estate Investment Trust” shall have the meaning assigned in clause (zm) of sub-regulation 1 of regulation 2 of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014. REITs are companies that own and lease out commercial or residential real estate. The rental incomes from the properties are shared among REIT investors, who are allotted units. These units are tradeable on exchanges.
- “InvIT” or “Infrastructure Investment Trust” shall have the meaning assigned in clause (za) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014. InvITs are similar to REITs, except these own infrastructure assets not real estate

The securities mentioned above could be listed, to be listed, privately placed, secured, unsecured, rated and of maturity which is less than or equal to maturity of a scheme. The securities may be acquired through Initial Public Offerings (IPOs), secondary market operations, private placement, rights offers or negotiated deals.

**Investment Strategies**

The scheme invests predominantly in equity/ equity related instruments of companies in the infrastructure sector. Infrastructure sector comprises of Energy, Power & Power Equipment, Oil & Gas & related industries, Petroleum & related industries, Coal, Mining, Aluminium & other Metal Industries, Steel & Steel Utilities, Engineering, Construction & Construction Related Industries, Cement, Transportation, Ports, Telecommunications, Housing, Banking & Financial Services & Healthcare & Related Industries.

Infrastructure sector plays important role in country’s development and GDP growth. India has already negotiated the difficult transition from public infrastructure creation to a market-determined model. An ambitious reform programme initiated earlier & followed up by the governments has opened doors for private sector / foreign investment in infrastructure projects such as energy, petroleum, telecommunications transportation sectors etc. and in the Indian context, removal of regulatory and availability constraints on any product or service, has catalyzed investments, attracted competition and rationalized costs leading to a new growth trajectory. The infrastructure sector in the country is thus poised for accelerated growth in the coming years.

**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 this sector scheme.
2. All investments by the scheme in equity shares and equity related instruments shall only be made provided such securities are listed or to be listed.
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 Tri Party Repo on government securities or treasury bills.  
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.
- 4A A mutual fund scheme shall not invest in unlisted debt instruments including commercial papers, except Government Securities and other money market instruments: Provided that Mutual Fund Schemes may invest in unlisted non-convertible debentures up to a maximum of 10% of the debt portfolio of the scheme subject to such conditions as may be specified by the SEBI from time to time:  
Provided further that mutual fund schemes shall comply with the norms under this clause within the time and in the manner as may be specified by the SEBI:  
Provided further that the norms for investments by mutual fund schemes in unrated debt instruments shall be specified by the SEBI from time to time.  
Note:  
a) SEBI vide circular dt. 1st October 2019 & 28th April 2020 has issued following guidelines wrt investment in unlisted debt & money market instruments.  
b) Mutual fund scheme may invest in unlisted non-convertible debentures (NCDs) that have a simple structure (i.e with fixed and uniform coupon, fixed maturity period, without any options, fully paid up upfront, without any credit enhancements or structured obligations) and are rated and secured with coupon payment frequency on monthly basis.  
c) SEBI vid Circular dt. 28th April 2020 has allowed the existing unlisted NCDs to be grandfathered till maturity, such NCDs are herein referred to as “identified NCDs.

Accordingly, mutual funds schemes can transact in such identified NCDs and the criteria specified in point (b) above shall not be applicable for such identified NCDs, Subject to compliance with investment due diligence and all other applicable.

investment restrictions as given below:-

A mutual fund scheme shall not invest more than 10% of its NAV in unrated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the scheme. All such investments shall be made with the prior approval of the Board of Trustees and the Board of asset Management Company.

d) Maximum investment in unlisted NCDs will be 10 % of the debt portfolio of the scheme

SEBI vide Circular SEBI/HO/ IMD/ DF2 / CIR/P / 2019/104 dated October 01, 2019 has allowed the existing unlisted NCDs to be grandfathered till maturity, however SEBI vide circular number SEBI/HO/IMD/DF2/CIR/P/2020/75 dated 28th April 2020 clarified that the grandfathering of the identified NCDs is applicable across the mutual fund industry. Accordingly, mutual funds can transact in such identified NCDs. All fresh investments by mutual fund schemes in CPs would be made only in CPs which are listed or to be listed with effect from one month from the date of operationalization of framework for listing of CPs or January 01, 2020, whichever is later.

e) investment in unrated debt and money market instruments, other than government securities, treasury bills, derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. by mutual fund schemes shall be subject to the following:

I. Investments should only be made in such instruments, including bills re-discounting, usance bills, etc., that are generally not rated and for which separate investment norms or limits are not provided in SEBI (Mutual Fund) Regulations, 1996 and various circulars issued thereunder.

II. Exposure of mutual fund schemes in such instruments, shall not exceed 5% of the net assets of the schemes.

III. All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees.

f) Restrictions on Investment in debt instruments having Structured Obligations / Credit Enhancements:

The investment of mutual fund schemes in the following instruments shall not exceed 10% of the debt portfolio of the schemes and the group exposure in such instruments shall not exceed 5% of the debt portfolio of the schemes:

I. Unsupported rating of debt instruments (i.e. without factoring-in credit enhancements) is below investment grade and

II. Supported rating of debt instruments (i.e. after factoring-in credit enhancement) is above investment grade.

III. Investment limits as mentioned above shall not be applicable on investments in securitized debt instruments, as defined in SEBI (Public Offer and Listing of Securitized Debt Instruments) Regulations 2008.

IV. Investment in debt instruments, having credit enhancements backed by equity shares directly or indirectly, shall have a minimum cover of 4 times considering the market value of such shares.

5. The scheme shall not make any investment in;

- a) any unlisted security of an associate or group company of the sponsor; or
- b) any security issued by way of private placement by an associate or group company of the sponsor; or
- c) 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:-

(a) such transfers are done at the prevailing market price<sup>^</sup> for quoted instruments on spot basis.

Explanation- "spot basis" shall have same meaning as specified by stock exchange for spot transactions.

(b) the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.

<sup>^</sup>Note: SEBI vide circular no SEBI/HO/IMD/DF4/CIR/P/2019/102 dt. September 24, 2019 has prescribed the methodology for determination of price to be considered for inter scheme transfers. The additional safeguard prescribed by SEBI vide circular No. SEBI/HO/IMD/DF4/CIR/P/2020/202 dated October 8, 2020 will be followed.

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 interscheme 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 & SEBI/HO/IMD/DF4/CIR/P/2019/093 dated August 16, 2019.

a. The term 'short term' for parking of funds shall be treated as a period not exceeding 91 days.



	<p>b. Such deposits shall be held in the name of each Scheme.</p> <p>c. Each Scheme shall not park more than 15% of its net assets in the short term deposit(s) of all the scheduled commercial banks put together. However, it may be raised to 20% with the prior approval of the Trustee. Also, parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.</p> <p>d. Each Scheme shall not park more than 10% of its net assets in short term deposit(s) with any one scheduled commercial bank including its subsidiaries.</p> <p>e. Trustees /AMC will ensure that no funds of a scheme is parked in Short term deposit of a bank which has invested in that scheme and the bank in which a scheme has short term deposit do not invest in that scheme until the scheme has short term deposit with such bank.</p> <p>The above provisions do not apply to term deposits placed as margins for trading in cash and derivative market.</p> <p>11 The scheme shall not make any investment in any fund of funds scheme.</p> <p>12 The scheme will not advance any loan for any purpose.</p> <p>13 The fund 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.</p> <p>14 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.</p> <p>15 No mutual fund under all its schemes shall own more than 10% of units issued by a single issuer of REIT and InvIT; and</p> <p>A mutual fund scheme shall not invest -</p> <p>a) more than 10% of its NAV in the units of REIT and InvIT; and</p> <p>b) more than 5% of its NAV in the units of REIT and InvIT issued by a single issue</p> <p>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.</p> <p>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.</p> <p><b>Investment by Asset Management Company</b></p> <p>Apart from the above, TAML (the AMC) may invest in the scheme 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. Investments by the AMC will be in accordance with Regulation 25(17) of the SEBI (MF) Regulations, 1996.</p> <p>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.</p>
<p><b>Plans and Options</b></p>	<p><b>Regular Plan (For applications routed through Distributors):</b></p> <ul style="list-style-type: none"> <li>• Growth Option</li> <li>• Income Distribution cum withdrawal Option (IDCW)</li> </ul> <p><b>Direct Plan (For applications not routed through Distributors):</b></p> <ul style="list-style-type: none"> <li>• Growth Option</li> <li>• Income Distribution cum withdrawal Option (IDCW)</li> </ul> <p>Income Distribution cum withdrawal Option has sub-options of</p> <ul style="list-style-type: none"> <li>• Payout of Income Distribution Cum Capital Withdrawal Option (IDCW- Payout Option)</li> <li>• Reinvestment of Income Distribution cum capital withdrawal option (IDCW- Reinvestment Option)</li> </ul> <p>Investor shall note that when units are sold, and sale price (NAV) is higher than face value of the unit, a portion of sale price that represents realized gains shall be credited to an Equalization Reserve Account and which can be used to pay dividend. Hence dividend amounts can be distributed out of investors capital (Equalization Reserve), which is part of sale price that represents realized gains.</p> <p>Please note that the Income Distribution shall be distributed at the discretion of the Trustees subject to availability of distributable surplus.</p> <p><b>Default Option: Growth</b></p> <p><b>Default Sub Option:</b> Reinvestment of Income Distribution cum capital withdrawal option (i.e Dividend Reinvestment)</p> <p><b>Default Plan:</b></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:

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.

**Applicable NAV (after the scheme opens for repurchase)**

**Applicable NAV for Subscription / Switch-in:**

Particulars	Applicable NAV
Valid applications received (time-stamped) upto 3.00 p.m. and where the funds for the entire amount are available for utilization before the cut-off time i.e. credited to the bank account of the scheme before the cut-off time.	The closing NAV of the same day.
Valid applications received (time-stamped) after 3.00 p.m. and where the funds for the entire amount are credited to the bank account of the scheme either on the same day or before the cut-off time of the next Business Day i.e. available for utilization before the cut-off time of the next Business Day.	The closing NAV of the next Business Day.
Valid applications received (time-stamped) upto 3.00 p.m. and where the funds for the entire amount are credited to the bank account of the scheme after the cut-off time on the same day i.e. available for utilization after the cut-off time of the Day.	The closing NAV of the next Business Day.
Where the application is time stamped any day before the credit of the funds to the scheme but the funds for the entire amount are credited to the bank account of the scheme before the cut-off time on any subsequent Business Day i.e. available for utilization before the cut-off time on that Business Day.	The closing NAV of such subsequent Business Day on which funds are available for utilisation.

In case application is time stamped after cut off timing on any day, the same will be considered as deemed to be received on the next business day.

In case funds are realised after cut-off timing on any day, the same will be considered as deemed to be realised /available for utilisation on the next business day.

**For Switch-ins including Systematic Investment Plan (SIP), Systematic Transfer Plan (STP) of any amount:**

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

- Application for switch-in is received before the applicable cut-off time.
- Funds for the entire amount of subscription / purchase as per the switch-in request are credited to the bank account of the Scheme before the cut-off time, and the funds are available for utilization before the cut-off time.
- In case of switch/STP transactions, funds will be made available for utilization in the switch-in-scheme based on the redemption payout cycle of the switch out scheme.

For investments through systematic investment routes such as Systematic Investment Plans (SIP),

Systematic Transfer Plans (STP), Dividend Transfer Plan (DTP), etc. the units will be allotted as per the closing NAV of the day on which the funds are available for utilization by the Target Scheme irrespective of the installment date of the SIP, STP or record date of dividend etc.

**KIM- TATA INFRASTRUCTURE FUND**

	<p><b>Redemption /Switch Out:</b> 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.</p> <p>Outstation cheques/demand drafts will not be accepted.</p> <p><b>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.</b></p> <p>While determining the price of the units, the fund will ensure that the repurchase price is not lower than 95 per cent of the Net Asset Value.</p>
<b>Minimum Application Amount / Number of Units under each plan</b>	<p><b>Minimum Amount for Purchase / switch in under each Plan :</b></p> <p>Rs. 5,000/- and in multiples of Re. 1/- thereafter.</p> <p>For additional investment Rs. 1,000/- and in multiples of Re. 1/-.</p> <p>The repurchase / switches request can be made for a minimum of: -Rs. 500/- / 50 units or folio balance whichever is lower.</p> <p>There is no minimum amount requirement, in case of investors opting to switch “all units” from any existing schemes of Tata Mutual Fund to this Scheme.</p>
<b>Despatch of Redemption cheque</b>	<p>The redemption proceeds will be despatched to the unit holders within 10 business days of the date of acceptance of the redemption request at the authorised centre of the Tata Mutual Fund.</p>
<b>Benchmark Index</b>	<p>S&amp; P BSE India Infrastructure Index TRI</p> <p>Total Return variant of the index (TRI) will be used for performance comparison.</p>
<b>Income Distribution Policy</b>	<p><b>Growth Option :</b></p> <p>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.</p> <p><b>Income Distribution Option :</b></p> <p>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.). 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.</p> <p><b>Reinvestment of Income Distribution cum capital withdrawal option:</b></p> <p>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 distribution amount would be reinvested in the Scheme on the immediately following ex-dividend date.</p> <p><b>Transfer of Income Distribution cum capital withdrawal plan:</b></p> <p>Under this facility investor can opt for reinvestment of income distribution amount into any other scheme of Tata Mutual Fund. This facility is available only for those investors who have opted for Reinvestment of Income Distribution cum capital withdrawal option.</p> <p>Under this facility, the net income distribution 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 income distribution, 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>
<b>Name of the Fund Manager</b>	<p>Mr. Abhinav Sharma (Fund Manager since 9.3.2021)</p>
<b>Name of the Trustee Company</b>	<p>Tata Trustee Co. Ltd.</p>

## Performance of the scheme

## Scheme Performance as on 31.3.2021

Compounded Annualized returns	Scheme Returns%	Benchmark Returns% (S&P BSE India Infrastructure TRI)
Returns for last 1 year	82.37	94.11
Returns for last 3 years	8.70	1.77
Returns for last 5 years	12.45	10.27
Returns since inception	12.96	NA

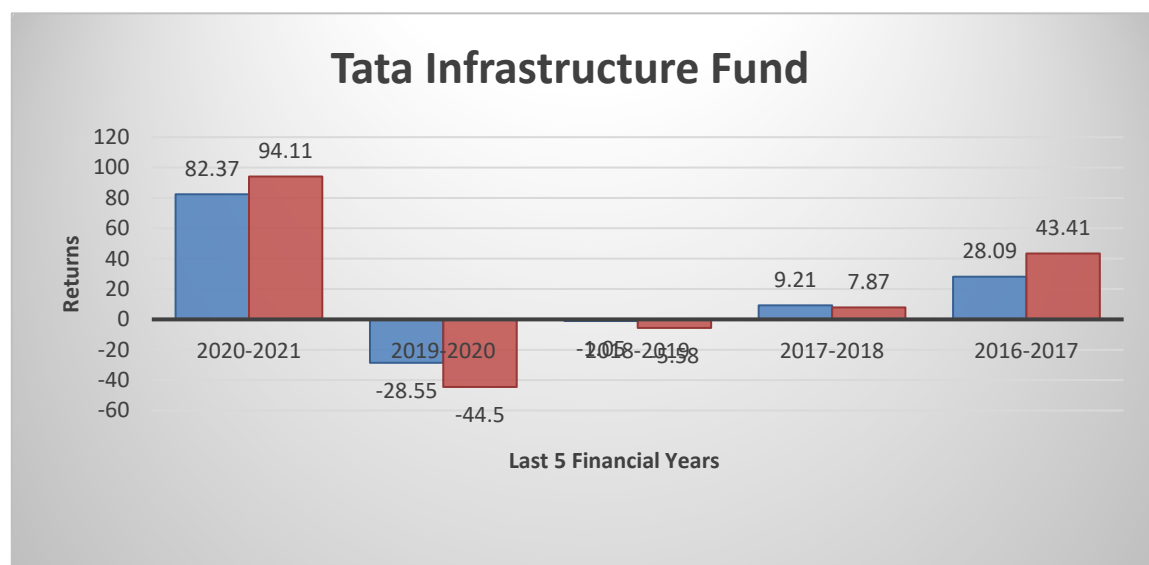
## Scheme Performance as on 30.4.2021

Compounded Annualized returns	Scheme Returns%	Benchmark Returns% (S&P BSE India Infrastructure TRI)
Returns for last 1 year	63.10	71.37
Returns for last 3 years	6.27	-0.61
Returns for last 5 years	11.38	9.58
Returns since inception	12.71	NA

Returns given for Regular Plan-Growth Option. Past performance of the scheme may or may not be sustained in future.

## Absolute returns for each financial year for the last 5 years

Financial Year	Scheme Return (%)	Benchmark (S&P BSE India Infrastructure TRI) Return (%)
2020-2021	82.37	94.11
2019-2020	-28.55	-44.50
2018-2019	-1.05	-5.58
2017-2018	9.21	7.87
2016-2017	28.09	43.41



Past Performance may or may not be sustained in future. Returns are given for Regular plan-Growth Option.

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 31.03.2021

Name of Issuer	% of NAV
LARSEN & TOUBRO LTD.	9.16
KNR CONSTRUCTION	5.51
ASTRAL POLY TECHNIK LTD.	4.66
POWER GRID CORPORATION OF INDIA LTD.	4.64
GRINDWELL NORTON LTD.	3.96
3M INDIA LTD.	3.95

**KIM- TATA INFRASTRUCTURE FUND**

SIEMENS INDIA LTD.	3.9
ULTRATECH CEMENT LTD.	3.51
GRASIM INDUSTRIES LTD.	3.31
AIA ENGINEERING LTD.	3.02

**Top 10 holdings by issuer as on 30.04.2021**

Name of Issuer	% of NAV
LARSEN & TOUBRO LTD.	9.29
KNR CONSTRUCTION	5.28
POWER GRID CORPORATION OF INDIA LTD.	4.83
ASTRAL POLY TECHNIK LTD.	4.64
SIEMENS INDIA LTD.	4.06
GRINDWELL NORTON LTD.	3.89
3M INDIA LTD.	3.38
ULTRATECH CEMENT LTD.	3.34
GRASIM INDUSTRIES LTD.	3.26
ACC LTD.	3.04

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 31.03.2021**

Sectors	% of AUM
INDUSTRIAL MANUFACTURING	29.86
CONSTRUCTION	17.95
CEMENT & CEMENT PRODUCTS	12.65
OIL & GAS	9.62
POWER	8.15
METALS	5.43
CONSUMER GOODS	5.34
SERVICES	4.17
TELECOM	2.54
PAPER	2.09

**Funds Allocation towards various sectors as on 30.04.2021**

Sectors	% of AUM
INDUSTRIAL MANUFACTURING	31.79
CONSTRUCTION	19.06
CEMENT & CEMENT PRODUCTS	11.89
POWER	9.92
OIL & GAS	9.85
SERVICES	4.25
CONSUMER GOODS	3.38
METALS	3.1
TELECOM	2.69
PAPER AND JUTE	2.21

**Portfolio Turnover Ratio:** 0.68 Times as on 31<sup>st</sup> March 2021 and as on 30<sup>th</sup> April 2021 :0.69 (for 13 Months).

**Expenses of the Scheme**

<p><b>(i) Load Structure</b></p>	<p><b>Entry Load:</b> NA  <b>Exit Load:</b> 0.25% of NAV if redeemed /switched out before 30 days from the date of allotment.</p> <p>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:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> </ul>																																																							
<p><b>(ii) Annual Recurring expenses</b></p>	<p>Actual Expenses for the previous financial year ((% to Daily Net Assets for the F.Y. 2020-21)</p> <p>Regular Plan: 2.60%</p> <p>Direct Plan: 1.85%</p> <p>The fund shall update the current expense ratios on the website( <a href="http://www.tatamutualfund.com">www.tatamutualfund.com</a>) at least three working days prior to the effective date of the change. The exact web link for TER is <a href="https://www.tatamutualfund.com/expense-ratio">https://www.tatamutualfund.com/expense-ratio</a>.</p> <p>Illustration of impact of expense ratio on scheme return:</p> <table border="1" data-bbox="632 958 1337 1137"> <tr> <td>Amount Invested (Rs)</td> <td>10,000</td> </tr> <tr> <td>Gross Returns-assumed</td> <td>15%</td> </tr> <tr> <td>Closing NAV before expenses (Rs.)</td> <td>11,500</td> </tr> <tr> <td>Expenses (Rs)</td> <td>250</td> </tr> <tr> <td>Total NAV after charging expenses (Rs)</td> <td>11,250</td> </tr> <tr> <td>Net returns to investor</td> <td>12.50%</td> </tr> </table> <p>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.</p> <p><b>Fees &amp; Expenses:</b>  The maximum recurring expenses of the Scheme is estimated below:</p> <table border="1" data-bbox="304 1283 1461 1904"> <thead> <tr> <th>Ref</th> <th>Expenses Head</th> <th>% of Daily Net Assets #</th> </tr> </thead> <tbody> <tr> <td></td> <td>Investment Management and Advisory Fees</td> <td rowspan="14">Upto 2.25%</td> </tr> <tr> <td></td> <td>Trustee fee</td> </tr> <tr> <td></td> <td>Audit fees</td> </tr> <tr> <td></td> <td>Custodian fees</td> </tr> <tr> <td></td> <td>Other Expenses</td> </tr> <tr> <td></td> <td>RTA Fees</td> </tr> <tr> <td></td> <td>Marketing &amp; Selling expense incl. agent commission</td> </tr> <tr> <td></td> <td>Cost related to investor communications</td> </tr> <tr> <td></td> <td>Cost of fund transfer from location to location</td> </tr> <tr> <td></td> <td>Cost of providing account statements and dividend redemption cheques and warrants</td> </tr> <tr> <td></td> <td>Costs of statutory Advertisements</td> </tr> <tr> <td></td> <td>Cost towards investor education &amp; awareness (at least 2 bps)</td> </tr> <tr> <td></td> <td>Brokerage &amp; transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.</td> </tr> <tr> <td></td> <td>Goods &amp; Services tax on expenses other than investment and advisory fees</td> </tr> <tr> <td></td> <td>Goods &amp; Services tax on brokerage and transaction cost</td> </tr> <tr> <td>(a)</td> <td><b>Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c)</b></td> <td><b>Upto 2.25%*</b></td> </tr> <tr> <td>(b)</td> <td>Additional expenses under regulation 52 (6A) (c)**</td> <td>Upto 0.05%</td> </tr> <tr> <td>(c)</td> <td>Additional expenses for gross new inflows from specified cities under regulation 52 (6A) (b)</td> <td>Upto 0.30%^</td> </tr> </tbody> </table> <p>* Excluding Goods &amp; Services Tax on investment and advisory fees</p> <p><b># Note: Expenses of Direct Plan will be lower than expenses of the Regular Plan as no commission/distribution expenses will be charged in the case of Direct Plan. All fees and expenses charged in a direct plan (in percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in a regular plan. NAV of the Direct Plan will be different than the NAV of Regular Plan.</b></p>	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%	Ref	Expenses Head	% of Daily Net Assets #		Investment Management and Advisory Fees	Upto 2.25%		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)</b>	<b>Upto 2.25%*</b>	(b)	Additional expenses under regulation 52 (6A) (c)**	Upto 0.05%	(c)	Additional expenses for gross new inflows from specified cities under regulation 52 (6A) (b)	Upto 0.30%^
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(b)	Additional expenses under regulation 52 (6A) (c)**	Upto 0.05%																																																						
(c)	Additional expenses for gross new inflows from specified cities under regulation 52 (6A) (b)	Upto 0.30%^																																																						

	<p>In case of a scheme invest invests a minimum of sixty-five percent of its net assets in equity and equity related instruments, the scheme will be considered as equity oriented scheme for the purpose of total expense ratio.</p> <p>The maximum recurring expenses for the scheme shall be subject to following limits**</p> <ol style="list-style-type: none"> <li>a) on the first Rs.500 crores of the daily net assets: 2.25%</li> <li>b) on the next Rs.250 crores of the daily net assets: 2.00%</li> <li>c) on the next Rs.1250 crores of the daily net assets :1.75%</li> <li>d) on the next Rs.3000 crores of the daily net assets : 1.60%</li> <li>e) on the next Rs.5000 crores of the daily net assets : 1.50%</li> <li>f) On the next Rs. 40000 crores of the daily net assets: total expense ratio reduction of 0.05% for every increase of Rs.5000 crores of daily net assets or part thereof.</li> <li>g) on the balance of the assets : : 1.05%</li> </ol> <p><i>**in addition to the above the scheme may charge additional limit of 0.05% (The AMC shall not charge additional expenses under Regulation 52(6A)(c) in case exit load is not levied/ not applicable) specified in sub regulation (6A)(c) of Regulation 52 of SEBI (Mutual Funds) Regulations, 1996 excluding tax on investment management &amp; advisory fees and expenses not exceeding of 0.30 per cent of daily net assets as stated in regulation 6A(b) of SEBI ( Mutual Funds) Regulation, 1996.</i></p> <p>^ 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 atleast:</p> <ol style="list-style-type: none"> <li>(i) 30 per cent of gross new inflows in the scheme, or;</li> <li>(ii) 15 per cent of the average assets under management (year to date) of the scheme, whichever is higher:</li> </ol> <p>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:</p> <p>Provided further that expenses charged under this clause shall be utilised for distribution expenses incurred for bringing inflows from such cities:</p> <p>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.</p> <p>Additional TER can be charged based on inflows only from retail investors (i. e other than corporates and institutions) from B 30 cities as defined in the SEBI circular SEBI/HO/IMD/DF2/CIR/P/2019/42 March 25, 2019. Inflows of amount upto Rs.200000/- per transaction, by individual investors shall be considered as inflows from "retail investor".</p> <p>Notes:</p> <ol style="list-style-type: none"> <li>1) Brokerage &amp; 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.</li> <li>2) AMC shall annually set apart atleast 2 basis point on daily net assets for investor's education and awareness initiatives. The fund shall update the current expense ratios on the website( <a href="http://www.tatamutualfund.com">www.tatamutualfund.com</a>) at least three working days prior to the effective date of the change. The exact web link for TER is <a href="https://www.tatamutualfund.com/expense-ratio">https://www.tatamutualfund.com/expense-ratio</a></li> </ol>
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**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.

SEBI vide Circular dated Sept 13, 2012 has directed mutual funds to capture the unique identity number (EUIN) of the employee/sales person of the distributor interacting with the investor for the sale of mutual funds products in addition to the valid AMFI registration number (ARN) code of the distributor, ARN code of the sub broker . In the interest of the investors it is urged to ensure that the box/space provided for EUIN number, ARN code for distributor and ARN code of the sub broker in the application form to be properly filed up. It is out-most important to provide the

## KIM- TATA INFRASTRUCTURE FUND

EUIN number particularly in advisory transactions, which will assist in tackling the problem of mis-selling even if the employee/relationship manager/sales person on whose advice the transaction was executed leaves the employment of the distributor or his/her sub broker.

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

Scheme Name	Asset Allocation Pattern	Primary Investment Focus	AUM (Rs. Crore)	No. of Folios
<b>Tata Mid Cap Growth Fund</b>	65% to 100% investment in Equity and equity related instruments and up to 35% in 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>	As on 31.32021:1129.87  As on 30.4.2021:1152.76	As on 31.32021:80353  As on 30.4.2021:81528
<b>Tata Large &amp; Mid Cap Fund</b>	Large Cap Equity -35% to 65%,Mid Cap Equity -35% to 65%,Other Equity/Securities-0% to 30%.	Primary focus on investing in equity and equity related instruments of Large-Large Cap Equity -35% to 65%,Mid Cap Equity -35% to 65%,Other Equity/Securities-0% to 30%  <b>At present we do not have other similar scheme.</b>	As on 31.32021:2158.66  As on 30.4.2021:2138.10	As on 31.32021:198017  As on 30.4.2021:199629
<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>	As on 31.32021:4548.74  As on 30.4.2021:4500.84	As on 31.32021:256423  As on 30.4.2021:254079
<b>Tata Large Cap Fund</b>	80% to 100% investment in equity & equity related instruments of large cap companies, 0% to 20% in other equity including overseas securities, & 0-20% 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>	As on 31.32021:892.34  As on 30.4.2021:896.21	As on 31.32021:75929  As on 30.4.2021:75995
<b>Tata Small Cap Fund</b>	65%-100% in Equity & Equity related instrument of small cap companies,0-35% in equity & equity related instrument of other than small cap companies or debt or money market instrument or Units of REITS and InvITs.	The scheme will predominantly invest in equity or equity related instrument of small cap companies. The scheme can also invest some portion in other than small cap companies.  <b>At present we do not have other similar scheme.</b>	As on 31.32021:1003.93  As on 30.4.2021:1050.83	As on 31.32021:43147  As on 30.4.2021:44122
<b>Tata India Tax Savings Fund</b>	The scheme invests atleast 80% of the investible funds in equity/equity related instruments and balance amount (0-20%) in debt and money market instruments.	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>	As on 31.32021:2640.57  As on 30.4.2021:2559.51	As on 31.32021:295527  As on 30.4.2021:294897
<b>Tata Focused Equity Fund</b>	65% to 100% investment in Equity and equity related instruments Subject to overall limit of 30 stocks across market capitalisation and up to 35% in debt and money market instrument	The scheme aims to generate long term capital appreciation by predominantly investing in a concentrated portfolio of equity & equity related instruments of maximum 30 stocks across market capitalisation.  <b>At present we do not have other similar scheme</b>	As on 31.32021:1155.90  As on 30.4.2021:1131.69	As on 31.32021:63579  As on 30.4.2021:63347



**KIM- TATA INFRASTRUCTURE FUND**

<b>Scheme Name</b>	<b>Asset Allocation Pattern</b>	<b>Primary Investment Focus</b>	<b>AUM (Rs. Crore)</b>	<b>No. of Folios</b>
<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>	As on 31.3.2021:601.14 As on 30.4.2021:588.86	As on 31.3.2021:74577 As on 30.4.2021:74740
<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>	As on 31.3.2021:661.29 As on 30.4.2021:683.68	As on 31.3.2021:53755 As on 30.4.2021:54311
<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>	As on 31.3.2021:1187.62 As on 30.4.2021:1168.37	As on 31.3.2021:94676 As on 30.4.2021:94176
<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. <b>At present we do not have other similar scheme.</b>	As on 31.3.2021:1166.85 As on 30.4.2021:1287.65	As on 31.3.2021:228658 As on 30.4.2021:263353
<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>	As on 31.3.2021:435.45 As on 30.4.2021:492.82	As on 31.3.2021:54500 As on 30.4.2021:57682
<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>	As on 31.3.2021:72.97 As on 30.4.2021:81.25	As on 31.3.2021:9148 As on 30.4.2021:10093
<b>Tata Quant Fund</b>	80%-100% in equity and equity related instruments selected based on a quantitative model (Quant Model) & 0-20% in debt & money market instruments	investing in equity and equity related instruments selected based on a quantitative model (Quant Model) <b>At present we do not have other similar scheme</b>	As on 31.3.2021:81.54 As on 30.4.2021:77.07	As on 31.3.2021:10610 As on 30.4.2021:10212
<b>Tata Ethical Fund</b>	80% to 100% investment in equity & equity Shariah compliant companies and 0-20% in other shariah compliant 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>	As on 31.3.2021:802.09 As on 30.4.2021:818.30	As on 31.3.2021:35916 As on 30.4.2021:36994
<b>Tata Flexi Cap Fund</b>	65% to 100% investment in Equity and equity related instruments and up to 35% in debt instruments.	Primarily investing in a diversified portfolio consisting of equity and equity related instruments across market capitalization. The scheme is an open ended dynamic equity scheme investing across large cap, mid cap, small cap stocks. <b>At present we do not have other similar scheme.</b>	As on 31.3.2021:1829.20 As on 30.4.2021:1822.50	As on 31.3.2021:133364 As on 30.4.2021:133517

**Tax Treatment for Investor of Investments in Mutual Funds**

Certain tax benefits as described below are available, under present taxation laws to the Unitholders holding Units of Mutual Fund Scheme as an investment. The information set out below is included for general information purposes only and does not constitute legal or tax advice. In view of the individual nature of the tax consequences, **each investor is advised to consult his or her own tax consultant with respect to specific tax implications arising out of their participation in the Scheme.** Income Tax benefits to the mutual fund and to the unitholder is in accordance with the prevailing tax a law as certified by the mutual funds tax consultant.

The Finance Act, 2020 abolished dividend distribution tax and instead introduced taxing of income from mutual fund units in the hands of the unit holders.

Type of Investor	Withholding tax rate
Resident	10%*
NRI	20%**

\* Tax not deductible if dividend income in respect of units of a mutual fund is below Rs. 5,000 in a financial year.

\*\* The base tax is to be further increased by surcharge at the rate of:

- 37% on base tax where total income exceeds Rs. 5 crore;
- 25% where total income exceeds Rs. 2 crore but does not exceed Rs. 5 crore;
- 15% where total income exceeds Rs. 1 crore but does not exceed Rs. 2 crore; and
- 10% where total income exceeds Rs. 50 lakhs but does not exceed Rs. 1 crore

Further, "Health and Education Cess" is to be levied at 4% on aggregate of base tax and surcharge.

**Capital Gains Taxation**

	Resident Investors/NRI's \$	Domestic Company @
<b>Rate of Tax</b>		
<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).

\$Surcharge to be levied at:

- 37% on base tax where specified income exceeds Rs. 5 crore;
- 25% where specified income exceeds Rs. 2 crore but does not exceed Rs. 5 crore;
- 15% where total income exceeds Rs. 1 crore but does not exceed Rs. 2 crore; and
- 10% where total income exceeds Rs. 50 lakhs but does not exceed Rs. 1 crore.

Further, Health and Education Cess to be levied at the rate of 4% on aggregate of base tax and surcharge.

@ Surcharge at 7% on base tax is applicable where total income of domestic corporate unit holders exceeds Rs 1 crore but does not exceed 10 crores and at 12% where total income exceeds 10 crores. However, surcharge at flat rate of 10 percent to be levied on base tax for the companies opting for lower rate of tax of 22%/15%. Further, "Health and Education Cess" to be levied at the rate of 4% on aggregate of base tax and surcharge.

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:

<b>Taxable securities transaction</b>	<b>Payable by</b>	<b>Rate (as a % of value of the transaction)</b>
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.

**Stamp Duty**

With effect from 1st July 2020 a stamp duty @ 0.005% of the transaction value would be levied on mutual fund investment transactions. Accordingly the number of units allotted on purchases, switch-ins, SIP/STP installments and including dividend reinvestment to the unitholders would be reduced to that extent.

**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 Withholding 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.**

**Publication of Daily Net Asset Value (NAV):**

The NAVs will be calculated and disclosed on every Business Day. The AMC will prominently disclose the NAVs under a separate head on the website of the Fund ([www.tatamutualfund.com](http://www.tatamutualfund.com)) and of the Association of Mutual Funds in India-AMFI ([www.amfiindia.com](http://www.amfiindia.com)) by 11 p.m on every Business Day.

Investor may write to AMC for availing facility of receiving the latest NAVs through SMS.

**Illustration of Calculation of Sale & Repurchase Price:**

Assumed NAV Rs. 11.00 per unit

Entry Load: NIL

Exit Load 1%

Sale Price = NAV + (Entry Load (%) \* NAV)

Sale Price = 11 + (0% \* 11)

Sale Price = 11 + 0

Sale Price = Rs. 11/-

Repurchase Price

Repurchase Price = NAV – (exit load (%) \* NAV)

Repurchase Price = 11 – (1%\*11)

Repurchase Price = 11 – 0.11

Repurchase Price = Rs.10.89

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.

While determining the price of the units, the fund will ensure that the repurchase price is not lower than 95 per cent of the Net Asset Value.

### FOR INVESTOR GRIEVANCES PLEASE CONTACT

**Registrar:** Computer Age Management Services Pvt. Ltd., No. 178/10, Kodambakkam High Road, Opp. Hotel Palmgrove, Nungambakkam, Chennai 600 034. G Sathyanarayanan / Venkatesh Pai Tel. No. 044 - 3911 5563, 3911 5565, 3911 5567 Fax 28283 613 camslb1@camsonline.com

**AMC Office:** Ms. Kashmira Kalwachwala, Tata Asset Management Ltd. (Investment Manager for Tata Mutual Fund) Mulla House, Ground Floor, M.G. Road, Fort, Mumbai - 400 001. Call: (022) 6282 7777 (Monday to Saturday 9:00 am to 5:30 pm), Fax: 22613782, Email: enq\_T@camsonline.com, Website: www.tatamutualfund.com

### Investment Manager:

#### **Tata Asset Management Ltd.**

1903 B Wing Parinee Crescenzo G Block BKC Bandra East, Mumbai – 400 051 **Email: service@tataamc.com (Tata Mutual Fund email address)**

### Unitholders' Information

Account Statement: 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.

Tata Mutual Fund shall send first account statement for a new folio separately with all details registered in the folio by way of an e-mail/and/or SMS to the investor's registered address/email address/registered mobile number not later than five business days from the date of subscription or by way of physical statement not later than five business days from the date of receipt of request from the unitholder.

### **Consolidated Account Statement**

1. A single Consolidated Account Statement (CAS) on basis of PAN (PAN of the first holder & pattern of holding, in case of multiple holding) will be dispatched to unitholders having Mutual Fund investments & holding Demat accounts by Depositories as per the specified timeline specified by board at 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.
2. 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 on or within fifteenth day of the succeeding month.
3. In other cases i.e. where unitholders having no Demat account & only MF units holding, Tata Mutual Fund shall continue to send the CAS as is being send on or within fifteenth day of the succeeding month in which financial transaction takes place.
4. 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.
5. 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.
6. Each CAS issued to the investors shall also provide the total purchase value / cost of investment in each scheme.
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, as per the specified timeline specified by board of succeeding month, unless a specific request is made to receive the same in physical form.
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 on or within twenty first day of the succeeding month. Further, CAS issued for the half-year(September/March) shall also provide:
  - a. 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 Goods & Services Tax (wherever applicable, as per existing rates), operating expenses, etc.
  - b. The scheme's average Total Expense Ratio (in percentage terms) along with the break up between Investment and Advisory fees, Commission paid to the distributor and Other expenses for the period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in.

Official Points of Acceptance of Transaction through MF utility: 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 schemes 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 schemes of Tata Mutual Fund either physically or electronically. The list of POS of MFUI is published on the website of MFUI at [www.mfuindia.com](http://www.mfuindia.com).

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.

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 schemes of various mutual funds through MFUI 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 MFUI. Investors are requested to visit the website of MFUI i.e. [www.mfuindia.com](http://www.mfuindia.com) to download the relevant forms.

For any queries or clarifications related to MFUI, 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 [clientservices@mfuindia.com](mailto:clientservices@mfuindia.com).

Pursuant to Association of Mutual Funds in India (AMFI) Best Practices Guidelines Circular No. 48/2014-15 dated June 24, 2014 on the process for dealing with applications where the scheme name in the Application Form / Transaction Slip & payment instrument differs has been standardized.

In case of fresh/additional purchases, if the name of a particular Scheme on the application form/transaction slip differs from the name of the scheme on the Payment instrument, the application will be processed & units allotted at applicable NAV of the scheme mentioned in the application form / transaction slip duly signed by investor(s).

Tata Asset Management Ltd. (AMC) reserves the right to call for other additional documents as may be required, for processing such transactions. The AMC also reserves the right to reject such transactions.

The AMC thereafter shall not be responsible for any loss suffered by the investor due to the discrepancy in the scheme name mentioned in the application form/transaction slip and payment instrument.

SEBI Circular dated Sept 13, 2012 has directed mutual funds to capture the unique identity number (EUIN) of the employee/sales person of the distributor interacting with the investor for the sale of mutual funds products in addition to the valid AMFI registration number (ARN) code of the distributor, ARN code of the sub broker. In the interest of the investors it is urged to ensure that the box/space provided for EUIN number, ARN code for distributor and ARN code of the sub broker in the application form to be properly filled up. It is out-most important to provide the EUIN number particularly in advisory transactions, which will assist in tackling the problem of mis-selling even if the employee/relationship manager/ sales person on whose advice the transaction was executed leaves the employment of the distributor or his/her sub broker.

The Fund will disclose details of the investor's account and all his transactions to the intermediaries whose stamp appears on the application form. In addition, the fund will disclose details as necessary, to the Fund's and investor's bankers, for the purpose of effecting payments to the investor. Further, investors' may also be disclosed to Government Authorities such as income tax authorities, SEBI, etc.

The unitholder may request for a physical account statement by writing/ calling the AMC/ISC/R&T.

### **Portfolio Disclosure:**

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) on or before the tenth day of succeeding month.

In case of unitholders whose email addresses are registered, Tata Mutual Fund will send via email both the monthly and half yearly statement of scheme portfolio within 10 days from the close of each month /half year respectively.

Tata Mutual Fund will publish an advertisement every half-year, in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the half yearly statement of the schemes portfolio on the AMC's website [www.tatamutualfund.com](http://www.tatamutualfund.com) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)). Tata Mutual Fund will provide physical copy of the statement of scheme portfolio without any cost, on specific request received from a unitholder.

**Unaudited Financial Results:** Tata Mutual Fund/ Tata Asset Management Ltd shall within one month from the close of each half year, that is on 31st March & 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.

Tata Mutual Fund / Tata Asset Management Ltd shall publish an advertisement disclosing the hosting of such financial results on their website, in atleast 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, in the format prescribed by SEBI, will be hosted on AMC's website [www.tatamutualfund.com](http://www.tatamutualfund.com) and on the website of AMFI [www.amfiindia.com](http://www.amfiindia.com). The scheme wise annual report or an abridged summary thereof, in the format prescribed, shall be sent by way of e-mail to the investor's registered e-mail address not later than four months from the date of closure of the relevant account's year.

Investors who have not registered their email id, will have an option of receiving a physical copy of the Annual Report or Abridged Summary thereof. Tata Mutual Fund will provide a physical copy of the abridged summary of the Annual Report, without charging any cost, on specific request received from a unitholder. Physical copies of the report will also be available to the unitholders at the registered offices at all times. Tata Mutual Fund will publish an advertisement every year, in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the scheme wise annual report on the AMC website ([www.tatamutualfund.com](http://www.tatamutualfund.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)).

**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. AMC will follow uniform process 'in respect of investments made in the name of a minor through a guardian' by SEBI vide circular no SEBI/HO/IMD/DF3/CIR/P/2019/166 dated December 24, 2019.
- 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 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.

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.

**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.

### How to apply:

**KYC Procedure:** SEBI vide Circular no. CIR/MIRSD/66/2016 dated July 21, 2016 and circular no. CIR/MIRSD/120/2016 dated November 10, 2016 has intimated about the operationalization of Central KYC Records Registry ("CKYCR").

AMFI vide Best Practice Guideline circular no. 135/BP/68/2016-17 dated December 22, 2016 has prescribed guidelines including Central KYC ("CKYC") forms for implementing the CKYC norms.

In this regard, any individual customer who has not done KYC under the KYC Registration Agency (KRA) regime shall fill the new CKYC form.

If such new customer uses the old KRA KYC form, such customer would either fill the new CKYC or provide additional / missing information in the Supplementary CKYC form.

Non-Individual Investors to use the existing KYC forms for KYC process.

Application forms complete in all respects, accompanied by or cheque / draft are to be submitted to any of the Authorised Investor Service Centres, as stated in the scheme information document or as may be decided by AMC from time to time. **All cheques and bank drafts accompanying the application form should contain the application form number and the name of the applicant on its reverse. For additional instructions, investors are requested to follow the application form carefully. All cheques/ drafts by the applicants should be made out in favour of "The name of the scheme" and crossed "A/c Payee and Not Negotiable".**

Investors subscribing under Direct Plan of a Scheme will have to indicate "Direct Plan" against the scheme name in the application form e.g., "**Scheme Name – Direct Plan**". Investors should also indicate "Direct" in the ARN column of the application form.

**For Existing Investments:** Investors wishing to transfer their accumulated unit balance held under Existing Plan (through lumpsum / systematic investments made with or without Distributor code) to Direct Plan will have to switch /redeem their investments (subject to applicable Exit Load, if any) & apply under Direct Plan.

Investors who have invested without Distributor code & have opted for Dividend Reinvestment facility under Existing Plan may note that the dividend will continue to be reinvested in the Existing Plan only.

Application form (duly completed), along with a cheque (drawn on Chennai) / DD (payable at Chennai) may also be sent by Mail directly to the Registrar viz. Computer Age Management Services (Private) Limited, Unit: Tata Mutual Fund, No. 178/10, Kodambakkam High Road, Opp. Hotel Palmgrove, Nungambakkam, Chennai 600 034.

**If there is no Authorised Investor Service Centres where the investor resides, he/she may purchase a Demand Draft from any other Bank in favour of "The name of the scheme" and crossed "A/c Payee and Not Negotiable" respectively payable at Chennai, after deducting bank charges / commission (not exceeding charges prescribed by State Bank of India) from the amount of investment.** If such bank charges / commission are not deducted by the applicant, then the same may not be reimbursed. However, in case of application along with local Cheque or Bank Draft payable at Mumbai, at / from locations where TMF has its designated Authorised Investor Service Centres, Bank Draft charges/ commission may have to be borne by the applicant. In such cases the Trustee Company is entitled, in its sole and absolute discretion, to reject or accept any application.

**Option to hold Units in dematerialized (demat) form:** W.e.f. 01 January, 2012 option to hold Units in dematerialized (demat) form is available for subscription by way of SIP, also in all schemes of Tata Mutual Fund (except for subscription in Plans / Options where dividend distribution frequency is less than one month). In case of SIP, units will be allotted based on the applicable NAV as per respective SID & will be credited to investors Demat Account on weekly basis on realisation of funds. Investors opting for allotment of units in demat form shall mention demat account details in the application form.

For restriction on acceptance of third-party payments for subscription of units of schemes, kindly refer application / instruction form.

### Subscription by NRIs

In terms of Schedule 5 of Notification no. FEMA 20/2000 dated May 3, 2000, RBI has granted general permission to NRIs to purchase, on a repatriation basis unit of domestic mutual funds. Further, the general permission is also granted to NRIs to sell the units to the mutual funds for repurchase or for the payment of maturity proceeds, provided that the units have been purchased in accordance with the conditions set out in the aforesaid notification. For the purpose of this section, the term "mutual funds" is as referred to in Clause (23D) of Section 10 of Income-Tax Act 1961. However, NRI investors, if so desired, also have the option to make their investment on a non-repatriable basis.

### Subscription by FPI

Foreign portfolio investor (FPI) means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of SEBI (Foreign Portfolio Investors) Regulations, 2014, provided that any foreign institutional investor or qualified foreign investor who

holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid.

No person shall buy, sell or otherwise deal in securities as a foreign portfolio investor unless it has obtained a certificate granted by the designated depository participant on behalf of SEBI.

Under SEBI (Foreign Portfolio Investors) Regulations, 2014 FPI (FII/Sub Account of FII) are allowed to invest in Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; subject to compliance of the investment limits and terms and conditions as may be specified by SEBI/RBI.

**Mode of Payment on Repatriation basis****NRIs**

In case of NRIs and persons of Indian origin residing abroad, payment may be made by way of Indian Rupee drafts purchased abroad and payable at Mumbai or by way of cheques drawn on Non-Resident (External) (NRE) Accounts payable at par at Mumbai. Payments can also be made by means of rupee drafts payable at Mumbai and purchased out of funds held in NRE / FCNR Accounts.

In case Indian rupee drafts are purchased abroad or from Foreign Currency Accounts or Non-resident Rupee Accounts an account debit certificate from the Bank issuing the draft confirming the debit shall also be enclosed.

**FIIIs (which are deemed FPI)**

FIIIs may pay their subscription amounts either by way of inward remittance through normal banking channels or out of funds held in Foreign Currency Account or Non-resident Rupee Account maintained by the FII with a designated branch of an authorized dealer with the approval of the RBI subject to the terms and conditions set out in the aforesaid notification.

**Mode of payment on Non-Repatriation basis**

In case of NRIs/Persons of Indian origin seeking to apply for Units on a non-repatriation basis, payments may be made by cheques/demand drafts drawn out of Non-Resident Ordinary (NRO) accounts/ Non-Resident Special Rupee (NRSR) accounts and Non Resident Non-Repatriable (NRNR) accounts payable at the city where the Application Form is accepted.

Refunds, interest and other distribution (if any) and maturity proceeds/repurchase price and /or income earned (if any) will be payable in Indian Rupees only. The maturity proceeds/repurchase value of units issued on repatriation basis, income earned thereon, net of taxes may be credited to NRE/FCNR account (details of which should be furnished in the space provided for this purpose in the Application Form) of the non-resident investor or remitted to the non-resident investor. Such payments in Indian Rupees will be converted into US dollars or into any other currency, as may be permitted by the RBI, at the rate of exchange prevailing at the time of remittance and will be dispatched through Registered Post at the unitholders risk. The Fund will not be liable for any loss on account of exchange fluctuations, while converting the rupee amount in US dollar or any other currency. Credit of such proceeds to NRE/FCNR account or remittance thereof may be permitted by authorized dealer only on production of a certificate from the Fund that the investment was made out of inward remittance or from the Funds held in NRE/FCNR account of the investor maintained with an authorized dealer in India. However, there is no objection to credit of such proceeds to NRO/NRSR account of the investor if he so desires.

Subscription by Multilateral Funding Agencies, on full repatriation basis, is subject to approval by the Foreign Investment Promotion Board.

**Rejection of applications**

Applications not complete in any respect are liable to be rejected. The Trustee Company may reject any application not in accordance with the terms of the Scheme.

**Documents to be submitted****In the case of applications under Power of Attorney**

If any application or any request for transmission is signed by a person holding a valid Power of Attorney, the original Power of Attorney or a certified copy duly notarised should be submitted with the application or the transmission request, as the case may be, unless the Power of Attorney has already been registered with the Fund / Registrar.

In the case of applications by limited Company or a corporate body or an eligible institution or a registered society or a Trust or a Fund or a FII, etc.

In the case of applications by limited Company or a corporate body or an eligible institution or a registered society or a trust or a fund or a FII, a certified true copy of the Board resolution of the managing body authorising investments in Units including authority granted in favour of the officials signing the application for Units & their specimen signature etc. alongwith a certified copy of the Memorandum & Articles of Association & / or bye-laws & / or trust deed & / or partnership deed & Certificate of Registration should be submitted. The officials should sign the application under the official designation. In the case of a Trust/ Fund, it shall produce a resolution from the Trustee(s) authorising such purchases.

The above mentioned documents or duly certified copy thereof must be lodged separately at the office of the Registrar to the Offer, quoting the serial number of the application.

In case of non-submission of the above mentioned documents, the Trustee Company is entitled, in its sole and absolute discretion, to reject or accept any application.

**Transactions through online facilities / electronic modes:** The time of transaction done through various online facilities / electronic modes offered by the AMC, for the purpose of determining the applicability of NAV, would be the time when the request for purchase / sale / switch of units is received in the servers of AMC/RTA. 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. 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 be 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. The AMC has the right to amend cut off timings subject to SEBI (MF) Regulations for the smooth & efficient functioning of the Scheme(s).

**TRANSACTION THROUGH STOCK EXCHANGE PLATFORM**

**Tata Mutual Fund has signed an agreement with BSE & NSE for allowing transactions in the Scheme through stock exchange platform.**

The schemes covered in this KIM are admitted on the order routing platform of Bombay Stock Exchange Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). Under this facility investors can submit the application for subscription and redemption of units of the scheme through the Stock Exchange platform. The introduction of this facility is pursuant to guidelines issued by SEBI vide circular SEBI/IMD/CIR No.11/183204/2209 dated November 13, 2009 and the Stock Exchanges viz. BSE & NSE.

**The following are the salient features of the new facility introduced for the benefit of investors:**

1) This facility i.e., purchases (Lumpsum & SIP)/redemption of units will be available to both existing & new investors. Switching of units will not be permitted through stock exchange platform. 2) The investors will be eligible to purchase /redeem units of the aforesaid schemes. The list of eligible schemes is subject to change from time to time. 3) All trading members of BSE & NSE who are registered with AMFI as Mutual Fund Advisors & who have signed up with Tata Asset Management Ltd & also registered with BSE & NSE as Participants ("AMFI certified stock exchange brokers") will be eligible to offer this facility to investors. In order to facilitate transactions in mutual fund units through the stock exchange infrastructure, BSE has introduced BSE StAR MF Platform & NSE has introduced Mutual Fund Service System (MFSS). 4) The units of eligible Schemes are not listed on BSE & NSE & the same cannot be traded on the Stock Exchange like shares. The window for submission of application for purchase/redemption of units on BSE & NSE will be available between 9 a.m. & 3 p.m. or such other timings as may be decided by the Stock Exchanges. 5) The eligible AMFI certified stock exchange brokers will be considered as Official Points of Acceptance (OPA) of Tata Mutual Fund as per SEBI circular No. SEBI/IMD/CIR No/11/78450/06 dated October 11, 2006. 6) Investors have an option to subscribe/redeem units in physical or dematerialized form on BSE StAR & NSE MFSS MF system. In case of redemption request received through MFSS/BSE StAR/DP residual units will continue to remain in the Registrar & Transfer Agents records & the residual units will be redeemed only after investor request to redeem. 7) The facility to purchase through SIP is available in demat form on both BSE StAR & NSE MFSS platform. 8) As clarified by SEBI vide its circular no. CIR/IMD/DF/10/2010 dated August 18, 2010, restriction on transfer of units shall not be applicable to units held in dematerialized mode & thus the units are freely transferable. However, the restrictions on transfer of units of ELSS schemes during the lock in period shall continue to be applicable as per the ELSS guidelines. 9) Investors will be able to purchase/redeem units in eligible schemes in the following manner:

**(i.) Purchase of Units:****a. Physical Form (Available on NSE MFSS & BSE StAR MF)**

- The investor who chooses the physical mode is required to submit all requisite documents along with the purchase application (subject to applicable limits prescribed by BSE / NSE) to the AMFI certified stock exchange brokers.
- The AMFI certified stock exchange broker shall verify the application for mandatory details & KYC compliance.
- After completion of the verification, the purchase order will be entered in the Stock Exchange system & an order confirmation slip will be issued to investor.
- The investor will transfer the funds to the AMFI certified stock exchange brokers.
- Allotment details will be provided by the AMFI certified stock exchange brokers to the investor.

**b. Dematerialized Form (Available on NSE MFSS & BSE StAR MF)**

- The investors who intend to deal in depository mode are required to have a demat account with Central Depository Services (India) Ltd ("CDSL") / National Securities Depository Ltd. ("NSDL").
- The investor who chooses the depository mode is required to place an order for purchase of units (subject to applicable limits prescribed by BSE/NSE) with the AMFI certified stock exchange brokers.
- The investor should provide their depository account details to the AMFI certified stock exchange brokers.
- The purchase order will be entered in the Stock Exchange system & an order confirmation slip will be issued to investor.
- The investor will transfer the funds to the AMFI certified stock exchange brokers.

**(ii.) Redemption of Units:****a. Physical Form (Available on BSE StAR & NSE MFSS Platform)**

- The investor who chooses the physical mode is required to submit all requisite documents along with the redemption application (subject to applicable limits prescribed by BSE / NSE, if any) to the AMFI certified stock exchange brokers. There is no maximum cap on redemption request.
- The redemption order will be entered in the Stock Exchange system & an order confirmation slip will be issued to investor.
- In case of redemption request received through MFSS/BSE StAR/DP residual units will continue to remain in the Registrar & Transfer Agents records & the residual units will be redeemed only after investor request to redeem.
- The redemption proceeds will be credited to the bank account of the investor, as per the bank account mandate recorded with Tata Mutual Fund & within the timelines as per SEBI regulations as applicable from time to time or it will be sent to the investor in the mode selected by the investor.
- Redemption request may also be submitted to any of the Investor service centers.
- In case investors desire to convert the physical units into dematerialized form, the dematerialized request will have to be submitted with the Registrar.

**b. Dematerialized Form (Available on NSE MFSS & BSE StAR MF)**

- The investors who intend to deal in depository mode are required to have a demat account with CDSL/ NSDL & units converted from physical mode to demat mode prior to placing of redemption order.
- The investor who chooses the depository mode is required to place an order for redemption (subject to applicable limits prescribed by BSE/NSE) with the AMFI certified stock exchange brokers. The investors should provide their Depository Participant with Depository Instruction Slip with relevant units to be credited to Clearing Corporation pool account.
- The

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redemption order will be entered in the system & an order confirmation slip will be issued to investor. • Presently no limit is applicable for the redemption of units. • In respect of investors having demat account & purchasing & redeeming units through stock brokers & clearing members, investors shall receive redemption amount (If units are redeemed) & units (if units are purchased) through broker/clearing member's pool account. The Asset Management Company/ Mutual Fund will pay proceeds to the broker/clearing member (in case of redemption) & broker/clearing member in turn to the respective investor & similarly units shall be credited by MF/AMC into broker/clearing members' pool account (in case of purchase) & broker/clearing member in turn to the respective investor. It is to be noted that payment of redemption proceeds to the broker/clearing members by MF/AMC shall discharge MF/AMC of its obligation of payment to individual investor & in case of purchase of units, crediting units into broker/clearing member pool account shall discharge MF/AMC of its obligation to allot units to individual investor. Stock Exchanges & Depositories shall provide investor grievance handling mechanism to the extent they relate to disputes between their respective regulated entity & their client.

1) Applications for purchase/redemption of units which are incomplete /invalid are liable to be rejected. 2) In case of non-financial requests/ applications such as change of address, change of bank details, etc. investors should approach Investor Service Centres (ISCs) of Tata Mutual Fund if units are held in physical mode & the respective Depository Participant(s) if units are held in demat mode. 3) An account statement will be issued by Tata Mutual Fund to investors who purchase/ redeem their units under this facility in physical mode. In case of investors who intend to deal in units in depository mode, a demat statement will be sent by Depository Participant showing the credit/debit of units to their account. 4) The applicability of NAV will be subject to guidelines issued by SEBI from time to time on Uniform cut-off timings for applicability of NAV of Mutual Fund Scheme(s)/Plan(s). 5) Investors will have to comply with Know Your Customer (KYC) norms as prescribed by BSE/NSE/CDSL/ NSDL & Tata Mutual Fund to participate in this facility. 6) Investors should get in touch with Investor Service Centres (ISCs) of Tata Mutual Fund for further details. The Trustee reserves the right to change/modify the features of this facility at a later date.

Date: 31 May, 2021