TATA RESOURCES & ENERGY FUND– MAY 2022 UPDATE

(An open ended equity scheme investing in Resources and Energy Sector)

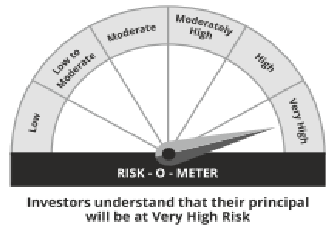
For External Circulation

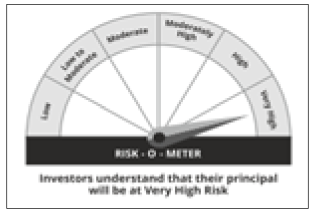
Data as on 30th April 2022

This product is suitable for investors who are seeking*:

- Long Term Capital Appreciation.
- Investment in equity/equity related instruments of the companies in the Resources & Energy sector in India.

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





Benchmark: Nifty Commodities TRI

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

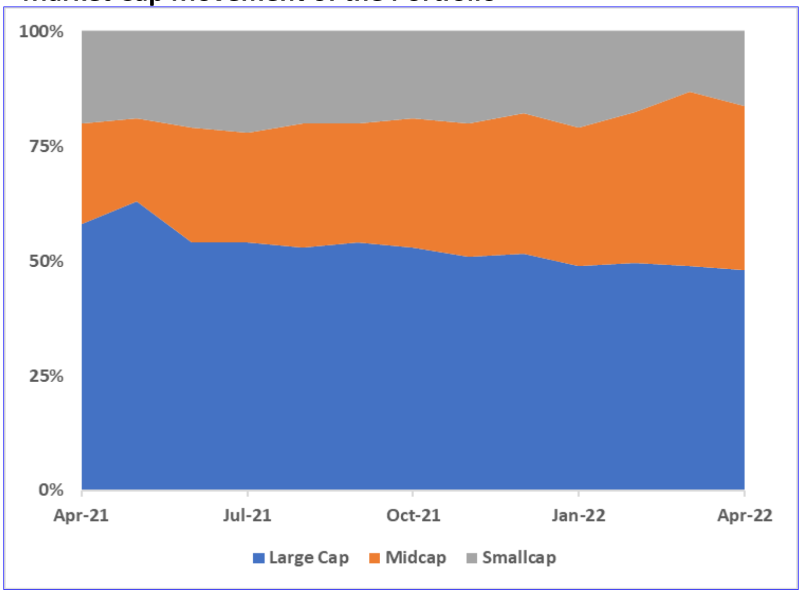
Fund Snapshot

Type of Fund	An open-ended scheme investing in Resources and Energy Sector
Benchmark	Nifty Commodities Index TRI
AUM	Rs. 185.80 Crores
Inception Date	28th December 2015
Expense Ratio	Reg: 2.55 Direct: 0.91
No of Holdings	35
Fund Manager	Satish Chandra Mishra (managing since 9 -Mar-21)

Fund Statistics

Statistic	Portfolio	Benchmark
Std. Deviation	14.14	12.85
Beta (Slope)	0.93	1.00
R (squared)	0.71	1.00
Sharpe	0.37	0.61
Treynor	1.60	2.26
Jenson	-0.61	—

Market Cap Movement of the Portfolio



About the Fund

The investment objective of the scheme is to seek long term capital appreciation by investing at least 80% of its net assets in equity/equity related instruments of companies in the resources and energy sectors in India.

Market Cap Allocations

Large Cap	47.41%
Midcap	36.23%
Smallcap	16.35%

Large Cap: 1st -100th company in terms of full market capitalization
Midcap: 101st -250th company in terms of full market capitalization
Small Cap: 251st company onwards in terms of full market capitalization

Top 10 Holdings

Stock	Allocation
Reliance Industries Ltd.	7.48%
Tata Steel Ltd.	6.25%
Jindal Steel & Power Ltd.	5.19%
Vedanta Ltd.	4.93%
Hindalco Industries Ltd.	4.64%
Ultratech Cement Ltd.	4.44%
Jindal Stainless Ltd.	3.84%
National Aluminum Co. Ltd.	3.57%
UPL Ltd.	3.31%
H.P.C.L	3.02%

Top Sectors

Sector	Allocation
Metals & Mining	30.00%
Chemicals	23.63%
Oil, Gas & Consumable Fuels	17.54%
Construction Materials	15.03%
Power	5.81%
Capital Goods	2.76%
Fast Moving Consumer Goods	1.74%

Portfolio Construction Approach

The fund manager constructs the portfolio according to the following general lines:

- The fund manager maintains a balance between growth and value stocks.

- The fund is composed out of a balance of secular (non-cyclical) businesses that can deliver growth even during a downturn and cyclical plays that can outperform when the particular themes take off (metal, cement etc.). Non-cyclical segments include areas such as chemicals and agricultural inputs (fertilizers & pesticides). Cyclical businesses include iron & steel and cement.

Current Portfolio Construction

Structural Plays

The positions take are a play on long-term structural changes in the business segments that provide these businesses the potential for a long runway for growth. The themes in this segment include:

Natural Gas (~4% of the portfolio): India's usage of natural gas is ~6-7%, compared to a global average of ~20%. The government is trying to increase the use of natural gas by homes and businesses and reducing the crude oil requirement (70% of which is imported).

Source: IEA

Aluminum (13% of the Portfolio): There is an increased demand for aluminum for the following reasons:

- There is an expectation of the increase sales and usage of electric vehicles over the coming few years, driven by concerns over climate change and pollution. This is likely to result in car makers shifting to using lighter metals such as aluminum to construct the bodies of automobiles, rather than steel as is done currently. The shift toward electric vehicles may result in a rise in the demand for aluminum, which could benefit producers. The fund has taken a significant position in companies producing aluminum.

- There is an increased usage of aluminum for packaging, replacing plastic and glass as it can be recycled more efficiently.

Select positions in the power sector (~6% of the portfolio) could also benefit from the expansion in charging infrastructure.

Specialty Chemicals(~7% of the portfolio): This sector is dominated by China which accounted for a majority of the production. However this dominance is increasingly challenged as users of these chemicals looking to diversify their supplier base (China+1 Strategy) and stronger environmental policies in China restricting production. The slack in production is likely to be taken up by Indian companies which already hold these capabilities, along with encouragement from the government.

Thematic Positions

Positions in this segment are play in themes over the short to medium term. The themes in the sector include the pickup in private capital expenditure, the Make in India policies of the government, expected rise in demand for select commodities, and government support for industries through direct and indirect subsidies. Some positions are taken based on valuation comfort with the aim of benefitting when valuations revive. Positions in this segment include:

Cement (~15% of the portfolio): The cement sector has seen a large amount of capex as there has been a rise in demand driven by capex in infrastructure and revival of the residential real estate market. Rising energy prices may impact profitability in the near term.

Ferrous Metals (15% of the portfolio): The majority of the production & consumption of steel is in China. Due to political and environmental considerations (Blue-Sky policy), there is an expectation of a balance in supply and demand going forward, especially with China is looking to reduce exports of simple steel products. This should benefit Indian steel companies. Valuations in the segment are comfortable.

Petroleum Products(~14% of the portfolio): Oil marketing companies (~6% of the portfolio) are seeing comfortable valuations, which can benefit when the sector revives. The balance (~8%) is in a large petrochemical business with additional holdings in telecom and retail sectors.

Fertilizers & Pesticides (17% of the Portfolio) : In times of uncertainty, the government takes steps to ensure that the food supply is stable. This generally results in an increase in subsidies to agricultural inputs such as fertilizers.